

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

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REPORT

OF

THE AUDITOR-GENERAL

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| THE NATIONAL ASSEMBLY | |
| DATE: 26 JUL 2023 | DAY: WED |
| TABLED BY: HON NAOMI WAQO, MP | Deputy majority whip |
| CLERK OF THE PARLIAMENT: | Enlycs MURUKI |

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KURESOI SOUTH CONSTITUENCY

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



KURESOI SOUTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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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;

Kuresoi South Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

- 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 Kuresoi South 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 2022 and who had direct fiduciary responsibility were:

| No | Designation | Name |
|----|-----------------------|----------------|
| 1. | A.I.E holder | Edwin Nyamu |
| 2. | Sub-County Accountant | Benard C Kirui |
| 3. | Chairman NGCDFC | Wilson Bii |
| 4. | Member NGCDFC | Japhet Rono |

(d) Fiduciary Oversight Arrangements

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

(e) Kuresoi South Constituency NGCDF Headquarters

P.O. Box 112,
NGCDF Building/House/Plaza
Keringet- Olenguruone Avenue/Road/Highway
KERINGET, KENYA

(f) Kuresoi South Constituency NGCDF Contacts

Telephone: (254) 722320794
E-mail: kuresoiscdf@gmail.com
Website: www.go.ke

(g) Kuresoi South Constituency NGCDF Bankers

Equity Bank
Molo Branch,
P.o Box 927-20106,
MOLO

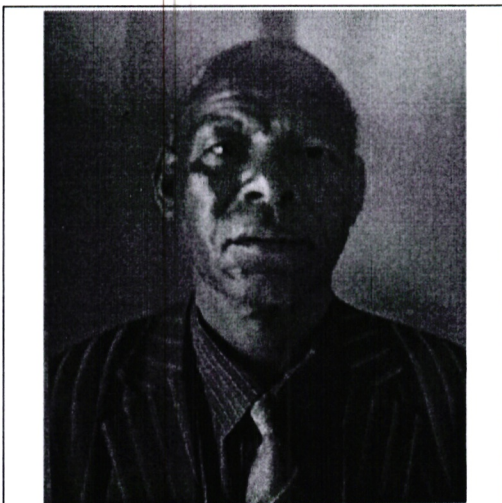
(h) Independent Auditors

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

(i) Principal Legal Adviser

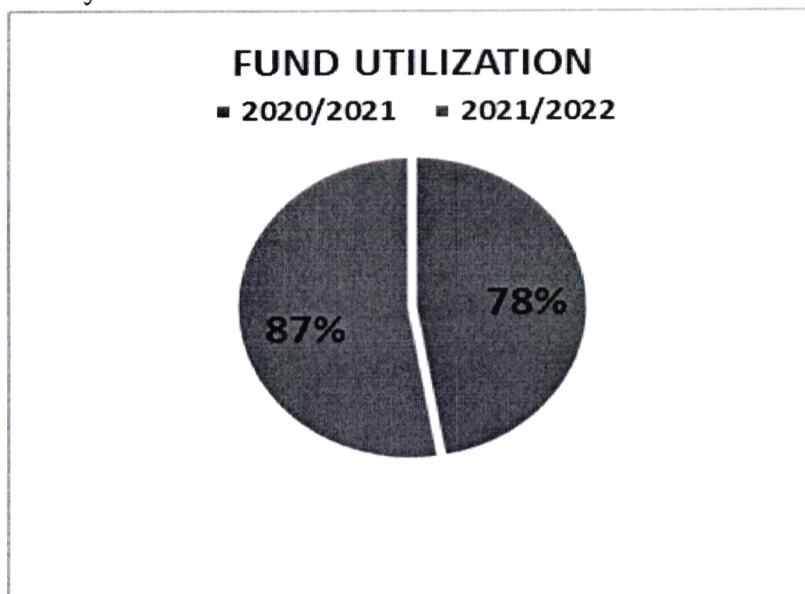
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

NG-CDFC Chairman's Report

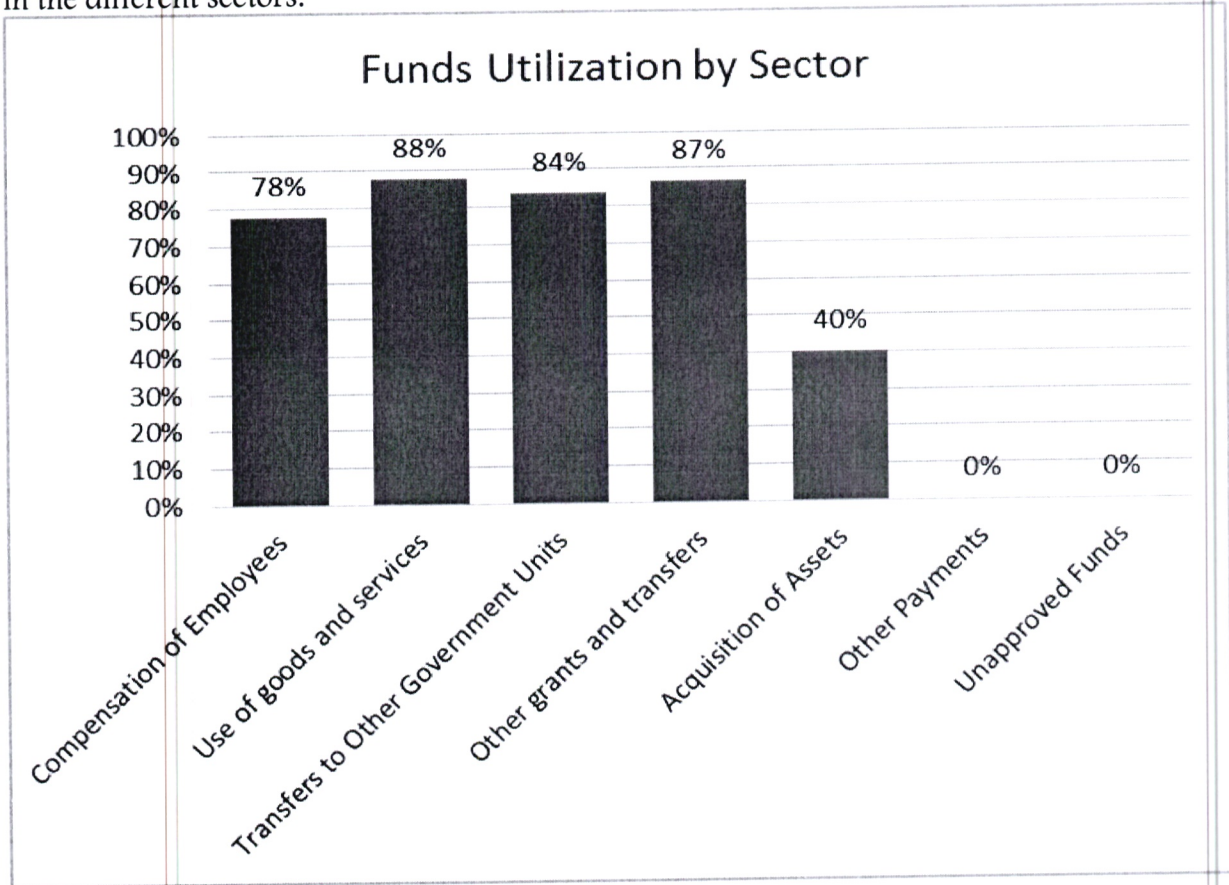


**MR WILSON BII KURESOI SOUTH
CONSTITUENCY CHAIRMAN**

Kuresoi South National Government Constituency Development Fund in the 2021-2022 financial year had a total receipt of Kshs. 176,248,019 which is inclusive of balance brought forward from the financial year 2020/2021. During the financial year 2021/2022 Kshs. 168,213,626 was spent thus leaving a balance of Kshs. 8,034,392.64 unspent. The undisbursed fund from the board for this financial year is Ksh. 25,418,879. Our utilization budget was at 87% which is an improvement from the previous year which was at 78%. The NG-CDFC has been able to give bursary to more than Six thousand students in secondary and tertiary institutions. The fund also was disbursed to various development works in the constituency in the education and security sector.



By the close of the financial year the graph below explains how we were able to utilise the funds in the different sectors.

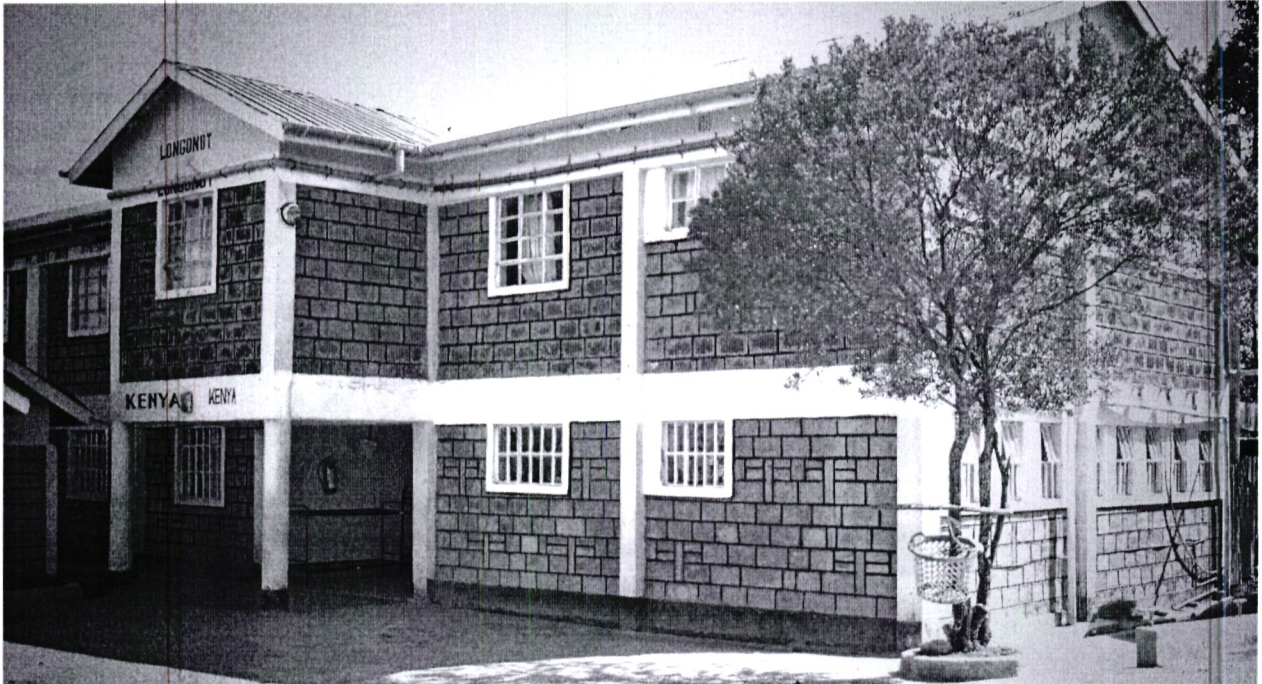


Kuresoi South Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

The committee ensures that all the development projects are to completion and those that are incomplete are given priority in funding. Some of the projects implemented in the year are shown below

