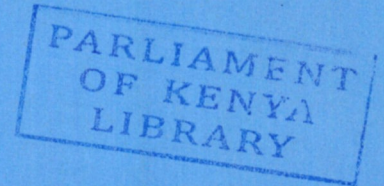




Enhancing Accountability

REPORT

OF



NATIONAL ASSEMBLY

DATE: 21 JUN 2023 WED

READ BY: Hon. Kimani Ichungwah, MP
Leader, Majority

CLERK AT THE TABLE: Enlay Mureki

THE AUDITOR-GENERAL

ON

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

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





CHESUMEI CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

Leave it blank

Table of Contents

	Page
I. Key Constituency Information and Management.....	iii
II. NG-CDFC Chairman’s Report	vii
III. Statement Of Performance Against Predetermined Objectives for FY2021/22.....	ix
IV. Environmental and Sustainability Reporting.....	xii
V. Statement of Management Responsibilities.....	xvi
VI. Report of the Independent Auditors on the NGCDF- Chesumei Constituency.....	xviii
VII. Statement of Receipts and Payments for the Year Ended 30th June 2022	1
VIII. Statement of Assets and Liabilities As At 30 th June, 2022	2
IX. Statement of Cash Flows for the Year Ended 30th June 2022	3
X. Summary Statement of Appropriation for the Year Ended 30 th June 2022	4
X. Budget Execution by Sectors and Projects for the Year Ended 30 th June 2022	6
XI. Significant Accounting Policies	15
XII. Notes to the Financial Statements	21

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

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

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

ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Harun K. Chebii
2.	Sub-County Accountant	Naomi Singa
3.	Chairman NGCDFC	Michael Munai
4.	Member NGCDFC	Dinah Maru

(d) Fiduciary Oversight Arrangements

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

P.O. Box 40-30300,
NG-CDFC Building-Chemundu,
Chepterit- Baraton Road
Kapsabet, KENYA

(f) Chesumei Constituency NGCDF Contacts

Telephone: (254) 0721524086, 0721317465
E-mail: chesumeicdf@ngcdf.go.ke/ hchebii@ngcdf.go.ke
Website: www.go.ke

(g) Chesumei Constituency NGCDF Bankers

Constituency CDF main banker:
Equity Bank, Kapsabet Branch
A/C No. 0490261189435
P.O Box 272-30300
Kapsabet, 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



Michael Munai, Chairman NGCDF Chesumei

During the year under review, the Constituency was able to absorb funds up to **85.5%** of the total budget. This was mainly due to late disbursement of funds from the Board.

Achievements and Major Undertakings

During the year, the Committee disbursed a total of Kshs **67.5 M** as bursary to needy students in secondary and tertiary institutions and this benefitted over 6000 students in various institutions. Major physical facilities funded are educational infrastructure such as classrooms, administration blocks, laboratories, dormitories and toilets. The committee is also funding the construction of Chiefs' offices as a way of enhancing security of our people. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low income families.

Budgetary Appropriations

During the financial year 2021/2022, the overall budget utilization stood at 85.5 percent based on the funds received against the total budget for the year. This was achieved due to expeditious disbursement of funds received to earmarked projects by the NGCDF Committee despite delay in disbursement from the NG-CDFB. During the period **Kshs 182,177,758** was received against the total expected budget of Kshs 234,190,789. Out of the received amount, a total of Ksh 200,241,284 was spent on various programmes representing a utilization rate of 85%.

Development Planning

The National Government Constituency Development Funds continue to draw a lot of interest from the community and various stakeholders. This has seen the receipt of many proposals from the community spanning various sectors. To ensure focus and fast track Constituency development, the Committee is planning to develop a five-year strategic plan as a blue print that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the

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

strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal.

Challenges

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2021/2022. These includes, inadequate record keeping by PMCs, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed. Another notable challenge was the effects of Covid-19 pandemic which affected the general implementation of projects. Training of PMCs was greatly affected during the period under review and this delayed implementation of various projects. To mitigate the above challenges, the committee had to do piece meal induction of the PMCs' signatories.

The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the ensuing financial year so as to strengthen service delivery to the constituents.


For.....

Michael Munai

CHAIRMAN NG-CDF 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 *Chesumei Constituency 2018-2022* plan are to:

Strategic issue	Strategic objective(s)
Education	<ul style="list-style-type: none"> • To achieve 100% transition of pupils in primary schools • To achieve 100% transition of students in secondary schools • To achieve 100% transition of students to Universities or and other tertiary institutions • To attain a sub-county mean score of 280 and above in KCPE • To attain a sub-county mean score of 6 and above in KCSE • To have adequate and quality infrastructure in all educational institutions
Security & Administration	<ul style="list-style-type: none"> • To have peace and tranquillity in the constituency • To have administration and security personnel work and live in a conducive environment.
Environment	<ul style="list-style-type: none"> • To have the environment preserved for posterity • To have a clean environment • To have a better environment
Sports	<ul style="list-style-type: none"> • To have the talented in the constituency realize their full potential • To have adequate facilities for different sports within the constituency
Gender/Youth/ Women/PLWDs	<ul style="list-style-type: none"> • To empower the youth • To empower the women • To have people living with disability (PLWDs) lead quality lives
ICT	<ul style="list-style-type: none"> • To have ICT hubs in place • To have constituents easily access ICT training facilities
Housing	<ul style="list-style-type: none"> • To have adequate housing in educational institutions • To have security and administration personnel living in descent houses
Health	<ul style="list-style-type: none"> • To have more trained health professionals

