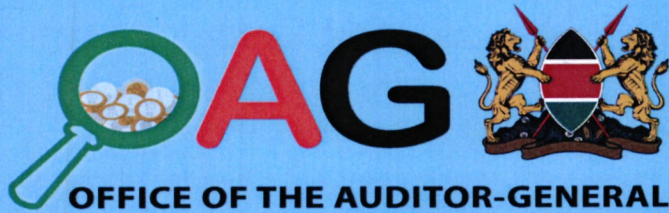


REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAYED  
**REPORT**

DATE: 21 JUN 2023 Wednesday

TABLED  
BY:

Hon. Kimani Ichungwa MP  
Leader of the Majority Party

CLERK AT  
THE TABLE:

Finlay Musicki

PARLIAMENT  
OF KENYA  
LIBRARY

**THE AUDITOR-GENERAL**

**ON**

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

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



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**TINDERET CONSTITUENCY**  
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2022**

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

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

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

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## **I. Key Constituency Information and Management**

### **(a) Background information**

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

### **Mandate**

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

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

- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

### **Vision**

Equitable Socio-economic development countrywide

### **Mission**

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

### **Core Values**

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

### **Functions of NG-CDF Committee**

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

#### **(b) Key Management**

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

- i. National Government Constituencies Development Fund Board (NGCDFB)

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

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ii. National Government Constituency Development Fund Committee (NGCDFC)

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Florence Kiprop
2.	Sub-County Accountant	CPA Jane Ayabei
3.	Chairman NGCDFC	Mr. William Chepkwony
4.	Member NGCDFC	Mr. Simon Biwott

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 200-30301  
NG-CDF Building/House/Plaza  
Kopere-Timboroa/Road/Highway  
Tinderet, KENYA

**(f) Tinderet Constituency NGCDF Contacts**

Telephone: (254) 721 416952  
E-mail: [cdftinderetconstituency@ngcdf.go.ke](mailto:cdftinderetconstituency@ngcdf.go.ke)  
Website: [www.cdftinderetconstituency.go.ke](http://www.cdftinderetconstituency.go.ke)

**(g) Tinderet Constituency NGCDF Bankers**

Equity Bank Kenya Limited  
Nandi Hills Branch  
A/C No.0920265847067  
P O Box 200-30301  
Nandi Hills Kenya.

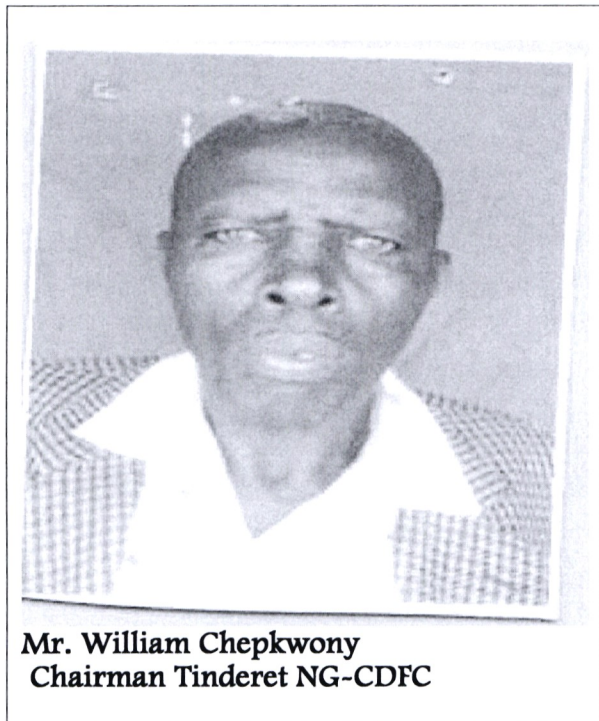
**(h) Independent Auditors**

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**



On behalf of Tinderet NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2021/2022 annual report and financial statements for the fund.

Tinderet NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposals as proposed by the residents of Tinderet constituency and ensure that all approved projects meet the requirements of sec 24 of the NG-CDF Act 2015, Capacity building of the project management committees

(Pmc's), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (Pmc), projects monitoring and regular ngcdf committee meetings.

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

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

### **A). Budget Performance**

In the financial year 2021/2022 NG-CDF Tinderet budget performance against actual amounts for current year based on economic classification and programmes, was Commendable this was mainly due to timely disbursement of funds to the constituency by the NG-CDF BOARD,

***Tinderet Constituency  
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In the financial year ended June 30<sup>th</sup>, 2022, NG-CDF Tinderet had a cumulative approved budget of Kshs 219,632,489 and the entire budget was fully received from the NG-CDF Board.

**NG-CDFC Tinderet disbursed the received funds as follows;**

Kes 117,550,000 was disbursed to various schools and other government agencies for implementation of the approved projects,

Kes 52,031,043 was issued as bursaries to needy students in the constituency,

Kes 8,639,530 was used in payment of NG-CDF committee allowances, monitoring, evaluation, use of goods and services and other administration expenses,

Kes 2,007,920 was used in payment of NG-CDFC staff salaries and gratuity,

Kes 2,060,000 was disbursed to NG-CDFC Environment project to fund Environment conservation activities,

Kes 200,000 was disbursed to NG-CDFC sports project to fund sporting activities,

Kes 2,965,600 was used to fund emergency occurrences in the constituency,

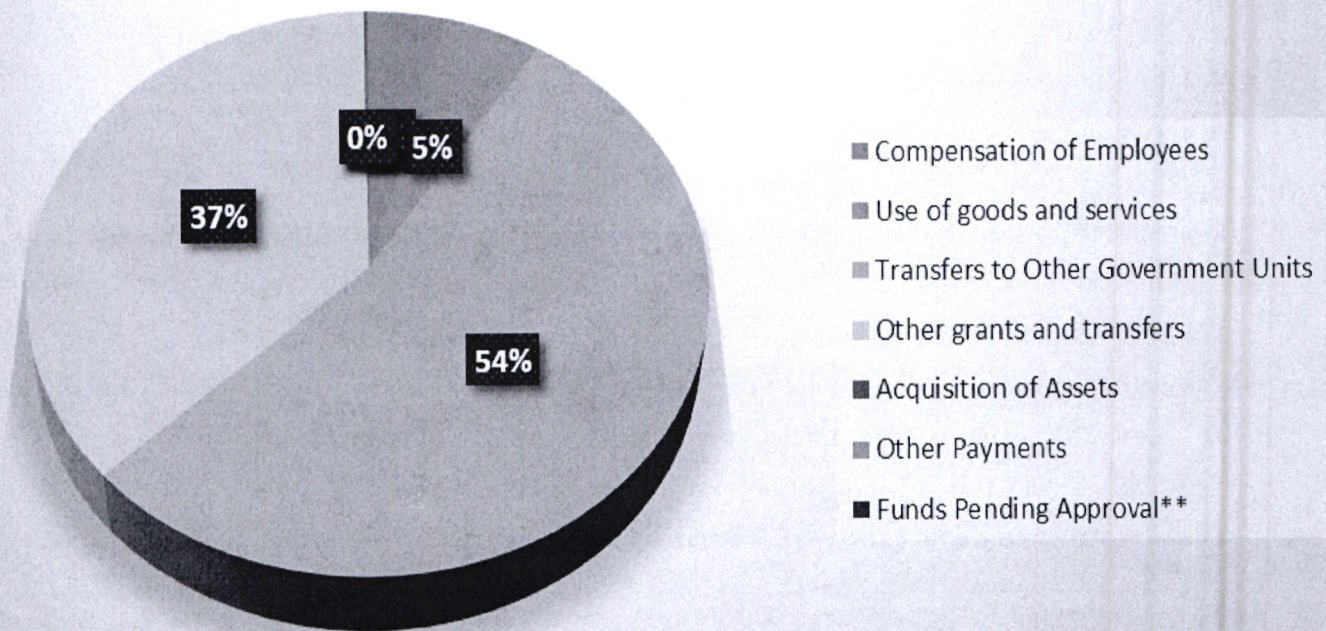
Kes 2,500,000 was used to fund Security Projects in the constituency,

Kes 287,360 was used in acquisition of office equipment/assets.