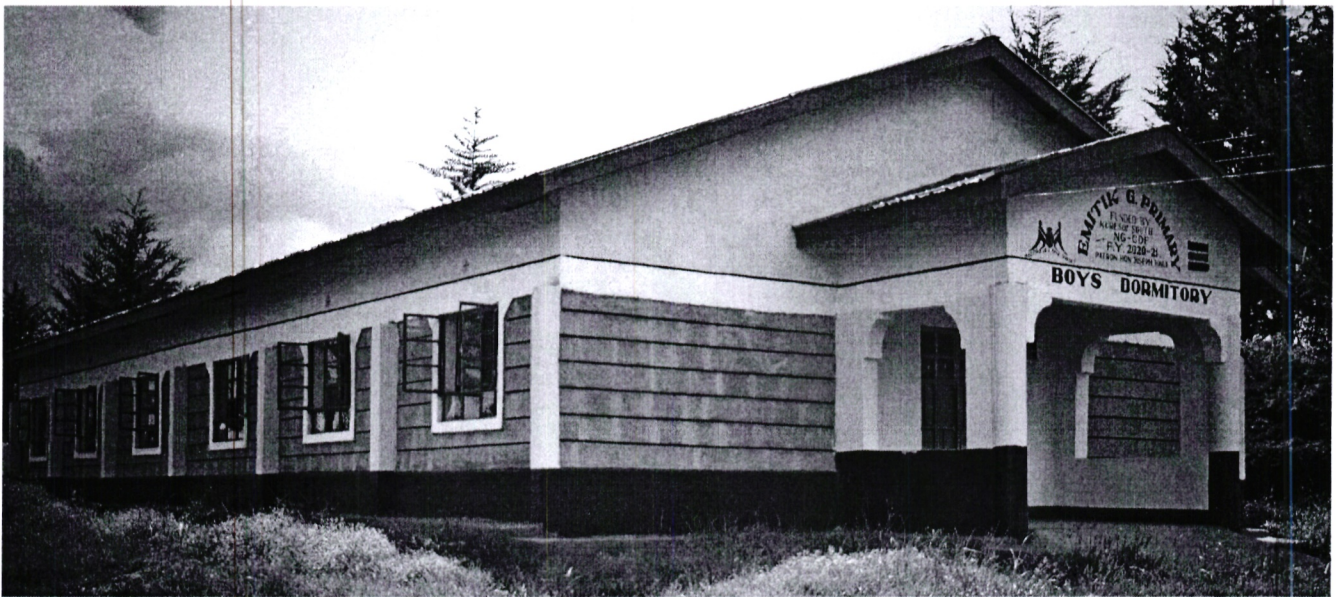


Siwot Girls Secondary School Construction of a Dormitory





Ngorofa Secondary School | Construction of a multi-purpose hall



Emitik G School Construction of Boys Dormitory



Olunguruone DEB Boarding Primary school Renovation of 8 classrooms



Sugutek primary school Renovation of 6 classrooms



Keringet Sub-county Headquarters

Emerging issues

Emerging issues include;

1. High demand for bursary due to high poverty index
2. High cost of building materials making the cost of construction higher hence reducing the number of projects to be implemented in a financial year.

Challenges

1. Inaccessibility of schools due to poor road infrastructure led by heavy rainfall throughout the year.
2. Limited source of constituency fund
3. Delay in disbursement of funds from the Board
4. High emergency cases due to climatic conditions
5. Caveat on lands within the constituency hindering purchase of land for schools and security projects.

Recommendation

1. There should be more funds allocated to improving the road infrastructure within the constituency.
2. Increased allocation of funds should be made to NGCDF Board.
3. NGCDF Board should fast track remittance of funds to the constituencies.

WILSON BII

CHAIRMAN NGCDF COMMITTEE

Statement of Performance against Predetermined Objectives for FY2021/22

Introduction

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

The key development objectives of Kuresoi South Constituency 2018-2022 plan are to:

- a) Increase the number of classes in the constituency to comfortably have 80% of the students in the constituency accommodated.
- b) Improve on security infrastructure to curb crime in the constituency.
- c) Increase tertiary institutions in the constituency to allow the growth and learning of alternative skills.
- d) Empower constituents to afford 100% transition from primary to secondary schools through bursary funding.
- e) To improve the environment by planting more trees and also increasing more water harvesting solutions.

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 | -To increase basic and secondary school completion cycles by liaising with school's administration to identify most vulnerable and deserving bursary cases whilst improving institutions physical infrastructure | Increased enrolment in primary and secondary schools and improved infrastructure in institutions | -Number of usable physical infrastructure build in primary, secondary institutions | In FY 2021/2022 -we increased number of classrooms from 30 that was implemented in the previous year to 43 and 3 completed dormitories, 6 administration blocks - Bursary beneficiaries at all levels were as per the attached |

Kuresoi South Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

| | | | | schedules |
|-------------|--|--|---|--|
| Security | -To support security agencies for better service delivery through infrastructure development | -Reduced number of crime rates in the constituency - Improved physical security infrastructure i.e. National Police Service and National Government Administration offices (DCC, ACC, Chiefs) | -Number of security infrastructure constructed | In the FY 2021/2022 the NG-CDFC completed 2 police posts and ensured they are connected to power. |
| Environment | -To enhance sustainable environmental management -To increase forest cover and enhance agro-forestry at household level | -Enhanced water harvesting, programs in institutions | -Number of water tanks installed in education institutions | - In the financial year 2021/2022 23 schools benefitted with 5,000 litres water tanks for tapping rain water for school consumption. |
| Sports | -To engage the youths on sport activities to promote talent, peace and unity | - United youths on matters of development. Improved talents in sport activities | -Number of youths engage in sport activities -new number of sports talents within the constituency | In the financial year 2021/2022 teams drawn across the constituency held tournaments and winning teams awarded with trophies. also, the teams benefitted with balls and sport uniforms |

Environmental and Sustainability Reporting

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

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

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

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

3. Employee welfare

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

Kuresoi South NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Kuresoi South 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.

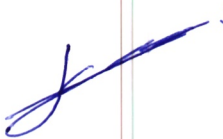
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



EDWIN NYAMU

FAM

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-Kuresoi South Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Kuresoi South Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF- Kuresoi South 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 Kuresoi South 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

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

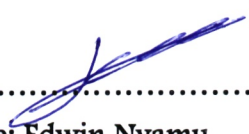
for. Further the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Kuresoi South Constituency financial statements were approved and signed by the Accounting Officer on 12/05/ 2022,



.....
Name: Wilson Bii
Chairman – NGCDF Committee



.....
Name: Edwin Nyamu
Fund Account Manager

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kuresoi South Constituency set out on pages 1 to

49, which comprise the statement of assets and liabilities as at 30 June, 2022 and the statement of receipt and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations, which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kuresoi South Constituency as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Financial Statements

The annual report and financial statements presented for audit had the following inaccuracies:

The statements of receipts and payments reflects a balance of Kshs.11,192,365 in respect of prior year use of goods and services balance while the corresponding Note 5 to the financial statement reflects a balance of Kshs.8,685,655, resulting to unreconciled variance of Kshs.2,506,710.

In the circumstances, the accuracy and completeness of the use of goods and services balance could not be confirmed.

2. Overstatement of Compensation of Employees

The statement of receipts and payments reflects compensation of employees balance of Kshs.3,305,688 out of which Kshs.753,456 is in respect of gratuity payments to employees. However, the amount is a monthly provision for gratuity at the rate of Kshs.62,788, which has not been paid to the employees during the year under review. Given that the financial statements were prepared under the cash basis of accounting, the expenditure on gratuity of Kshs.753,456 was not incurred.

In the circumstances, the accuracy of compensation of employees' balance of Kshs.753,456 could not be confirmed.

3. Unsupported Use of Goods and Services

The statement of receipts and payments reflects use of goods and services amounting to Kshs.8,118,672 as detailed in Note 5 to the financial statements. Out of the amount, Kshs.5,388,500 were not supported by expenditure returns as detailed:

| Expenditure Item | Amount (Kshs) | Missing Information |
|--------------------------|----------------------|---|
| Training | 600,000 | List of persons trained and nature of training |
| Other Committee Expenses | 2,039,500 | Nature of payments/expenses |
| Committee Expenses | 2,749,000 | List of persons paid, rate per sitting and date |
| Total | 5,388,500 | |

In the circumstances, the accuracy and completeness of the expenditure of Kshs.5,388,500 could not be confirmed.

4. Unsupported Bursary Payments

The statement of receipts and payments reflects other grants and transfers balance of Kshs.44,870,885. The amount includes bursary to secondary schools of Kshs.18,615,105 and tertiary institutions of Kshs.11,024,003 all totalling to Kshs.29,639,108. However, the vetting reports, list of beneficiaries showing name of student, admission number, learning institution, cheque number and amount awarded per student were not provided for audit.

In the circumstances, the propriety, accuracy and completeness of bursary payments of Kshs.29,639,108 could not be confirmed.

5. Cash and Cash Equivalents

The statement of assets and liabilities reflects bank balance of Kshs.8,034,393. However, the bank reconciliation statement reflects payments in cash book not in bank statement (unpresented cheques) of Kshs.3,716,885.65 out of which Kshs.997,523.65 are stale cheques that have not been reversed in the cash book.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.997,523.65 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development – Kuresoi South Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budget Analysis and Performance

The summary statement of appropriation reflects final receipts budget and actual receipts on comparable basis of Kshs.201,666,898 and Kshs.176,248,019 respectively resulting

into an under-funding of Kshs.25,418,879 or 13% of the budget. Similarly, the Fund spent Kshs.168,213,626 against an approved budget of Kshs.201,666,899 resulting to under-expenditure of Kshs.33,453,273 or 17% of the budget.