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

	<ul style="list-style-type: none"> To have constituents register for insurance fund
Manufacturing	<ul style="list-style-type: none"> To have more investments within the constituency
Food security	<ul style="list-style-type: none"> To have adequate & extra production of food for all To have knowledgeable farmers

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have adequate and quality infrastructure in all educational institutions	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	-number of usable physical infrastructure build in primary, secondary, and tertiary institutions -number of bursary beneficiaries at all levels	-During FY 2021/2022, we increased the number of new classrooms as well as renovating several others. -School buses increased from 4 to 6 - Over 6000 students benefited from bursary award
Security	•Construct more offices for administrators	-More offices for administrators - Reduced crime rates	-No of administrative offices constructed	-No of administration offices increased from 14 to 15
Environment	•Organize for training of constituents on conservation of the environment	<ul style="list-style-type: none"> To have the environment preserved for posterity To have a clean environment 	-No. Of sensitisation workshops -No of institutions receiving funding for environment activities	- 2 sensitisation workshops organised for both the NGCDFC and the PMCs -Funds allocated for water harvesting in 16 learning institutions
Sports	-To have the talented in the constituency	-More sports men	-No of sports activities	-one tournament was organised in the

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

	realize their full potential -To have adequate facilities for different sports within the constituency	and sports women from the constituency - Realization of potential of the talented	supported -No of teams participating in the tournament	constituency for both football and volley ball -Purchase of sports equipment and uniforms for ten teams
Disaster Management	-Organise training for the NGCDFC and Staff on disaster management	-To mitigate the effects of an emerging disaster	-No. Of trainings organised	- 2 trainings sessions organised for both the NGCDFC and the Staff

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Chesumei NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.

- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.

- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

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

2. Environmental performance

Protection of the environment in which we live and operate is part of Chesumei NG-CDF initiatives. Care for the environment is one of our key responsibilities and an important aspect in the way in which we carry out our operations.

In this policy statement Chesumei NG-CDF commits to:

- Organize for training of constituents on conservation of the environment
- Regularly communicating our environmental performance to our employees and other significant stakeholders

3. Employee welfare

We invest in providing the best working environment for our employees. Xxx constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

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

Chesumei 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-

6. Chesumei 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.

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



.....
Harun K. Chebii
Fund Account Manager

V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Chesumei 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-Chesumei 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 charge of the NGCDF- Chesumei 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.

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

The Accounting Officer in charge of the NGCDF Chesumei 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- Chesumei Constituency financial statements were approved and signed by the Accounting Officer on 25/4/ 2023.

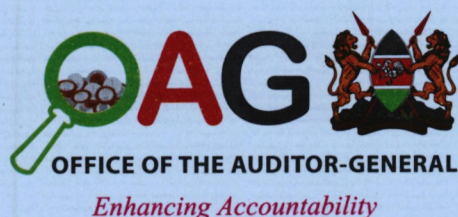


.....
Name: Paul K. Tiongik
Chairman – NGCDF Committee



.....
Harun K. Chebii
Fund Account Manager

REPUBLIC OF KENYA



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

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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Chesumei Constituency set out on pages 1 to 42,

which comprise of 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 National Government Constituencies Development Fund - Chesumei Constituency as at 30 June, 2022, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Committee Allowance

The statement of receipts and payments reflects use of goods and services amount of Kshs.12,463,124. Included in the amount is Kshs.7,450,900 in respect of committee allowance as disclosed in Note 5 to the financial statements. Examination of the documents provided for audit revealed an expenditure of Kshs.374,000 in respect of general staff meeting and boda boda identification exercise. The meetings were however, not supported with approval from the National Government Constituencies Development Fund Committee and minutes.

In the circumstances, the accuracy, completeness and authenticity of the expenditure 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 - Chesumei 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 reflects final expenditure budget and actual on comparable basis of Kshs.234,190,789 and Kshs.200,241,284 respectively, resulting to an under expenditure of Kshs.33,949,505 or 14.5% of the budget.

The underperformance affected implementation of planned activities and programs and impacted negatively on service delivery to the public.

2. Projects Verification

The field verification conducted on 17 and 20 March, 2023 for twelve (12) projects with total disbursements amounting to Kshs.29,400,000 revealed that, seven (7) projects were completed and in use while five (5) projects were incomplete.

The delay in implementation of the budgeted projects denies the public the benefits accruing from their use.

3. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. The Management has however, not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board and The National Treasury and Planning Circular reference No. AG.4/16/3 Vol.II(66) dated 6 July, 2022 on resolution of prior year matters.

