REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – NAROK SOUTH CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2024

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

NARROK SOUTH CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
ARMC	Audit and Risk Management Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
NSCA	National Sub-County Accountant
PFM	Public Finance Management
PMC	Project Management Committee
PWD	Persons with Disability
FY	Financial Year

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; Entity to insert all the relevant acronyms and key terms used in the annual report and financial statements)

2. 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 2023. 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 the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

a) Recognize the constituency as a platform for the 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 realisation of the economic and social rights guaranteed under Article 43 of the Constitution;

g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;

h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

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

j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;

k) Create a harmonious relationship between citizens and the national government and its officers in local development;

l) Provide a platform for citizens' participation in service delivery;

m) Build local accountability and transparency in the use of resources; and

n) 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.

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 are as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The NGCDF Narok South Constituency's 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 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	William Saitoti
2.	National Sub-County Accountant	Evans Obae
3.	Chairman NGCDFC	Ledama Nkoitoi
4.	Member NGCDFC	Kasisi Ololgeso

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Narok Constituency. The reports and recommendations of ARMC, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

(e) NGCDF Narok South Constituency Headquarters

P.O. Box 99
Ololulunga
Narok-Bomet Road

(f) NGCDF Narok South Constituency Contacts

Telephone: (254) 721814169
E-mail: naroksouthngcdf@cdf.go.ke
Website: www.go.ke

(g) NGCDF Narok South Constituency Bankers

1. Bank A. (Operations Account). *National Bank*
   Branch
   P.O. Box 833 Narok

2. Bank B. (Deposit account). *N/A*

   (List all the banks where the fund has accounts)

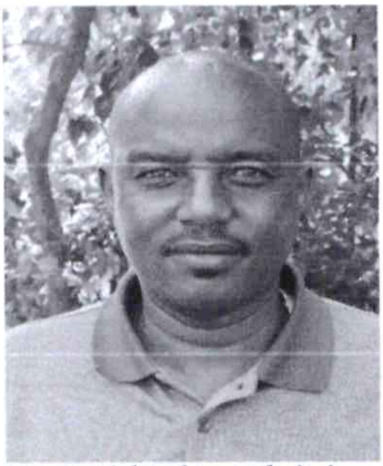
(h) Independent Auditor

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

3. NG-CDFC Chairman's Report



Mr. Daniel Ledama Nkoitoi

On behalf of Narok South NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2023/2024 annual report and financial statements for the fund.

NAROK SOUTH NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposal as proposed by the residents of Narok South constituency and ensure that all approved projects meet the requirements of sec 24 of the Act, Capacity building of the project management committees (PMCs), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (PMC), projects monitoring and regular NGCDF committee meetings.

Narok South NG-CDF committee registered exemplary performance in the year under review as demonstrated by implementation of projects, programmes and activities in the sectors of Education, security, sports and environment which fall within the mandate of the Fund established by the NGCDF ACT 2015(as amended in 2016).

The fund augmented the national government`s infrastructure development in education sector through construction, renovation and equipping of schools.

In detail, NG-CDF Narok South has been able to achieve the following during the financial year;

A total of 43 classrooms, 8 Laboratories,3 Dining Halls, 9 4-Door Toilets, Purchase of 7 acres of land to various schools,2 Dormitories,1 staff House, ICT Centre, Renovation of 3 schools and Purchase of 1 school Bus were fully implemented.

The fund`s contribution towards education infrastructure across the constituency supported the 100% government transition policy. In addition, the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of Kshs. 49,543,500 was awarded as bursary to needy students in the constituency. Narok South NG-CDF committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

A). Budget Performance

In the financial year 2023/2024 NAROK SOUTH NG-CDF budget performance against actual amounts for current year based on economic classification and programmes, was derailed by untimely and unpredictable disbursement of funds to the constituency by the NG-CDF Board,

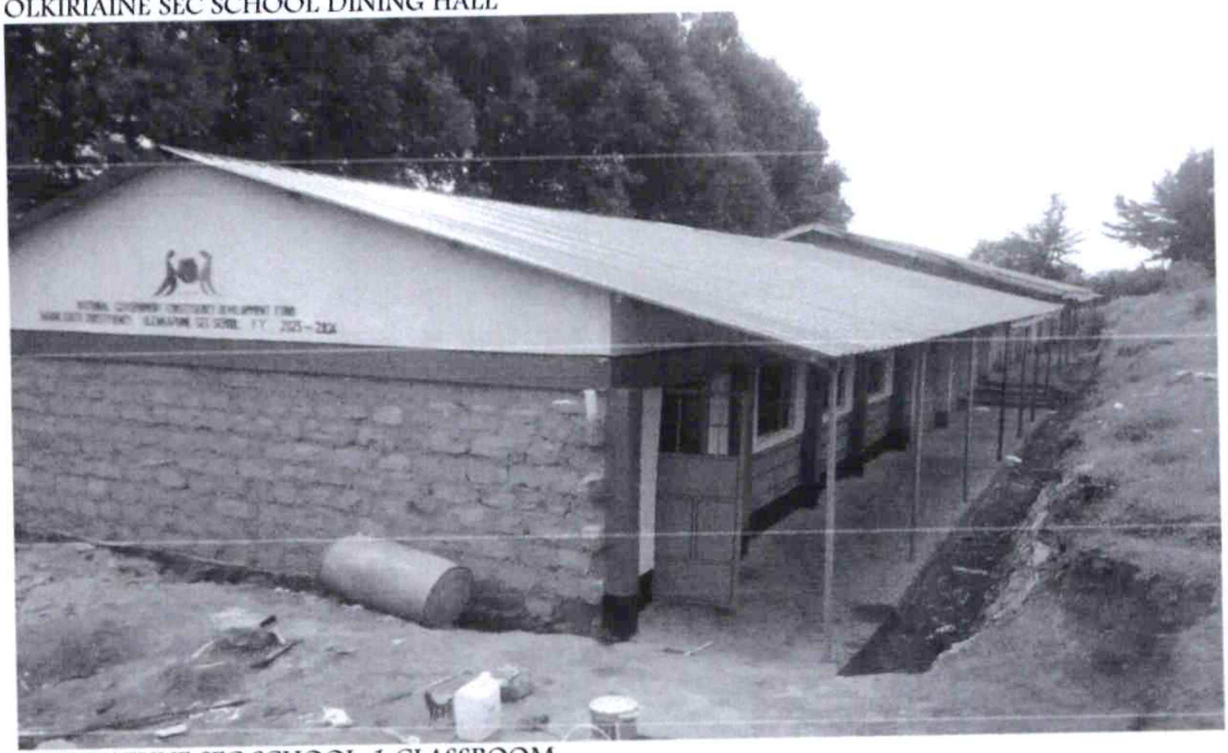
In the financial year ended June 30th, 2024 NAROK SOUTH NG-CDF had a cumulative approved budget of Kshs 203,013,034 out of which Kshs. 130,000,000 was received as at June 30, 2024.

NG-CDF NAROK SOUTH disbursed the received funds as follows;