The under-funding and under-expenditure might have impacted negatively on service delivery to the residents of Kuresoi South 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, except for the matters described in the Basis for conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Recovery of Statutory Deductions from Employees Emoluments

The statement of receipts and payments reflects compensation of employees of Kshs.3,305,688. The amount includes National Hospital Insurance Fund (NHIF) and National Social Security Fund (NSSF) employer contributions of Kshs.78,600 and Kshs.43,200 all totaling to Kshs.121,800. However, there was no evidence of employee contributions and payments to the Government agencies as required by Section 16(1) of the National Hospital Insurance Fund Act, 2012 and Regulation 6(1) of the NSSF (Member Contributions) Regulations, 2014.

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

2. Non-compliance with the Bursary Minimum Allocation Requirement

The statement of receipts and payments reflects other grants and transfers of Kshs.44,780,885. Included in the amount is bursary to Secondary Schools of Kshs.18,615,105 and tertiary institutions of Kshs.11,024,003 all totalling to Kshs.29,639,108. The bursary allocation is 18.84% of the total receipts of Kshs.157,358,879 which contravenes Section 21(5) of the National Government Constituencies Development Fund Act, 2016, which states that the constituency committee shall allocate not less than twenty five percent of the funds allocated to a constituency.

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

3. Project Verification

Note 6 to the financial statements reflects transfer to other Government entities amounting to Kshs.111,718,381 for the implementation of projects in primary schools and secondary schools. Physical verification of a sample of thirteen (13) projects valued at

Kshs.13,800,000 revealed that projects were complete and in use but there were cases of poor workmanship such as defects of cracking floors, poor plastering on the walls, door installed had caved in and was not painted, toilets were not installed, leaking ceiling board, cracking floors amongst others.

In the circumstances, value for money may not be realised where the quality of work is not satisfactory.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Summary of Fixed Asset Register

The summary of fixed assets register reflects assets balance of Kshs.13,405,037 as detailed at Annex 4 to the financial statements. Out of the balance, the following assets of value of Kshs.7,062,010 were missing supporting documentation:

| Asset | Value (Kshs) | Missing document |
|---|------------------|--------------------------------------|
| Land | 1,000,000 | Title deed |
| Buildings and structures | 3,062,010 | Valuation certificate |
| Transport equipment (Toyota Land Cruiser Registration No. GK 541 T) | 3,000,000 | Certificate of registration/log book |
| Total | 7,062,010 | |

In the circumstances, the internal controls of the fixed assets of balance of Kshs.7,062,010 could not be confirmed.

2. Lack of a Strategic Plan

The Fund did not have a strategic plan in place to provide guidance on the broader objectives that are to be achieved by the Fund and the responsibilities as required by law. There was no evidence that the management intends to develop the plan.

In the circumstances, the projects/activities of the Constituency may not be implemented in a coherent manner due to lack of a formal guidance.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance but

is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's

ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 July, 2023

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

Statement of Receipts and Payments for the Year Ended 30th June 2022

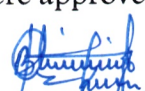
| | Note | 2021 – 2022 | 2020- 2021 |
|-------------------------------------|------|---------------------|--------------------|
| | | Kshs | Kshs |
| Receipts | | | |
| Transfers From NGCDF Board | 1 | 157,358,879 | 160,767,724 |
| Proceeds From Sale of Assets | 2 | - | - |
| Other Receipts | 3 | - | 105,000 |
| Total Receipts | | 157,358,879 | 160,872,724 |
| Payments | | | |
| Compensation Of Employees | 4 | 3,305,688 | 3,635,664 |
| Use Of Goods and Services | 5 | 8,118,672 | 11,192,365 |
| Transfers To Other Government Units | 6 | 111,718,381 | 77,060,000 |
| Other Grants and Transfers | 7 | 44,870,885 | 52,253,063 |
| Acquisition Of Assets | 8 | 200,000 | - |
| Other Payments | 9 | - | - |
| Total Payments | | 168,213,626 | 144,141,093 |
| Surplus/(Deficit) | | (10,854,747) | 16,731,631 |

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

The Constituency financial statements were approved on 12/05/ 2022, and signed by:


 Fund Account Manager

Name: Edwin Nyamu


 National Sub-County
 Accountant

Name: Benard C Kirui
 ICPAK M/No:


 Chairman NG-CDF Committee

Name: Wilson Bii

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

Statement of Assets and Liabilities as At 30th June, 2022

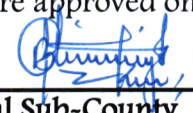
| | Note | 2021-2022 | 2020-2021 |
|--|------|------------------|-------------------|
| | | Kshs | Kshs |
| Financial Assets | | | |
| Cash And Cash Equivalents | | | |
| Bank Balances (As Per the Cash Book) | 10A | 8,034,393 | 18,889,139 |
| Cash Balances (Cash at Hand) | 10B | - | - |
| Total Cash and Cash Equivalents | | 8,034,393 | 18,889,139 |
| Accounts Receivable | | | |
| Outstanding Imprests | 11 | - | - |
| Total Financial Assets | | 8,034,393 | 18,889,139 |
| Financial Liabilities | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 12A | - | - |
| Gratuity | 12B | - | - |
| Total Financial Liabilities | | - | - |
| Net Financial Assets | | 8,034,393 | 18,889,139 |
| Represented By | | | |
| Fund Balance B/Fwd | 13 | 18,889,139 | 2,157,508 |
| Prior Year Adjustments | 14 | - | - |
| Surplus/Deficit for The Year | | (10,854,747) | 16,731,631 |
| Net Financial Position | | 8,034,393 | 18,889,139 |

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

The Constituency financial statements were approved on 12/05/ 2022 and signed by:


Fund Account Manager

Name: Edwin Nyamu


**National Sub-County
Accountant**

Name: Benard C Kirui
ICPAK M/No:


Chairman NG-CDF Committee

Name: Wilson BII

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

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

| | Notes | 2021 - 2021 | 2021 - 2021 |
|--|-----------|---------------------|--------------------|
| | | Kshs | Kshs |
| Receipts From Operating Activities | | | |
| Transfers From NGCDF Board | 1 | 157,358,879 | 160,767,724 |
| Other Receipts | 3 | - | 105,000 |
| Total Receipts | | 157,358,879 | 160,872,724 |
| Payments | | | |
| Compensation Of Employees | 4 | 3,305,688 | 3,712,364 |
| Use Of Goods and Services | 5 | 8,118,672 | 11,115,665 |
| Transfers To Other Government Units | 6 | 111,718,381 | 77,060,000 |
| Other Grants and Transfers | 7 | 44,870,885 | 52,253,063 |
| Other Payments | 9 | - | - |
| Total Payments | | 168,013,626 | 143,941,093 |
| Total Receipts Less Total Payments | | (10,654,747) | 16,731,631 |
| Adjusted For: | | | |
| Decrease/(Increase) In Accounts Receivable | 15 | - | - |
| Increase/(Decrease) In Accounts Payable | 16 | - | - |
| Prior Year Adjustments | 14 | - | - |
| Net Cash Flow from Operating Activities | | (10,654,747) | 16,731,631 |
| Cashflow From Investing Activities | | | |
| Proceeds From Sale of Assets | 2 | - | - |
| Acquisition Of Assets | 8 | (200,000) | - |
| Net Cash Flows from Investing Activities | | (200,000) | - |
| Net Increase In Cash And Cash Equivalent | | (10,854,747) | 16,731,631 |
| Cash & Cash Equivalent At Start Of The Year | 10 | 18,889,139 | 2,157,508 |
| Cash & Cash Equivalent At End Of The Year | 10 | 8,034,393 | 18,889,139 |

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

The Constituency financial statements were approved on 12/05/2022 and signed by:



 Fund Account Manager

Name: Edwin Nyamu



 National Sub-County
 Accountant

Name: Benard C Kirui
 ICPAK M/No:



 Chairman NG-CDF Committee

Name: Wilson BII

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

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

| 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 % |
| | 2021/2022 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2021/2022 | 30/06/2022 | | |
| Receipts | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | |
| Transfers From NGCDF Board | 137,088,879 | 18,889,139 | 45,688,879 | 201,666,898 | 176,248,019 | 25,418,879 | |
| Proceeds From Sale of Assets | - | - | - | - | - | - | |
| Other Receipts | - | - | - | - | - | - | |
| Totals | 137,088,879 | 18,889,139 | 45,688,879 | 201,666,898 | 176,248,019 | 25,418,879 | 87.4% |
| Payments | | | | | | | |
| Compensation Of Employees | 3,150,000 | - | 1,100,000 | 4,250,000 | 3,305,688 | 944,312 | 77.8% |
| Use Of Goods and Services | 9,187,999 | 40,233 | - | 9,228,232 | 8,118,671 | 1,109,561 | 88.0% |
| Transfers To Other Government Units | 80,700,000 | 17,300,000 | 35,588,879 | 133,588,879 | 111,718,381 | 21,870,498 | 83.6% |
| Other Grants and Transfers | 42,820,880 | 1,548,907 | 7,500,000 | 51,869,787 | 44,870,885 | 6,998,902 | 86.5% |
| Acquisition Of Assets | 500,000 | - | - | 500,000 | 200,000 | 300,000 | 40.0% |
| Other Payments | - | - | 1,500,000 | 1,500,000 | - | 1,500,000 | 0.0% |
| Funds Pending Approval** | 730,000 | - | - | 730,000 | - | 730,000 | |
| Totals | 137,088,879 | 18,889,139 | 45,688,879 | 201,666,899 | 168,213,626 | 33,453,273 | 83.4% |

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

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

Explanatory Notes .