**The performance during the year is summarised as follows;**

<b>PAYMENTS</b>	<b>Final Budget</b>	<b>Total Expenditure</b>	<b>Budget utilization difference</b>	<b>% of utilization</b>
Compensation of Employees	9,088,954	2,007,920	7,081,034	22%
Use of goods and services	11,003,736	8,639,530	2,364,206	79%
Transfers to Other Government Units	118,250,000	117,550,000	700,000	99%
Other grants and transfers	80,989,799	59,756,643	21,233,156	74%
Acquisition of assets	300,000	287,360	12,640	96%
Other Payments(Strategic Plan)	-	-	-	-
Funds Pending Approval	-	-	-	-
<b>TOTAL</b>	<b>219,632,489</b>	<b>188,241,453</b>	<b>31,391,036</b>	<b>86%</b>

## Budget Performance Per Sector FY 2021-2022



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

A total of 39 classrooms, 4 dormitories, 3 laboratories, 4 administration blocks, 2 dining halls and 26 Pit Latrine toilets were constructed and or renovated through the allocation to the fund.

The fund's contribution towards education infrastructure across the constituency supported the 100% government transition policy.

In addition, the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of Kes.52, 031,043 was awarded as bursary to needy students in the constituency. NG-CDF Tinderet committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

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



*Kiplegut Primary School: Renovation of 2 classrooms (flooring, painting and fascia board) to completion.*

Ki



*Kipng'elel Primary School: Construction of 1 classroom to completion.*

X



KABIRER HIGH SCHOOL BUS

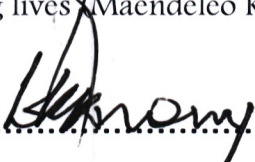
**B). Emerging issues related to NG-CDF in Tinderet Constituency are;**

- ❖ Education, Security, Sports, Environment, Water and Roads sectors almost entirely depend on NG-CDF on infrastructure development.
- ❖ Prioritization of projects to fund is becoming more difficult due to the numerous high impact and deserving projects being proposed by the residents.
- ❖ Increase in population is piling pressure on NG-CDF to allocate more funds to various development infrastructure to cater for the residents.
- ❖ There's a growing Need to compete with the county government in infrastructure development to justify the long existence of NG-CDF.

**C). NG-CDF Implementation challenges in Tinderet Constituency are;**

- ❖ Overdependence on the fund by the public and National government functions on all development related needs.  
(To overcome this, NG-CDF Tinderet Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency).
- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets occasioning unnecessary budgetary adjustments and delays in the implementation of approved projects.  
(NG-CDF Tinderet committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC`s) as soon as it receives).
- ❖ Many projects are allocated funds (thinly spread projects)- leading to projects receiving insufficient funds  
(To overcome this challenge, NG-CDF Tinderet is focusing on allocating enough funds to complete the project within at most 2 years).

Moving forward NG-CDF Tinderet Committee remains steadfast in delivering on our mandate of transforming lives (Maendeleo Kwa Wote) thus creating a better society for all.



.....  
**Mr. William Chepkwony**  
**CHAIRMAN NGCDF COMMITTEE**

### III. Statement of Performance against Predetermined Objectives for FY2021/22

#### Introduction

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

The key development objectives of *Tinderet Constituency 2018-2022* plan are to:

- a) Improve Education Standards.
- b) Improve Security.
- c) Conserve the environment.
- d) Nurture talent through sporting activities and art
- e) Increase youth, women and persons with disability participation in development objectives.

Supplementing infrastructure development at the constituency level in matters falling within the functions of the national government in accordance with the Constitution.

#### Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>- number of usable physical infrastructure build in primary, secondary, and tertiary institutions</li> <li>- number of bursary's beneficiaries</li> </ul>	In FY 21/22 - we constructed 39 classrooms, 4 dormitories, 3 laboratories 4 administration blocks and 2 dinning - Awarded Bursary to 5,000 beneficiaries at all levels

**Tinderet Constituency**

**National Government Constituencies Development Fund (NGCDF)**

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			ies at all levels	
Security	To have a safe and secure environment for business, learning and where the residents go about their lives without fearing for their lives and property.	-Decrease in the number of insecurity related incidents. -Improved security and a more secure business environment	-Numbers of usable physical infrastructure build in Police stations, Chief's offices, DCI and county Commissioners security facilities. -	In FY 21/22 We built one (1) police station in Administration Police Camp.
Environment	To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.	Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of climate change.	Number of tree seedlings planted in public land. -sustainable environmental management activities.	In FY 21/22 - we constructed 26 pit latrines
Sports	To Nurture sporting talent, This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.	Increased engagement and persons earning a decent living from exploiting their sporting talent. -reduced unemployment rate among the youth.	Number of youth, women and persons living with disabilities taking up sporting activities. -Number of usable physical infrastructure build.	In FY 21/22 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in every ward in the constituency.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.	In FY 21/22 -we re-roofed 5 classrooms in various schools When the schools were facing immediate closure by the county department of health.

#### **IV. Environmental and Sustainability Reporting**

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

- a. **Education and Training:** Tinderet 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 operations has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

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

## **2. Environmental performance**

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

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Tinderet 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 our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Tinderet 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-**

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

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

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

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

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

**Public Participation in Project Identification and Implementation and Monitoring**

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

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

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

**Public Awareness**

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

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



.....  
**Florence Kiprop**

**FAM**

## **V. Statement of Management Responsibilities**

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

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

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

**Tinderet Constituency**

**National Government Constituencies Development Fund (NGCDF)**

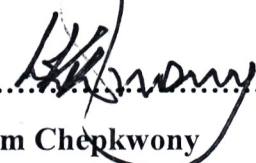
**Annual Report and Financial Statements for The Year Ended June 30, 2022**


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The Accounting Officer in charge of the NGCDF Tinderet 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**

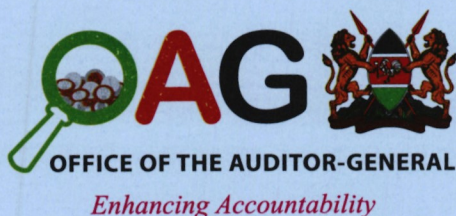
The NGCDF- Tinderet Constituency financial statements were approved and signed by the Accounting Officer on 09/07/2023 2023.

.....  
  
.....  
**Mr. William Chepkwony**  
Chairman – NGCDF Committee

.....  
  
.....  
**Ms. Florence Kiprop**  
Fund Account Manager

# REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TINDERET CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022**

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

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

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

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

### **Basis for Qualified Opinion**

#### **Unconfirmed Project Management Committee Bank Balances**

Note 17.4 to the financial statements reflect Project Management Committee (PMC) bank balances amounting to Kshs.56,074,196 in respect to seventy-five (75) bank accounts held in two commercial banks. However, cash books, bank reconciliation statements, certificates of bank balance and bank statements for the seventy-five (75) bank accounts were not provided for audit review.

In the circumstances, the accuracy and completeness of project management committee bank balance of Kshs.56,074,196 could not be confirmed.

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

#### **Key Audit Matters**

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

#### **Other Matter**

##### **1. Budgetary Control and Performance**

The summary statement of appropriation indicates that the Fund had approved final budget receipts of Kshs.219,632,489 comprising of Kshs.137,088,879 for 2021/2022

financial year, unspent balance brought forward from 2020/2021 financial year of Kshs.45,088,879 and bank balances of Kshs.37,454,731 for 2020/2021 brought down. During the year the fund incurred expenditure of Kshs.188,241,453 or 86% of the approved budget resulting in under expenditure of Kshs.31,391,036 or 14% of the budget.

The underperformance in expenditure may have affected the planned activities of the Constituency and could have impacted negatively on service delivery to the public.

## **2. Unresolved Prior Year Matters**

There were issues raised in the audit report for 2020/21 financial year of which no report or recommendations from the Fund Management and oversight bodies were submitted for review. The issues remain unresolved contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which require accounting officers designated for national government entities to try to resolve any issues resulting from an audit that remain outstanding.