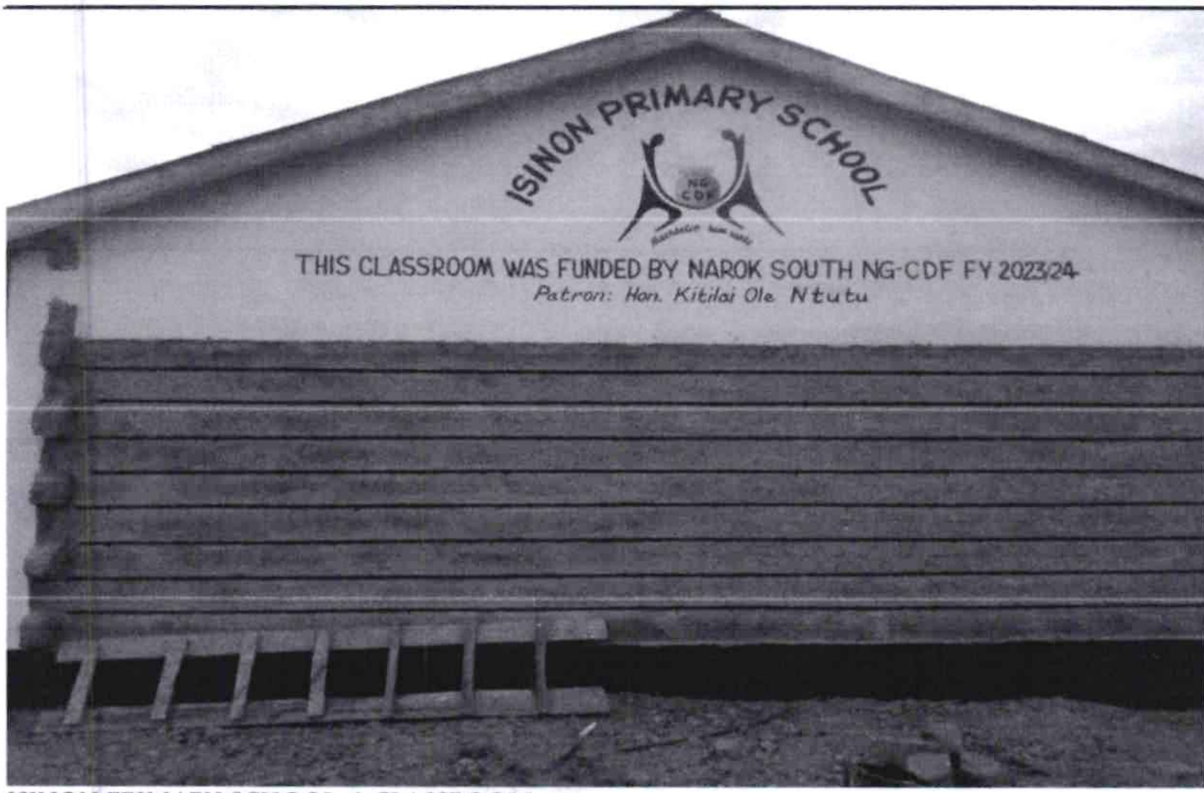
Receipt/Expense Item	Original Budget	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	c=a+b	d	e=c-d	f=d/c %
RECEIPTS					
Transfers from NG-CDF Board	203,013,034.00	268,123,776.47	195,110,742.47	73,013,034.00	
Proceeds from Sale of Assets					0.0%
Other Receipts		787,000.00	787,000.00		0.0%
TOTAL RECEIPTS	**203,013,034.00**	**268,910,776.47**	**195,897,742.47**	**73,013,034.00**	**72.8%**
PAYMENTS					
Compensation of Employees	5,471,852.00	6,588,873.47	5,662,901.00	925,972.47	85.9%
Committee expenses	7,313,354.00	7,608,354.00	9,216,986.00	(1,608,632.00)	121.1%
Use of goods and services	4,263,628.00	4,842,850.00	5,044,403.00	(201,553.00)	104.2%
Transfers to Other Government Units	124,090,555	166,684,605.00	94,609,283.00	72,075,322.00	56.8%
Other grants and transfers	59,373,645	79,379,094.00	80,702,879.00	(1,323,785.00)	101.7%
Acquisition of Assets		-	-	-	0.0%
Other Payments	2,500,000.00	3,020,000.00	519,000.00	2,501,000.00	17.2%
		787,000.00		787,000.00	
TOTAL	**203,013,034.00**	**268,910,776.47**	**195,755,452.00**	**73,155,324.47**	**72.8%**

Herein attached are pictorials to depict successful projects undertaken during the year.