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

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

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

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|---|------------|
| Description | Amount |
| Budget utilisation difference totals | 33,453,272 |
| Less undisbursed funds receivable from the Board as at 30 th June 2022 | 25,418,879 |
| | 8,034,393 |
| Add Accounts payable | 0 |
| Less Accounts Receivable | 0 |
| Add/Less Prior Year Adjustments | 0 |
| Cash and Cash Equivalents at the end of the FY 2021/2022 | 8,034,393 |

The Constituency financial statements were approved on 12/05/2022 and signed by:


 Fund Account Manager

Name: Edwin Nyamu


 National Sub-County Accountant

Name: Benard C Kirui
 ICPAK M/No:


 Chairman NG-CDF Committee

Name: Wilson BII

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

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

| Programme /Sub-Programme | Original Budget 2021/2022 | | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|---|------------------------------|-----------|---------------------------------------|--|---------------------------|--|-------------------------------------|
| | Kshs | Kshs | Opening Balance (C/B) and MA | Previous Years' Outstanding Disbursements | | | |
| 1.0 Administration And Recurrent | | | | | | | |
| 1.1 Compensation Of Employees | 3,150,000 | - | - | 1,100,000 | 4,250,000 | 3,305,688 | 944,312 |
| 1.2 Committee Allowances | 2,115,333 | - | - | - | 2,115,333 | 2,749,400 | (634,067) |
| 1.3 Use Of Goods And Services | 2,960,000 | 40,233.00 | - | - | 3,000,233 | 1257306 | 1742927 |
| 2.0 Monitoring And Evaluation | | | | | | | |
| 2.1 Capacity Building | 800,000 | - | - | - | 800,000 | 1,186,000 | (386,000) |
| 2.2 Committee Allowances | 2,312,666 | - | - | - | 2,312,666 | 2,039,500 | 273,166 |
| 2.3 Use Of Goods And Services | 1,000,000 | - | - | - | 1,000,000 | 886,465 | 113,535 |
| 3.0 Emergency | | | | | | | |
| 3.1 Primary Schools | 4,600,000 | - | - | - | 4,600,000 | 6,990,000 | (2,390,000) |
| 3.2 Secondary Schools | - | - | - | - | - | - | - |
| 3.3 Tertiary Institutions | - | - | - | - | - | - | - |
| 3.4 Security Projects | - | - | - | - | - | - | - |
| 3.5 Unutilized | 2,592,207 | 48,907.38 | - | - | 2,641,114 | - | 2,641,114 |
| 4.0 Bursary And Social Security | | | | | | | |
| 4.1 Primary Schools | - | - | - | - | - | - | - |
| 4.2 Secondary Schools | 15,932,999 | - | - | 1,700,000 | 17,632,999 | 18,615,105 | (982,106) |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|---------------------------------|------------------------------|-------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/B) and AIA | Previous Years' Outstanding Disbursements | | | |
| 4.3 Tertiary Institutions | 9,903,897 | - | 1,300,000 | 11,203,897 | 11,024,003 | 179,893 |
| 4.4 Universities | - | - | - | - | - | - |
| 4.5 Social Security | - | - | - | - | - | - |
| 5.0 Sports | | | | | | |
| 5.1 Kuresoi South Sports | 2,741,778 | - | - | 2,741,778 | 2,741,777 | 1 |
| 5.2 | | | | | | |
| 6.0 Environment | | | | | | |
| Ambusket Rc Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Bondet Primary School-Kipkongor | 100,000 | - | - | 100,000 | - | 100,000 |
| Boron Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Chepkiswet Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Chepkosigen Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Chigamba Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Gosemia Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Kaplamai Polytechnic | 100,000 | - | - | 100,000 | - | 100,000 |
| Kapyemit Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Kiplemeiywo Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Kiptaragon Secondary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Kiptulwo Primary School | 100,000 | - | - | 100,000 | - | 100,000 |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|---|------------------------------|--------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Korao Secondary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Lelpanga Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Lelaitich Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Lelkoita Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Leltany Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Rwaget Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Sangawet Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Shamba Ndovu Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Sigowet Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Tegat Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Timbwalo Primary School | 100,000 | - | - | 100,000 | - | 100,000 |
| 7.0 Primary Schools Projects (List All The Projects) | | | | | | |
| Angurwet Primary School | 1,000,000 | - | - | 1,000,000 | 600,000 | 400,000 |
| Aoon Primary School | 1,500,000 | - | - | 1,500,000 | 1,500,000 | - |
| Aoon Primary School | 200,000 | - | - | 200,000 | 200,000 | - |
| Arorwet Primary School | 650,000 | - | - | 650,000 | 650,000 | - |
| Chebara Primary School | 1,000,000 | 1,500,000 | - | 2,500,000 | 2,500,000 | - |
| Chebitoik Primary School | 900,000 | - | - | 900,000 | 900,000 | - |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|----------------------------------|------------------------------|--------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Chemaner Primary School | 1,000,000 | - | - | 1,000,000 | 700,000 | 300,000 |
| Chepkiswet Primary School | 200,000 | - | - | 200,000 | 200,000 | - |
| Chepkosigen Primary School | 400,000 | - | - | 400,000 | 400,000 | - |
| Chepnyalilo Primary School | 200,000 | - | - | 200,000 | 200,000 | - |
| Cheptebe Primary School | 1,250,000 | - | - | 1,250,000 | 1,250,000 | - |
| Cheram Primary School | 1,250,000 | - | - | 1,250,000 | 1,250,000 | - |
| Cheram Primary School | 200,000 | - | - | 200,000 | 50,000 | 150,000 |
| Emitik Primary School | 500,000 | - | - | 500,000 | 500,000 | - |
| Gosemia Primary School | 150,000 | - | - | 150,000 | 100,000 | 50,000 |
| Gosemia Primary School | 200,000 | - | - | 200,000 | - | 200,000 |
| Kabegeriet Primary School | 400,000 | - | - | 400,000 | 400,000 | - |
| Kabegeriet Primary School | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| Kaber Primary School | 600,000 | - | - | 600,000 | - | 600,000 |
| Kapkali Primary School | 1,350,000 | - | - | 1,350,000 | 650,000 | 700,000 |
| Kapkores Primary School | 100,000 | 1,000,000 | - | 1,100,000 | 1,000,000 | 100,000 |
| Kaplamai Primary School | 250,000 | - | - | 250,000 | - | 250,000 |
| Kapno Primary School | 1,000,000 | - | - | 1,000,000 | 900,000 | 100,000 |
| Keringet Boarding Primary School | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| Keringet Estate Primary School | 1,300,000 | 200,000 | - | 1,500,000 | 1,500,000 | - |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|--|------------------------------|---|--|---------------------------|--|-------------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Ketitui Central Primary School | 100,000 | - | 400,000 | 500,000 | 500,000 | - |
| Kibirech Primary School | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| Kimugul Primary School- Amalo | 650,000 | - | - | 650,000 | 400,000 | 250,000 |
| Kipleljin Primary School | 1,250,000 | - | - | 1,250,000 | 1,250,000 | - |
| Kiptenden Primary School- Amalo | 450,000 | - | - | 450,000 | 450,000 | - |
| Koitab Tinet Primary School | 1,600,000 | - | - | 1,600,000 | 600,000 | 1,000,000 |
| Lel Panga Primary School | 300,000 | - | - | 300,000 | 300,000 | - |
| Lelaitich Primary School | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| Longet Primary School | 1,000,000 | - | - | 1,000,000 | 500,000 | 500,000 |
| Olenguruone Deb Boarding Primary School | 3,000,000 | - | 750,000 | 3,750,000 | 3,750,000 | - |
| Saonet Primary School | 850,000 | 750,000 | - | 1,600,000 | 1,600,000 | - |
| Saptonok Primary School | 1,000,000 | - | - | 1,000,000 | 660,000 | 340,000 |
| Sugutek Primary School | 1,000,000 | 1,600,000 | - | 2,600,000 | 2,600,000 | - |
| Tachasis Primary School | 1,000,000 | - | - | 1,000,000 | 500,000 | 500,000 |
| Teta Primary School | 1,000,000 | 1,500,000 | - | 2,500,000 | 2,500,000 | - |
| Tuiyobei Primary School- Keringet | 500,000 | - | - | 500,000 | 500,000 | - |
| Tuiyobei Primary School- Keringet | 100,000 | - | - | 100,000 | 100,000 | - |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|------------------------------------|------------------------------|--------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Tulwet Primary School | 650,000 | - | - | 650,000 | 650,000 | - |
| Kamwaura Primary School | 100,000 | 300,000 | - | 400,000 | 300,000 | 100,000 |
| Lelpanga Primary School | 100,000 | - | - | 100,000 | 100,000 | - |
| Kaprengero Primary School | - | 600,000 | - | 600,000 | 600,000 | - |
| Olenguruone Deb Day Primary School | - | 600,000 | - | 600,000 | 600,000 | - |
| Simotwet Primary School | - | 750,000 | - | 750,000 | 750,000 | - |
| Saptet Primary School Amalo | - | 400,000 | - | 400,000 | 400,000 | - |
| Kamwaura Primary School | - | 900,000 | - | 900,000 | 900,000 | - |
| Kiptulwo Primary School | - | 600,000 | - | 600,000 | 600,000 | - |
| Ndabibit Primary School | - | 500,000 | - | 500,000 | 500,000 | - |
| Emitik G School | - | - | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Sinendet Primary School | - | - | 300,000 | 300,000 | 300,000 | - |
| Moluo Primary School | - | - | 500,000 | 500,000 | 500,000 | - |
| Ogiek Primary School | - | - | 1,100,000 | 1,100,000 | 1,100,000 | - |
| Wamkong Primary School | - | - | 400,000 | 400,000 | 400,000 | - |
| Ngorofa Primary School | - | - | 400,000 | 400,000 | 400,000 | - |
| Geticha Primary School Access Road | - | - | 1,600,000 | 1,600,000 | 1,558,381 | 41,619 |
| Soimet Primary School | - | - | 600,000 | 600,000 | 0 | 600,000 |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|---|------------------------------|--------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/BK) and AIA | Previous Years' Outstanding Disbursements | | | |
| Maziwa Primary School | - | - | 850,000 | 850,000 | - | 850,000 |
| Kiborowa Primary School | - | - | 1,500,000 | 1,500,000 | - | 1,500,000 |
| Kipsotet Primary School | - | - | 500,000 | 500,000 | - | 500,000 |
| Kaptembwo Primary School | - | - | 100,000 | 100,000 | - | 100,000 |
| Kipkebe Primary School | - | - | 788,879 | 788,879 | - | 788,879 |
| | | | | | | |
| | | | | | | |
| 8.0 Secondary Schools Projects (List All The Projects) | | | | | | |
| Amalo Girls Secondary School | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 |
| Arorwet Secondary School | 2,000,000 | - | - | 2,000,000 | 1,500,000 | 500,000 |
| Barao Secondary School | 1,500,000 | 1,500,000 | - | 3,000,000 | 3,000,000 | - |
| Chebotoi Secondary School | 1,500,000 | - | - | 1,500,000 | 1,500,000 | - |
| Chikamba Secondary School | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| Irongo Secondary School | - | - | 1,500,000 | 1,500,000 | 1,500,000 | - |
| Kamwaura Secondary School | 200,000 | - | 800,000 | 1,000,000 | 800,000.00 | 200,000 |
| Kapngorot Secondary School | 2,000,000 | - | - | 2,000,000 | 1,700,000 | 300,000 |
| Kapsimbeiywo Secondary School | 1,500,000 | - | - | 1,500,000 | 1,350,000 | 150,000 |
| Keringet Boys Secondary School | 2,000,000 | - | - | 2,000,000 | 1,800,000 | 200,000 |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|-------------------------------|------------------------------|--------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Keringet Secondary School | 1,000,000 | - | 7,000,000 | 8,000,000 | 8,000,000 | - |
| Keringet Secondary School | - | - | 300,000 | 300,000 | 300,000 | - |
| Kipsonoi Secondary School | - | 400,000 | - | 400,000 | 400,000 | - |
| Kiptagich Secondary School | 2,000,000 | - | 6,400,000 | 8,400,000 | 7,400,000 | 1,000,000 |
| Kiptagich Secondary School | 1,000,000 | - | - | 1,000,000 | 600,000 | 400,000 |
| Kiptaragon Secondary School | - | - | 800,000 | 800,000 | 800,000 | - |
| Kiptaragon Secondary School | 200,000 | - | - | 200,000 | 200,000 | - |
| Marwa Secondary School | 1,250,000 | 200,000 | - | 1,450,000 | 1,500,000 | (50,000) |
| Marwa Secondary School | 50,000 | 2,000,000 | - | 2,050,000 | 2,000,000 | 50,000 |
| Marwa Secondary School | 200,000 | - | - | 200,000 | 200,000 | - |
| Ogiek Kwanza Secondary School | 100,000 | - | - | 100,000 | - | 100,000 |
| Ogiek Kwanza Secondary School | 600,000 | - | - | 600,000 | 500,000 | 100,000 |
| Ogiek Sotiki Secondary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Olenguruone Secondary School | 1,000,000 | 1,000,000.00 | - | 2,000,000 | 2,000,000 | - |
| Olenguruone Secondary School | 1,000,000 | - | 7,000,000 | 8,000,000 | 8,000,000 | - |
| Silibwet Secondary School | 2,000,000 | - | - | 2,000,000 | 1,800,000 | 200,000 |
| Simotwet Secondary School | 5,100,000 | - | - | 5,100,000 | 3,600,000 | 1,500,000 |
| Sinendet Secondary School | 2,000,000 | - | - | 2,000,000 | 1,800,000 | 200,000 |