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 matter 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. Under Funding of Projects

The statement of receipts and payments reflects transfer to other government units amount of Kshs.92,605,510 which includes transfers to secondary schools of Kshs.48,109,186 as disclosed in Note 6 to the financial statements. Examination of the documents provided for audit revealed five (5) secondary schools' projects with an estimated cost of Kshs.36,600,000 which have been ongoing for more than five years. The funding was not for complete project or defined phase of a project contrary to Section

25(1) of National Government Constituencies Development Fund Act, 2015. Delay in implementation of the budgeted projects denies the public the benefits accruing from the use of completed projects.

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

2. Lack of Ownership Documents

The statement of receipts and payments reflects other grants and transfers amount of Kshs.91,576,326 which includes security projects amount of Kshs.5,200,000 as disclosed in Note 7 to the financial statements. Examination of the documents provided for audit revealed that, the Fund allocated Kshs.2,500,000 for the construction of Kapngétuny Chief's office. The office was however, constructed on a piece of land which had no title deed contrary to National Government Constituencies Development Fund circular reference number CDFBOARD/CIRCULARS/VOL.I/108 dated 24 August, 2010, which requires Fund to obtain ownership documents for the land where the project is to be constructed.

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

3. Utilization of Emergency Reserves

The statement of financial performance for the financial year ended 30 June, 2022 reflects other grants and transfer of Kshs.91,576,326. Included in the amount is emergency projects expenses of Kshs.7,650,000. The report to the Board confirming utilization of the emergency reserves was however, not provided, as required by Section 20(2) of the National Government Constituencies Development Fund Regulations, 2016, which requires expenditure to be reported to the Board within thirty days of the occurrence of the emergency.

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

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are complying, 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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

07 June, 2023

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

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

	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	182,177,758	163,567,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	=	=
Total Receipts		182,177,758	163,567,724
Payments			
Compensation Of Employees	4	3,396,645	3,543,161
Use Of Goods and Services	5	12,463,124	8,293,413
Transfers To Other Government Units	6	92,605,510	67,979,500
Other Grants and Transfers	7	91,576,326	38,020,526
Acquisition Of Assets	8	199,680	290,257
Other Payments	9	=	=
Total Payments		200,241,284	118,126,857
Surplus/(Deficit)		<u>(18,063,526)</u>	<u>45,440,867</u>

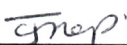
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 25/4/ 2023 and signed by:




Fund Account Manager

Name: Harun K. Chebii



National Sub-County
Accountant

Name: Josphine Kerich



Chairman NG-CDF
Committee

Name: Paul K. Tiongik

VIII. Statement of Assets and Liabilities As At 30th June, 2022


	Note	2021-2022 Kshs	2020-2021 Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	33,949,505	52,013,031
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		33,949,505	52,013,031
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		33,949,505	52,013,031
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		<u>33,949,505</u>	<u>52,013,031</u>
Represented By			
Fund Balance B/Fwd	13	52,013,031	6,572,164
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(18,063,526)	45,440,867
Net Financial Position		<u>33,949,505</u>	<u>52,013,031</u>

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 25/11 2023 and signed by:



 Fund Account Manager



 National Sub-County
 Accountant



 Chairman NG-CDF
 Committee

Name: Harun K. Chebii

Name: Josphine Kerich

Name: Paul K. Tiongik

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


	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	182,177,758	163,567,724
Other Receipts	3	=	=
Total Receipts		182,177,758	163,567,724
Payments			
Compensation Of Employees	4	3,396,645	3,543,161
Use Of Goods and Services	5	12,463,124	8,293,413
Transfers To Other Government Units	6	92,605,510	67,979,500
Other Grants and Transfers	7	91,576,326	38,020,526
Other Payments	9	-	-
Total Payments		200,041,604	117,836,600
Total Receipts Less Total Payments		(17,863,846)	45,731,124
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(17,863,846)	45,731,124
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(199,680)	290,257
Net Cash Flows from Investing Activities		(199,680)	(290,257)
Net Increase In Cash And Cash Equivalent		(18,063,526)	45,440,867
Cash & Cash Equivalent At Start Of The Year	10	52,013,031	6,572,164
Cash & Cash Equivalent At End Of The Year	10	33,949,505	52,013,031

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 25/4/ 2023 and signed by:



Fund Account Manager



National Sub-County Accountant



Chairman NG-CDF Committee

Name: Harun K. Chebii

Name: Josphine Kerich

Name: Paul K. Tiongik

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

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

Receipts/Payments	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference	% of Utilization
	a	2021/2022	b	Opening Balance (C/Bk) and AIA	c=a+b	2021/2022	d	30/06/2022		
Receipts										
Transfers From NGCDF Board		Kshs		Kshs		Kshs		Kshs		
		137,088,879		52,013,031		234,190,789		182,177,758		0
Proceeds From Sale of Assets						0		-		-
Other Receipts						0		-		-
Totals		137,088,879		52,013,031		234,190,789		182,177,758		0
Payments										
Compensation Of Employees		4,237,908		1,292,560		5,851,401		3,396,645		2,454,756
Use Of Goods and Services		8,100,091		4,514,648		14,334,703		12,463,124		1,871,579
Transfers To Other Government Units		71,900,000		2,246,000		106,646,000		92,605,510		14,040,490
Other Grants and Transfers		52,850,880		43,780,755		107,179,617		91,576,326		15,603,292
Acquisition Of Assets				158,618		158,618		199,680		(41,062)
Other Payments		0		20450		20,450		-		20,450
Funds Pending Approval**										
Totals		137,088,879		52,013,031		234,190,789		200,241,284		33,949,505
										85.5%

