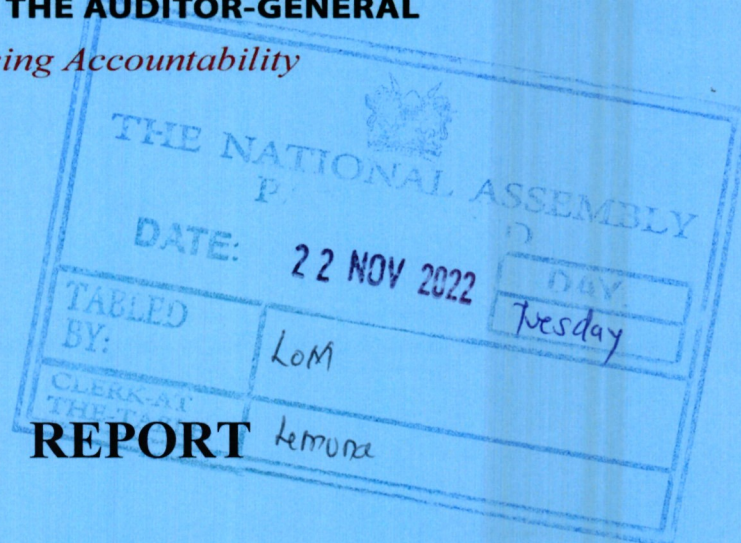
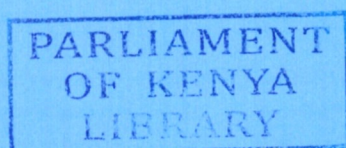


REPUBLIC OF KENYA



Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

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

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



KAPSERET CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

ANNUAL REPORT AND FINANCIAL STATEMENT

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Mamka J. Sainare
2.	Sub-County Accountant	Jackline K.Chepkemboi
3.	Chairman NGCDFC	Sammy K.Ruto
4.	Member NGCDFC	Lilian Jepkemboi

(d) Fiduciary Oversight Arrangements

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

(e) KAPSERET Constituency NGCDF Headquarters

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

(f) KAPSERET Constituency NGCDF Contacts

Telephone: (254) 725411354

E-mail: cdkKapseret@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) KAPSERET Constituency NGCDF Bankers

1. Co Operative Bank

P.O Box 2928-30100

Eldoret, Kenya

(h) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

II. NG-CDFC CHAIRMAN'S REPORT



SAMMY RUTTO
KAPSERET NGCDFC
CHAIRMAN

In financial year 2020/21 Kapseret NG-CDF Constituency managed to undertake various development projects despite the challenges brought in by the Covid 19 pandemic which hindered the timely implementation of projects and disbursement of funds.

In our budgetary priorities in the financial year 2020/2021 our main focus was on infrastructure as a measure to mitigate the spread of the pandemic as advised by the MoH through its established protocols such as observing social distance and sanitization. So, the main undertaking were classrooms, dormitories, and toilets among others.

Despite the delay in the disbursement of funds by the NG-CDF board, we were able to prioritize the funds towards the intended purpose. All the stakeholders of Kapseret NG-CDF work as a team and practice the core values of accountability, efficiency and transparency. Apart from the administrative expenditures, our priority was on bursary as a way of sustaining the needy learners in school. A total of 1773 beneficiaries from secondary school, 1131 from tertiary and from special education benefited from the bursary allocations.

All the stakeholders; the department of interior, church leaders and community participated actively in this process in order to achieve the right beneficiaries as per the set criteria. A total of **5,046** beneficiaries applied for the bursary in the whole constituency comprising of 5 wards of which **2,904** beneficiaries benefited.

The table below is a summary on the same.

Ward	Applicants	Qualified beneficiaries	Tertiary	Secondary	Unqualified applicants
MEGUN					
1. Songoliet Sub Location	183	162	66	96	21
2. Megun Sub Location	207	163	66	97	44
3. Ndubeneti Sub Location	227	168	68	100	59
Sub-Total	617	493	200	293	124
NGERIA					
1. Kaplelach Sub Location	484	265	90	175	219
2. Kabongo Sub Location	610	311	117	194	299
Sub-Total	1094	576	207	369	518
KAPSERET/SIMAT					
1. Chepkatet Sub Location	559	253	92	217	306

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Ward	Applicants	Qualified beneficiaries	Tertiary	Secondary	Unqualified applicants
2. Lemook Sub Location	671	397	137	226	274
3. Simat Sub Location	424	289	116	193	135
Sub-Total	1654	939	345	594	715
KIPKENYO					
Langas Sub Location:					
1. Chebarus Dispensary	298	190	80	120	108
2. Kipkaren ground	507	231	89	132	276
Sub-Total	805	421	169	252	384
LANGAS					
1. Langas Sub Location	876	475	210	265	401
Sub-Total	876	475	210	265	401
TOTAL	5046	2904	1131	1773	2142

Secondary school beneficiaries in all wards sum up to 1773 students and total Tertiary/University are 1131 students. In total 2904 student benefited from bursary for the financial year 2020/2021.

Kapseret NG-CDF also in the financial year continued to give full scholarship to students in secondary school in the national, extra county, county and sub-county school.

Also sponsored students is TVET institutions all level, artisan, craft and diploma as a way of empowering the youth.

We also managed to enroll youth and other middle age beneficiaries to pursue a driving course.



Kipsamo vetting station in Ngeria Ward and Yamumbi vetting station in Langas ward respectively.

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Barnotik vetting station in Megun ward and Chebarus dispensary vetting station in Kipkenyo Ward respectively.

Beneficiaries were vetted according to their respective villages as listed above, In these vetting Centre's area Chief's, Assistant Chief's and Village Elders were assisting the vetting process very much. Below are photos showing how the exercise took place.



St. George's primary vetting station in Kapseret/Simat Ward

In primary α projects, Kapseret NG-CDF was able to complete projects in the following primary school, renovation of Kabongwa primary school, Tuiyobei primary school, St James Leberio primary school, Legetet primary school, Nairiri primary school and St John Kabongo primary school among others.



Complete renovation of 4no. Classrooms at Legetet Primary School and Complete renovation of 8no. Classrooms at St. James Leberio Primary School respectively.