OLKIRIAINE SEC SCHOOL DINING HALL

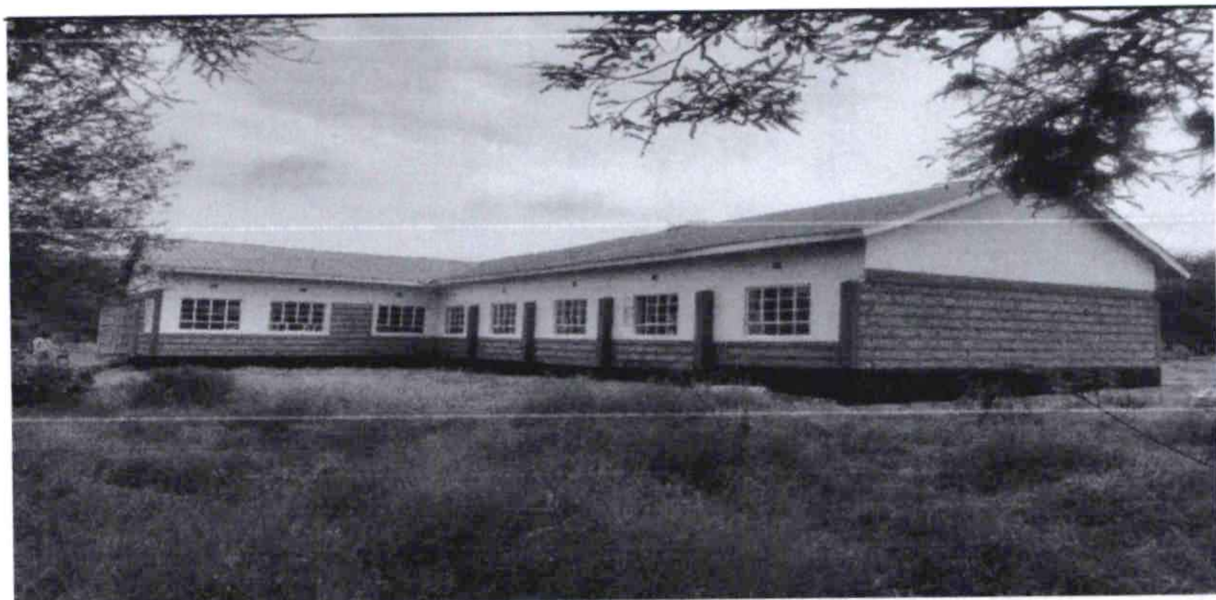


OLENKAPUNE SEC SCHOOL-1 CLASSROOM

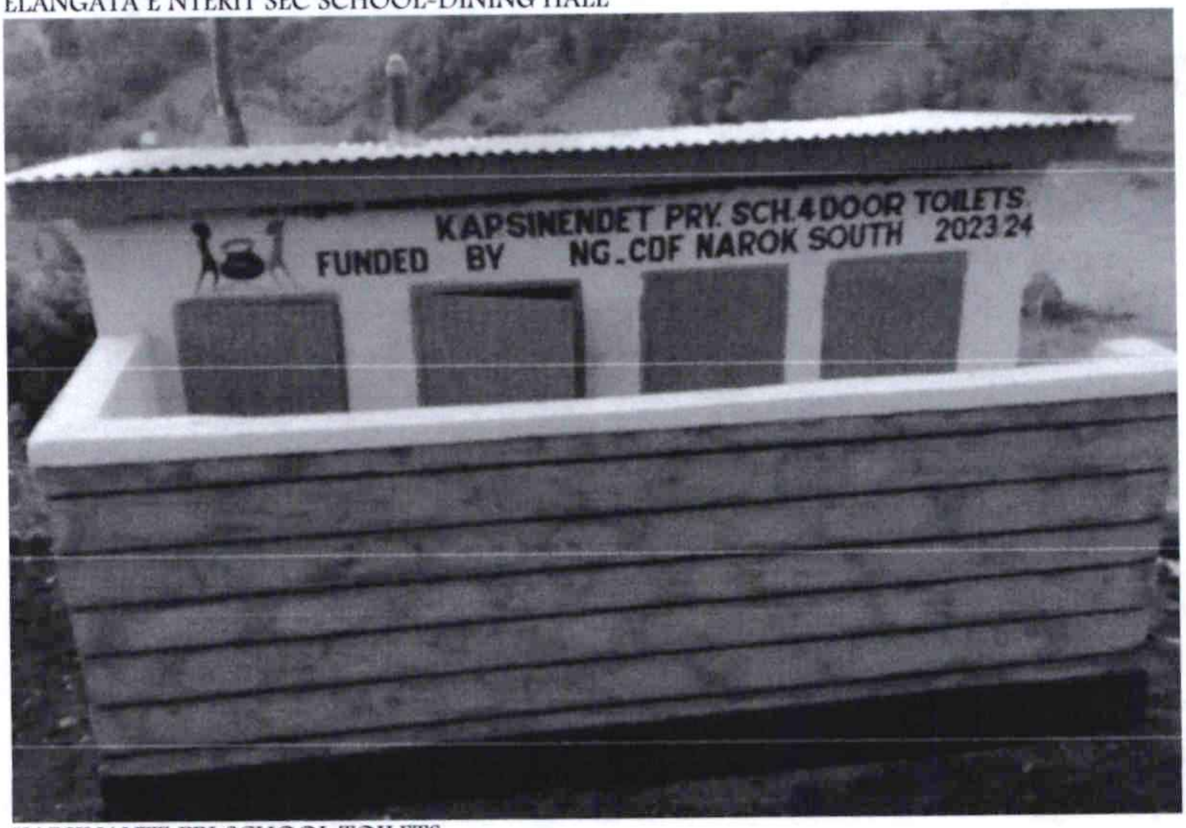


ISINON PRIMARY SCHOOL-1 CLASSROOM

TENGECHA ESOIT SEC SCHOOL 46-SEATER BUS



ELANGATA E NTERIT SEC SCHOOL-DINING HALL



KAPSINANTE PRI SCHOOL TOILETS

SOGOO SEC SCHOOL LABORATORY

OLASHAPANI PRIMARY SCHOOL-DINING HALL

OLASHAPANI BOARDING PRIMARY SCHOOL-DINING HALL

NAISUDORI SEC SCHOOL-LABORATORY

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Name:Daniel Ledama Nkoitoi
Chairman NGCDF Committee

4. Statement of Performance Against Predetermined Objectives for FY 2023/2024

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 the ***NGCDF Narok South Constituency*** *2023-2027 plan* are to:
i. To ensure access to quality education in the constituency
ii. To foster security and safety of the constituents
iii. To harness and promote youth talent development
iv. To promote environmental conservation programmes
v. To strengthen the PMC capacity in project implementation
vi. To enhance public information on constituency development projects

(Enumerate the key objectives of the constituency as per the Strategic Plan)

Progress on the 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 have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	-number of usable physical infrastructure build in primary, secondary, and tertiary institutions -number of bursary beneficiaries at all levels	In FY 20223/2024 - Bursary beneficiaries at all levels were as indicated below; A total of 43 classrooms,8 Laboratories,3 Dining Halls, 9 4-Door Toilets, Purchase of 7 acres of land to various schools,2 Dormitories,1 staff House, ICT Centre, Renovation of 3 schools and Purchase of 1 school Bus were fully implemented. Additionally, Ksh 50,000,000 was awarded as

Constituency Program	Objective	Outcome	Indicator	Performance
				bursaries to students in both secondary and tertiary institutions
Environment	To improve environmental conservation in primary and secondary schools	Increased number of schools engaged in environmental conservation by tree planting and roof harvesting of drinking water	-Number of schools participating in environmental conservation	During 2023/2024 financial year, all projects under environment were implemented. A total of 10,000 tree seedlings were planted in 10schools. 10 (10,000 Ltrs water tanks were purchased to various schools)
Emergency	To improve on addressing emergency occurrence within the constituency	Increased number of schools supported through emergency funding to address collapsed pit latrines to improve on sanitation	Number of schools supported through emergency funding	During 2023/2024 financial year, a total of4 schools were funded under emergency to reconstruct collapsed pit latrines

4. Governance Statement

Process of Appointment

Section 43(1), (2), (3) and (4) of the National Government Constituencies Development Fund (NG-CDF) Act state that:

1. there is established a National Government Constituency Development Fund Committee for every constituency.
2. Constituency Committee Shall comprise of;
   a) the national government official responsible for co-ordination of national government functions.
   b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment
   c) two women nominated in accordance with subsection (3) one of Whom shall be a youth at the date of appointment;
   d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
   e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
   f) the officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
   g) one member co-opted by the Board in accordance with regulations made by the Board
3. The seven persons referred to in sub-section (2) (b), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

The names of the persons selected under sub-section (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettement by the board.
The current NGCDFC members were gazetted in 2nd November 2022 and the first meeting was held in 5th December 2022 at Narok South North NG- CDF Board room.

a. NG-CDFC Tenure

The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

b. The Role of the Constituency Committee

Develop project proposals in consultation with wanainchi through public participations, submit the proposals to the NG-CDF Board for approval
Facilitate the PMCs in the planning, implementation and sustenance of projects once completed at the constituency.

c. Removal of a member

A member of the Constituency Committee may be removed from office on
any one or more of the following grounds;

(a) Lack of integrity;
(b) Gross misconduct;
(c) Embezzlement of public funds;
(d) Bringing the committee into disrepute through unbecoming personal public conduct;

(e) Promoting unethical practises;
(f) Causing disharmony within the committee;
(g) Physical or mental infirmity.

A decision to remove a member shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of the removal of a member under subsection shall be filled in the manner set out in the Act and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

d. NG-CDFC Induction and training

The committee induction was done at Narok South North NG-CDF Board room on 23rd December 2022

NGCDFC meetings held and remuneration

NGCDFC Members are allowed by law to hold minimum of 6 meetings and maximum of 24 including subcommittee meetings during the year. The act allows chairman to be paid Kshs 7,000 while other members are paid Kshs 5,000. Members are paid Kshs 5,000. The following are members of the committee and schedule of meetings held

Name	Gender	Designation
NKOITOI DANIEL LEDAMA	M	CHAIRMAN
SELLY CHEPKEMOI MARISIN	F	SECRETARY
PARKIPUNY OLE KOSIOM	M	MEMBER
PAUL PARSEKONTE NKOITIKO	M	MALE YOUTH REPRESENTATIVE
LILAH MARYANN FLAVIAN	F	MEMBER
JOSEPH KESWE LENKUME	M	MEMBER
KASISI OLE OLOGESO	M	MEMBER
CHELANGAT JOSPHINE	F	FEMALE YOUTH REPRESENTATIVE
PARKIPUNY OLE KOSIOM	M	CO-OPTED MEMBER

MEETINGS

NAME	03.07.23	18.8.22	25.09.23	13.10.23	2.11.23	06.12.23	11.01.24	29.01.24	09.04.23	14.05.24	28.06.24
NKOITOI DANIEL LEDAMA	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
SELLY CHEPKEMOI MARISIN	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
PARKIPUNY OLE KOSIOM	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
PAUL PARSEKONTE NKOITIKO	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔
LILAH MARYANN FLAVIAN	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔	✔

JOSEPH KESWE LENKUME	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
KASISI OLE OLOGESO	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
CHELANGAT JOSPHINE	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
PARKIPUNY OLE KOSIOM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

e. Disclose the policy on conflict of interest

The conflict of interest policy addresses situations where an employee's personal interest might conflict with the company's interest. It emphasizes mutual trusts, outlines potential conflicts, and provides guidelines for resolution, ensuring the company's goals are not compromised

The Members are required to declare any conflict during meetings, which whenever declared, would be recorded in the minutes and in the register.

f. Succession plan

Vacancies arising as a result of the removal or end of tenure of the members of the Constituency Committee, the vacancy shall be filled in the manner set out in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of members.

g. Ethics and code of conduct

The NG-CDFC members shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record. Members shall not indulge in any act in contravention the act and other law, policy regulations that govern operations of NG-CDF.

h. Risk Management

When the CDFC members were being inducted they were taken through the risk management issues that will enable them manage risks at the constituency level. Risk management is an integral part of good governance and best management practice at a constituency.
The CDFCs were informed that the risk policy affirms the CDF commitment of building a risk culture that encourages intentional and pro-active risk management in a manner that commensurate with the NGCDF strategies.
Some of the risks and management are:

i. Mismanagement of project funds: - CDFC must ensure proper management of funds by forming five-member committee to manage funds in a particular project. These members must know any payment being made and approved by the Fund manager
ii. Absenteeism from CDFC meetings by Committee members: - Fund manager must always ensure that every meeting an attendance sheet is signed by all committee members present that will be used during payment of allowances.
iii. Conflict of interest: - There should be no conflict of interest for proper performance of the NGCDF.