In the circumstances, the issues remain unresolved.

## **3. Projects**

### **3.1 Project Implementation**

Review of the project status report provided revealed that seventy-one (71) projects with a budget of Kshs.80,610,610. However, only twenty-two (22) projects with a disbursement of Kshs.34,110,000 were complete, while forty-nine (49) projects with a disbursement of Kshs.46,500,000 were ongoing.

### **3.2 Project Verification**

During the year under review, twelve (12) projects with a budget and fund disbursement of Kshs.27,900,00 were verified in March 2022. Four (4) projects were found to be complete and eight (8) were ongoing.

Delay in implementation of approved projects denies residents of Tinderet Constituency benefits accruing from the approved and completed projects.

## **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. Transfers to Other Government Units**

The statement of receipts and payments reflects transfers to other government units amount of Kshs.117,550,000 which, as disclosed in Note 6 to the financial statements includes transfers to Primary Schools amount of Kshs.28,850,000, Secondary Schools' amount of Kshs.77,200,000 and Tertiary institutions of Kshs.11,500,000 for construction works. However, approved work and procurement plans were not provided for audit contrary to Regulation 25(1) of National Government Constituencies Development Fund Regulations, 2016 which states that the Officer of the Board seconded to the Constituency shall prepare a detailed budget, procurement plan and work plan for the year, for the National Government Constituencies Development Fund Committee Office, and shall, within the first quarter of a new financial year, present them to the Committee for approval.

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

### **2. Other Grants and Transfers - Emergency Projects**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.59,756,643 which includes emergency projects payments of Kshs.2,965,600 as disclosed in Note 7 to the financial statements. The emergency payment of Kshs.2,965,600 was made to nine (9) projects during the year.

However, there was no evidence to indicate the constituency committee reported to the Board within thirty days of occurrence of emergency in respect to utilization of Kshs.2,965,600 in emergencies during the year contrary to Regulation 20(2) of National Government Constituencies Development Fund Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

### **3. Other Grants and Transfers - Issuance of Bursaries**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.59,756,643 which includes bursary to secondary schools' amount of Kshs.33,531,043 and bursary to tertiary institutions of Kshs.18,500,000 all totaling to Kshs.52,031,043 as disclosed in Note 7 to the financial statements. However, there was no evidence to show that vetting, identification and categorizing of needy students was done by the bursary subcommittee that should include area education officer or a representative from the Ministry of Education contrary to CDF Board circular reference VOL1/111 dated 13 September, 2010 which requires formation of a subcommittee of Constituency Development Fund to manage the bursary scheme, which subcommittee should include two co-opted members one who must be an education officer or an officer seconded from Ministry of Education. Further, evidence of acknowledgement in form of receipts and acknowledgement letters from the various beneficiary institutions that

received funds to support the bursary payments were not provided for audit. In addition, the Fund does not maintain a current/updated database of secondary schools, colleges and universities as registered by the Ministry of Education to ascertain whether the students who applied for and received the bursary are undertaking their studies in registered institutions.

In the circumstances, the Management was in breach of the law and the Fund is likely to lose funds through payment of bursaries to non-deserving students.

#### **4. Late Disbursement of Receipts**

The statement of receipts and payments reflects transfers from the National Government Constituencies Development Fund Board amount of Kshs.182,177,758 made up of the AIEs for 2020/2021 and 2021/2022 financial years as disclosed in Note 1 to the financial statements. However, an amount of Kshs.45,088,879 represents a delayed disbursement for the financial year 2020/2021. No reason has been provided for the delayed disbursements for the financial year 2020/2021 contrary to Section 39(2) of the National Government Constituencies Development Fund Act, 2015 which states that the disbursement of funds to the constituency fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to twenty-five per centum of the allocation for the constituency and thereafter the constituency fund account shall be replenished in three equal instalments at the beginning of the second, third and fourth quarters of the financial year; and Section 40(1) which stipulates that the Board shall ensure that the list of projects forwarded to it by each constituency is, upon approval, funded in accordance with the Act.

In the circumstances, the Management was in breach of the law and delay in fund disbursements from the board results in delay in implementation of approved projects or programs and therefore denies the residents of Tinderet Constituency the services and benefits accruing from completed projects.

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**

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

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

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

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

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

## **Auditor-General's Responsibilities for the Audit**

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect

a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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

18 May, 2023

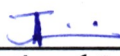
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2022

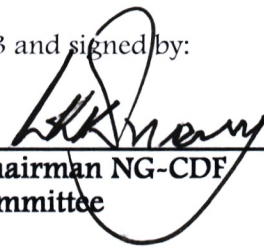
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>182,177,758</b>	<b>161,367,724</b>
<b>Payments</b>			
Compensation Of Employees	4	2,007,920	2,264,795
Use Of Goods and Services	5	8,639,530	8,375,659
Transfers To Other Government Units	6	117,550,000	97,163,069
Other Grants and Transfers	7	59,756,643	25,603,305
Acquisition Of Assets	8	287,360	700,000
Other Payments	9	-	-
<b>Total Payments</b>		<b>188,241,453</b>	<b>134,106,828</b>
<b>Surplus/(Deficit)</b>		<b>(6,063,695)</b>	<b>27,260,896</b>

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

The Constituency financial statements were approved on 04/04/2023 and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Name: Ms. Florence Kiprop

Name: CPA Jane Ayabei

Name: Mr. William  
Chepkwony

ICPAK M/No:

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


**VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30<sup>th</sup> JUNE, 2022**

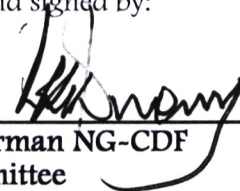
	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	10A	31,391,036	37,454,731
Cash Balances (Cash at Hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>31,391,036</b>	<b>37,454,731</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11		
<b>Total Financial Assets</b>		<b>31,391,036</b>	<b>37,454,731</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A		
Gratuity	12B		
<b>Total Financial Liabilities</b>		-	-
<b>Net Financial Assets</b>		<b>31,391,036</b>	<b>37,454,731</b>
<b>Represented By</b>			
Fund Balance B/Fwd	13	37,454,731	9,797,400
Prior Year Adjustments	14	-	396,435
Surplus/Deficit for The Year		(6,063,695)	27,260,896
<b>Net Financial Position</b>		<b>31,391,036</b>	<b>37,454,731</b>

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

The Constituency financial statements were approved on 04/07/2023 2023 and signed by:

  
\_\_\_\_\_  
Fund Account Manager

  
\_\_\_\_\_  
National Sub-County  
Accountant

  
\_\_\_\_\_  
Chairman NG-CDF  
Committee

Name: Ms. Florence Kiprop

Name: CPA Jane Ayabei

Name: Mr. William  
Chepkwony

ICPAK M/No:

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

**IX. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30<sup>th</sup> JUNE 2022**

	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>182,177,758</b>	<b>161,367,724</b>
<b>Payments</b>			
Compensation Of Employees	4	2,007,920	2,264,795
Use Of Goods and Services	5	8,639,530	8,375,659
Transfers To Other Government Units	6	117,550,000	97,163,069
Other Grants and Transfers	7	59,756,643	25,603,305
Other Payments	9	-	-
<b>Total Payments</b>		<b>187,954,093</b>	<b>133,406,828</b>
<b>Total Receipts Less Total Payments</b>			
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	396,435
<b>Net Cash Flow from Operating Activities</b>		<b>(5,776,335)</b>	<b>28,357,331</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition of Assets	8	(287,360)	(700,000)
<b>Net Cash Flows from Investing Activities</b>		<b>(287,360)</b>	<b>(700,000)</b>
<b>Net Increase In Cash And Cash Equivalent</b>		<b>(6,063,695)</b>	<b>27,657,331</b>
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>10</b>	<b>37,454,731</b>	<b>9,797,400</b>