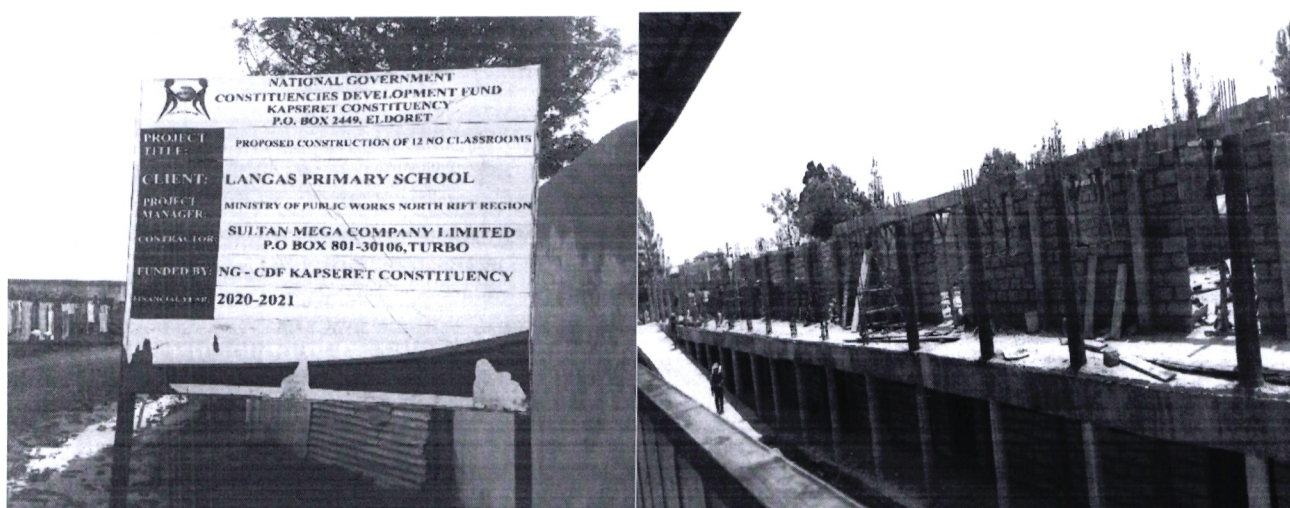
Before and after complete renovation of 8no. Classrooms at Tuiyobei Primary School.

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Complete construction of 1no. Classroom at St. Johns Kabongo Primary School and Complete construction of 2no. Classrooms at Nairiri Primary School.

Kipkaren Road Primary School and Langas Primary School are currently underway for the construction 12 number classrooms story buildings (ongoing)



Ongoing construction of two storey building of 12no. Classrooms at Langas Primary school

In secondary project NG-CDF was able to complete the project in Mwiruti secondary school and Kiambaa secondary school. Davies secondary school towards the construction of administration which is at roof stage. This has helped to reduce congestion due to high enrolment occasioned by government policy of 100% transition.



Complete 2no. Classrooms at Mwirutu Secondary School and Complete 1 no. Classroom at Kiambaa Secondary School respectively.



Ongoing construction of Administration block at Davies Secondary school.

In promoting sanitation in our schools, Kapseret NG-CDF completed the construction of pit latrines in schools under emergency in St James Leberio primary school, DEB Mutwot secondary school, Lemook primary and Nairiri primary school among others which helped to mitigate the spread of Covid 19.

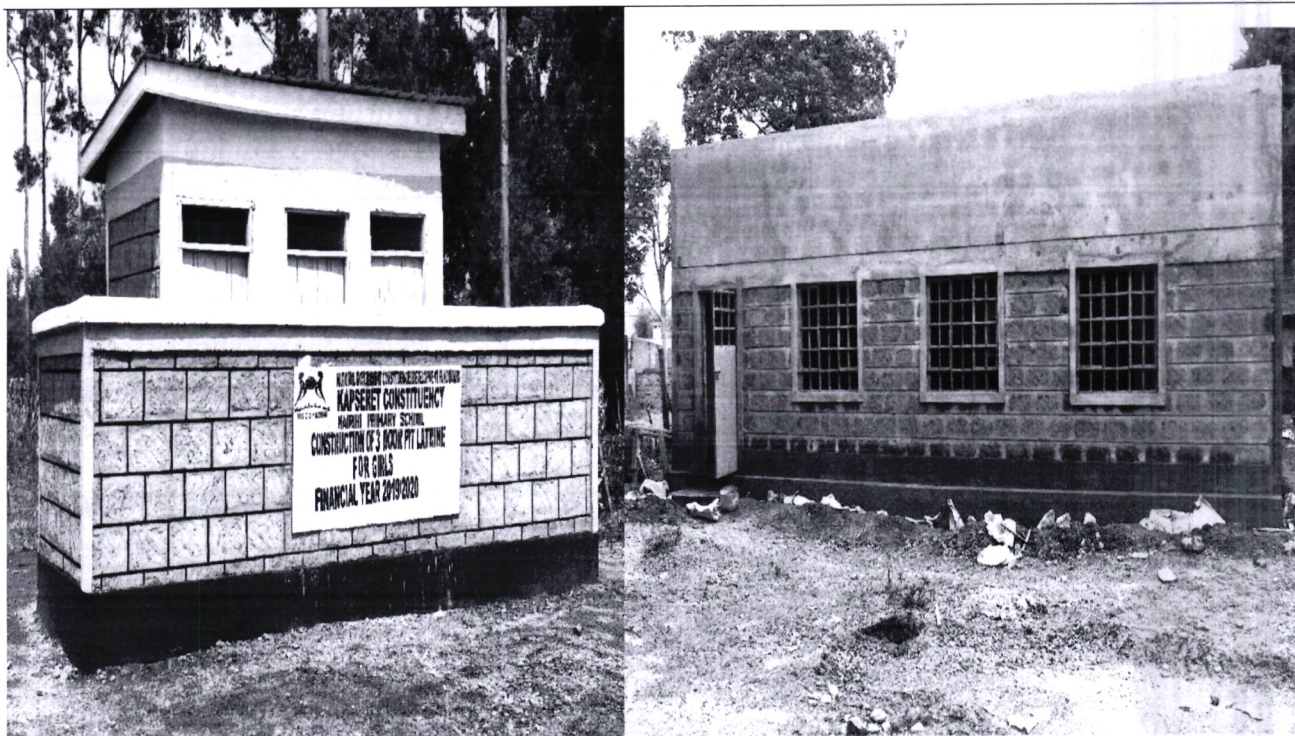
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Complete 6no. Doors Boys pit latrine with urinal at Lemook Primary School and Complete 10no. Doors Girls pit latrine at Lemook Primary School.



Complete 5no. Doors Girls pit latrine at DEB Mutwot Secondary School and 4 no. Doors Boys pit latrine with urinal at Nairiri Primary School completed respectively.



Complete 3no. Doors Girls pit latrine at Nairiri Primary School and ongoing Pioneer Chief's Office. In security, Pioneer chief's office which has been gazetted as divisional headquarters is also 90% completed pending few elements of external finishes.

On environment in the financial year 2020/2021 Kapseret NG-CDF deviated from the main norm of tree planting to that of water harvesting in various institutions in order to avail enough water which is in dire need at this time of Corona for washing hands and general sanitation. The following are the few projects that received water tanks with a capacity of 10,000 litres and piping; Simat Primary School, Megun chief's office, St James Leberio Primary School, it was a success and the remaining school shall receive the same in the following financial years.



Complete Installation of 10,000 liters water tank at Megun chief's office and St. James Leberio Primary School.