5. Environmental and Sustainability Reporting

NG-CDF Narok South constituency thrives in making the lives of the constituents better. The main driver is better life. Because of this NG-CDF has provided a better and fair opportunity in allowing the constituents to apply for bursary in an open and free grounds. Security and environments and are a major priority

1. Sustainability strategy and profile -

To ensure sustainability of Narok South NG CDF, the committee funds the following key sectors with the following sustainable priorities.

a. **Education and Training**: Narok South Constituency's 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 marginalized 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.

2. Environmental performance

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

3. Employee welfare

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

Narok South Constituency is committed to fair and ethical market practices.
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-**

Narok South Constituency 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

Narok South Constituency 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 considers 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.

Narok South Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency

FUND ACCOUNT MANAGER NAROK SOUTH NATIONAL GOVERNMENT CDF
20 DEC 2024
20503 OLOLULUNGA

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William Saitoti
Fund Account Manager

6. 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- Narok 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, 2024 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- Narok 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 C*onstituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Narok 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 Narok 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 for. Further the Accounting Officer confirms that the C*onstituency*'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- Narok South Constituency financial statements were approved and signed by the Accounting Officer on 30 September 2024.

ACCOUNT MANAGER NAROK SOUTH
2 0 DEC 2024

Name: Daniel Ledama Nkoitoi
Chairman – NGCDF Committee

Name: William Saitoti Ntimeri
Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – NAROK SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2024

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 Control, 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 control developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources, and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 – Narok South Constituency set out on pages 1 to 37, which comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information 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 – Narok South Constituency as at 30 June, 2024 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. Unsupported Committee Expenses

The statement of receipts and payments reflects committee expenses amount of Kshs.9,216,986 as disclosed in Note 5 to the financial statements. However, the schedule provided for audit does not indicate names of committee members, number of meetings attended and total payments to each member.

In the circumstances, the validity, accuracy, and fair statement of committee expenses amount of Kshs.9,216,986 could not be confirmed.

2. Unsupported Transfer to Other Government Units Amount

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.94,609,283 which as disclosed in Note 7 to the financial statements includes a balance of Kshs.74,142,358 related to transfers to secondary schools. The latter amount includes a balance of Kshs.9,500,000 that was paid on 11 July, 2024 towards the procurement of a 46-seater school bus for Tengecha Secondary School. However, review of the payment voucher revealed that it was not supported with an inspection and acceptance report contrary to Regulation 35 of the Public Procurement and Assets Disposal Regulations, 2020.

Further, review of records revealed that the Fund purchased a 2-acre piece of land on 30 June, 2024 in respect of Saire Secondary School at a cost of Kshs.2,200,000. However, this transaction could not be verified since the payment voucher was not supported with a title deed to confirm the validly registered owner of the land.

In the circumstances, the accuracy, completeness and propriety of the transfers to other Government units amount of Kshs.11,700,000 could not be confirmed.

3. Unsupported Project Management Committee (PMC) Account Balances

Note 19.4 to the financial statements reflects Project Management Committee (PMC) account balance of Kshs.1,747,585. However, the cash books, certificates of bank balances and bank reconciliation statements were not provided for audit. Further, the distribution of the various account balances and the movement schedule from the prior year balance of Kshs.288,966 was also not provided for audit.

In addition, the balances remaining after the completion of the project implementation and their subsequent handover should be clawed back into the Fund's main account. However, Management of the Fund did not provide evidence that the balance of the monies for projects that were handed over have been taken back to the main account as required by the law.

In the circumstances, the accuracy and completeness of the Project Management Committee account balances of Kshs.1,747,585 could not be confirmed.

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

Emphasis of Matter

Budgetary Controls and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparison basis amounts of Kshs.268,910,776 and Kshs.195,897,742 resulting in under funding of Kshs.73,013,034 or 27% of the budget. Similarly, the statement reflects a final expenditure budget of Kshs.268,910,776 against actual expenditure of Kshs.195,755,452 resulting to under expenditure of Kshs.73,155,324 or 27% of the budget.

The underfunding and under expenditure affected the planned activities of the Fund and may have adversely affected the delivery of services to the residents of Narok South Constituency.

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. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the other information set out on page iii to xxii which comprise of Key Constituency Information and Management, NG-CDFC Chairman's Report, Statement of Performance against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting and Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit of the Fund's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several paragraphs were raised. However, Management has not resolved and disclosed the status of all the prior year matters as prescribed in the reporting requirements set by the Public Sector Accounting Standards Board. In addition, Management has not provided satisfactory explanation for the delay in resolving the issues

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, and 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

Lack of Fraud Management Policy

The Fund did not have in place a fraud management policy during the year under review to assist in detecting and preventing fraud or falsification of records in the event of their occurrence. This is contrary to Regulation 165(1) the Public Finance Management

(National Government) Regulations, 2015 which provides that the Accounting Officer shall ensure that the National Government entity develops a risk management strategy, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

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

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 and based on the audit procedures performed, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management, and governance were not effective.

Basis for Conclusion

Lack of an Automated System for the Fund's Processes

Review of the Fund accounting system revealed that it has not been automated. The Fund applies Microsoft excel as a database, data server and anchorage to preparation of financial statements. The non-automation and limited staffing in the accounts department exposes the financial statements to errors as the excel generated data can easily be manipulated. In addition, the limitation of staff in the accounts department leaves data management to a small number of staff a situation which may compromise data integrity.

Further, the Fund lacked environmental controls procedures, tested emergency response procedures, approved backup and retention strategy, fire extinguishers or fire suppression systems and sufficient power back up in form of UPS and generators.
In the circumstances, the Fund has a high risk of data loss and possible compromised data integrity.

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 overall 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 the intention to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the Fund's 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

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/. This description forms part of my auditor's report.

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

31 December, 2024

8. Statement of Receipts and Payments for the Year Ended 30th June 2024

	Note	2023-2024	2022-2023
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	194,960,174	87,000,000
Proceeds from Sale of Assets	2	787,000	-
Other Receipts	3	-	-
TOTAL RECEIPTS		**195,747,174**	**87,000,000**
PAYMENTS			
Compensation of employees.	4	5,662,901	4,480,140
Committee expenses	5	9,216,986	4,078,950
Use of goods and services	6	5,044,403	2,000,617
Transfers to Other Government Units	7	94,609,283	16,806,900
Other grants and transfers	8	80,702,879	56,616,085
Acquisition of Assets	9	-	-
Other Payments	10	519,000	2,980,000
TOTAL PAYMENTS		**195,755,452**	**86,962,692**
SURPLUS/DEFICIT		**(8,278)**	**37,308**

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

The Constituency financial statements were approved by the NGCDFC on September 20, 2024 and signed by:

Chairman NG-CDF Committee	**Fund Accountant Manager**	**National Sub-County Accountant**
Name: Daniel Ledama Nkoitoi	**Name: William Saitoti**	**Name: Evans Obae** **ICPAK M/No: 17318**

9. Statement of Assets and Liabilities as at 30th June, 2024

	Note	2023/2024	2022/2023
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances	11A	142,290	150,568
Cash Balances	11B	-	-
Total Cash and Cash Equivalents		**142,290**	**150,568**
Accounts Receivable			
Outstanding Imprests	12	-	-
Total Financial Assets (A)		**142,290**	**150,568**
Financial Liabilities			
Accounts Payable			
Retention	13		
Gratuity	14	-	-
Total Financial Liabilities (B)		-	-
Net Financial Assets (A-B)		**142,290**	**150,568**
Represented By			
Fund Balance B/Fwd	15	150,568	113,260
Prior Year Adjustments	16		
Surplus/(Deficit) for The Year		(8,278)	37,308
Net Financial Position		**142,290**	**150,568**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on September 20, 2024

FUND ACCOUNT MANAGER NAROK SOUTH NATIONAL GOVERNMENT CDF
20 DEC 2024

Chairman NG-CDF Committee	**Fund Accountant Manager**	**National Sub-County Accountant**
Name: Daniel Ledama Nkoitoi	**Name: William Saitoti**	**Name: Evans Obae**
		ICPAK M/No: 17318