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

| Programme/Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|---|------------------------------|---|--|---------------------------|--|-------------------------------------|
| | | Opening Balance (C/BK) and AIA | Previous Years' Outstanding Disbursements | | | |
| Siwot Girls Secondary School | 2,000,000 | - | - | 2,000,000 | 1,900,000 | 100,000 |
| Sugutek Secondary School | 650,000 | - | - | 650,000 | 650,000 | - |
| Tachasis Secondary School | 2,500,000 | - | - | 2,500,000 | 2,500,000 | - |
| Tendwet Secondary School | 2,000,000 | - | - | 2,000,000 | 2,000,000 | - |
| Tinet Mixed Secondary School | 2,000,000 | - | - | 2,000,000 | 2,000,000 | - |
| Tulwet Secondary School | - | 1,000,000 | - | 1,000,000 | 1,000,000 | - |
| Tendwet Secondary School | - | - | - | - | 1,100,000 | (1,100,000) |
| 9.0 Tertiary Institutions Projects (List All The Projects) | | | | | | |
| Kenya Medical Training College Keringet | 5,600,000 | - | - | 5,600,000 | - | 5,600,000 |
| 10.0 Security Projects | | | | | | |
| Chemaner Chiefs Office | 300,000 | - | - | 300,000 | 400,000 | (100,000) |
| Chemaner Chiefs Office | 250,000 | - | - | 250,000 | 150,000 | 100,000 |
| Chigamba Police Post | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| Kaplamai Chiefs Office | 1,500,000 | - | - | 1,500,000 | 1,300,000 | 200,000 |
| Keringet Police Station | - | - | 1,500,000 | 1,500,000 | 1,500,000 | - |
| Kimugul Chiefs Office | 250,000 | 1,500,000 | - | 1,750,000 | 1,500,000 | 250,000 |
| Milimet Assistant Chiefs Office | 700,000 | - | - | 700,000 | - | 700,000 |
| Tendwet Chiefs Office | 250,000 | - | - | 250,000 | 250,000 | - |

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

| Programme / Sub-Programme | Original Budget 2021/2022 | Adjustments | | Final Budget 2021/2022 | Actual on comparable basis 30/06/2022 | Budget utilization difference |
|--|------------------------------|--------------------------------|---|---------------------------|--|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| Taita Police Post | - | - | - | | 400,000 | (400,000) |
| Keringet Dcc Land | - | - | 3,000,000 | 3,000,000 | - | 3,000,000 |
| 11.0 Acquisition Of Assets | | | | | | |
| 11.1 Motor Vehicles (Including Motorbikes) | - | - | - | - | - | - |
| 11.2 Construction Of CDF Office | - | - | - | - | - | - |
| 11.3 Purchase Of Furniture And Equipment | 300,000 | - | - | 300,000 | - | 300,000 |
| 11.3 Purchase Of Furniture And Equipment | 200,000 | - | - | 200,000 | 200,000 | - |
| 11.4 Purchase Of Computers | - | - | - | - | - | - |
| 11.5 Purchase Of Land | - | - | - | - | - | - |
| 12.0 Others | | | | | | |
| 12.1 Strategic Plan | - | - | 1,500,000 | 1,500,000 | - | 1,500,000 |
| 12.2 Innovation Hub | - | - | - | - | - | - |
| Funds Pending Approval** | 730,000 | - | - | 730,000 | - | 730,000 |
| Total | 137,088,879 | 18,889,139 | 45,688,879 | 201,666,899 | 168,213,626 | 33,453,273 |

(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)

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-Kuresoi South Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2021 for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

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

Notes to the Financial Statements

1. Transfers from NGCDF Board

| Description | 2021-2022 | 2020-2021 |
|----------------|--------------------|--------------------|
| | Kshs | Kshs |
| NGCDF Board | | |
| AIE NO B096968 | | 15,000,000 |
| AIE NO D104627 | | 20,000,000 |
| AIE NO A823656 | | 26,967,724 |
| AIE NO B124579 | | 9,000,000 |
| AIE NO B119527 | | 8,500,000 |
| AIE NO B119917 | | 12,000,000 |
| AIE NO B128158 | | 6,900,000 |
| AIE NO B128471 | | 7,000,000 |
| AIE NO B132215 | | 6,000,000 |
| AIE NO B138883 | | 13,000,000 |
| AIE NO B126177 | | 7,000,000 |
| AIE NO B126472 | | 10,600,000 |
| AIE NO B105144 | | 3,400,000 |
| AIE NO B140615 | | 12,000,000 |
| AIE NO B105176 | | 3,400,000 |
| AIE NO B140966 | 33,000,000 | |
| AIE NO B105484 | 44,000,000 | |
| AIE NO B105831 | 22,000,000 | |
| AIE NO B128577 | 6,000,000 | |
| AIE NO B128889 | 12,000,000 | |
| AIE NO B154086 | 12,000,000 | |
| AIE NO B164423 | 18,000,000 | |
| AIE NO B155859 | 10,358,879 | |
| | | |
| TOTAL | 157,358,879 | 160,767,724 |

Notes To the Financial Statements (Continued)

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

2. Proceeds From Sale of Assets

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

3. Other Receipts

| | 2021-2022 | 2020-2021 |
|---|-----------|-----------|
| | Kshs | Kshs |
| Interest Received | - | - |
| Rents | - | - |
| Receipts from sale of tender documents | - | 105,000 |
| Hire of plant/equipment/facilities | - | - |
| Unutilized funds from PMCs | - | - |
| Other Receipts Not Classified Elsewhere | - | - |
| Total | - | 105,000 |

4. Compensation Of Employees

| | 2021-2022 | 2020-2021 |
|--|------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 2,430,432 | 2,579,187 |
| Personal allowances paid as part of salary | | |
| House Allowance | - | - |
| Transport Allowance | - | - |
| Leave allowance | - | - |
| Gratuity to contractual employees | 753,456 | 1,013,277 |
| Employer Contributions Compulsory national hospital insurance fund | 78,600 | - |
| Employer Contributions Compulsory national social security schemes | 43,200 | 43,200 |
| Total | 3,305,688 | 3,635,664 |

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

Notes To the Financial Statements (Continued)

5. Use Of Goods and Services

| | 2021-2022 | 2020-2021 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Committee Expenses | - | - |
| Utilities, supplies and services | - | 750,000 |
| Electricity | 93,781 | - |
| Communication, supplies and services | 469,999 | 399,045 |
| Domestic travel and subsistence | 539,300 | 10,500 |
| Printing, advertising and information supplies & services | - | - |
| Rentals of produced assets | - | - |
| Training expenses | 1,186,000 | 2,644,050 |
| Hospitality supplies and services | 154,226 | 9,300 |
| Other committee expenses | 2,039,500 | - |
| Committee allowance | 2,749,400 | 4,333,600 |
| Insurance costs | - | 76,700 |
| Specialized materials and services | - | 200,000 |
| Office and general supplies and services | 150,565 | 22,600 |
| Fuel , oil & lubricants | 600,000 | - |
| Other operating expenses | - | - |
| Bank service commission and charges | 14,340 | - |
| Routine maintenance – vehicles and other transport equipment | 121,560 | 239,860 |
| Routine maintenance – other assets | - | - |
| Total | 8,118,672 | 8,685,655 |

6. Transfer To Other Government Units

| Description | 2021-2022 | 2020-2021 |
|--|--------------------|-------------------|
| | Kshs | Kshs |
| Transfers To Primary Schools (See Attached List) | 47,318,381 | 46,360,000 |
| Transfers To Secondary Schools (See Attached List) | 64,400,000 | 30,700,000 |
| Transfers To Tertiary Institutions (See Attached List) | - | - |
| Total | 111,718,381 | 77,060,000 |

Notes To The Financial Statements (Continued)