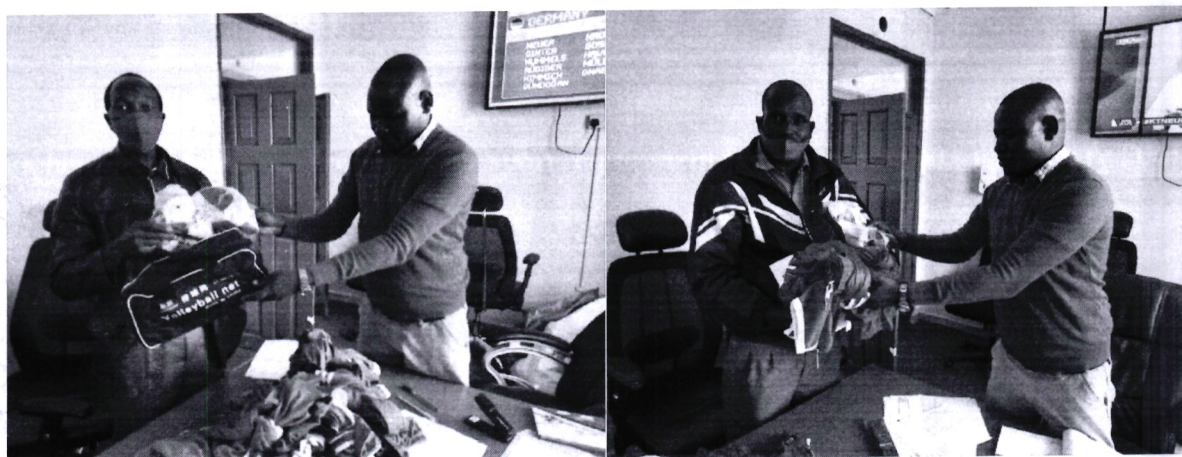
Finally on matters concerning sports, Kapseret NG-CDF bought and distributed sports equipment to various schools such as balls, nets and games kits to promote sporting and talent which school in Kapseret Constituency.



Chepyakwai Primary school and Kapkenduiwo primary school receiving sports equipment from Kapseret NG-CDF for fy 2019/2020.



Ochemina Primary school receiving sports equipment from Kapseret NG-CDF for fy 2019/2020.



Ngeria Primary School and Kingwal Primary School receiving sports equipment from Kapseret NG-CDF for fy 2019/2020 at Kapseret NG-CDF office.

In the implementation of projects for the financial year 2020/2021 Kapseret NG-CDF incurred several challenges:

- Laxity by contractors in execution of projects during the Covid 19 period.
- Delay of funds from the board.
- It became hard to train the PMC due to Covid 19 among other challenges.
- Outbreak of Covid 19 pandemic.

In conclusion, I wish to thank all the stakeholders for their commitment and dedication in serving the people of Kapseret. Basing it on SWOT analysis our strength lies on the able patronage of the fund by the Hon area M.P Oscar Sudi, committed NG-CDF members who serve with passion, able and vibrant account manager, dedicated staff, PMC and the good will of the people of Kapseret. Above all is the combined advice and counsel from the NG-CDF board as the motto says "maendeleo kwa wote".

May God bless Kapseret Constituency, NG-CDF Board and our great country Kenya.

Sign.....
 Sammy.K. Rutto
 Chairman Kapseret NG-CDF.

Date.....

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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of NGCDF-Kapseret Constituency's 2018-2022 plan are to:

NO.	Strategic issue	Strategic objective	strategies
1	Education	To ensure access to quality education in the constituency	• Providing necessary infrastructural facilities. • Provision of bursary to needy and deserving Students. • Engaging other development partners in education.
2	Security	To foster security and safety of the constituents	• Acquisition and provision Of facilities. • Encouraging community Policing.
3	Youth& Sports	To harness and promote youth talent development	• Promotion of sports in the Constituency. • Sensitizing the youth on Drug use and abuse. • HIV/AIDS prevalence
4	Environment	To promote environmental conservation programmes	• Establishing tree planting programme • Support establishment of nurseries • Water harvesting
5	Project Implementation capacity	To strengthen the PMC capacity in project implementation	• Capacity building • Developing a consistent Technical support system.
6	ICT and Communication	To enhance public information on constituency development projects	• Provide a platform for utilisation of information technology and dissemination of Information.

Progress on attainment of Strategic development objectives

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

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

Constituency Program	Objective	Outcome	Indicator	Performance
ICT and Communication	To enhance public information on constituency development projects	Increased public awareness on constituency development projects. Increase dissemination of information among the public.	Number of people interacting with the website and Online feedbacks On the developments projects. Number of computers and quality of system installed.	Number of computers in Kapseret NGCDF office was Increased 12. Availability of internet services and provision of communication services among staff and public access line.
Education	To ensure access to quality education in the constituency.	Develop and enhance schools infrastructure facilities. Increase enrolment and number of students completing Schools and tertiary colleges.	Number of usable physical infrastructure built in primary and secondary. Number of students completed school on bursary both secondary and tertiary.	Number of classrooms both primary and secondary constructed increased from 36 to 79. Number of renovated classrooms increased from 32 to 89. Number of desks purchased in primary and secondary schools increased to 1795. Number of science laboratories constructed increased to 3.
Security	To foster security and safety of the constituents.	To acquire and improve facilities.	Number of pieces of land purchased. Number of sub-chiefs' offices constructed.	Number of lands purchased total has increased to 6 acres. Number of sub-chiefs' offices constructed totalled to 6.

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

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

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

KAPSERET NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

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

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

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

2. Environmental performance

The committee recognises the significance of protecting and conserving the environment. Kapseret Constituency does not live-in isolation and therefore acknowledges the need to promote sustainable development.

The NGCDFC hopes to collaborate with learning institutions to initiate tree planting programme and water harvesting among 17 institutions, which include primary schools, secondary schools and security offices within the constituency.

Ensure there is well sanitation through improving schools' infrastructure facilities like pit latrine and toilets are in good standards in the constituency.

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Comply with all relevant environmental legislation, regulations and approved codes of practice and carry monitoring with in line ministries to ensure environmental standards are adhered to and kept by the community. Providing training for our NGCDFC and staff so that we all work in accordance with this and within an environmentally aware culture. To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires within the office premises.

3. Employee welfare

We invest in providing the best working environment for our employees. KAPSERET 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 are based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Kapseret constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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

Kapseret Constituency

National Government Constituencies Development Fund (NGCDF)

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V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

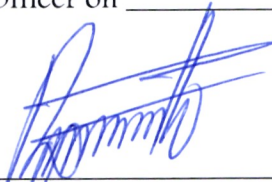
The Accounting Officer in charge of the NGCDF- Kapseret Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021.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

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

The Accounting Officer in charge of the NGCDF Kapseret Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the constituency's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

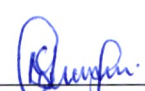
The NGCDF- Kapseret Constituency financial statements were approved and signed by the Accounting Officer on _____ 2021.