*Tinderet Constituency  
National Government Constituencies Development Fund (NGCDF)  
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<b>Cash &amp; Cash Equivalent At End Of The Year</b>	<b>10</b>	<b>31,391,036</b>	<b>37,454,731</b>
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 04/04 2023 and signed by:

  
\_\_\_\_\_

**Fund Account Manager**

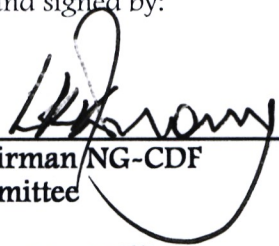
**Name: Ms. Florence Kiprop**

  
\_\_\_\_\_

**National Sub-County Accountant**

**Name: CPA Jane Ayabei**

**ICPAK M/No:**

  
\_\_\_\_\_

**Chairman NG-CDF Committee**

**Name: Mr. William Chepkwony**



NGCDF)  
June 30, 2022

Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	31,391,036
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2022	-
Add Accounts payable	31,391,036
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	31,391,036

The Constituency financial statements were approved on 04/04/ 2023 and signed by:



Fund Account Manager

Name: Ms. Florence Kiprop



National Sub-County Accountant

Name: CPA Jane Ayabei  
ICPAK M/No:



Chairman NG-CDF Committee

Name: Mr. William Chepkwony

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

**X. BUDGET EXECUTION BY SECTORS AND PROJECTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2022**

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization Difference Kshs	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs				
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	2,985,332	3,014,743	-	9,088,954	2,007,920	7,081,034	38
1.2 Committee allowances	4,000,000	1,170,750	688,327	5,170,750	3,259,700	1,911,050	70
1.3 Use of goods and services	1,240,000	2,227,131	816,648	3,467,131	2,368,590	1,098,541	87
<b>sub total</b>	<b>8,225,332</b>	<b>3,047,897</b>	<b>1,504,975</b>	<b>12,778,204</b>	<b>7,688,210</b>	<b>5,089,994</b>	<b>60</b>
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,000,000	(1,593,018)	23,776	(593,018)	100,000	(693,018)	7
2.2 Committee allowances	2,300,000	765,048		3,065,048	2,811,240	253,808	93
2.3 Use of goods and services	812,666	(918,840)		(106,174)	100,000	(206,174)	12
<b>sub total</b>	<b>4,112,666</b>	<b>1,206,834</b>	<b>23,815</b>	<b>5,343,315</b>	<b>2,959,240</b>	<b>2,384,075</b>	<b>55</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools	7,192,207		892,207	8,084,414	2,965,600	5,118,814	33
3.2 Secondary schools			2,500,000	2,500,000	-	2,500,000	34
3.3 Tertiary institutions			500,000	500,000	-	500,000	-
3.4 Security projects			500,000	500,000	-	500,000	15

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
<b>sub total</b>	<b>7,192,207</b>	<b>0</b>	<b>4,392,207</b>	<b>11,584,414</b>	<b>2,965,600</b>	<b>8,618,814</b>	26
<b>4.0 Bursary and Social Security</b>							
4.1 Primary Schools	18,050,000	15,720,866	-	33,770,866	33,531,043	239,823	99
4.2 Secondary Schools	16,156,897	3,918,052	7,143,778	27,218,727	18,500,000	8,718,727	68
4.3 Tertiary Institutions	-	-	-	-	-	-	-
4.4 Universities	-	-	-	-	-	-	-
4.5 Social Security	-	-	-	-	-	-	-
<b>sub total</b>	<b>34,206,897</b>	<b>-</b>	<b>28,253,866</b>	<b>62,460,763</b>	<b>51,531,043</b>	<b>10,929,720</b>	85
<b>5.0 Sports</b>							
5.1	2,741,777	-	56,060	2,797,837	200,000	2,597,837	7
<b>sub total</b>	<b>2,741,777</b>	<b>-</b>	<b>56,060</b>	<b>2,797,837</b>	<b>200,000</b>	<b>2,597,837</b>	7
<b>6.0 Environment</b>							
6.1	2,060,000		557,955	2,617,955	2,060,000	557,955	79
<b>sub total</b>	<b>2,060,000</b>		<b>557,955</b>	<b>2,617,955</b>	<b>2,060,000</b>	<b>557,955</b>	79
<b>7.0 Primary Schools Projects (List all the Projects)</b>							
SDA Labuiywo Primary School	400,000			400,000	400,000	-	100
Chepkuchuru Primary School	700,000			700,000	700,000	-	100
Koisegem Primary School	700,000			700,000	700,000	-	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	2021/2022						f=d/c %
Tuiyobei Primary School	400,000			400,000	400,000	-	100
Meteitei Adventist Primary School	700,000			700,000	700,000	-	100
AIC Tinderet Primary School	400,000			400,000	400,000	-	100
Kibugat Primary School	400,000			400,000	400,000	-	100
Mutumon Primary School	700,000			700,000	700,000	-	100
Chepkaroi Primary School	700,000			700,000	700,000	-	100
AIC Chepkemei Primary School	1,000,000			1,000,000	1,000,000	-	100
Sarwat Primary School	700,000			700,000	700,000	-	100
Kaplolon Primary School	700,000			700,000	700,000	-	100
Kipsisin Primary School	400,000			400,000	400,000	-	100
Kipkures Primary School	300,000			300,000	300,000	-	100
Kipngelel Primary School	700,000			700,000	700,000	-	100
Kiptebes Primary School	700,000			700,000	700,000	-	100
Kabunyeria Primary School	700,000			700,000	700,000	-	100
Taunet Primary School	500,000			500,000	500,000	-	100
Kipselei Primary School	700,000			700,000	700,000	-	100

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization $f=d/c$ %
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements				
Matambach Primary School	700,000			700,000	700,000	-	100
Kiplelgut Primary School	1,400,000			1,400,000	1,400,000	-	100
Tambul Primary School	300,000			300,000	300,000	-	100
Chemutia Primary School	700,000			700,000	700,000	-	100
Bugon Primary School	700,000			700,000	700,000	-	100
Sosiot Primary School	700,000			700,000	700,000	-	100
Chematich Primary School	400,000			400,000	400,000	-	100
Underit Primary School	700,000			700,000	700,000	-	100
Chepkiwen Primary School	650,000			650,000	650,000	-	100
Matema Primary School	1,400,000			1,400,000	1,400,000	-	100
Chepkitilei Primary School	700,000			700,000	700,000	-	100
Temso Primary School	600,000			600,000	600,000	-	100
Kapsigilal Primary School	800,000			800,000	800,000	-	100
Kiroro Primary School	300,000			300,000	300,000	-	100
Kiptiong'in Primary School	400,000			400,000	400,000	-	100
Lamaiywo Primary School	800,000			800,000	800,000	-	100
Setek Primary School		700,000		700,000	-	700,000	

**Tinderet Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
Kitiroch Primary School		500,000	-	500,000	500,000	-	100
Samutet Primary School		150,000	550,000	700,000	700,000	-	100
Lelgotet Primary School			700,000	700,000	700,000	-	100
Kapteldon Primary School		1,400,000		1,400,000	1,400,000	-	100
Kaptebengwo Primary school		700,000		700,000	700,000	-	100
Kolelach Primary School		700,000		700,000	700,000	-	100
Koimoi Primary School		1,400,000		1,400,000	1,400,000	-	100
<b>sub total</b>	<b>22,750,000</b>	<b>6,300,000</b>	<b>-</b>	<b>29,050,000</b>	<b>28,350,000</b>	<b>700,000</b>	<b>98</b>
<b>8.0 Secondary Schools Projects (List all the Projects)</b>							
Kamelil Day Secondary School	1,000,000			1,000,000	1,000,000	-	100
Koiseum Secondary School	1,700,000			1,700,000	1,700,000	-	100
AIC Kipyao Secondary School	1,000,000			1,000,000	1,000,000	-	100
Chemamul Secondary School	600,000			600,000	600,000	-	100
Mbogo Valley Secondary School	4,850,000			4,850,000	4,850,000	-	100
AIC Taunet Secondary School	700,000			700,000	700,000	-	100