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	33,949,505
Less undisbursed funds receivable from the Board as at 30 th June 2022	(0)
	33,949,505
Add Accounts payable	0
Less Accounts Receivable	(0)
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	33,949,505

The Constituency financial statements were approved on 25/11 2023 and signed by:



Fund Account Manager

Name: Harun K. Chebii



National Sub-County Accountant

Name: Josphine Kerich



Chairman NG-CDF Committee

Name: Paul K. Tiongik

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

Programme/Sub-programme	Original Budget(0)		Adjustments(6)		Final Budget (6+5)	Actual on comparable basis(7)	Budget utilization difference (6-7)	
	2021/2022	Kshs	Opening Balance (C/B) and AIA	Previous years Outstanding Disbursements				2021/2022
1.0 Administration and Recurrent								
1.1 Compensation of employees	4,335,108		1,292,560	320,933	5,948,601	3,396,645	2,551,956	
1.2 Committee allowances	2,248,000		1,553,559	1,100,000	4,901,559		4,901,559	
1.3 Use of goods and services	1,642,225		39,704	107,297	1,789,226		1,789,226	
Total	8,225,333		2,885,823	1,528,230	12,639,386	3,396,645	9,242,741	
2.0 Monitoring and evaluation								
2.1 Capacity building	1,200,000		1,123,000	312,666	2,635,666		2,635,666	
2.2 Committee allowances	2,300,000		552,098	200,000	3,052,098		3,052,098	
2.3 Use of goods and services	612,666		126,605		739,271		739,271	
Total	4,112,666		1,801,703	512,666	6,427,035		6,427,035	
Use of goods and services					13,117,820	12,463,124	654,696	
3.0 Emergency								
	7,192,207		4,308,876	7,334,730	18,835,813	7,650,000	11,185,813	
					-		-	
Total	7,192,207		4,308,876	7,334,730	18,835,813	7,650,000	11,185,813	
4.0 Bursary and Social Security								
4.1 Secondary Schools	20,000,000		18,845,257		38,845,257	38,944,400	(99,143)	
4.2 Tertiary Institutions	14,272,220		13,472,569	1,000,000	28,744,789	28,629,300	115,489	
4.3 Social Security	3,600,000		1,940,780	1,272,220	6,813,000	2,542,000	4,271,000	
4.4 Special Needs					-	-	-	

Total	37,872,220	34,258,606	2,272,220	74,403,046	70,115,700	4,287,346
5.0 Sports	2,741,778	1,276,400	583,556	4,601,734	4,590,640	11,094
5.1						-
Total	2,741,778	1,276,400	583,556	4,601,734	4,590,640	11,094
6.0 Environment						
Kipchunu Primary			100,000	100,000	100,000	-
Mutwot Primary			100,000	100,000	100,000	-
Tironin Primary			100,000	100,000	100,000	-
Tuloi Primary			100,000	100,000	100,000	-
Kapforoi Primary			100,000	100,000	100,000	-
SDA Birei Primary			100,000	100,000	100,000	-
Kiptuiya Primary			100,000	100,000	100,000	-
Fr. Toror Primary			100,000	100,000	100,000	-
Chemuswa Primary			100,000	100,000	100,000	-
Aic Kaptel Academy			100,000	100,000	100,000	-
Chemare Primary			100,000	100,000	100,000	-
Chepketei Primary			100,000	100,000	100,000	-
Kingwal Primary			100,000	100,000	100,000	-
Kapkechui Primary			100,000	100,000	100,000	-
Simotwet Primary			100,000	100,000	100,000	-
Baraton Primary			100,000	100,000	100,000	-
Kapkitara Primary		100,000		100,000	100,000	-
Siksiket Primary		100,000		100,000	100,000	-
Tuigoin Primary		100,000		100,000	100,000	-
Mogoget Primary		100,000		100,000	100,000	-
Chesumei NG-CDF Office		148,100		148,100		148,100

Siksiket Primary				500,000	500,000	500,000	-
Amai Primary				500,000	500,000	500,000	-
Chemundu Primary				700,000	700,000	700,000	-
Kombe Primary				500,000	500,000	500,000	-
Kaptel Primary				500,000	500,000	500,000	-
Ngatatia Primary				500,000	500,000	500,000	-
Kapkuto Primary				500,000	500,000	500,000	-
Sironoi Primary				500,000	500,000	500,000	500,000
Chemuswa Primary				500,000	500,000	500,000	-
Ngechek Primary				500,000	500,000	500,000	-
Mogoget Primary				500,000	500,000	500,000	500,000
Cheptarit Primary				500,000	500,000	500,000	-
Lelmokwo Primary			500,000		500,000	500,000	-
St. Luke Preparatory- Biribiriet			500,000		500,000	500,000	-
Kapsile Pry			500,000		500,000	500,000	500,000
Kamonjil Primary			500,000		500,000	500,000	-
Kaptildil Primary			500,000		500,000	500,000	-
Karrel Primary			500,000		500,000	500,000	500,000
Mosoriot Primary			500,000		500,000	500,000	-
AIC Baraton Academy			500,000		500,000	500,000	-
Tabongenik Primary			600,000		600,000	600,000	600,000
Kipkoriony Primary			700,000		700,000	700,000	700,000
SDA Lelboinet Primary			550,000		550,000	550,000	550,000
Rongit Primary			900,000		900,000	500,000	400,000
Olbutenet Primary			500,000		500,000	500,000	500,000
A.I.C Saniak Academy		1,200,000			1,200,000	1,200,000	-
S.D.A Mlango Adventist primary		600,000			600,000	600,000	-