Chairman NGCDF Committee

Name:

Sammy Ruto



Fund Account Manager

Name:

Manka Sainat

REPUBLIC OF KENYA

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HEADQUARTERS
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Monrovia Street
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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government of National Government Constituencies Development Fund - Kapseret Constituency set out on pages 1 to 40, which comprise of the assets and liabilities as at 30 June, 2021, statement of receipts and payments, statement of changes in equity, statement of cash flows and

Report of the Auditor-General on National Government Constituencies Development Fund - Kapseret Constituency for the year ended 30 June, 2021

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund-Kapseret Constituency as at 30 June, 2021, and 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 Opinion

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.215,727,673 and Kshs.170,638.793 respectively resulting to an under-funding of Kshs.45,088,879 or 21% of the budget. However, out of the Kshs.170,638,793 received only Kshs.145,305,466 was spent leaving the balance Kshs.25,333,327 unutilized.

Based on the approved budget, under funding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to implement the recommendations.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Observe One Third Staff Establishment Rule

The statements of financial performance for the year ended 30 June, 2021 reflects total expenses amount of Kshs.145,305,466 which includes employee costs amount of Kshs.3,306,139 as disclosed in Note 4 to the financial statements.

Review of the payroll revealed that Kapseret NGCF has a staff establishment of six (6), out of whom five (5) or 83% of staff are from the same ethnicity leaving one (1) or 17% from other ethnicities. This is Contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 that requires all public establishments to seek to represent the diversity of the people of Kenya in employment of staff and that no public establishment shall have more than one third of its establishment from the same ethnic community. In the circumstances, the Management was in breach of law.

2. Projects Implementation

2.1 Project Implementation Status

Review of the project implementation status as at 30 June, 2021 indicated that a total of fifty-five (55) projects were funded at an estimated cost of Kshs.122,780,167.93 out of which forty (40) projects with an estimated value of Kshs.92,229,238 were completed and in use, five (5) projects with estimated cost of Kshs.5,192,000 were yet to start, ten (10) projects with an estimated cost of Kshs.25,358,930 were on going.

In the circumstances, the residents of Kapseret Constituency failed to receive the benefits accruing from planned programs and activities.

2.2 Project Verification

During the year under review, twenty-one (21) projects with a total disbursement of Kshs.58,240,910 were verified. Seventeen (18) projects with a total disbursement of Kshs.44,240,910 were found to be complete and in use and three (3) projects with a total disbursement of Kshs.14,000,000 were incomplete.

In the circumstances, the residents of Kapseret Constituency failed to receive the intended benefits.

3. Unutilized Project Management Committee Account Balances

Note 17.4 to the financial statements reflects Project Management Committee (PMC) account balances of Kshs.30,597,947 in respect of funds disbursed to PMCs which

remained unutilized as at 30 June, 2021 and which are further analyzed in Annex 5 to the financial statements.

In the circumstances, the residents of Kapseret Constituency failed to receive the benefits accruing from planned programs and activities.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and 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 control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the National Government Constituencies Development Fund - Kapseret Constituency ability to continue to sustain 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 financial reporting process, reviewing the effectiveness of how the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the National Government Constituencies Development Fund - Kapseret Constituency 2020-2021 policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

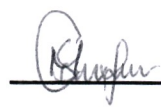
05 September, 2022

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

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

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	123,540,875
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	195,000	59,000
TOTAL RECEIPTS		161,562,724	123,599,875
PAYMENTS			
Compensation of employees	4	3,306,139	3,348,965
Use of goods and services	5	8,616,756	6,512,222
Transfers to Other Government Units	6	82,923,394	55,145,024
Other grants and transfers	7	47,952,099	58,715,009
Acquisition of Assets	8	2,507,078	3,347,669
Other Payments	9	-	-
TOTAL PAYMENTS		145,305,466	127,068,888
SURPLUS/(DEFICIT)		16,257,258	(3,469,013)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KAPSERET Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager

Name: *Mamka Saince*



**National Sub-County
Accountant**

Name: *JACKLINE CHEQUENO*
ICPAK M/No: *28750*



**Chairman NG-CDF
Committee**

Name: *Sammy Kuto*

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

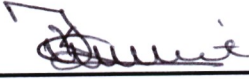
VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2021

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	25,748,039	9,076,069
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		25,748,039	9,076,069
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		25,748,039	9,076,069
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	167,108	-
Gratuity	12B	247,604	265,985
TOTAL FINANCIAL LIABILITIES		414,712	265,985
NET FINANCIAL ASSETS		25,333,327	8,810,084
REPRESENTED BY			
Fund balance b/fwd	13	9,076,069	12,152,097
Prior year adjustments	14	-	127,000
Surplus/Deficit for the year		16,257,258	(3,469,013)
NET FINANCIAL POSITION		25,333,327	8,810,084

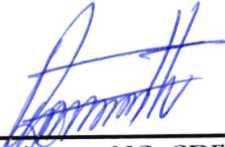
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KAPSERET Constituency financial statements were approved on _____ 2021 and signed by:


Fund Account Manager

Name: Manka Sainare


National Sub-County Accountant

Name: JACKLINE CHESPREMO
ICPAK M/No:


Chairman NG-CDF Committee

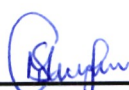
Name: Sammy Rutto

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

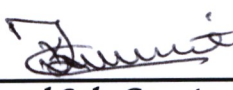
IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 JUNE 2021

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	123,540,875
Other Receipts	3	195,000	59,000
Total receipts		161,562,724	123,599,875
Payments for operating activities			
Compensation of Employees	4	3,306,139	3,348,965
Use of goods and services	5	8,616,756	6,512,222
Transfers to Other Government Units	6	82,923,394	55,145,024
Other grants and transfers	7	47,952,099	58,715,009
Other Payments	9	-	-
Total payments		142,798,388	123,721,219
Total Receipts Less Total Payments		18,764,336	(121,344)
Adjusted for:			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15	-	-
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	414,712	265,985
Prior year adjustments	14	-	127,000
		414,712	392,985
Net cash flow from operating activities		19,179,048	271,641
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	2,507,078	3,347,669
Net cash flows from Investing Activities		(2,507,078)	(3,347,669)
NET INCREASE IN CASH AND CASH EQUIVALENT		16,671,970	(3,076,028)
Cash and cash equivalent at BEGINNING of the year	13	9,076,069	12,152,097
Cash and cash equivalent at END of the year	10A	25,748,039	9,076,069

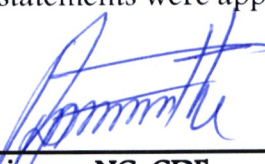
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KAPSERET Constituency financial statements were approved on _____ 2021 and signed by:


Fund Account Manager

Name: Mamka Sainar


National Sub-County Accountant

Name: JACKLINE CHEPKEM
 ICPAK M/No: 28780


Chairman NG-CDF Committee

Name: Sammy Mutto

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
RECEIPTS	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	9,076,069	69,367,724	215,532,673	170,443,793	45,088,879	79%
Proceeds from Sale of Assets	-	-	-	-	-	-	-
Other Receipts	-	195,000	-	195,000	195,000	-	100%
TOTALS	137,088,879	9,271,069	69,367,724	215,727,673	170,638,793	45,088,879	79%
PAYMENTS							
Compensation of Employees	3,416,120	1,434,855	-	4,850,975	3,306,139	1,544,836	68%
Use of goods and services	8,258,384	511,853	1,296,032	10,066,269	8,616,756	1,449,513	86%
Transfers to Other Government Units	66,399,940	400,000	58,823,454	125,623,394	82,923,394	42,700,000	66%
Other grants and transfers	57,926,961	3,759,323	9,248,238	70,934,522	47,952,099	22,982,424	68%
Acquisition of Assets	1,087,474	2,660,997	-	3,748,470	2,507,078	1,241,392	67%
Other Payments	-	250,042	-	250,042	-	250,042	0%
Funds pending approval**	-	254,000	-	254,000	-	254,000	0%
TOTALS	137,088,879	9,271,069	69,367,724	215,727,673	145,305,466	70,422,207	67%

COMMENTARY ON BUDGET UTILISATION

- (a) The adjustments of Kshs. 78,638,793 resulted from unutilized funds at the beginning of the year which were available for use in the current financial year.
- (b) The low percentage in utilization resulted from delay in disbursement of funds by NG-CDF Board. As at 30th June 2020, a total of Kshs. 45,157,879 had not been received.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	70,491,207
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,157,879
	25,333,327
Add Accounts payable	414,712
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	25,748,039

The NGCDF-KAPSERET Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
Name: Manika Sainal



National Sub-County Accountant
Name: JAKWINE CHIKWANI
ICPAK M/No: 28780

Chairman NG-CDF Committee
Name:

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

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			
	2020/2021			2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,416,120	1,434,855	-	4,850,975	3,306,139	1,544,836
1.2 Committee allowances	1,900,000	124,714	130,000	2,154,714	2,054,080	100,634
1.3 Use of goods and services	2,313,353	117,886	-	2,431,239	2,428,152	3,087
Total	7,629,473	1,677,455	130,000	9,436,927	7,788,371	1,648,557
2.0 Monitoring and evaluation						-
2.1 Capacity building	845,032	49,218	1,166,032	2,060,282	1,720,400	339,882
2.2 Committee allowances	2,200,000	190,498	-	2,390,498	1,892,938	497,560
2.3 Use of goods and services	1,000,000	29,537	-	1,029,537	521,186	508,351
3.0 Total	4,045,032	269,253	1,166,032	5,480,317	4,134,524	1,345,792
3.0 Emergency						
3.1 Primary Schools	7,192,207	281,081	2,598,241	10,071,529	4,903,742	5,167,787
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilised	-	-	-	-	-	-
Total	7,192,207	281,081	2,598,241	10,071,529	4,903,742	5,167,787
4.0 Bursary and Social Security						
4.1 Secondary Schools	20,377,070	97,159	1,150,045	21,624,274	18,739,299	2,884,975
4.2 Tertiary Institutions	17,012,527	518	2,593,601	19,606,646	17,787,832	1,818,814
4.3 Social Security	3,000,000	-	-	3,000,000	-	3,000,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.4 Special Needs	550,000		-	550,000	464,000	86,000
Total	40,939,597	97,6787	3,743,646	44,780,920	38,207,131	7,789,789
5.0 Sports						
5.1	2,743,158	2,181,910	-	4,925,068	2,177,750	2,747,318
Total	2,743,158	2,181,910	-	4,925,068	2,177,750	2,747,318
6.0 Environment						
6.1	1,792,000	385,530	1,906,352	4,083,882	1,906,352	2,177,530
Total	1,792,000	385,530	1,906,352	4,083,882	1,906,352	2,177,530
7.0 Primary Schools Projects						
Kapkenduiywo Primary School	748,970	-	-	748,970	748,970	-
St. James Leberio Primary School	480,000	-	850,000	1,330,000	1,330,000	-
ACK Aturei Primary School	1,334,290	-	-	1,334,290	334,290	1,000,000
Gitwe Primary School	700,000	-	-	700,000	700,000	-
Kingwal Primary School	600,000	-	-	600,000	400,000	200,000
Nairiri primary school	-	-	2,500,000	2,500,000	2,500,000	-
Nganiat primary school	-	-	500,000	500,000	500,000	-
Kosyin ngara primary school	-	-	400,000	400,000	400,000	-
Songoliet primary school	-	-	1,000,000	1,000,000	1,000,000	-
Kabongwa primary school	-	-	1,000,000	1,000,000	1,000,000	-
Kapkagaron Primary School	-	-	850,000	850,000	850,000	-
Mutwot primary school	-	-	850,000	850,000	850,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	2020/2021			2020/2021	30/06/2021	
Kipkaren Airport primary school	-	-	850,000	850,000	850,000	-
St. Ann primary school	-	-	3,400,000	3,400,000	3,400,000	-
St.Mary's Chelabal primary school	-	-	2,000,000	2,000,000	2,000,000	-
Kibabet primary school	-	-	1,300,000	1,300,000	1,300,000	-
Ngarafalls Primary School	400,000	-	-	400,000	400,000	-
Kanetik Primary School	720,000	-	-	720,000	720,000	-
Ochemina Primary School	577,750	-	-	577,750	377,750	200,000
Kipkaren Primary School	10,000,000	-	10,000,000	20,000,000	10,000,000	10,000,000
Langas Primary School	10,000,000	-	11,526,100	21,526,100	11,526,100	10,000,000
St.Johns Kabongo Primary School	1,700,000	-	850,000	2,550,000	850,000	1,700,000
Jasho Primary School	1,500,000	-	-	1,500,000	1,500,000	-
Kosirai Primary School	700,000	-	-	700,000	-	700,000
Kanetik Primary School	700,000	-	-	700,000	-	700,000
Tuiyobei Primary School	500,000	-	1,500,000	2,000,000	1,500,000	500,000
Konyit Primary School	500,000	-	-	500,000	-	500,000
Aturei Adventist day and boarding school	-	400,000	2,747,354	3,147,354	3,147,354	-
Kimalel Primary School	1,700,000	-	1,000,000	2,700,000	1,000,000	1,700,000
Legetet Primary School	200,000	-	600,000	800,000	600,000	200,000
Koibasui Primary School	200,000	-	-	200,000	-	200,000
Total	33,261,010	400,000	43,723,454	77,384,464	49,784,464	27,600,000
8.0 Secondary Schools Projects						-
Kipkaren Secondary School	4,058,930	-	3,000,000	7,058,930	3,608,930	3,450,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	2020/2021			2020/2021	30/06/2021	
Deb Mutwot Secondary School	4,350,000	-	1,700,000	6,050,000	1,700,000	4,350,000
Simat Secondary School	850,000	-	-	850,000	-	850,000
Kosirai Secondary School	1,500,000	-	-	1,500,000	-	1,500,000
Proposed Jasho Secondary School	15,000,000	-	-	15,000,000	15,000,000	-
Songoliet Secondary School	2,350,000	-	-	2,350,000	-	2,350,000
Koros Secondary School		-	1,000,000	1,000,000	1,000,000	-
Lemook Secondary School	400,000	-	-	400,000	-	400,000
Mwiruti Secondary School	1,300,000	-	1,700,000	3,000,000	1,700,000	1,300,000
Tuiyo Secondary school	530,000	-	-	530,000	530,000	-
ACK Aturei secondary school	900,000	-	-	900,000	900,000	-
Kiambaa Secondary school		-	850,000	850,000	850,000	-
Chepyakwai secondary school		-	850,000	850,000	850,000	-
Ack. St. Barnabas Kipkenyo Secondary School.	1,000,000	-	3,000,000	4,000,000	4,000,000	-
Davies Secondary School	900,000	-	3,000,000	3,900,000	3,000,000	900,000
Total	33,138,930	-	15,100,000	48,238,930	33,138,930	15,100,000
9.0 Tertiary institutions Projects				-		-
10.0 Security Projects				-		-
Kaplelach Police Station	2,400,000	-	-	2,400,000	-	2,400,000
Megun Assistant Chief's Office	1,500,000	-	1,000,000	2,500,000	1,000,000	1,500,000
Langas Police station	-	813,125		813,125	813,125	1
Pioneer Chiefs Office	700,000	-	-	700,000	-	700,000
Kapseret Subcounty Dcc's Office	200,000	-	-	200,000	-	200,000
Ngeria Chiefs Office	150,000	-	-	150,000	-	150,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Chepkatet Chiefs Office	150,000	-	-	150,000	-	150,000
Langas DCIO Office	160,000	-	-	160,000	160,000	-
Total	5,260,000	813,125	1,000,000	7,073,125	1,973,125	5,100,000
11.0 Acquisition of assets						
11.1 Motor Vehicles/Motorbike	-	61,274	-	61,274	-	61,274
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Refurbishment of CDF office	487,474	2,361,586	-	2,849,059	1,671,078	1,177,981
11.3 Purchase of furniture and equipment	400,000	200,000	-	600,000	600,000	-
11.4 Purchase of computers	200,000	38,137	-	238,137	236,000	2,137
Total	1,087,474	2,660,997	-	3,748,470	2,507,078	1,241,392
12.0 Other payments						
Electricity	-	250,042	-	250,042	-	250,042
Total	-	250,042	-	250,042	-	250,042
13.0 unallocated fund						
Unapproved projects	-	-	-	-	-	-
AIA	-	254,000	-	254,000	-	254,000
PMC savings	-	-	-	-	-	-
Total	-	254,000	-	254,000	-	254,000
	137,088,879	9,271,069	69,367,724	215,727,673	145,305,466	70,422,207