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National Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
Cherondo Secondary School	700,000			700,000	700,000	-	100
Henry Kosgey Kibukwo Sec School	1,000,000			1,000,000	1,000,000	-	100
Mombwo Girls Sec School	700,000			700,000	700,000	-	100
St Peters Soba Sec School	700,000			700,000	700,000	-	100
Chemelil Sec School	14,000,000			14,000,000	14,000,000	-	100
Kimwani Secondary School	500,000			500,000	500,000	-	100
Chemutia Secondary School	500,000			500,000	500,000	-	100
Kapsigilal Secondary School	500,000			500,000	500,000	-	100
St Pauls Chemalal Sec School	500,000			500,000	500,000	-	100
Chebarus Sec School	500,000			500,000	500,000	-	100
St Johns Tachasis Sec School	7,800,000			7,800,000	7,800,000	-	100
Kabirer Secondary School	7,800,000			7,800,000	7,800,000	-	100
Kimwani Secondary School	7,800,000			7,800,000	7,800,000	-	100
Kiptegat Secondary School	450,000			450,000	450,000	-	100
Siret Secondary School			900,000	900,000	900,000	-	100
AIC Taunet Secondary School			900,000	900,000	900,000	-	100
Taunet Secondary School		3,800,000		3,800,000	3,800,000	-	

**Tinderet Constituency  
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
St Johns Tachasis secondary school			700,000	700,000	700,000	-	100
Siret Secondary School			3,800,000	3,800,000	3,800,000	-	100
FR. Boyle Secondary Kablebo			3,800,000	3,800,000	3,800,000	-	100
Chemelil Secondary school		-	10,000,000	10,000,000	10,000,000	-	100
<b>sub total</b>	<b>53,300,000</b>	<b>19,850,000</b>	<b>-</b>	<b>73,150,000</b>	<b>73,150,000</b>	<b>-</b>	<b>100</b>
<b>9.0 Tertiary institutions Projects (List all the Projects)</b>							
9.1 Tinderet Technical Trainers College		3,000,000	8,500,000	11,500,000	11,500,000	-	100
<b>Total</b>		<b>3,000,000</b>	<b>8,500,000</b>	<b>11,500,000</b>	<b>11,500,000</b>	<b>-</b>	<b>100</b>
<b>10.0 Security Projects</b>							
Chepkemei Chiefs Office	1,000,000			1,000,000	1,000,000	-	100
Chemase ACC Office	1,500,000			1,500,000	1,500,000	-	100
Potopoto		500,000		500,000	-	500,000	-
	<b>2,500,000</b>	<b>500,000</b>	<b>-</b>	<b>3,000,000</b>	<b>2,500,000</b>	<b>500,000</b>	<b>83</b>
<b>11.0 Acquisition of assets</b>							
11.1 Motor Vehicles (including motorbikes)							
11.2 Construction of CDF office							

**Tinderet Constituency  
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization Difference	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
11.3 Purchase of furniture and equipment	-	300,000	-	300,000	287,360	12,640	-
11.4 Purchase of computers	-	-	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-	-	-
<b>sub total</b>		<b>300,000</b>		<b>300,000</b>	<b>287,360</b>	<b>12,640</b>	96
<b>12.0 Others</b>							
12.1 Strategic Plan	-	-	-	-	-	-	-
<b>sub total</b>							
12.2 Innovation Hub	-	-	-	-	-	-	-
12.2 Roads	-	-	-	-	-	-	-
<b>sub total</b>							
Funds pending approval**	-	-	-	-	-	-	-
<b>sub total</b>							
<b>Total</b>	<b>137,088,879</b>	<b>37,454,731</b>	<b>45,088,879</b>	<b>219,632,490</b>	<b>188,241,453</b>	<b>31,391,037</b>	<b>87</b>

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury

## **XI. Significant Accounting Policies**

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

### **1. Statement of Compliance and Basis of Preparation**

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

**Unutilized Funds from PMCs.**

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

**External Assistance**

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

**b) Recognition of payments**

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

***Significant Accounting Policies continued***

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalents.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

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

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

**12. Comparative Figures**

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

**13. Subsequent Events**

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

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*Significant Accounting Policies continued*

**14. Errors**

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

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

**15. Related Party Transactions**

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

*Tinderet Constituency  
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**XII. Notes to the Financial Statements**

**1. Transfers from NGCDF Board**

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO.B105307	33,000,000	
AIE NO.B105695	34,000,000	
AIE NO.B105946	30,000,000	
AIE NO.B128719	6,000,000	
AIE NO.B163881	12,000,000	
AIE NO.B154225	12,000,000	
AIE NO.B 154446	18,000,000	
AIE NO.B 154500	25,088,879	
AIE NO.A888506	12,088,879	
AIE NO.B104755		20,000,000
AIE NO.A823734		35,000,000
AIE NO.B104846		13,367,724
AIE NO.B124876		1,000,000
AIE NO.B124677		9,000,000
AIE NO.B119665		8,500,000
AIE NO.B119704		12,000,000
AIE NO.B128297		6,900,000
AIE NO.B132057		6,000,000
AIE NO.B132351		6,000,000
AIE NO.B126020		13,000,000
AIE NO.B126312		7,000,000
AIE NO.B105107		11,600,000
AIE NO.B140751		12,000,000
AIE NO		
<b>TOTAL</b>	<b>182,177,758</b>	<b>161,367,724</b>

*Tinderet Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**2. Proceeds from Sale of Assets**

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

**3. Other Receipts**

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

*Notes to the Financial Statements (Continued)*

**4. Compensation of Employees**

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,940,480	1,578,236
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	636,519
Employer Contributions Compulsory national social security schemes	67,440	50,040
<b>Total</b>	<b>2,007,920</b>	<b>2,264,795</b>

**5. Use of Goods and Services**

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	250,000	447,830
Communication, supplies and services	82,393	18,900
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	69,227	102,000
Rentals of produced assets	-	-
Training expenses	100,000	2,614,050
Hospitality supplies and services	-	-
Other committee expenses	361,770	1,401,802
Committee allowance	3,259,700	401,000
Bank service commission and charges	37,640	49,835
Fuel Oil & Lubricants	1,100,000	1,080,022
Office and general supplies and services	277,000	-
Other operating expenses	2,811,240	1,604,700
Routine maintenance – vehicles and other transport equipment	290,560	550,720
Routine maintenance – other assets	-	95,800
<b>Total</b>	<b>8,639,530</b>	<b>8,375,659</b>

**Tinderet Constituency**  
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*Notes to The Financial Statements (Continued)*

**6. Transfer to Other Government Units**

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	28,850,000	60,276,349
Transfers To Secondary Schools (See Attached List)	77,200,000	31,886,720
Transfers To Tertiary Institutions (See Attached List)	11,500,000	5,000,000
<b>Total</b>	<b>117,550,000</b>	<b>97,163,069</b>

**7. Other Grants and Other transfers**

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	33,531,043	2,369,579
Bursary – tertiary institutions (see attached list)	18,500,000	2,735,135
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programs (NHIF)	-	-
Security projects (see attached list)	2,500,000	2,600,000
Sports projects (see attached list)	200,000	7,306,799
Environment projects (see attached list)	2,060,000	4,991,792
Emergency projects (see attached list)	2,965,600	5,600,000
<b>Total</b>	<b>59,756,643</b>	<b>25,603,305</b>

**8. Acquisition of Assets**

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	287,360	700,000
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
<b>Total</b>	<b>287,360</b>	<b>700,000</b>

**Tinderet Constituency**  
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**Notes to the Financial Statements (Continued)**

**9. Other Payments**

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

**10: Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
<b>10A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank Nandi Hills Branch-Tinderet NGCDF-KES A/C Number: 0920265847067</i>	31,391,036	37,454,731
<b>Total</b>	<b>31,391,036</b>	<b>37,454,731</b>
<b>10 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>[Provide Cash Count Certificates for Each]</i>		

**11: Outstanding Imprests**

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
		-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>

**Tinderet Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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*Notes to the Financial Statement Continued*

**12A. Retention**

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

**12B. Gratuity**

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	-	636,519
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	636,519
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-