A.C.K St. Luke biribiriet primary	600,000				600,000	600,000	-
Kipkoriony Primary	600,000				600,000	600,000	-
Tugoin Primary	600,000				600,000	600,000	-
Mogoiywet primary	450,000				450,000	450,000	-
Kipkongorwo primary	300,000				300,000	300,000	-
Itigo primary	600,000				600,000	600,000	-
Holy family academy	1,200,000				1,200,000	1,200,000	-
Kapkongony primary	600,000				600,000	600,000	-
S.D.A Leboinet primary	450,000				450,000	450,000	-
A.I.C Sameoi primary	600,000				600,000	600,000	-
St. Joseph Tungururwet primary	600,000				600,000	600,000	-
Kiboswa primary	400,000				400,000	400,000	-
Chemundu primary	500,000				500,000	500,000	-
Kapyagan primary	500,000				500,000	500,000	-
Kapkelmel primary	600,000				600,000	600,000	-
Kapngingich primary	600,000				600,000	600,000	-
Kipngeru primary	500,000				500,000	500,000	500,000
Tangaton primary	500,000				500,000	500,000	-
Kapsisiywa primary	500,000				500,000	500,000	-
Kipsirwo primary	600,000				600,000	600,000	-
Fr. Toror primary	500,000				500,000	500,000	-
Chomisia primary	500,000				500,000	500,000	-
Mwein primary	600,000				600,000	600,000	-
Kiptuiya primary	500,000				500,000	500,000	-
Kapkitara primary	600,000				600,000	600,000	-
Cheptigok primary	500,000				500,000	500,000	-
Kimondi primary	250,000				250,000	250,000	-

Tuiyobei primary	300,000				300,000	300,000	-
ACK Kabaa primary	600,000				600,000	600,000	-
Bishop Birech primary	600,000				600,000	600,000	-
Kiutany primary	600,000				600,000	600,000	-
A.C.K St. Paul's Cheirot Academy	600,000				600,000	600,000	-
Emsos primary	500,000				500,000	500,000	-
Tamboiyo primary	500,000				500,000	500,000	-
A.I.C Belekanya primary	800,000				800,000	800,000	-
Kapcheluch primary	600,000				600,000	600,000	-
St. Patrick Ndaptabwa primary	400,000				400,000	400,000	-
Chepketei primary	500,000				500,000	500,000	-
A.I.C Kabilo Primary	800,000				800,000	800,000	-
Chepterit primary	1,400,000				1,400,000	1,400,000	-
Tabongenik Primary	1,200,000				1,200,000	1,200,000	-
Kapkibibir Primary	1,200,000				1,200,000	1,200,000	-
Fr Khun primary	500,000				500,000	500,000	-
Kaptidil primary	500,000				500,000	500,000	-
Kipsinende primary	500,000				500,000	500,000	-
Amai primary	500,000				500,000	500,000	-
Sironoi primary	450,000				450,000	450,000	-
							-
Total	29,600,000	7,250,000	11,200,000	48,050,000	41,200,000	6,850,000	
8.0 Secondary Schools Projects							
Christ the King secondary		37,750		37,750		37,750	37,750
Kapsisiywa secondary		37,750		37,750		37,750	37,750
Saniak Secondary		60,250		60,250		60,250	60,250
Chemundu Secondary		60,250		60,250		60,250	60,250

AIC Kechire Secondary		1,500,000		1,500,000	1,500,000	-
Siksiket Secondary			800,000	800,000	800,000	800,000
Kombe Secondary			800,000	800,000	800,000	800,000
Aic Sirgoi Day School			13,000,000	13,000,000	13,000,000	-
St. Francis Girls-Cheptarit	6,200,000			6,200,000	6,200,000	-
Ngechek Secondary	2,900,000			2,900,000	2,900,000	-
A.I.C Mosoriot Secondary	1,800,000			1,800,000	1,800,000	-
Kipkongorwo secondary	700,000			700,000	700,000	-
St. Canisius Kipsasuron secondary	700,000			700,000	700,000	-
St. John the Apostle- Chermuswa	1,600,000			1,600,000	1,600,000	-
Lelmokwo high school	1,000,000			1,000,000	1,000,000	-
Moi Sirgoi High	1,000,000			1,000,000	1,000,000	-
St. Jude Kokwet secondary	500,000			500,000	500,000	-
Sirgoi Modern Day school	8,000,000			8,000,000		8,000,000
A.I.C Cheptwolio Secondary	2,000,000			2,000,000	2,000,000	-
Kapkechui secondary	1,000,000			1,000,000	1,000,000	-
Samoo secondary	600,000			600,000	600,000	-
Mwein secondary	600,000			600,000	600,000	-
Kimondi secondary	600,000			600,000	600,000	-
St. Stephen Kiptuiya secondary	600,000			600,000	600,000	-
Itigo Girls	2,000,000			2,000,000	2,000,000	-
AIC Ndongyongaria secondary	1,200,000			1,200,000	1,200,000	-
Kipkongorwo secondary	500,000			500,000	500,000	-
Mutwot secondary	1,200,000			1,200,000	1,200,000	-
ACK St. Paul's -Kaptel girls	500,000			500,000	500,000	-
St. Sylvester Sironoi	500,000			500,000	500,000	-
Kosirai High school	600,000			600,000	600,000	-