10. Statement Of Cash Flows for the Year Ended 30th June 2024

	Notes	2023/2024	2022/2023
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	194,960,174	87,000,000
Other Receipts	3	-	-
Total Receipts		**194,960,174**	**87,000,000**
Payments			
Compensation of Employees	4	5,662,901	4,480,140
Committee Expenses	5	9,216,986	4,078,950
Use of Goods and Services	6	5,044,403	2,000,617
Transfers to Other Government Units	7	94,609,283	16,806,900
Other Grants and Transfers	8	80,702,879	56,616,085
Other Payments	10	519,000	2,980,000
Total Payments		**195,755,452**	**86,962,692**
Total Receipts Less Total Payments			
Adjusted For:		-	-
Prior Year Adjustments	16	-	-
Decrease/(Increase) in Accounts Receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Net Cash Flow from Operating Activities		**(795,278)**	**37,308**
Cashflow From Investing Activities			
Proceeds from Sale of Assets	2	787,000	-
Acquisition of Assets	9	-	-
Net Cash Flows from Investing Activities		**787,000**	-
Net Increase in Cash & Cash Equivalents		**(8,278)**	**37,308**
Cash & Cash Equivalent at Start of the Year	11	**150,568**	**113,260**
Cash & Cash Equivalent at End of the Year	11	**142,290**	**150,568**

11. Summary Statement of Appropriation for the Year Ended 30th June 2024

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	**203,013,034.00**	150,568.47	64,960,174.00	268,123,776.47	195,110,742.47	73,013,034.00	
Proceeds from Sale of Assets							0.0%
Other Receipts		787,000.00		787,000.00	787,000.00		0.0%
TOTAL RECEIPTS	**203,013,034.00**	**937,568.47**	**64,960,174.00**	**268,910,776.47**	**195,897,742.47**	**73,013,034.00**	**72.8%**
PAYMENTS							
Compensation of Employees	5,471,852.00	150,568.47	966,453.00	6,588,873.47	5,662,901.00	925,972.47	85.9%
Committee expenses	7,313,354.00		295,000.00	7,608,354.00	9,216,986.00	(1,608,632.00)	121.1%
Use of goods and services	4,263,628.00		579,222.00	4,842,850.00	5,044,403.00	(201,553.00)	104.2%
Transfers to Other Government Units	124,090,555		42,594,050.00	166,684,605.00	94,609,283.00	72,075,322.00	56.8%
Other grants and transfers	59,373,645		20,005,449.00	79,379,094.00	80,702,879.00	(1,323,785.00)	101.7%
Acquisition of Assets				-	-	-	0.0%
Other Payments	2,500,000.00		520,000.00	3,020,000.00	519,000.00	2,501,000.00	17.2%
		787,000.00		787,000.00		787,000.00	
TOTAL	**203,013,034.00**	**937,568.47**	**64,960,174.00**	**268,910,776.47**	**195,755,452.00**	**73,155,324.47**	**72.8%**

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

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

- Compensation of Employees-Employees' salaries were not paid in full during the Financial Year due to delayed disbursement of funds from the Board
- Committee Expenses-The Training of NGCDFCs and NGCDFCs staff exceeded the budgeted amount in the original budget
- Use Of Goods and services-some items including fuel exceeded the budgeted amount due to increased costs of commodities during the Financial Year
- Transfer to Other government Unites-Underutilization due to delayed disbursement of funds
- Other grants and transfers-Under Utilization due to delayed disbursement of Funds
- Other Payments- Under Utilization due to delayed disbursement of Funds

(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.

Description	Amount
Budget utilisation difference totals	73,155,324.47
Less undisbursed funds receivable from the Board as at 30th June 2024	73,013,034.00
	142,290.47
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2023/2024	142,290.47

12. Budget Execution by Sectors and Projects for the Year Ended 30th June 2024

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,471,852.00	150,568.47	965,953.00	6,588,373.47	5,662,901.00	925,472.47
1.2 Committee allowances	5,078,753.00		295,000.00	5,373,753.00	4,183,535.00	1,190,218.00
1.3 Use of goods and services	497,189.00		579,222.00	1,076,411.00	2,742,063.00	(1,665,652.00)
Sub-total	**11,047,794.00**	150,568.47	**1,840,175.00**	**13,038,537.47**	**12,588,499.00**	**450,038.47**
2.0 Monitoring and evaluation						
2.1 Capacity building	1,500,000.00			1,500,000.00	2,302,340.00	(802,340.00)
2.2 Committee allowances	3,104,412.00			3,104,412.00	5,033,451.00	(1,929,039.00)
2.3 Use of goods and services	896,628.00			896,628.00	-	896,628.00
Sub-total	**5,501,040.00**			**5,501,040.00**	**7,335,791.00**	**(1,834,751.00)**
3.0 Constituency Oversight Committee (Itemize as per budget)						
3.1				-		-
				-		-
Sub-total				-		-
4.0 Emergency	9,691,047.00					
4.1 Primary Schools				-		-
4.2 Secondary schools				-		-

4.3 Tertiary institutions				-		-
4.4 Security projects				-		-
Sub-total	**9,691,047.00**		**4,863,190.00**	**14,554,237.00**	**14,555,739.00**	**(1,502.00)**
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	28,500,000.00			**28,500,000.00**		-
5.3 Tertiary Institutions	18,800,000.00			**18,800,000.00**		-
5.4 Universities				-		-
5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	**47,300,000.00**		**501,426.00**	**47,801,426.00**	**49,543,500.00**	**(1,742,074.00)**
6.0 Sports			**86,216.00**	**86,216.00**	-	**86,216.00**
6.1				-		-
6.2				-		-
Sub-total				-		-
7.0 Environment						
Olosiyioi Gils Secondary School	238,259.80			238,259.80		
Parburush Primary School	238,259.80			238,259.80		
Tengecha Primary School	238,259.80			238,259.80		
Tumuiyot Primary School	238,259.80			238,259.80		
Naapolosa Primary School	238,259.80			238,259.80		
Kone Secondary School	238,259.80			238,259.80		
Olmesutie Secondary School	238,259.80			238,259.80		
Nairebuk Secondary School	238,259.80			238,259.80		
Ngosuani Secondary School	238,259.80			238,259.80		
Olpusare Primary School	238,259.80			238,259.80		
Sub-total	**2,382,598.00**		**800,677.00**	**3,183,275.00**	**3,162,000.00**	**21,275.00**
8.0 Primary Schools Projects						

(List all the Projects)						
OLOIRIEN PRIMARY SCHOOL	-		2,000,000.00	2,000,000.00	2,000,000.00	
OLOORETET PRIMARY SCHOOL	-		50.00	50.00	50.00	
TIFO PRIMARY SCHOOL	-		400,000.00	400,000.00	400,000.00	
Oldanyati Primary School	500,000.00			500,000.00		500,000.00
Naapolosa Primary School	2,000,000.00			2,000,000.00	2,000,000.00	
Oriongos Primary School	1,000,000.00			1,000,000.00	1,000,000.00	
Kapsinantet Primary School	500,000.00			500,000.00		500,000.00
Botoret Primary School	500,000.00			500,000.00		500,000.00
Bondet Primary School	500,000.00			500,000.00		500,000.00
Letaari Primary School	500,000.00			500,000.00		500,000.00
Naapolosa Primary School	3,000,000.00			3,000,000.00	3,000,000.00	
Olemegili Primary School	2,100,000.00			2,100,000.00		2,100,000.00
Olashapani Boarding Primary School	2,157,425.00			2,157,425.00	2,157,425.00	
Olpusare Primary School	2,500,000.00			2,500,000.00		2,500,000.00
Iltirben Primary School	798,506.00			798,506.00	798,506.00	
Olgilai Primary School	500,000.00			500,000.00		500,000.00
Sitotwet Primary School	500,000.00			500,000.00		500,000.00
Oloolaiser Primary School	500,000.00			500,000.00		500,000.00
Eutuut Primary School	500,000.00			500,000.00		500,000.00
Olonini Primary School	2,500,000.00			2,500,000.00		2,500,000.00
Kotolian Primary School	2,000,000.00			2,000,000.00	2,000,000.00	
Oloogila Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Enairebuk Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Isinon Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Kitilikini Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Oloenai Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Morijo Loita Sec Primary School	1,300,000.00			1,300,000.00	1,300,000.00	