XII. SIGNIFICANT ACCOUNTING POLICIES

The principle accounting policies adopted in the preparation of these financial statements are set out below:

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits (gratuity and retentions).

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-KAPSERET Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalent.

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

7. Accounts Receivable

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

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8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
NGCDF Board		
AIE NO. B047214	-	55,040,875
AIE NO. B041287	-	18,000,000
AIE NO. B047447	-	4,000,000
AIE NO. B041371	-	500,000
AIE NO. B047708	-	5,000,000
AIE NO. B049295	-	15,000,000
AIE NO. B096575	-	11,000,000
AIE NO. B104319	-	15,000,000
AIE NO. B096923	15,000,000	-
AIE NO. A823532	35,367,724	-
AIE NO. B104612	19,000,000	-
AIE NO. B124540	9,000,000	-
AIE NO. B124970	8,500,000	-
AIE NO. B119825	12,000,000	-
AIE NO. B128115	6,900,000	-
AIE NO. B128427	7,000,000	-
AIE NO. B132171	6,000,000	-
AIE NO. B138839	12,000,000	-
AIE NO. B126134	7,000,000	-
AIE NO. B126424	11,600,000	-
AIE NO. B140570	12,000,000	-
TOTAL	161,367,724	123,540,875

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	195,000	59,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	195,000	59,000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,759,729	2,642,930
Personal allowances paid as part of salary		
House Allowance	445,500	-
Transport Allowance	232,000	-
Leave allowance	20,000	16,000
Gratuity to contractual employees	693,390	690,035
Employer Contributions Compulsory national social security schemes	155,520	-
Total	3,306,139	3,348,965

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses		
Utilities, supplies and services	696,855	817,395
Communication, supplies and services	586,937	323,929
Domestic travel and subsistence	429,800	257,900
Printing, advertising and information supplies & services	290,700	101,526
Rentals of produced assets	-	-
Training expenses	1,720,400	231,200
Hospitality supplies and services	500,370	857,720
Other committee expenses	-	-
Committee allowance	3,033,800	3,071,868
Insurance costs	-	-
Specialized materials and services	121,360	399,700
Office and general supplies and services	589,437	100,000
Other operating expenses	73,911	181,284
Routine maintenance – vehicles and other transport equipment	573,186	145,700
Routine maintenance – other assets	-	24,000
Total	8,616,756	6,512,222

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	49,784,464	28,718,513
Transfers to secondary schools (see attached list)	33,138,930	26,026,511
Transfers to tertiary institutions (see attached list)	-	400,000
TOTAL	82,923,394	55,145,024

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	18,739,299	26,921,993
Bursary – tertiary institutions (see attached list)	17,787,832	18,930,485
Bursary – special schools (see attached list)	464,000	
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	1,973,124	1,052,786
Sports projects (see attached list)	2,177,750	-
Environment projects (see attached list)	1,906,352	1,509,745
Emergency projects (see attached list)	4,903,742	10,300,000
Total	47,952,099	58,715,009

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	1,671,078	-
Purchase of Vehicles and Other Transport Equipment	-	13,459
Overhaul of Vehicles and Other Transport Equipment	-	1,926,500
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	600,000	-
Purchase of ICT Equipment, Software and Other ICT Assets	236,000	1,407,710
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	2,507,078	3,347,669

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Co-operative Bank, Account number; 01141443517600	25,748,039	9,076,069
Total	25,748,039	9,076,069
10B: CASH IN HAND		
Location 1	~	~
Location 2	~	~
Location 3	~	~
Other Locations (specify)	~	~
Total	~	~

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	167,108	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	167,108	-

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	247,604	265,985
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	247,604	265,985

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	9,076,069	12,152,097
Cash in hand	-	-
Imprest	-	-
Total	9,076,069	12,152,097