St. Theresa of the Child Jesus high-Masaba	2,000,000				2,000,000	2,000,000	-
Kapchepkok secondary	2,000,000				2,000,000	2,000,000	-
Kamuruguywo secondary	2,000,000				2,000,000	2,000,000	-
					-		-
					-		-
Total	42,300,000	1,696,000	14,600,000	58,596,000	48,800,000	9,796,000	
9.0 Tertiary institutions Projects							
Total	-						
10.0 Security Projects							
Chesumei NGCDF Office		250,000		250,000		250,000	
Kapngetuny Chiefs Office		2,500,000		2,500,000	2,500,000		
Kipkoriony - Biribiriet Access rd		500,000		500,000	500,000		
Assistant County Commissioner's Office-Chepterit	1,500,000			1,500,000	1,500,000		
Kokwet chiefs office	500,000			500,000	500,000		
Assistant County Commissioner's Office-Kosirai	700,000			700,000	700,000		
Total	2,700,000	3,250,000		5,950,000	5,200,000	750,000	
11.0 Acquisition of assets							
11.1 NG-CDFC Motor cycle		59,743		59,743	59,743		
11.2 Construction of CDF office		31,175		31,175		31,175	
11.3 Purchase of furniture and equipment		67,700		67,700		67,700	
Total		158,618		158,618	158,618	158,618	
12.0 Other payments							

12.1 Strategic Plan			20,450		20,450		
Total			20,450	-	20,450	-	
13.0 unallocated fund							
Unapproved projects							
AIA							
PMC savings							
Total		137,088,879	52,013,031	45,088,879	234,190,789	200,241,284	33,949,505

(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-Chesumei 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 xx June 20xx for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

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

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO:B096870		1,700,000
AIE NO:B096941		15,000,000
AIE NO:B104552		500,000
AIE NO:B104590		19,000,000
AIE NO:A823501		34,167,724
AIE NO:B124503		9,000,000
AIE NO:B124834		1,200,000
AIE NO:B124013		8,500,000
AIE NO:B119768		12,000,000
AIE NO:B128059		6,900,000
AIE NO:B128369		7,000,000
AIE NO:B132114		6,000,000
AIE NO:B126077		7,000,000
AIE NO:B126367		11,600,000
AIE NO:B140513		12,000,000
AIE NO:B138782		12,000,000
AIE NO:B140860	33,000,000	
AIE NO:B105378	34,000,000	
AIE NO:B105593	10,000,000	
AIE NO:B105745	24,000,000	
AIE NO:B132469	5,000,000	
AIE NO:B128784	12,000,000	
AIE NO:B154385	12,000,000	
AIE NO:B154280	18,000,000	
AIE NO:B140794	22,088,879	
AIE NO:B155932	12,088,879	
TOTAL	182,177,758	163,567,724

Notes to the Financial Statements (Continued)

2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Others (specify)		
Total	0	0

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	0	0
Hire of plant/equipment/facilities	0	0
Unutilized funds from PMCs	0	0
Other Receipts Not Classified Elsewhere	0	0
Total	0	0

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,026,630	2,914,190
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	202,015	628,971
Employer Contributions Compulsory national social security schemes	168,000	-
Total	3,396,645	3,543,161

Notes To the Financial Statements (Continued)

5. Use Of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	0	0
Utilities, supplies and services	8,741	0
Communication, supplies and services	0	0
Domestic travel and subsistence	0	0
Printing, advertising and information supplies & services	0	0
Rentals of produced assets	0	0
Training expenses	1,441,400	1,294,000
Hospitality supplies and services	-	0
Other committee expenses	-	0
Committee allowance	7,450,900	3,831,600
Insurance costs		0
Specialized materials and services	-	0
Office and general supplies and services	1,388,406	1,468,335
Fuel, oils and lubricants	1,340,312	800,000
Other operating expenses	53,880	17,009
Routine maintenance – vehicles and other transport equipment	779,484	842,469
Routine maintenance – other assets	-	0
Total	12,463,124	8,293,413

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)	44,496,324	34,900,000
Transfers To Secondary Schools (See Attached List)	48,109,186	33,079,500
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	92,605,510	67,979,500

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	38,944,400	4,902,104
Bursary – tertiary institutions (see attached list)	28,629,800	14,226,688
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	2,542,000	1,779,000
Security projects (see attached list)	5,200,000	8,492,000
Sports projects (see attached list)	4,590,640	2,538,160
Environment projects (see attached list)	4,019,486	2,351,900
Emergency projects (see attached list)	7,650,000	3,730,674
Total	91,576,326	38,020,526