Kapkatet Primary School	1,283,133.00			1,283,133.00		1,283,133.00
Oloigeruno Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Ole Rinka Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Kosika Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Baragorwet Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Ole Nkaji Nabo Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Enkiu Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Ilkerin Jnr Secondary School	1,300,000.00			1,300,000.00		1,300,000.00
Olmusaakwa Jnr Secondary School	1,250,000.00			1,250,000.00		1,250,000.00
Olgilai Primary School	1,250,000.00			1,250,000.00	1,250,000.00	
Olenkoirien Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Kimelok Nkisiwani Primary School	1,250,000.00			1,250,000.00	1,250,000.00	
Sitotwet Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Muteldo Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Olmukonge Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Oloolaiser Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Eutuut Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Chepkwendo Primary School	1,250,000.00			1,250,000.00	1,250,000.00	
Kebeneti Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Olentarakwai Primary School	1,300,000.00			1,300,000.00		1,300,000.00
Tendwet Primary School	1,283,133.00			1,283,133.00		1,192,189.00
Kalyet Primary School	1,250,000.00			1,250,000.00		1,250,000.00
Ngosuani Jnr Sec SChool	1,300,000.00			1,300,000.00		1,300,000.00
Olenkapune Jnr Secondary School	1,250,000.00			1,250,000.00	1,250,000.00	
Sub-total	**60,322,197.00**		**2,400,050.00**	**62,722,247.00**	**19,746,925.00**	**42,975,322.00**

9.0 Secondary Schools Projects (List all the Projects)						
OLENKANAE SEC SCH	-		4,500,000.00	4,500,000.00	4,500,000.00	
OLEPOLOS SEC SCH	-		7,100,000.00	7,100,000.00	7,100,000.00	
ENKARE NAIROWUA SEC SCH	-		4,900,000.00	4,900,000.00	4,900,000.00	
ENKUTOTO SEC SCH	-		2,600,000.00	2,600,000.00	2,600,000.00	
OLKIRIAINE SEC SCH	-		3,000,000.00	3,000,000.00	3,000,000.00	
KONE SEC SCH	-		7,400,000.00	7,400,000.00	7,400,000.00	
MAUSA SEC SCH	-		6,800,000.00	6,800,000.00	6,800,000.00	
SAGAMIAN SEC SCH	-		1,800,000.00	1,800,000.00	1,800,000.00	
ELENGATA ENTERIT SEC SCH	-		994,000.00	994,000.00	994,000.00	
OSOTUA SEC SCH	-		1,100,000.00	1,100,000.00	1,100,000.00	
Elangata Enterit Secondary School	1,751,350.00			1,751,350.00	1,751,350.00	
Olkiriaine Secondary School	2,502,444.00			2,502,444.00	2,502,444.00	
Mausa Secondary School	1,174,450.00			1,174,450.00	1,174,450.00	
Kone Secondary School	400,000.00			400,000.00	400,000.00	
Olmesutie Secondary School	2,500,000.00			2,500,000.00		2,500,000.00
Enkutoto Secondary School	1,300,000.00			1,300,000.00		1,300,000.00
Kanunka Secondary School	3,100,000.00			3,100,000.00		3,100,000.00
Olesulunye Secondary School	1,300,000.00			1,300,000.00		1,300,000.00
Enoosogon Secondary School	1,300,000.00			1,300,000.00		1,300,000.00
Olpukoti Secondary School	2,500,000.00			2,500,000.00	2,300,000.00	200,000.00
Choronok Secondary School	2,500,000.00			2,500,000.00		2,500,000.00
Lower Sagamian Secondary School	1,750,000.00			1,750,000.00		1,750,000.00
Tengecha Secondary School	9,500,000.00			9,500,000.00	9,500,000.00	

Olkiriaine Girls Secondary School	3,100,000.00			3,100,000.00		3,100,000.00
Sogoo Secondary School	2,200,000.00			2,200,000.00	2,200,000.00	
Emitik Secondary School	2,800,000.00			2,800,000.00	2,800,000.00	
Saire Secondary School	2,200,000.00			2,200,000.00	2,200,000.00	
Ololulunga Day Secondary School	3,050,000.00			3,050,000.00		3,050,000.00
Olashapani Girls Secondary School	2,500,000.00			2,500,000.00		2,500,000.00
Masaantare Secondary School	3,000,000.00			3,000,000.00		3,000,000.00
Ntuka Secondary School	3,120,114.00			3,120,114.00	3,120,114.00	
Ewuaso Ngiro Sec School	3,000,000.00			3,000,000.00	3,000,000.00	
Ololoipangi Secondary School	3,000,000.00			3,000,000.00	3,000,000.00	
Siwot Sec School	2,000,000.00			2,000,000.00		2,000,000.00
Tumuyiot Sec School	2,000,000.00			2,000,000.00		2,000,000.00
Sub-Total	**63,548,358.00**		40,194,000.00	**103,742,358.00**	**74,142,358.00**	**29,600,000.00**
10.0 Tertiary institutions Projects (List all the Projects)						
Narok South	720,000.00			720,000.00	720,000.00	-
road			13,754,440.00	13,754,440.00	13,441,640.00	312,800.00
Sub-Total	**720,000.00**	-	**13,754,440.00**	**14,474,440.00**	**14,161,640.00**	**312,800.00**
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)				-		-
12.2 Construction of CDF office				-		-
12.3 Purchase of furniture and equipment				-		-
12.4 Purchase of computers				-		-
12.5 Purchase of land				-		-
Sub-total				-		-
13.0 Others						

13.1 Strategic Plan			520,000.00	**520,000.00**	519,000.00	1,000.00
13.2 Innovation Hub				-		-
Melelo Digital Hub	**2,500,000.00**			**2,500,000.00**		2,500,000.00
sub-total	**2,500,000.00**	-	**520,000.00**	**3,020,000.00**	**519,000.00**	**2,501,000.00**
Funds pending approval**				-		-
AIA		787,000.00		**787,000.00**	787,000.00	
PMC SAVINGS						
Sub-total	-	787,000.00	-	787,000.00		787,000.00
Total	**203,013,034.00**	**937,568.47**	**64,960,174.00**	**268,910,776.47**	**195,755,452.00**	**73,155,324.47**

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. This statement totals should time to totals of statement in schedule 12

13. 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;

- Receivables that include imprests
- Payables that include 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-XXX 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. Recognition of Receipts

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

a. 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.

b. Proceeds from the Sale of Assets

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

c. **Other receipts**

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

d. **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.

e. **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.

5. **Recognition of payments**

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

a) Compensation of Employees

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

b) 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.

c) Acquisition of Fixed Assets

The payment on the 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 is provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

6. **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.

7. 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 an insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

8. 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.

9. Accounts Payable

For 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 the fulfilment of obligations by the contractor and holding deposits on behalf of third parties. Gratuity earned 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 the National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

10. 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.

11. 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 the NGCDF Act, 2015

12. 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 2024 for the period 1st July 2023 to 30th June 2024 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.

13. Comparative Figures

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

14. 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 20XX.

15. Prior Period 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, restate 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.

16. 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.