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

7. Other Grants and Other transfers

| | 2021-2022 | 2020-2021 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Bursary – secondary schools (see attached list) | 18,615,105 | 15,997,050 |
| Bursary – tertiary institutions (see attached list) | 11,024,003 | 15,889,300 |
| Bursary – special schools (see attached list) | - | - |
| Mock & CAT (see attached list) | - | - |
| Social Security programmes (NHIF) | - | - |
| Security projects (see attached list) | 5,500,000 | 2,200,000 |
| Sports projects (see attached list) | 2,741,777 | 5,439,131 |
| Environment projects (see attached list) | - | 4,377,582 |
| Emergency projects (see attached list) | 6,990,000 | 8,350,000 |
| Total | 44,870,885 | 52,253,063 |

8. Acquisition Of Assets

| | 2021-2022 | 2020-2021 |
|---|----------------|----------------|
| | Kshs | Kshs |
| Purchase of Buildings | - | - |
| Construction of Buildings | - | - |
| Refurbishment of Buildings | - | - |
| Purchase of Vehicles and Other Transport Equipment | - | - |
| Purchase of Household Furniture and Institutional Equipment | - | - |
| Purchase of Office Furniture and General Equipment | - | - |
| Purchase of ICT Equipment, Software and Other ICT Assets | - | - |
| Purchase of Specialized Plant, Equipment and Machinery | 200,000 | 200,000 |
| Acquisition of Land | - | - |
| Total | 200,000 | 200,000 |

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

Notes To the Financial Statements (Continued)

9. Other Payments

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

10: Cash Book Bank Balance

| Name Of Bank, Account No. & Currency | 2021-2022 | 2020-2021 |
|---|------------------|-------------------|
| | Kshs | Kshs |
| 10A: Bank Accounts (Cash Book Bank Balance) | 8,034,393 | 18,889,139 |
| <i>Equity Bank, Molo Branch . Kuresoi South NG-CDF A/C no.0230261796290</i> | - | - |
| Total | 8,034,393 | 18,889,139 |
| 10 B: Cash on Hand | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Location 3 | - | - |
| Other Locations (<i>Specify</i>) | - | - |
| Total | - | - |

11: Outstanding Imprests

| Name of Officer or Institution | Date Imprest Taken | Amount Taken | Amount Surrendered | Balance |
|--------------------------------|--------------------|------------------|--------------------|----------|
| | | Kshs | Kshs | Kshs |
| Evans Machira | FY 2021-2022 | 2,409,000 | 2,409,000 | - |
| Total | | 2,409,000 | 2,409,000 | - |

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Notes to the Financial Statement Continued

12A. Retention

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

12B. Gratuity

| | 2021-2022 | 2020-2021 |
|---|-----------|-----------|
| | KShs | KShs |
| Gratuity as at 1 st July (A) | - | - |
| Gratuity held during the year (B) | 753,456 | 0 |
| Gratuity paid during the Year (C) | - | - |
| Closing Gratuity as at 30 th June D= A+B-C | 753,456 | 0 |

13. Balances Brought Forward

| | 2021-2022 (1 st July 2021) | 2020-2021 (1 st July 2020) |
|---------------|--|--|
| | Kshs | Kshs |
| Bank accounts | 18,889,139 | 2,157,507 |
| Cash in hand | - | - |
| Imprest | - | - |
| Total | - | - |

14. Prior Year Adjustments

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

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

15. Changes in Accounts Receivable – Outstanding Imprests

| | 2021-2022 KShs | 2020-2021 KShs |
|--|-------------------|-------------------|
| Outstanding Imprest as at 1 st July (A) | - | - |
| Imprest issued during the year (B) | - | - |
| Imprest surrendered during the Year (C) | - | - |
| closing accounts in account receivables D= A+B-C | - | - |
| Changes in Account Receivables E= D-A | - | - |

16. Changes in Accounts Payable – Deposits and Retentions

| | 2021 – 2022 KShs | 2020 – 2021 KShs |
|---|---------------------|---------------------|
| Deposit and Retentions as at 1 st July (A) | - | - |
| Deposit and Retentions held during the year (B) | - | - |
| Deposit and Retentions paid during the Year (C) | - | - |
| closing account payables D= A+B-C | - | - |
| Changes in Accounts Payable E= D-E | - | - |

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17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

| | 2021-2022 | 2020-2021 |
|---------------------------|-----------|-----------|
| | Kshs | Kshs |
| NGCDFC Staff | - | - |
| Others (<i>specify</i>) | - | - |
| Total | - | - |

17.3: Unutilized Fund (See Annex 3)

| | 2021-2022 | 2020-2021 |
|---|-------------------|-------------------|
| | Kshs | Kshs |
| Compensation of employees | 944,312 | 963,238 |
| Use of goods and services | 1,109,560 | 1,507,409 |
| Amounts due to other Government entities (see attached list) | 21,870,498 | 48,800,000 |
| Amounts due to other grants and other transfers (see attached list) | 6,998,902 | 1,302,372 |
| Acquisition of assets | 300,000 | 0 |
| Other payments | 1,500,000 | |
| Funds pending approval | 730,000 | 12,005,000 |
| Total | 33,453,273 | 64,578,019 |

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17.4: PMC account balances (See Annex 5)

| | 2021-2022 | 2020-2021 |
|--|-----------|------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | | |
| Total | 6,707,841 | 25,063,208 |

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Annexes

Annex 1: Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

| Name of Staff | Designation | Date employed | Outstanding Balance 30th June 2022 | Comments |
|----------------------|--------------------|----------------------|--|-----------------|
| NG-CDFC Staff | | | | |
| 1. | - | - | - | - |
| 2. | - | - | - | - |
| 3. | - | - | - | - |
| Sub-Total | - | - | - | - |
| Grand Total | - | - | - | - |

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Annex 3 – Unutilized Fund

| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|--|--|--------------------------------|----------------------------------|----------|
| Compensation Of Employees | | 944,312 | 963,238 | |
| Use Of Goods & Services | | 1,109,560 | 1,507,409 | |
| Amounts Due To Other Government Entities | | | | |
| Angurwet Primary School | Construction of a classroom | 400,000 | - | |
| Chemaner Primary School | Construction of one classroom to completion | 300,000 | - | |
| Cheram Primary School | Construction of a gate to completion | 150,000 | - | |
| Gosemia Primary School | Completion of a gate | 50,000 | - | |
| Gosemia Primary School | Fencing of school compound | 200,000 | - | |
| Kaber Primary School | Construction of a classroom to lintel level | 600,000 | - | |
| Kapkali Primary School | Purchase of 1 acre land | 700,000 | - | |
| Kapkores Primary School | Completion of construction of a gate | 100,000 | - | |
| Kaplamai Primary School | Levelling of playing field | 250,000 | - | |
| Kapno Primary School | Construction of a classroom to completion | 100,000 | - | |
| Kimugul Primary School- Amalo | Construction of 6 door pit latrine | 250,000 | - | |
| Koitab Tinet Primary School | Construction of one classroom | 1,000,000 | - | |
| Longet Primary School | Construction of a classroom | 500,000 | - | |
| Saptonok Primary School | Construction of a classroom | 340,000 | - | |
| Tachasis Primary School - Keringet | Construction of a classroom | 500,000 | - | |
| Kamwaura Primary School | Leveling of playing field | 100,000 | - | |
| Geticha Primary School Access Road | Construction of access road linking Geticha primary and Kamwaura secondary | 41,619 | - | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|--------------------------------|--|--------------------------------|----------------------------------|----------|
| Soimet Primary School | Purchase of 1 acre piece of land | 600,000 | - | |
| Maziwa Primary School | Purchase of 1 acre land, installation of culvert and fencing | 850,000 | - | |
| Kiborowa Primary School | Purchase of 1 acre piece of land | 1,500,000 | - | |
| Kipsotet Primary School | Equipping of school borehole | 500,000 | - | |
| Kaptembwo Primary School | Completion of pit latrine | 100,000 | - | |
| Kipkebe Primary School | Purchase of school land | 788,879 | - | |
| Amalo Girls Secondary School | Construction of two classrooms | 2,000,000 | - | |
| Arorwet Secondary School | Construction of 6 office administration block | 500,000 | - | |
| Kamwaura Secondary School | Construction of a gate to completion | 200,000 | - | |
| Kapngorot Secondary School | Construction of 6 office administration block | 300,000 | - | |
| Kapsimbeiywo Secondary School | Construction of library | 150,000 | - | |
| Keringet Boys Secondary School | Renovation of boys dormitory | 200,000 | - | |
| Kiptagich Secondary School | Purchase of school bus | 1,000,000 | - | |
| Kiptagich Secondary School | Construction of dining hall | 400,000 | - | |
| Ogiek Kwanza Secondary School | Construction of a 6 door pit latrine | 200,000 | - | |
| Ogiek Sotiki Secondary School | Construction of a classroom | 500,000 | - | |
| Silibwet Secondary School | Construction of a laboratory | 200,000 | - | |
| Simotwet Secondary School | Construction of 4 classrooms | 1,500,000 | - | |
| Sinendet Secondary School | Construction of a dining hall | 200,000 | - | |
| Siwot Girls Secondary School | Construction of a perimeter wall | 100,000 | - | |
| Tendwet Secondary School | Construction of administration block | (1,100,000) | - | |
| Kenya Medical Training College | Construction of two classrooms and | 5,600,000 | - | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|--|--|--------------------------------|----------------------------------|----------|
| Keringet | purchase of 3 acre piece of land | | | |
| Sub-Total | | 21,870,498 | 51,270,647 | |
| Amounts Due To Other Grants And Other Transfers | | | | |
| Chigamba Police Post | Construction of a police post | 1,500,000 | - | |
| Kaplamai Chiefs Office | Construction of chiefs office | 200,000 | - | |
| Kimugul Chiefs Office | Construction of a 2 door pit latrine | 250,000 | - | |
| Milimet Assistant Chiefs Office | Construction of assistant chiefs office | 700,000 | - | |
| Taita Police Post | Renovation of a police post | (400,000) | - | |
| Ambusket Rc Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Bondet Primary School- Kipkongor | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Boron Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Chepkiswet Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Chepkosigen Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Chigamba Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Gosemia Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Kaplamai Polytechnic | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Kapyemit Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Kiplemeiywo Primary School | Installation of 5,000 litre water tank and | 100,000 | - | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|-----------------------------|--|--------------------------------|----------------------------------|----------|
| | gutters | | | |
| Kiptaragon Secondary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Kiptulwo Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Korao Secondary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Lelpanga Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Lelaitich Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Lelkoita Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Leltany Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Rwaget Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Sangawet Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Shamba Ndovu Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Sigowet Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Tegat Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Timbwalo Primary School | Installation of 5,000 litre water tank and gutters | 100,000 | - | |
| Sports | Purchase of sports equipment and organizing tournament | 1 | - | |
| Bursary Secondary Schools | Payment of Bursary to needy students | (982,106) | - | |