**13. Balances Brought Forward**

	2021-2022 (1 <sup>st</sup> July 2021)	2020-2021 (1 <sup>st</sup> July 2020)
	Kshs	Kshs
Bank accounts	37,454,731	9,797,400
Cash in hand	-	-
Imprest	-	-
Total	37,454,731	9,797,400

*[Provide short appropriate explanations as necessary]*

**14. Prior Year Adjustments**

	Balance b/f FY 2020/2021 as per Audited	Adjustments	Adjusted Balance** b/f FY 2021/2022

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	Financial statements		
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	396,435
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	<b>396,435</b>

**15. Changes in Accounts Receivable – Outstanding Imprests**

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

**16. Changes in Accounts Payable – Deposits and Retentions**

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

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*Notes to the Financial Statements (Continued)*

**17. Other Important Disclosures**

**17.1: Pending Accounts Payable (See Annex 1)**

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**17.2: Pending Staff Payables (See Annex 2)**

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	438,662	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>438,662</b>	<b>-</b>

**17.3: Unutilized Fund (See Annex 3)**

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	7,081,034	6,103,622
Use of goods and services	2,364,206	1,651,070
Amounts due to other Government entities (see attached list)	700,000	29,850,000
Amounts due to other grants and other transfers (see attached list)	21,233,156	44,638,918
Acquisition of assets	12,640	300,000
Others(Specify)	-	-
Funds pending approval	-	-
<b>Total</b>	<b>31,391,036</b>	<b>82,543,609</b>

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**17.4: PMC account balances (See Annex 5)**

	<b>2021-2022</b>	<b>2020-2021</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	<b>56,074,196</b>	<b>46,193,760</b>
<b>Total</b>	<b>56,074,196</b>	<b>46,193,760</b>

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**Annexes  
Annexes: 1 Analysis of Pending Accounts Payable**

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

**Annex 2 - Analysis of Pending Staff Payables**

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Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2022	Comments
<b>NG-CDFC Staff</b>				
1.				
1. SIMION TANUI	DRIVER	7/12/2008	94,488	
2. NAOMY CHEFKOSGEL	ACCOUNTS ASSISTANT	1/11/2006	117,254	
3. DICK KEMBOI	CLERK OF WORKS	12/2/2020	111,600	
4. REUBEN TARUS	RECORDS OFFICER	12/2/2020	74,400	
5. CHRISTOPHER KEMBOI	GROUNDSMAN	3/1/2018	40,920	
	<b>Sub-Total</b>			
	<b>Grand Total</b>		<b>438,662</b>	

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**Annex 3 – Unutilized Fund**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2021/22</b>	<b>Outstanding Balance 2020/2021</b>	<b>Comments</b>
Compensation of employees		7,081,034	6,103,622	Ongoing
Use of goods & services		2,364,206	1,651,070	Ongoing
<b>Sub total</b>				
<b>Amounts due to other Government entities</b>				
<b>7.0 Primary Schools Projects</b>				
Kapteldon Primary School		-	1,400,000	Project now complete and in use
kaptebengwo Primary school		-	700,000	Project now complete and in use
Kolelach Primary School		-	700,000	Project now complete and in use
Koimoi Primary School		-	1,400,000	Project now complete and in use
Setek Primary School		700,000	700,000	
Kitoroch Primary School		-	500,000	Project now complete and in use
Samutet Primary School		-	700,000	Project now complete and in use
Lelgotet Primary School		-	700,000	Project now complete and in use
<b>8.0 Secondary Schools Projects</b>				
Siret Secondary School		-	900,000	Project now complete and in use
AIC Taunet Secondary School		-	900,000	Project now complete and in use
Taunet Secondary School		-	3,800,000	Project now complete and in use

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2021/22</b>	<b>Outstanding Balance 2020/2021</b>	<b>Comments</b>
St Johns Tachasis Secondary school		-	700,000	Project now complete and in use
Siret Secondary School		-	3,800,000	Project now complete and in use
FR. Boyle Secondary Kabolebo		-	3,800,000	Project now complete and in use
Chemelil Secondary School		-	10,000,000	Project now complete and in use
<b>Sub-Total</b>				
Tinderet Technical Trainers College		-	11,500,000	Project now complete and in use
<b>Sub-Total</b>				
Amounts due to other grants and other transfers				
<b>3.0 Emergency</b>		8,618,814	4,392,207	Ongoing
<b>4.0 Bursary and Social Security</b>				
4.2 Secondary Schools		239,823	15,720,866	Ongoing
4.3 Tertiary Institutions		8,718,727	11,061,830	Ongoing
<b>5.0 Sports</b>		2,597,837	56,060	Ongoing
<b>6.0 Environment</b>		557,955	557,955	Ongoing
<b>Security Projects</b>				
Potopoto Chiefs Office		500,000	500,000	

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<b>Name</b>	<b>Brief Transaction Description</b>	<b>Outstanding Balance 2021/22</b>	<b>Outstanding Balance 2020/2021</b>	<b>Comments</b>
<b>Acquisition of assets</b>				
11.3	Purchase of furniture and Equipment	12,640	300,000	Ongoing
<b>Others (specify)</b>				
12.1	Strategic Plan			
12.3	Roads			
<b>Sub-Total</b>				
	Funds pending approval**			
<b>Grand Total</b>		<b>31,391,036</b>	<b>82,543,610</b>	

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**Annex 4 – Summary of Fixed Asset Register**

Asset class	Historical Cost (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	-	-	-	-
Buildings and structures	8,178,900	-	-	8,178,900
Transport equipment	9,919,093	-	-	9,919,093
Office equipment, furniture and fittings	1,214,460	-	-	1,214,460
ICT Equipment, Software and Other ICT Assets	524,495	287,360	-	811,855
Other Machinery and Equipment	21,700	-	-	21,700
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>19,858,648</b>	<b>287,360</b>	<b>-</b>	<b>20,146,008</b>

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**Annex 5 –PMC Bank Balances as at 30<sup>th</sup> June 2022**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2021/22</b>	<b>Bank Balance 2020/21</b>
SAMUTET PRY	KCB	1167671147	700,365	700,491
TAMOO DAYSTAR	KCB	1177665115	-	3,758
KOLELACH PRY	KCB	1180685423	222,632	1,084
CHEBANGU PRY	KCB	1170918557	-	140,964
KIBUGAT PRY	KCB	1172016968	401,008	1,135
KAPTELON PRY	KCB	1171014589	-	1,858
MAGOI PRY	KCB	1164764543	-	3,584
ST. PAUL KIBISEM PRY	KCB	1230055371	-	1,201,122
SELYOT PRY	KCB	115137426	-	700,410
CHEPKIWEN PRY	KCB	1274586747	57,824	914,118
SIMOTWET PRY	KCB	1171056915	-	411,311
KIPSIELEI PRY	KCB	1154395111	699,492	27,482
CHEFKAROI PRY	KCB	1237520487	63,779	89,244
CHEPSANGOR PRY	KCB	1155321286	-	1,195
CHEPKOYO PRY	KCB	1162857897	-	14,637
MOROBI PRY	KCB	1152642820	-	73,210
SDA IBOI PRY	KCB	1177974606	-	702,114
ST. MATHEWS MARABA PRY	KCB	1137747595	-	1,339

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
KAPRURET PRY	KCB	1173621156	-	24,445
OLOMOTTI	KCB	1171505140	-	851
KIPYAOR PRY	KCB	1165354403	-	65,909
MUTUMON PRY	KCB	1160161062	900,693	241,782
SDA REVIVAL KAFSOEN PRY	KCB	1178735141	-	819
SETEK GAA PRY	KCB	1156020573	296,176	6,391
SIGOWET PRY	KCB	1180662636	-	741,624
MBOGO VALLEY PEY	KCB	1171324472	-	49,589
CHELAMBUT PRY	KCB	1158879849	-	70,044
CHEPKECHIR PRY	KCB	1156803748	-	495
LELGOTET PRY	KCB	1178740331	-	101,399
KAMELLO PRY	KCB	1167838947	-	145,939
METEITEL ADV PRY	KCB	1205638962	-	2,217
CHEPKUCHURU PRY	KCB	1157025072	704,082	45,210
KAFSASUR COMM PRY	KCB	1154528561	-	4,334
GOT NE LEL PRY	KCB	1169075134	-	123,257
SOYSITET PRY	KCB	1181507782	-	1,348
KAFSOEN PRY	KCB	1181507782	-	1,230
KIBUKWO PRY	KCB	1154435636	-	1,230