14. Notes to the Financial Statements

1. **Transfers from NGCDF Board**

Description	2023-2024	2022-2023
Normal Allocation	Kshs	Kshs
AIE NO. B8185207		7,000,000.00
AIE NO. B185480		6,000,000.00
AIE NO. B185742		15,000,000.00
AIE NO. B206059		5,000,000.00
AIE NO. B205555		12,000,000.00
AIE NO. B205852		12,000,000.00
AIE NO. B207610		15,000,000.00
AIE NO: B207978		15,000,000.00
AIE NO. B 047450	43,440,497.00	
AIE NO. B 041290	3,806,677.00	
AIE NO. B 047710	17,713,000.00	
AIE NO. B 049297	30,000,000.00	
AIE NO. B 104322	30,000,000.00	
AIE NO. B 096578	30,000,000.00	
AIE NO B214865	40,000,000.00	
TOTAL	**194,960,174.00**	**87,000,000.00**

2. **Proceeds From Sale of Assets**

	2023-2024	2022-2023
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	787,000	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-

Others (specify)	-	-
Total	787,000	-

3. **Other Receipts**

	2023-2024	2022-2023
	Kshs	Kshs
Interest Received	-	-
Rent	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	-
Other Receipts Not Classified Elsewhere *(specify)*	-	-
Total	-	-

4. **Compensation Of Employees**

Description	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,772,352.00	**4,480,139.56**
Personal allowances paid as part of salary		
House allowance	720,000.00	-
Transport allowance	-	-
Leave allowance/NHIF	146,400.00	-
Gratuity-contractual employees	635,349.00	
Employer Contributions Compulsory national social security schemes	388,800.00	
TOTAL	**5,662,901.00**	**4,480,140**

5. **Committee Expenses**

	2023-2024	2022-2023
A. NG-CDF	Kshs	Kshs
Sitting allowance	4,183,535.00	-
Other committee expenses	5,033,451.00	4,078,950
Sub-total	**9,216,986.00**	**4,078,950.00**

B. Oversight Committee Expenses		
Members allowance	-	-
Other committee expenses	-	-
Sub-total	-	-
TOTAL(A+B)	9,216,986.00	4,078,950.00

6. Use of Goods and services

Description	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	28,350.00	550,700
Communication, supplies and services	-	177,380
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,302,340.00	-
Hospitality supplies and services	960,820.00	-
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	621,072.00	375,197
Fuel , oil & lubricants	852,971.00	-
Other operating expenses	-	-
Bank Charges	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	278,850.00	897,340
Routine maintenance- other assets	-	-
TOTAL	**5,044,403.00**	**2,000,616.97**

7. Transfer To Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers to PrimarySchools	19,746,925.00	10,806,900
Transfers to Secondary Schools	74,142,358.00	6,000,000
Transfers to Tertiary Institutions	720,000.00	
TOTAL	**94,609,283.00**	**16,806,900**

8. Other Grants and Other transfers

Description	2023-2024	2022-2023
	Kshs	Kshs
Bursary - Secondary (see attached list)	28,389,000.00	45,375,900
Bursary -Tertiary (see attached list)	20,634,500.00	-
Bursary- Special Schools	520,000.00	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security Projects (see attached list)	-	-
Sports Projects (see attached list)	-	2,515,625
Environment Projects (see attached list)	3,162,000.00	1,206,000
Emergency Projects (see attached list)	14,555,739.00	2,773,000
Roads Projects	13,441,640.00	4,745,560.00
TOTAL	**80,702,879.00**	**56,616,085**

9. Acquisition Of Assets

	2023-2024	2022-2023
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	-	-

10. Other Payments

	2023-2024	2022-2023
	Kshs	Kshs
Strategic plan	519,000.00	2,980,000.00
ICT Hub	-	-
Others *(specify)*		-
Total	**519,000.00**	**2,980,000**

11. Cash and Cash Equivalents

Name of Bank and Account No.	2023-2024	2022-2023
	Kshs	Kshs
11A: Bank Accounts (Cash Book Bank Balance)		
National Bank, Account No. (7700010870)	142,290.47	150,568.47
Operation account pending closure (Indicate name & account no.)	-	-
Name of Bank, account No. (Deposit)	-	-
Total	142,290.47	150,568.47
11B: Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (*Specify)*	-	-
Total	-	-
[Provide Cash Count Certificates for Each]		

12. Outstanding Imprests

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

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

13. Retention

	2023-2024	2022-2023
	KShs	KShs
Retention as at 1st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30th June D= A+B-C	-	-

Retentions aging analysis.

	Insert Current FY	% of the total Retention	Insert Comparative FY	% of the total Retention
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

14. Gratuity

	2023-2024	2022-2023
	KShs	KShs
Gratuity as at 1st July (A)	-	-

Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30th June D= A+B-C	-	-

Gratuity aging analysis

	Insert Current FY	% of the total Gratuity	Insert Comparative FY	% of the total Gratuity
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

The total above should be equal to the Gratuity closing figures)

15. Fund Balance B/F

	(1st July 20XX-1)	(1st July 20XX-2)
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	-	-

[Provide short appropriate explanations as necessary]

16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others (*specify*)	-	-	-
Total	-	-	-

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2023-2024	2022-2023
	KShs	KShs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

18. Changes In Accounts Payable – Gratuities and Retentions

	2023-2024	2022-2023
	KShs	KShs
Gratuities and Retentions as at 1st July (A)	-	-
Gratuities and Retentions held during the year (B)	-	-
Gratuities and Retentions paid during the Year (C)	-	-
Closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2023-2024	2022-2023
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

Aging Analysis for Pending Accounts Payables

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.2: Pending Staff Payables (See Annex 2)

	2023-2024	2022-2023
	Kshs	Kshs
NGCDFC Staff	-	-
Others (*specify*)	-	-
Total	-	-

Aging Analysis for staff Payables

	Insert Current FY	% of the total	Insert Comparative FY	% of the total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

19.3: Unutilized Fund (See Annex 3)

	2023-2024	2022-2023
	Kshs	Kshs
Compensation of employees	925,472.47	663,592.44
Use of goods and services	(1,571,364.00)	125,686.03
Amounts due to other Government entities (see attached list)	72,888,122.00	42,194,050.00
Amounts due to other grants and other transfers (see attached list)	(1,636,085.00)	20,005,949.00
Acquisition of assets		
Oversight Committee Expenses	(738,821.00)	2,093,465.00
Others (*specify*)	2,501,000.00	-
Funds pending approval	787,000.00	
Total	**73,155,324.47**	**65,082,742.47**

19.4: PMC account balances (See Annex 5)

	2023-2024	2022-2023
	Kshs	Kshs
Baragorwet Sec School Cdf	59,631.00	0
Chepkwendo Sec School Cdf	2,340.00	0
Elangata E Nterit Sec School Cdf	215.00	0
Emitik Primary School Cdf	1,000.00	0
Enkare Nairowua Girls Sec School Cdf	1,517.00	0
Enkare Ngiro Sec School	1,100.00	0
Enkutoto Sec School Cdf	975.00	0
Iltirben Primary School Cdf	75.85	0
Kimelok Nkisiwani Primary School	11,713.08	0
Kone Sec School Cdf	120,966.00	0
Kotolian Primary School Cdf	1,919.00	0
Mausa Sec School Cdf	1,000.00	0
Morijo Loita Mixed Sec School Cdf	1,275.00	0
Naapolosa Primary School Cdf	486,106.00	0
Narok South Technical And Vocational College Cdf	9,875.00	0
Ntuka Sec School Cdf	-	0
Olashapani Boarding Primary School	4,635.00	0
Olenkanae Sec Sch Cdf	3,385.00	0

Olenkapune Sec School Cdf	1,000.00	0
Olenkoirien Primary School Cdf	5,460.00	0
Olgilai Primary School Cdf	760.00	0
Olkiriaine Sec Sch Cdf	2,644.00	0
Oloirien Primary School Cdf	550.00	0
Ololoipangi Sec School Cdf	275.00	0
Olosiyioi Girls Sec School Cdf	1,055.00	0
Oriongos Primary School Cdf	999,275.00	0
Osotua Sec School Cdf	775.00	0
Sagamian Sec School Cdf	10,815.00	0
Saire Sec School Cdf	11,593.00	0
Sogoo Sec School Cdf	2,225.00	0
Tiritab Angwan Primary School Cdf	1,970.00	0
Sagamian Primary School	1,460.00	0
	1,747,584.93	

19.5 Related Party Transactions

	2023-2024	2022-2023
	Kshs	**Kshs**
Committee Members Remuneration		
Sitting allowance of committee Members during the year	-	-
Transaction with the NGCDF Board		
Receipts from the NGCDF Board during the year	-	-
Total	-	-

15. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2024	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2023/2024	Outstanding Balance 2022/2023	Comments
Compensation of employees		925,472.47	663,592.44	
Use of goods & services		-1,571,364.00	125,686.03	
Amounts due to other Government entities		72,888,122.00	42,194,050.00	
		-738,821.00	2,093,465.00	
Sub-Total		71,503,409.47	45,076,793.47	
Amounts due to other grants and other transfers		-1,636,085.00	20,005,949.00	
Sub-Total				
Acquisition of assets				
Others (*specify*)		2,501,000.00	-	
		787,000.00		
Sub-Total		1,651,915.00	20,005,949.00	
Funds pending approval				
Sub-total		-	-	
Grand Total		**73,155,324.47**	**65,082,742.47**	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures	7,000,000			7,000,000
Transport equipment	9,750,000			9,750,000
Office equipment, furniture and fittings	571,655			571,655
ICT Equipment, Software and Other ICT Assets	844,100			783,100
Other Machinery and Equipment				
Intangible assets				
Total	**18,165,000**			**18,104,755**

Annex 5 –PMC Bank Balances as at 30th June 2024

PMC	Bank	Account number	Bank Balance 2023/2024	Bank Balance 2022/2023
BARAGORWET SEC SCHOOL CDF	7717098779	NBK-Narok	59,631.00	
CHEPKWENDO SEC SCHOOL CDF	1022209084800	NBK-Narok	2,340.00	
ELANGATA E NTERIT SEC SCHOOL CDF	1022216792600	NBK-Narok	215.00	
EMITIK PRIMARY SCHOOL CDF	7717033984	NBK-Narok	1,000.00	
ENKARE NAIROWUA GIRLS SEC SCHOOL CDF	1022260015900	NBK-Narok	1,517.00	
ENKARE NGIRO SEC SCHOOL	1022216130200	NBK-Narok	1,100.00	
ENKUTOTO SEC SCHOOL CDF	10222161942600	NBK-Narok	975.00	
ILTIRBEN PRIMARY SCHOOL CDF	1024041767602	NBK-Narok	75.85	
KIMELOK NKISIWANI PRIMARY SCHOOL	7717099365	NBK-Narok	11,713.08	
KONE SEC SCHOOL CDF	1022261747900	NBK-Narok	120,966.00	
KOTOLIAN PRIMARY SCHOOL CDF	1022223166600	NBK-Narok	1,919.00	
MAUSA SEC SCHOOL CDF	1022262057200	NBK-Narok	1,000.00	
MORIJO LOITA MIXED SEC SCHOOL CDF	1022215851900	NBK-Narok	1,275.00	
NAAPOLOSA PRIMARY SCHOOL CDF	1022260517600	NBK-Narok	486,106.00	
NAROK SOUTH TECHNICAL AND VOCATIONAL COLLEGE CDF	7717077175	NBK-Narok	9,875.00	
NTUKA SEC SCHOOL CDF	7717168515	NBK-Narok	-	

PMC	Bank	Account number	Bank Balance 2023/2024	Bank Balance 2022/2023
OLASHAPANI BOARDING PRIMARY SCHOOL	1024012605900	NBK-Narok	4,635.00	
OLENKANAE SEC SCH CDF	102227990100	NBK-Narok	3,385.00	
OLENKAPUNE SEC SCHOOL CDF	1022215511001	NBK-Narok	1,000.00	
OLENKOIRIEN PRIMARY SCHOOL CDF	1024081936900	NBK-Narok	5,460.00	
OLGILAI PRIMARY SCHOOL CDF	1024042510201	NBK-Narok	760.00	
OLKIRIAINE SEC SCH CDF	1022260028700	NBK-Narok	2,644.00	
OLOIRIEN PRIMARY SCHOOL CDF	10222681849900	NBK-Narok	550.00	
OLOLOIPANGI SEC SCHOOL CDF	7717099306	NBK-Narok	275.00	
OLOSIYIOI GIRLS SEC SCHOOL CDF	1022260607900	NBK-Narok	1,055.00	
ORIONGOS PRIMARY SCHOOL CDF	7717098989	NBK-Narok	999,275.00	
OSOTUA SEC SCHOOL CDF	102226184900	NBK-Narok	775.00	
SAGAMIAN SEC SCHOOL CDF	1022218082600	NBK-Narok	10,815.00	
SAIRE SEC SCHOOL CDF	1022217370801	NBK-Narok	11,593.00	
SOGOO SEC SCHOOL CDF	7717082624	NBK-Narok	2,225.00	
TIRITAB ANGWAN PRIMARY SCHOOL CDF	1024135462300	NBK-Narok	1,970.00	
SAGAMIAN PRIMARY SCHOOL	1022128428700	NBK-Narok	1,460.00	
			1,747,584.93	

Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: *(Resolved / Not Resolved)*	Timeframe: *(Put a date when you expect the issue to be resolved)*
1	**Unsupported Compensation of Employees** The statement of receipts and payments reflects compensation of employees amount of Kshs.4,480,140. However, review of payroll records revealed an amount of Kshs.4,594,011 resulting to an unexplained variance of Kshs.113,871. Further, records indicate that fifteen (15) employees were recruited between October, 2022 to April, 2023. However, evidence of selection, interviews, and job awards were not submitted for audit review. In addition, the approved staff establishment was not provided for audit. In the circumstances, the accuracy and completeness of compensation of employees amount of Kshs.4,480,140 could not confirmed.	The Fund Account Manager has attached the supporting payments of Kshs 4,078,950 with expenditure schedules indicating names of committee members, number of meetings attended and total payments to each member that was not availed during the audit exercise	Resolved	May 2024
2	**Misclassification of Expenditure** The statement of receipts and payments reflects use of goods and services expenditure of Kshs.2,000,617. The amount includes utilities, supplies and services expenditure of Kshs.550,700 which relates to acquisition of assets but was wrongly classified under use of goods and services. In the circumstances, the accuracy and completeness of utilities, supplies and services expenditure of Kshs.550,700 could not be confirmed.	The management has noted the issue as raised by the auditors. However, the expenditure was incurred in accordance with the provided code list and prior approval was sought from the committee. We have taken cognizance of the observations made by the auditor and commit to make correctional measures in the future.	Resolved	May 2024
3.	**Unsupported Bursary Disbursements**	Bursary payments has been reconciled and appropriate	Resolved	May 2024

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)*
	The statement of receipts and payments reflects other grants and transfers of Kshs.56,616,085. The amount includes bursary payments of Kshs.45,375,900 which have not been classified into secondary schools and tertiary institutions. Further, the amount differs with the supporting schedule provided which reflects Kshs.48,148,000 resulting to an unexplained variance of Kshs.2,773,000. In the circumstances, the accuracy and completeness of the bursary disbursements amounting to Kshs.45,375,900 could not be confirmed.	schedules attached. NGCDFCs has also put strict measures to ensure that no student will be awarded bursaries without admission numbers.		
4.	**Unsupported Project Management Committee Bank Balances** Note 19.4 to the financial statements reflects Project Management Committee (PMC) bank account balance totalling Kshs.228,996 as detailed in Annex 5 to the financial statements. However, the PMC account cash books, bank reconciliation statements, certificate of bank balances and quarterly reports to the Constituency Committee detailing the project implementation status were not provided for audit. Further, the prior year PMC brought forward balance of Kshs.5,849,312 was not supported by a project implementation status report. In the circumstances, the accuracy and completeness of the PMC bank balance of Kshs.228,996 as at 30 June, 2023 could not be confirmed.	Attached is the PMC bank balances with cash books, certificates of bank balances, bank reconciliation statements and movement schedule that were not availed during audit exercise	Resolved	May 2024
5.	**Inaccurate and Incomplete Summary of Fixed Asset Register** The summary of fixed assets at Annex 4 to the financial statements reflects historical assets cost of Kshs.18,104,755. Included in the balance are buildings and structures of Kshs.1,692,595. However, the balance differs with the assets register which reflects acquisition cost of Kshs.7,000,000 in the year 2007 resulting to an unexplained variance of Kshs.5,307,405. Further, the ownership documents for the land on which the NGCDF office is located was not provided. In addition, the balance	The management shall ensure that in future ownership documents are acquired and the fixed assets register is developed, maintained and updated regularly	Resolved	May 2024

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)*
	excludes, the value of motor vehicle and intangible assets in the Fund's custody. In the circumstances, the accuracy and completeness of the total assets balance of Kshs.18,104,755 could not be confirmed.			

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Fund Account Manager
Narok South Constituency