14. PRIOR YEAR ADJUSTMENTS

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

a. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-

b. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	265,985	-
Deposit and Retentions held during the year (B)	730,251	265,985
Deposit and Retentions paid during the Year (C)	315,539	-
Closing account payables as at 30 th June 2021 D= A+B-C	680,697	265,985
Net change in Accounts Payable (2021-2020)	414,712	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	513,589	265,985
Others (specify)	-	-
	513,589	265,985

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,544,836	1,168,872
Use of goods and services	1,449,513	1,807,136
Amounts due to other Government entities (see attached list)	42,700,000	57,126,101
Amounts due to other grants and other transfers (see attached list)	22,982,424	15,355,704
Acquisition of assets	1,241,392	2,660,996
Others (specify)	250,042	-
Funds pending approval	254,000	-
	70,422,207	78,118,808

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	30,597,035	17,088,401
	30,597,947	17,088,401

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1. Sharon Ayoma	Accounts Assistant	1 st February 2014	145,874	
2. Julius Kabianga	Records Officer	2 nd June 2014	139,760	
3. Philemon Bett	Clerical Officer	4 th June 2018	80,348	
4. Elvis Kibiwott	Driver	4 th June 2018	80,348	
5. Jane Kurgat	Support Staff	1 st November 2019	67,259	
Sub-Total			513,589	
Grand Total			513,589	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21	2019/20	
Compensation of employees		1,544,836	1,168,872	
Use of goods & services		1,449,513	2,661,845	
Amounts due to other Government entities		2,994,349	3,830,717	
Primary projects		27,600,000	42,726,100	
ACK Aturei Primary School	Renovation of 17 classrooms to completion	1,000,000	-	
Kingwal Primary School	Purchase of furniture	200,000	-	
Ochemina Primary School	Purchase of furniture	200,000	-	
Kipkaren Primary School	Additional funds for Construction of a storey building of 12 classrooms	10,000,000	-	
Langas Primary School	Additional funds for Construction of a storey building of 12 classrooms	10,000,000	-	
St.Johns Kabongo Primary School	Construction of two classroom to completion.	1,700,000	-	

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Kosirai Primary School	Renovation of 8 classrooms to completion	700,000	-	
Kanetik Primary School	Construction of 3 door boys pit latrine with urinal to completion.	700,000	-	
Tuiyobei Primary School	Electrical wiring for 12 classrooms to completion.	500,000	-	
Konyit Primary School	Construction of 2 doors boys' pit latrine and urinal to completion.	500,000	-	
Kimalel Primary School	Construction of two classrooms to completion.	1,700,000	-	
Legetet Primary School	Purchase of furniture	200,000	-	
Koibasui Primary School	Purchase of furniture	200,000	-	
Secondary projects		15,100,000	14,400,001	
Kipkaren Secondary School	Construction of 60 students capacity single	3,000,000	-	

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
	science laboratory to completion			
Deb Mutwot Secondary School	Construction of 90 students capacity girls dormitory to completion and construction of one classroom to completion.	4,350,000	-	
Simat Secondary School	Construction of one classroom to completion.	850,000	-	
Kosirai Secondary School	Construction of one bedroomed principal's house to completion	1,500,000	-	
Songoliet Secondary School	Purchase of two acres land and purchase of furniture	2,350,000	-	
Lemook Secondary School	Purchase of 40 steel double decker beds.	400,000	-	
Mwiruti Secondary School	Construction of 2 door	450,000	-	

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
	teachers pit latrine with urinal to completion.			
Davies Secondary School	Completion of 60 students capacity single laboratory	900,000	-	
Tertiary institutions		0		
Sub-Total		42,700,000	57,126,101	
Amounts due to other grants and other transfers				
Electricity projects		250,042	250,042	
Emergency projects		5,167,787	2,879,322	
Sports activit		2,747,318	4,929,265	
Bursary tertiary		1,818,814	2,594,119	
Bursary secondary		2,884,975	397,950	
Special Bursary		86,000	-	
Social Security		3,000,000	-	
Environment projects		2,177,530	2,491,882	
Security projects		5,100,000	1,813,124	
Kaplelach Police Station	Construction of police station comprising of 9 offices to completion.	2,400,000	-	
Megun Assistant Chief's Office	Construction of a 5 roomed assistant chief's office	1,500,000	-	

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
	comprising to completion			
Langas Police station	Balance for connection of sewer line	1	-	
Pioneer Chiefs Office	Completion of office and Purchase of furniture.	700,000	-	
Kapseret Subcounty Dcc's Office	Purchase of furniture	200,000	-	
Ngeria Chiefs Office	Purchase of furniture	150,000	-	
Chepkatet Chiefs Office	Purchase of furniture	150,000	-	
Sub-Total		23,232,466	15,355,704	
Acquisition of assets				
Purchase of vehicle		1,274	61,273	
Furniture		-	238,137	
Purchase of computers and other ICT equipment		2,137	(854,710)	
office refurbishment		1,177,981	2,361,586	
Purchase of motor bike		60,000	-	
Sub-Total		1,241,392	1,806,286	
Others (specify)				
Funds pending approval		254,000	59,000	
Sub-Total		254,000	59,000	

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Grand Total		70,422,207	78,177,808	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Adjustments during the year (Kshs)	Adjusted Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	4,000,000	-	4,000,000	-	-	4,000,000
Buildings and structures	11,088,727	-	11,088,727	1,671,078	-	12,759,805
Transport equipment	-	-	-	-	-	-
Office equipment, furniture and fittings	979,658	(52,500)	927,158	600,000	-	1,527,158
ICT Equipment, Software and Other ICT Assets	1,937,190	(210,000)	1,727,190	236,000	-	1,963,190
Other Machinery and Equipment	-	-	-	-	-	-
Heritage and cultural assets	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Total	18,005,575	(262,500)	17,743,075	2,507,078	-	20,250,153

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

PMC	Bank	Account number	Bank Balance	Bank Balance
			2020/2021	2019/2020
Langas Primary School	Cooperative Bank	1141672996000	5,129,088	-
Langas DCIO	Cooperative Bank	1141958693600	1,525	-
Megun Chiefs Office	Cooperative Bank	1141443972900	175	1,255
Konetik Primary School	Cooperative Bank	1139674456600	126,397	393,591
Aturei Adventist day & boarding school	Cooperative Bank	1141674221700	1,616,851	-
Kabongwa Primary School	Cooperative Bank	1141441086800	968,239	-
Kermetio Primary School	Cooperative Bank	1139673530600	-	1,763
Ngarafalls Primary School	Cooperative Bank	1141672528400	4,401	184,523
St Anne Primary School simat	Cooperative Bank	1141674247000	600,054	721,115
Nairiri Primary School	Cooperative Bank	1141761705700	2,456,325	-
Kipsamo Primary School	Cooperative Bank	1141443076400	-	24,345
Belekenya Primary School	Cooperative Bank	1141674146600	-	61,860
Ngarafalls Secondary School	Cooperative Bank	1141086651900	-	799,260
Kosyin Ngara Primary	Cooperative Bank	1141673092700	177,349	128,547
Nandi Gaa Primary School	Cooperative Bank	1141598408601	-	86,488
Pioneer Chiefs Office	Cooperative Bank	1141674222900	496,403	417
Ack St Barnabas Kipkenyo	Cooperative Bank	1141672460300	1,026,401	1,002,263
Chepyakwai Primary School	Cooperative Bank	1139672002400	3,030	1,940
Jasho Primary School	Cooperative Bank	1141673980800	1,687,569	501,413
Tuiyobei Primary School	Cooperative Bank	1141674221000	240,721	300,575
Ngeria Primary School	Cooperative Bank	1141674389000	-	400,915
Tuiyo Primary School	Cooperative Bank	1141672714700	-	111,014