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| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/2021 | Comments |
|-------------------------------|---|--------------------------------|----------------------------------|----------|
| Bursary Tertiary Institutions | Payment of Bursary to needy students | 179,893 | - | |
| Emergency | To cater for any unforeseen activity | 251,114 | - | |
| Keringet DCC Land | Purchase of DCC land | 3,000,000 | | |
| Sub-Total | | 6,998,902 | 1,302,372 | |
| Acquisition Of Assets | | | | |
| Kuresoi South NGCDF Hall | Purchase of furniture and installation of electricity | 300,000 | - | |
| Others (<i>Specify</i>) | | - | - | |
| Strategic Plan | Preparation of NGCDFC 2018-2022 Strategic plan | 1,500,000 | | |
| Sub-Total | | - | - | |
| Funds Pending Approval | | 730,000 | 12,005,000 | |
| Grand Total | | 33,453,273 | 67,048,666 | |

Annex 4 – Summary of Fixed Asset Register

| Asset class | Historical Cost b/f (Kshs) 2020/21 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) 2021/22 |
|--------------------------|---|--|--|---|
| Land | 1,000,000 | - | - | 1,000,000 |
| Buildings and structures | 3,062,010 | - | - | 3,062,010 |
| Transport equipment | 3,000,000 | - | - | 3,000,000 |

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| Asset class | Historical Cost b/f (Kshs) 2020/21 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) 2021/22 |
|--|---|---|---|---|
| Office equipment, furniture and fittings | 4,143,027 | - | - | 4,143,027 |
| ICT Equipment, Software and Other ICT Assets | 2,000,000 | - | - | 2,000,000 |
| Other Machinery and Equipment | - | 200,000 | - | 200,000 |
| Heritage and cultural assets | - | - | - | - |
| Intangible assets | - | - | - | - |
| Total | 13,205,037 | 200,000 | - | 13,405,037 |

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

| PMC | Bank | Account number | DATE OF ACCOUNT OPENING | Bank Balance 2021/22 | Bank Balance 2020/21 |
|--------------------------------|------------------|----------------|-------------------------|----------------------|----------------------|
| Amani Secondary School | Equity Bank Molo | 0230162459935 | 28-09-2012 | - | 529,030 |
| Ambusket Secondary School | Equity Bank Molo | 0230170420484 | 28-09-2012 | - | 123,582 |
| Aoon Primary | Equity Bank Molo | 0230199752270 | 28-09-2012 | 135 | - |
| Arorwet Girls Secondary School | Equity Bank Molo | 0230180132276 | 22-09-2020 | 95 | 327,885 |
| Arorwet Primary School | Equity Bank Molo | 0230162799754 | 02-09-2014 | 64,808 | 150,088 |
| Barao Secondary School | Equity Bank Molo | 0230181088855 | 22-07-2021 | 44,700 | - |
| Bararget Secondary School | Equity Bank Molo | 0230179087254 | 22-07-2021 | 44,700 | 402,400 |
| Chebara Primary School | Equity Bank Molo | 0230162552968 | 23-06-2014 | 501 | - |
| Chebotoi Secondary School | Equity Bank Molo | 0230162468425 | 29-05-2014 | 295,553 | 859,152 |
| Chemaner Primary School | Equity Bank Molo | 0230162847872 | 13-09-2014 | 60 | 60 |
| Chemaner secondary school | Equity Bank Molo | 0230162050130 | 13-09-2014 | - | 719 |
| Chepkiswet Primary School | Equity Bank Molo | 0230162541864 | 19-06-2014 | 22,700 | - |
| Chepkosigen Primary School | Equity Bank Molo | 0230263696349 | 31-01-2015 | 100,200 | 600000 |
| Chepnyalilo Primary School | Equity Bank Molo | 0230162802865 | 02-09-2014 | 23,620 | - |
| Cheram Primary School | Equity Bank Molo | 0230263814511 | 27-02-2015 | 680 | - |
| Cheptebes Primary School | Equity Bank Molo | 0230198163071 | 14-10-2011 | 60,766 | 768,245 |
| Chikamba Secondary School | Equity Bank Molo | 0230162828247 | 09-09-2014 | 99,788 | - |

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| Pmc | Bank | Account number | DATE OF ACCOUNT OPENING | Bank Balance 2021/22 | Bank Balance 2020/21 |
|---------------------------------|------------------|-----------------------|--------------------------------|-----------------------------|-----------------------------|
| Cherokyet primary school | Equity Bank Molo | 0230162546321 | 01-08-2019 | - | 198,559 |
| Chesarur primary school | Equity Bank Molo | 0230170615880 | 23-07-2018 | - | 76,855 |
| Emitik G School | Equity Bank Molo | 0230179087539 | 01-08-2019 | 20 | - |
| Emitik Primary School | Equity Bank Molo | 0230280719745 | 16-03-2021 | 70 | 300,100 |
| Gosemia Primary School | Equity Bank Molo | 0230162798999 | 02-09-2014 | 728 | 335,087 |
| Irongo Secondary School | Equity Bank Molo | 0230162472825 | 30-05-2014 | 51,535 | 212,015 |
| Kabegeriet Primary School | Equity Bank Molo | 0230162804058 | 02-09-2014 | 655 | 655 |
| Kaber Primary School | Equity Bank Molo | 0230162247934 | 27-03-2014 | 2,631 | 1,402,361 |
| Kabongoi primary school | Equity Bank Molo | 0230162823883 | 02-09-2014 | - | 284 |
| Kamwaura Primary School | Equity Bank Molo | 0230177470198 | 23-07-2018 | 10 | - |
| Kamwaura Secondary School | Equity Bank Molo | 0230263373966 | 10-11-2014 | 332 | - |
| Kapande primary school | Equity Bank Molo | 0230199751823 | 03-12-2013 | 2,117 | 2,117 |
| Kapkali Primary School | Equity Bank Molo | 0230280879463 | 12-05-2021 | 200 | 334,400 |
| Kapkeet primary school | Equity Bank Molo | 0230264837163 | 03-12-2013 | - | 1,499,837 |
| Kapkeet secondary school | Equity Bank Molo | 0230169728456 | 23-07-2018 | - | 110 |
| Kapkorio (Amalo) primary school | Equity Bank Molo | 0230180134858 | 22-11-2019 | - | - |
| Kapkores Primary School | Equity Bank Molo | 0230162825533 | 08-09-2014 | 51 | - |
| Kaplamai Chief's Office | Equity Bank Molo | 0230182028668 | 22-11-2021 | 50,120 | - |

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| Pmc | Bank | Account number | DATE OF ACCOUNT OPENING | Bank Balance 2021/22 | Bank Balance 2020/21 |
|--------------------------------|------------------|----------------|-------------------------|----------------------|----------------------|
| Kaplamai Primary School | Equity Bank Molo | 0230161759576 | 03-12-2013 | 67 | 399487 |
| Kaplamai secondary school | Equity Bank Molo | 0230263712922 | 03-12-2013 | - | 410 |
| Kaplamboi Secondary School | Equity Bank Molo | 0230178907055 | 28-05-2019 | 297,425 | 388,025 |
| Kapng'orot Secondary School | Equity Bank Molo | 0230162481404 | 03-06-2014 | 9 | 29 |
| Kapmondoi primary school | Equity Bank Molo | 0230180231154 | 28-09-2016 | - | 60 |
| Kapno Primary School | Equity Bank Molo | 0230169981354 | 28-09-2016 | 25 | 25 |
| Kaprengero Primary School | Equity Bank Molo | 0230264407260 | 29-06-2015 | 302,050 | 302050 |
| Kaptembwo primary school | Equity Bank Molo | 0230171488676 | 29-06-2015 | - | 72,834 |
| Kapsimbeiywo Secondary School | Equity Bank Molo | 0230199768023 | 03-10-2012 | 181 | 1981 |
| Kapugunot primary school | Equity Bank Molo | 0230162803965 | 03-10-2012 | - | 38,930 |
| Keringet Estate Primary School | Equity Bank Molo | 0230169801172 | 13-09-2016 | 40 | 351,450 |
| Keringet Police Station | Equity Bank Molo | 0230177722048 | 15-10-2018 | 54,131 | 204251 |
| Keringet Secondary School | Equity Bank Molo | 0230263515974 | 16-12-2014 | 5,210 | 35210 |
| Ketitui Central Primary School | Equity Bank Molo | 0230162406746 | 13-05-2014 | 409,130 | 666,666 |
| Kibirech Primary School | Equity Bank Molo | 0230177440021 | 12-07-2018 | 49,500 | 497640 |
| Kimaech primary school | Equity Bank Molo | 0230161799901 | 15-10-2018 | - | 750,001 |
| Kimugul Chiefs Office | Equity Bank Molo | 0230281153184 | 10-08-2021 | 180 | 180 |
| Kimororoch secondary school | Equity Bank Molo | 0230177418078 | 12-07-2018 | - | 60,140 |

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| Emo | Bank | Account number | DATE OF ACCOUNT OPENING | Bank Balance 2021/22 | Bank Balance 2020/21 |
|----------------------------------|------------------|----------------|-------------------------|----------------------|----------------------|
| Kipleljin Primary School | Equity Bank Molo | 0230162808117 | 03-09-2014 | 330 | 293690 |
| Kipsonoi Secondary School | Equity Bank Molo | 0230162521317 | 13-06-2014 | 6,429 | 46548 |
| Kiptagich Secondary School | Equity Bank Molo | 0230162865543 | 18-09-2014 | 497,880 | 3,919,650 |
| Kiptaragon Secondary School | Equity Bank Molo | 0230162825143 | 08-09-2014 | 17,544 | - |
| Kiptenden Primary School - Amalo | Equity Bank Molo | 0230177115471 | 11-05-2018 | 870 | - |
| Kiptenden Tinet Primary School | Equity Bank Molo | 0230178912906 | 30-05-2019 | 20 | - |
| Kiptulwo Primary School | Equity Bank Molo | 0230161768302 | 05-12-2013 | 234 | - |
| Kitoben primary school | Equity bank Molo | 0230162550455 | 30-05-2019 | - | 749,925 |
| Koitab Tinet Primary School | Equity Bank Molo | 0230162876754 | 22-09-2014 | 671 | 671 |
| Korao primary school | Equity bank Molo | 0230162877299 | 22-09-2014 | - | 1,326 |
| Lel Panga Primary School | Equity Bank Molo | 0230280823398 | 22-04-2021 | 310 | 174,310 |
| Lelaitich Primary School | Equity Bank Molo | 0230162585656 | 02-07-2014 | 48 | 187,048 |
| Longet Primary School | Equity Bank Molo | 0230162459847 | 27-05-2014 | 50,797 | 20 |
| Maluo Primary School | Equity Bank Molo | 0230169627570 | 31-08-2016 | - | - |
| Marwa Secondary School | Equity Bank Molo | 0230280805037 | 16-04-2021 | 20 | 30 |
| Marwa Secondary School | Equity Bank Molo | 0230280805037 | 16-04-2021 | 20 | 30 |
| Ndabibit Primary School | Equity Bank Molo | 0230162460585 | 27-05-2014 | 73 | 72 |
| Ogiek Primary School | Equity Bank Molo | 0230178737754 | 05-04-2019 | 310 | 670 |