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2021/22</b>	<b>Bank Balance 2020/21</b>
ST. BARNABAS SOSIOT PRY	KCB	1156801974	-	794,144
SETEK PRY	KCB	1154466205	-	7,960
EMIT PRY	KCB	1137375442	-	2,117
AIC KIPSIWO PRY SCH	KCB	1232326925	-	218
KAMENJEIYWA PRY	KCB	1167367510	-	108,100
CHEPKOYO PRY	KCB	1162857897	-	1,401,645
KALYET FOTOFOTO PRY	KCB	1172468303	-	73,210
ST. MATHEW'S MARABA PRY	KCB	1137747595	-	3,786
KAPKULUMBEN' PRIMARY	KCB	1167462521	-	897,895
TULWOMOI PRIMARY	KCB	1158277717	-	1,304,999
KAPSOJTO PRIMARY	KCB	1168228026	-	703,069
CHEMA PRIMARY	KCB	1162958669	-	600,000
CHEPKITILEI PRY	KCB	1138222291	900,897	700,269
KITOROCH PRY	KCB	1169076610	500,459	701,155
KIBWARENG PRY	KCB	1148820132	-	708,303
KIBUKWO PRY SCH	KCB	1154435636	-	794,144
KIMWANI PRY SCHOOL	KCB	1168254914	-	1,015,705
ST. VICTORIA PRY	KCB	1138126985	-	700,410
MOROBI PRY SCH	KCB	1152642820	-	702,114

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
USWET PRY SCH	KCB	1168915066	-	702,030
USON PRY SCH	KCB	1167436687	-	704,679
SIGORIA PRY SCH	KCB	1182473172	-	700,615
SARWAT PRY SCH	KCB	1178625540	432,437	702,139
KAPSIMOTWA PRY SCH	KCB	1159475989	-	385
CHEMASE SEC	KCB	1164297716	-	679
KOISEGEM SEC SCH	KCB	127943272	1,894	6,598
CHEBARUS SEC SCH	KCB	1154843270	10,772	411,331
CHEMELL SEC	KCB	1274096847	12,274,461	(1,105)
KAPSIGILAI GIRLS SEC	KCB	1128184133	501,026	4,563,513
KABIRER HIGH SCHOOL	KCB	1137273445	-	144,782
KIPKURES SEC SCH	KCB	1275170498	39,819	166,387
MOMBWO GIRLS SEC	KCB	1200230698	711,919	269,445
SIRET SECONDARY	KCB	1115229486	-	555,762
TAUNET SECONDARY	KCB	1149063696	-	3,007,265
TTTT	KCB	1236452178	8,603,921	3,003,904
CHEMUTIA SEC SCHOOL	KCB	1154611841	498,862	3,086,129
ST. ANDREWS SEC SCHOOL	KCB	1147131570	-	600,186
CHEMAMUL PRY SCHOOL	KCB	1708358950	-	328,807

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
KIMWANI FRY SCHOOL	KCB	1168254914	6,568	1,015,706
KAPSOEN FRY	KCB	1138066710	-	159,188
KAPRURET FRY	KCB	1173621156	-	851
SIMOTWET FRY SCH	KCB	1171056915	-	27,482
KOIMOI FRY	KCB	920265847067	1,400,215	215
BUGON FRY	KCB	920272706474	-	601,305
NGATIFKONG FRY	EQUITY	920271450469	201,545	1,545
CHERUNGUT PRIMARY SCHOOL	EQUITY	920271557783	256,685	6,685
LUTHER KING KAFEWA PRIMARY SCHOOL	EQUITY	920272298179	-	4,807
AIC SENETWO PRIMARY SCHOOL	EQUITY	920278927186	-	600,820
KIBUKWO GIRLS SEC SCHOOL	EQUITY	920276415508	-	29,900
FR.BOYLE KABOLEBO SEC SCHOOL	EQUITY	920262193855	1,200	3,000,563
KAMELIL SECONDARY	EQUITY	9202767822971	105,920	1,501,380
KARUTHEI CHIEFS OFFICE	EQUITY	920279869502	207,415	241,035
KAMELIL O CHIEFS OFFICE	EQUITY	920278917208	-	209,735
KIFTONGIN FRY SCHOOL	EQUITY	920265847067	12,168	-
CHEPSIRE FRY	EQUITY	920296873770	-	1,600
KAMUNY FRY	EQUITY	920272051136	-	2,001,000
AIC CHEPKEMEL PRIMARY	KCB	1212599284	1,001,359	-

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
CHEMATICH PRIMARY	KCB	1175434426	420,709	-
CHEMUTIA PRY SCHOOL	KCB	1137417617	5,915	-
KABUNYERIA PRY SCHOOL	KCB	1169973825	976,075	-
KAPLOLON PRY SCHOOL	KCB	1180142195	10,316	-
KAPSIGILAI PRY SCHOOL	KCB	1172020124	43,255	-
KIPKURES PRIMARY SCHOOL	KCB	1153822288	74,715	-
KIPLELGUT PRY SCHOOL	KCB	1155922409	3,064	-
KIPNGELEL PRY SCHOOL	KCB	1198929367	182,005	-
KIPSISIN PRY SCHOOL	KCB	1177335603	404,722	-
KIPTEBES PRY SCHOOL	KCB	1173920072	277,845	-
KIRORO PRY SCHOOL	KCB	1171456794	1,360	-
KOISEGEM PRY SCHOOL	KCB	1154244725	46,488	-
LAMAYWO PRY SCHOOL	KCB	1168124882	1,019,860	-
MATAMBACH PRY SCHOOL	KCB	1197752064	1,025,071	-
MATEMA PRY SCHOOL	KCB	1157370349	855,102	-
SOSIOT PRY SCHOOL	KCB	1135700230	700,030	-
TAMBUL PRY SCHOOL	EQUITY	920271467575	4,955	-
TAUNET PRY SCHOOL	KCB	1154080951	1,820	-
TEMESO PRY SCHOOL	KCB	1201426545	603,951	-

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
TUIYOBEI PRY SCHOOL	KCB	11979222660	4,083	-
UNDERIT PRY SCHOOL	KCB	1157671535	51,793	-
AIC TINDERET PRY SCHOOL	KCB	1262018331	2,409	-
SDA LABUYWO PRY SCHOOL	KCB	1136941304	402,055	-
AIC TAUNET SEC. SCHOOL	KCB	1149063696	2,469	-
AIC KIPYAOR SEC. SCHOOL	KCB	1165354403	1,001,656	-
CHEMAMUL SEC SCHOOL	KCB	1137659319	633,321	-
KIMWANI SECONDARY SCHOOL	KCB	1169020097	622,372	-
CHERONDO SEC SCHOOL	KCB	1155123298	244,234	-
HENRY KOSGEY SEC SCHOOL	KCB	1106802705	1,000,053	-
ST. PAULS CHEMALAL SEC SCHOOL	KCB	1128395150	547,628	-
ST. PETERS SOBA SEC SCHOOL	KCB	1180067479	709,786	-
MBOGO VALLEY SEC SCHOOL	COOP	1139594386300	6,850,780	-
KABIRER SEC SCHOOL	KCB	1137273445	48,773	-
ST. JOHNS TACHAASIS SEC SCHOOL	KCB	1106788788	64,170	-
CHEPKEMEL CHIEFS OFFICE	EQUITY	920279878483	1,004,425	-
CHEMASE CHEMELIL ACC OFFICE	EQUITY	920282788700	1,500,000	-
SOBA RIVER PRY SCHOOL	KCB	1158877536	201,704	-
KOROSIOT PRIMARY SCHOOL	KCB	1167888170	221,505	-