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	-	290,257
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	199,680	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	199,680	290,257

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	0	0
ICT Hub	0	0
	0	0

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Kapsabet A/C No. 049261189435</i>	33,949,505	52,013,031
	33,949,505	52,013,031
10 B: Cash on Hand		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>Specify</i>)	0	0
Total	0	0

11: Outstanding Imprests

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		Kshs	Kshs	Kshs
<i>Name of Officer or Institution</i>	N/A	0	0	0
Total				0

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

Notes to the Financial Statement Continued

12A. Retention

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

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	963,108	628,971
Gratuity paid during the Year (C)	202,015	628,971
Closing Gratuity as at 30 th June D= A+B-C	761,093	-

[Gratuity paid to one staff member after his contract expired)

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	KShs	KShs
Bank accounts	52,013,031	6,572,164
Cash in hand	0	0
Imprest	0	0
Total	52,013,031	6,572,164

14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements Kshs	Adjustments Kshs	Adj usted Balance** b/f FY 2021/2022 Kshs
Bank account Balances	0	0	0
Cash in hand	0	0	0
Accounts Payables	0	0	0
Receivables	0	0	0
Others (<i>specify</i>)	0	0	0
Total	0	0	0

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022 KShs	2020-2021 KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
closing accounts in account receivables D= A+B-C	0	0
Changes in Account Receivables E= D-A	0	0

16. Changes in Accounts Payable – Deposits and Retentions

	2021-2022 KShs	2020-2021 KShs
Deposit and Retentions as at 1 st July (A)	0	0
Deposit and Retentions held during the year (B)	0	0
Deposit and Retentions paid during the Year (C)	0	0
closing account payables D= A+B-C	0	0
Changes in Accounts Payable E= D-E	0	0

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	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
Total	0	0

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	0	0
Others (<i>Provision for staff gratuity</i>)	761093	0
Total	761,093	0

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,441,056	1,613,493
Use of goods and services	769,006	6,234,612
Amounts due to other Government entities (see attached list)	15,650,000	34,746,000
Amounts due to other grants and other transfers (see attached list)	15,089,443	54,328,737
Acquisition of assets	-	158,618
Other payments	-	20,450
Funds pending approval	-	-
Total	33,949,505	97,101,910

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	35,672,596.	4,933,871
Total	35,672,596.	4,933,871

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

**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

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

Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees	Salaries	2,441,056	1,613,493	
Use of goods & services	Goods & Services	769,006	6,234,612	
Amounts due to other Government entities				
Primary Schools				
Kapngingich Primary			800,000	
Sironoi SDA Primary			800,000	
Masaba - Chepsogor Primary			800,000	
SDA Kamoiywa Academy			1,600,000	
Nangoi Primary			1,000,000	
Siksiket Primary			500,000	
Amai Primary			500,000	
Chemundu Primary			700,000	
Kombe Primary			500,000	
Kaptel Primary			500,000	
Ngatatia Primary			500,000	
Kapkuto Primary			500,000	
Sironoi Primary			500,000	
Chemuswa Primary			500,000	
Ngechek Primary			500,000	
Mogoget Primary			500,000	
Cheptarit Primary			500,000	
Lelmokwo Primary			500,000	

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
St. Luke Preparatory- Biribiriet			500,000	
Kapsile Pry			500,000	
Kamonjil Primary			500,000	
Kaptildil Primary			500,000	
Karlel Primary			500,000	
Mosoriot Primary			500,000	
AIC Baraton Academy			500,000	
Tabongenik Primary			600,000	
Kipkoriony Primary			700,000	
SDA Lelboinet Primary			550,000	
Rongit Primary			900,000	
Olbutenet Primary			500,000	
Masaba-Chepsogor Primary	Constr. Of 1 classroom	800,000		
Rongit Primary School	Land purchase	400,000		
Sironoi Primary School	Renovations	500,000		
Sda Lelboinet Primary School	Land Purchase	550,000		
Kipkoriony Primary School	Land Purchase	700,000		
Karlel Primary School	Renovations	500,000		
Kipngeru Primary School	Renovations	500,000		
Mogoget Primary School	Renovations	500,000		
Kapsile Primary School	Renovations	500,000		
Chebilat Primary School	Renovations	500,000		
Tabongenik Primary	Constr. Of 1 classroom	600,000		
Secondary Schools				

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Christ the King secondary			37,750	
Kapsisiywa secondary			37,750	
Saniak Secondary			60,250	
Chemundu Secondary			60,250	
AIC Kechire Secondary			1,500,000	
Siksiket Secondary			800,000	
Kombe Secondary			800,000	
Aic Sirgoi Day School			13,000,000	
Sirgoi Modern Day School	Library Constrn.	8,000,000		
Siksiket Secondary School	I Cassroom	800,000		
Kombe Secondary School	I Cassroom	800,000		
Sub-Total		15,650,000	34,746,000	
Amounts due to other grants and other transfers				
Chesumei DCCs Office			242,000	
Equiping of 8 Chiefs offices			8,000	
Kapngetuny Chiefs Office			2,500,000	
Kipkoriony - Biribiriet Access rd			500,000	
Kapkuto Chiefs Office	Land purchase	400,000		
Kipkoriony -Biribiriet Access Road	Land purchase	500,000		
Emergency	Emergency	9,202,452	10,401,082	
Bursary and Social Security				
4.1 Secondary Schools			18,845,257	
4.2 Tertiary Institutions	Bursary	272,221	14,472,569	
4.3 Social Security	NHIF Payments	4,299,000	3,213,000	