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| Emo | Bank | Account number | DATE OF ACCOUNT OPENING | Bank Balance 2021/22 | Bank Balance 2020/21 |
|---|------------------|----------------|-------------------------|----------------------|----------------------|
| Olenguruone Deb Boarding Primary School | Equity Bank Molo | '0230162838200 | 11-09-2014 | 975 | 974 |
| Olenguruone Deb Day Primary School | Equity Bank Molo | '0230172813632 | 12-05-2017 | 1,460 | 572,801 |
| Olenguruone Secondary School | Equity Bank Molo | 0230180320449 | 25-11-2020 | 30 | 1,490 |
| Saoset Primary School | Equity Bank Molo | 0230162463959 | 28-05-2014 | 83,234 | - |
| Saoset Primary School | Equity Bank Molo | 0230162463959 | 28-05-2014 | 83,234 | - |
| Saptet Primary School(Amallo) | Equity Bank Molo | 0230179984689 | 01-08-2020 | 20 | 20 |
| Saptonok Primary School | Equity Bank Molo | 0230263788787 | 20-02-2015 | 360,225 | - |
| Silibwet Secondary School | Equity Bank Molo | 0230170052962 | 03-10-2016 | 210 | 20 |
| Simotwet Primary School | Equity Bank Molo | '0230162424500 | 17-05-2014 | 54 | 0 |
| Sinendet 'B' Primary School | Equity Bank Molo | '0230162881850 | 23-09-2014 | 2,213 | 0 |
| Sinendet Secondary School | Equity Bank Molo | 0230162804109 | 02-09-2014 | 470,875 | 1,101,200 |
| Sitotwet Primary School | Equity Bank Molo | 0230265136228 | 02-10-2015 | - | 96,075 |
| Siwot Girls Secondary School | Equity Bank Molo | 0230266562089 | 28-01-2016 | 100,600 | 960 |
| Sotiki primary school | Equity bank molo | 0230161728101 | 02-10-2015 | - | 260,032 |
| Sugutek Secondary School | Equity Bank Molo | 0230166848818 | 17-02-2016 | 100,326 | - |
| Sukutek Primary School | Equity Bank Molo | '0230171522524 | 28-01-2017 | 50 | - |
| Tach Asis Primary School - Keringet | Equity Bank Molo | 0230162546926 | 21-06-2014 | 1,490 | - |
| Tach Asis Secondary School | Equity Bank Molo | 0230182131633 | 22-12-2021 | 200 | - |

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| Pmc | Bank | Account number | DATE OF ACCOUNT OPENING | Bank Balance 2021/22 | Bank Balance 2020/21 |
|---------------------------------------|------------------|----------------|-------------------------|----------------------|----------------------|
| Teta Primary School | Equity Bank Molo | '0230262893634 | 26-09-2014 | 538 | 537 |
| Tegat Primary School | Equity Bank Molo | 0230190223963 | 26-09-2014 | 538 | 238,789 |
| Tinet Mixed Secondary School | Equity Bank Molo | 0230264378281 | 23-06-2015 | 1,500,980 | 1100 |
| Timbwalo primary school | Equity Bank Molo | 0230170360588 | 04-12-2014 | - | 1,500,350 |
| Tinet Kabongoi girls secondary school | Equity Bank Molo | 0230263154101 | 23-06-2015 | - | 1,027,550 |
| Tuiyobei Primary School Keringet | Equity Bank Molo | 0230163473417 | 04-12-2014 | 199,652 | 74,731 |
| Tulwet Primary School | Equity Bank Molo | 0230162559456 | 25-06-2014 | 8,163 | 8402 |
| Tulwet Secondary School | Equity Bank Molo | '0230163314568 | 24-10-2014 | 220,170 | 420,890 |
| Wamkong Primary School | Equity Bank Molo | '0230171624592 | 04-02-2017 | 95 | 39615 |
| Zibo primary school | Equity Bank Molo | 0230263509117 | 23-06-2015 | - | 398,500 |
| Total | | | | 6,707,841 | 25,063,208 |

Annex 6: Progress On Follow Up of Auditor Recommendations

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|--|------------------------------|-----------------------------------|--|
| 4.1 Presentation and Disclosure of the Financial Statements | <p>The annual reports and financial statements for the year ended 30 June, 2021 and submitted for audit review had the following presentation anomalies: -</p> <ol style="list-style-type: none"> 1. The template guidance notes on the header of the cover page and the page numbering to be deleted 2. The table of contents to include the financial period in which the statement of receipts and payments, statement of assets and liabilities and the summary statement of appropriation relate to. It was also observed that the statement of cash flows, the progress on follow up on auditor recommendations and the annexes had been omitted 3. The template guidance notes on page 3 under section (e) and (g) to be deleted as guided by the auditor's comments on the financial statements 4. The pages number 11 and 39 have been erroneously repeated, management to amend page numbering 5. The accounting officer to include the date when the financial statements were signed in the page numbers 14, 16, 17, 18 and 20 6. The statement of receipts and payments, statement of assets and liabilities, statement of cash flows and the | The anomalies were corrected | 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>summary statement of appropriation on pages 16,17,18 and 19 to indicate the financial period to which they relate to.</p> <p>7. The financial period for the statement of assets and liabilities has been erroneously captured as 2019-2020 and 2018-2019</p> <p>8. The template guidance notes on page 26 to be deleted</p> <p>9. The management to include the opening PMC bank balances for all the listed PMC bank accounts under Annex 5-PMC balances.</p> <p>10. The management to also include the bank balances for Kuresoi South Environment PMC and Kuresoi South Sports PMC in the list of PMC bank balances under Annex 5-PMC balances</p> | | | |
| 4.2 Accuracy of the Financial Statements | <p>The financial statements of NGCDF Kuresoi South Constituency were prepared in accordance with the Cash Basis of accounting method under the International Public Sector Accounting Standards (IPSAS). However, examination of the submitted financial statements revealed the following anomalies;</p> <p>1. The statement of receipts and payments reflects use of goods and services balance of Kshs.11,192,365 as detailed under Note 5 to the financial statements. However, analysis of the sub-components revealed wrong casting of Kshs.11,192,365 instead of the correct balance of Kshs.8,685,655 resulting to overstatement of Kshs.2,506,710.</p> <p>Further, the opening balances for the same also reflected Kshs.6,179,765 but a recasting of the amounts resulted to</p> | The figures were corrected | 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>Kshs.3,664,906 leading to an overstatement of Kshs.2,514,859.</p> <p>2. Under Note 5 to the financial statements, the opening balance for utilities, supplies and services of Kshs.18,900 differs with the prior year audited balance of Kshs.73,035 resulting to understatement of Kshs.54,135.</p> | | | |
| 4.3 Irregular Disbursement of Bursaries to Tertiary Institutions | <p>The statement of receipts and payments reflects other grants and transfers balance of Kshs.52,253,063 as disclosed under Note 7 to the financial statements. Included in this figure were bursaries to tertiary institutions of Kshs.15,889,300. Analysis of schedules provided for audit review revealed the following anomalies;</p> <p>i. Unsupported Expenditure of Bursary to Tertiary Institutions From the bursaries disbursed to tertiary institutions of Kshs.15,889,300, an amount of Kshs.13,899,300 was well supported by way of names of the beneficiaries and the corresponding acknowledgement letters by respective institutions. The resultant difference of Kshs.1,990,000 remain unsupported.</p> <p>ii. Missing Registration Numbers Analysis of the bursaries disbursements schedules provided for audit review showed that nine (9) students received bursaries totaling to Kshs.154,600 but did not have their admission or registration numbers indicated. It was therefore not clear what unique identifier was used</p> | Registration numbers were provided and acknowledgement letters were availed | Resolved | |

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|--|---|--|-----------------------------------|--|
| | to identify the beneficiaries as outlined in appendix 2. Under the circumstances, the accuracy and completeness of the expenditure of Kshs.15,889,300 could not be ascertained. | | | |
| 4.4 Unreturned PMC Bank balances | The Project Management Committee (PMC) balances of Kshs.51,756,726 for the financial year 2019/2020 were not returned to the Constituency Main Account. This contravenes the National Government Constituencies Development Fund Act, 2015 section 6 (5) which states that for the avoidance of doubt, a return as set out in the First Schedule shall be made for the current financial year and every previous financial year on which some funds remain unspent | Management is in consultation with the PMC members who have requested to fund other activities with the balances | Resolved | |
| 4.5 Failure to Update the Assets Register | The statement of receipts and payments reflects Kshs.11,192,365 in respect to use of goods and services as detailed under Note 5 to the financial statements. Included in the amount was payment for specialized materials and services of Kshs.200, 000, being the purchase of a braille machine for use in meetings by a member of Constituency Development Fund Committee (CDFC) representing the Persons with Disabilities (PwD). It was however established that this asset was not included in the assets' register for the Fund contrary to section 36 (3) of the NGCDF Act, 2015 that requires all equipment bought under this Act shall be in the name of the Board. Further, as at the time of audit, the asset was | The braille machine was recorded in the asset register and availed in the office | 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>not produced for physical inspection as it was not within the Constituency offices. Under the circumstances, it was not possible to establish the existence of the machine and propriety of the expenditure of Kshs.200,000 incurred in procuring the braille machine.</p> | | | |

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Edwin Nyamu
Fund Account Manager

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