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
MAGOI PRY SCHOOL	KCB	1164764543	203,457	-
AIC LEL GOTET PRY SCHOOL	KCB	1178740331	717,643	-
KIMARAN PRY SCHOOL	KCB	1137487704	200,094	-
KAPKERI PRY SCHOOL	KCB	1160118035	166,181	-
ALL SAINTS KAPKENO SEC. SCHOOL	KCB	1135016534	600,616	-
KAPCHEPLANGET PRY SCHOOL	KCB	1155123298	244,234	-
KIFTEGAT PRY SCHOOL	KCB	1273549376	463,409	-
KAPLOLON PRY SCHOOL	KCB	1180142195	10,316	-
<b>Total</b>			<b>56,074,196</b>	<b>46,193,760</b>

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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)
1.1	Note 2 supporting proceeds from sale of assets and note 5 supporting the use of goods and services are missing in the financial statements. In addition, pages 34 and 35 have similar information which should be corrected. Consequently, the financial statements were not presented in the accordance with the prescribed format.	The errors observed in the international Public Sector Accounting Standards has been corrected and a new financial statement amended in accordance to the accounting policies and requirements of IPSAS.	Resolved	30.06.2022
1.2	Note 12 B to be the financial statements reflects gratuity of Kshs 605,225, however, the statement of assets and liabilities reflect a Nil balance. Consequently, the accuracy of the Nil balance reported for gratuity in the statement of assets and liabilities could not be confirmed.	The gratuity was erroneously captured in the financial statements, since the kshs 605,225 was a provision for gratuity as per the code list and not payment as stated but that has been corrected in the financial statement.	Resolved	30.06.2022

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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)
1.3	<p>The statement of Assets and Liabilities reflects prior year adjustments of Kshs 396,435 however, this figure is not supported. The supporting note is referred to as note 14, however, note 14 is supporting prior year bank balances of Kshs 9,797,400 in addition, note 14 appears with the financial year 2019/2020 twice instead of one year being reported as 2020/2021.</p>	<p>It is true that the financial statement provided showed a double column of FY 2019/2020 at the time of audit but that has now been resolved and every financial year has been adjusted as per their balances in the financial statement.</p>	Resolved	30.06.2022
1.4	<p>Note 17.3 to the financial statements reflects an opening balance of unutilized amount of Kshs 60,617,679 while Annex 3 reflects Kshs 79,277,451 resulting to unexplained variance in the opening balance of Kshs 18,659,772. According to note 17.3 the opening balance totalling Kshs 60,617,679 were noted to be balances for 2018/2019 in the audit report for 2019/2020. In addition, at annex 3 on opening balance for utilized funds, it was noted after casting, that the</p>	<p>At the time of audit the position of unutilized funds was as stated, however in the budget execution one of the projects had not been included that is Kitoroch primary school hence the variance in annex 3 but that has since been corrected and is no longer the position in the financial statement.</p>	Resolved	30.06.2022

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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)
	<p>sub total for compensation of employees, use of goods and services and other government entities is Kshs 59,704,798 and not 53,850,000 as reported. Further, note 17.3 to the financial statements reflects unutilized fund amount of Kshs 44,588,880 for 2020/2021 and the detailed annex 3 reflects Kshs 45,088,879 resulting to unexplained variance of 499,999. Consequently, the accuracy and completeness of the unutilized fund balance of Kshs.44,588,880 as at 30 June .2021 could not be confirmed.</p>			
2	<p>Annex 4 to the financial statements reflects a summary of fixed assets owned by the Constituency valued at Kshs 19,858,648 as at 30 June, 2021. However, the asset register maintained revealed as assets figure of Kshs 13,693,646 resulting to unexplained variance of Kshs 6,165,002. Also, included in the summary of fixed assets figure is land</p>	<p>At the time of audit the state of the register was as stated. But after instituting other measures as required the position has changed and we have been able to complete some of the process and others the NGCDF office together with the board are in consultation on the right</p>	Resolved	30.06.2022

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	<p>Rover Defender registration number GKA751S valued at Kshs 4,079,250 with a status of serviceable which was disposed of at Kshs 350,400 and released on 2 June,2020, however, the value for the disposed motor vehicle was not deducted from the reported assets balance. During the financial year under review,NG-CDF office acquired assets totalling to Kshs 700,000 but were not included in the reported figure for the assets. In addition, a Toyota Land Cruiser registration number GKB551 valued st Kshs. 5,839,843 was included in the asset register and was physically verified but the logbook was not provided for verification of ownership. Assets with total amount of Kshs 172,220 were listed as either damaged, broken and unserviceable however, the entity had not initiated the disposal process for the said items as required by law or even repaired them to be used</p>	<p>procedure to follow on disposing assets considering that some can't be resold, also on the issue of tagging the CDF assets we are awaiting the tags from the NGCDF board and as soon as we receive we shall tag. The vehicle logbook is always at the custody of the CDF board though as soon as we get a copy we shall avail to your office.</p>		

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3	<p>again. Further, a review of the register revealed that the CDF office received assets from the Board which include; CPU serial no CNC0052SP, Monitor, serial no CNC951QHF6, Power backup serial no. 4.00811e+11 and HP lazer jet printer and the assets were being used in various sections within the office, however, the transferred assets from the Board to CDF were not supported with any records hence the historical cost of the assets was not included in the asset register. Physical verification of the assets, revealed that assets which include chairs held at the CDF office were not tagged and this is contrary to the law. In the circumstances, the accuracy and completeness of the assets balance of Kshs 19,858,648 for the year ended 30 June, 2021 could not be confirmed.</p> <p>Note 17.4 to the financial statements reflects project management committee</p>	<p>If's true that the financial statements surrendered for audit</p>	Resolved	30.06.2022

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	<p>accounts balances figure of Kshs 46,193,760 relating to disbursed funds to the projects during the year which had not been utilized by the end of the year. Though bank statements were not provided, the respective cash books and bank reconciliation statements were not provided for audit review. In addition, the opening balance of Kshs 22,132,618 for 2019/2020 at note 17.4 to the financial statements was supported with a Nil balance at annex 5. Further, the management did not explain how the previous year's cash balances totalling to Kshs 22,132,618 were utilized and whether the unspent balances were returned to the constituency account as stipulated in section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that all unutilized funds of the project management committee</p>	<p>review for the year ended 30<sup>th</sup> June 2021 showed unutilized funds of Kshs 46,193,760 this normally occur due to the continuous funding we receive from the board for projects, this can be sorted when we get funds on time to enable projects be completed within the stipulated time, the PMC balances at the financial statements has been corrected and that has been provided for verification, the management has trained the PMC's on the correct documents to keep in their respective project files henceforth.</p>		

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1.1	<p>shall be returned to the constituency account. Consequently the accuracy, completeness and existence of project management committee accounts balances of Kshs 46,193,760 as at 30 June, 2021 could not be confirmed.</p> <p>Note 2 supporting proceeds from sale of assets and note 5 supporting the use of goods and services are missing in the financial statements. In addition, pages 34 and 35 have similar information which should be corrected. Consequently, the financial statements were not presented in the accordance with the prescribed format.</p>	<p>The errors observed in the international Public Sector Accounting Standards has been corrected and a new financial statement amended in accordance to the accounting policies and requirements of IPSAS.</p>	<p><b>Resolved</b></p>	<p>30.06.2022</p>
1.2	<p>Note 12 B to be the financial statements reflects gratuity of Kshs 605,225. however, the statement of assets and liabilities reflect a Nil balance. Consequently, the accuracy of the Nil balance reported for gratuity in the statement of assets and liabilities could not</p>	<p>The gratuity was erroneously captured in the financial statements, since the kshs 605,225 was a provision for gratuity as per the code list and not payment as stated but that has been corrected in the</p>	<p>Resolved</p>	<p>30.06.2022</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	be confirmed.	financial statement.		

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*AK*  
 Florence Kiprop  
 Fund Account Manager.