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2020/2021	2019/2020
Kiambaa Primary School	Cooperative Bank	1141672725000	-	230,755
Deb Mutwot Secondary School	Cooperative Bank	1141086776003	943,744	401,399
Kipkaren Road secondary School	Cooperative Bank	1141761684600	3,167,853,.60	454,995
Barnotik Primary School	Cooperative Bank	1139441402500	-	50,993
Kipkenyo Primary School	Cooperative Bank	1141957842800	-	45,427
Kiambaa Police Station	Cooperative Bank	1141674382100	-	500,525
Nganiat Primary School	Cooperative Bank	1141673100100	1,074,973	3,067,625
Kiambaa Secondary School	Cooperative Bank	1141672534100	235,690	77,330
Ochemina Primary School	Cooperative Bank	1139046523701	2,314	2,314
Lemook Primary School	Cooperative Bank	1141443869000	200	855,469
Ngeria Location Chiefs Office	Cooperative Bank	1134673088100	-	133,585
Mutwot Primary school	Cooperative Bank	1139046739301	235,035	-
Kimalel Primary School	Cooperative Bank	1141674337000	178,995	-
Kapkenduiywo Primary School	Cooperative Bank	1141443996200	444,503	766,028
Langas Police station	Cooperative Bank	1141761027200	66,075	
St Marys Chebarus	National Bank	1024028714701	-	256
Ngeria Girls Secondary School	National Bank	1021028066001	-	22,518
Songoliet Secondary School	National Bank	1024028215701	-	516,529
Kibabet Primary School	National Bank	1024027782501	290,970	-
Songoliet Primary School	National Bank	1024028215701	277,783	-
Tuiyo Secondary School	National Bank	1022028257300	1,715	-
Lemook Secondary School	National Bank	1025027502602	-	808
St James leberio Primary School	National Bank	1024029133901	933,417	1,000,394

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2020/2021	2019/2020
Gitwe Primary School	National Bank	1024027686001	423,760	599,551
Legetet Primary School	National Bank	1008030007752	679	-
Davies Secondary School	National Bank	1025029665003	1,591,463	3,987
Chepkongi Primary School	Equity Bank	1090297648452	-	34,045
Kipkaren Primary School Ngcdf	Equity Bank	109027882061	-	619,094
Kipkaren Road Primary School	Equity Bank	1090299149267	4,410,393	48,074
St Marys Chelabal Primary School	Equity Bank	1090297360171	36	42,696
Kaptinga Primary School	Equity Bank	1090262605801	-	63,365
Kimuri Primary School	Equity Bank	1090299757831	636,785	380,588
Jasho Secondary School	Equity Bank	300280520075	9	-
Konyit Primary School	Sidian Bank	1008030000596	-	3,878
Koibasui Primary School	Sidian Bank	1008030013329	-	757,800
Legetet Primary School	Sidian Bank	1008030007752	137,330	286,602
Inder Primary School	Sidian Bank	1008030000847	555,373	302,038
Kamuzee Primary School	Sidian Bank	1008030013450	-	63,318
Kipkaren AIRPORT Primary School	Sidian Bank	1090299158371	1,311,426	400,039
St John Kabongo Primary School	Family Bank	85000068843	482,800	400,000
Kingwal Primary School	ABC Bank	5215001001168	1,050	1,093
Kapthagaron Primary School	ABC Bank	5215001002293	826,856	
Ack Aturei Secondary School	ABC Bank	1136514279	-	117,684
Aturei Primary School-Cdf	KCB Bank	1136513779	1,000,050	
TOTAL			30,597,947	17,088,401

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ANNEX 6- PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Presentation of Financial Statements The financial statements availed for audit review reflected the following anomalies: i. The statement of assets and liabilities disclose prior year adjustment of Kshs.127,000 referenced to note 14 to the financial statements. However, note 14 does not explain the nature of the prior year adjustment. ii. The summary statement of appropriation: recurrent and development combined does not provide explanations for the percentages in utilization. iii. Note 4 to the financial statements disclose basic	The management has corrected the errors made on the financial statement in accordance with the IPSAS Cash and Public Sector Accounting Standards Board. See attached financial statement	Not resolved	30 th June 2022

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	wages of temporary employees of Kshs.3,348,965. However, pension and other social security contributions (gratuity) and employer contributions of compulsory national security such as NSSF has not been disclosed. Consequently, the financial statements do not comply with the requirements of the IPSAS Cash and Public Sector Accounting Standards Board.			
2.	Bank Balances The statement of assets as at 30 June 2020 reflects bank balance figure of Kshs.9,076,069. A review of bank reconciliation statement for the month of June 2020 indicated unrepresented cheques amounting to Kshs.6,033,835 out of which cheques amounting to Kshs.712,000 had become stale as at the time of audit in February	The stale cheques were reversed as at February bank reconciliation statement. Attached is the Bank reconciliation statement for the month of June 2020 and February 2021.	Not resolved	30 th June 2022

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	2020 but had not been reversed in the cash book. Consequently, the accuracy and completeness of the bank balance of Kshs.9,076,069 as at 30 June 2020 could not be confirmed.			
3.	Project management committee account balances Note 17.4 on other important disclosures to the financial statements reflects project management committee account balances of Kshs.17,088,397 in respect of funds disbursed to PMCs which remained unutilized as at 30 June 2020 as disclosed in Annex 5 on pages 43 to 44 to the financial statements. However, cashbooks and bank reconciliation statements maintained by the project management committees were not provided for audit review. Further, account balances for Pioneer Chiefs Office and ACK St. Barnabas Kipkenyo of Kshs.417 and Kshs. 1,002,262 respectively remained unchanged from 30 June 2019 to	The unsupported project management account balances were supported and letters written to the banks to provide for bank balances were presented for the verification. As for the cashbook and bank reconciliation statement we will put more effort in sensitizing the PMCs so that they will be preparing.	Not resolved	30 th June 2022

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	30 June 2020. No information was provided why the funds were not utilized the 2018/2019 financial year and the year ended 30 June 2020. Consequently, the accuracy, completeness, and existence of the project management committee account balances of Kshs.17,088,397 as at 30 June 2020 could not be confirmed			