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Sports	Sports	11,094	1,848,729	
Environment				
Kapkitara Primary			100,000	
Siksiket Primary			100,000	
Tuigoin Primary			100,000	
Mogoget Primary			100,000	
Chesumei NG-CDF Office			148,100	
Kamoiwo Chief's Office			75,000	
Kiptuiya Chief's			75,000	
Kipchunu Primary			100,000	
Mutwot Primary			100,000	
Tironin Primary			100,000	
Tuloi Primary			100,000	
Kaproroi Primary			100,000	
SDA Birei Primary			100,000	
Kiptuiya Primary			100,000	
Fr. Toror Primary			100,000	
Chemuswa Primary			100,000	
Aic Kaptel Academy			100,000	
Chemare Primary			100,000	
Chepketei Primary			100,000	
Kingwal Primary			100,000	
Kapkechui Primary			100,000	
Simotwet Primary			100,000	

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Baraton Primary			100,000	
NG-Cdf Office	Landscaping	378,100.31		
Aic Moi Kapkuto Secondary School		4,000		
St Stephen Kiptuiya Secondary School		41,190		
Sub-Total		15,089,443	54,328,737	
Acquisition of assets				
NG-CDFC Motor cycle		-	59,743	
Construction of CDF office		-	31,175	
Purchase of furniture and equipment		-	67,700	
Purchase of computers		-	-	
Others (specify)				
Strategic Plan		-	20,450	
Sub-Total			179,068	
Funds pending approval		-	-	
Grand Total		33,949,505	97,101,910	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost- b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	0	0	0	0
Buildings and structures	10,844,489	0	0	10,844,489
Transport equipment	6,040,257	0	0	6,040,257
Office equipment, furniture and fittings	1,332,700	0	0	1,332,700
ICT Equipment, Software and Other ICT Assets	792,800	199,680	0	992,480
Other Machinery and Equipment	273,000	0	0	273,000
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	19,283,246	0	0	19,482,926

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

Kapkitara Pry	1139326744700	Coop	5/04/2012	5,261.50
Kimondi Sec	1139325031300	Coop	14/6/2011	95,783.50
Fr Kuhn Academy	01139326214400	Co-Op	30/5/2011	754,273.00
Kapkechui Girls	01139325972802	Co-Op	28/5/2011	311,173.00
Kaptobongen Pry	01139329211500	Co-Op	4/10/2016	254,359.00
Kimondi Pry	01139329417790	Co-Op	31/3/2017	252,696.00
Samoo Sec	01139328568301	Co-Op	13/01/2015	1,407.50
St Canisious Kipsasaaron Sec	01139328444701	Co-Op	27/2/2017	72,981.50
Aic Sirgoi Modern Day Sec	1139327006200	Co-Op		6,494,864.90
Agc Ngeny	1139328889001	Cooperative		119,004.00
Kamonjil Primary	490299052972	Equity Bank	3/04/2012	356.00
Ack Cheirot Pry	0490298649005	Equity Bank	5/01/2012	120,443.00
Fr Toror Pry	040277708830	Equity Bank	25/06/2020	500,610.00
Kapcheluch Pry	0490263659418	Equity Bank	23/01/2015	621,335.00
Kapkemel Pry	0490263989255	Equity Bank	8/04/2015	601,409.00
Kapyagan Pry	0490299579736	Equity Bank	14/08/2012	500,126.00
Kiboswa Pry	0490279270727	Equity Bank	26/09/2019	570,240.00

Moi Sirgoi High School	0490297398265	Equity Bank	26/05/2011	1,033,890.00	
Rongit Pry	0490266932628	Equity Bank	25/02/2016	132.00	
Samoei Lelboinet Pry	0300298967887	Equity Bank	14/03/2012	703.00	
Sda Mlango Pry	0490277647430	Equity Bank	20/09/2018	7,150.00	
Tabongenik Pry	0490262670411	Equity Bank	30/07/2014	626,149.00	
Kipsinende Pry	0490279412372	Equity Bank	19/11/2019	500,000.00	
Kosirai Assistant County Comm	0490272283271	Equity Bank	29/03/2017	435.00	
Tamboiyo Pry	490279403154	Equity Bank	15/11/2019	269,363.00	
Tangaton Pry School	490299482631	Equity Bank	20/07/2012	501,310.00	
Chomisia Pry	490291729331	Equity Bank	24/12/2007	501,112.00	
Kapkibimbir Pry	490298503660	Equity Bank	05/12/2011	153,864.00	
St Francis Girls – Cheptarit	490299704991	Equity Bank	15/09/2012	7,147,074.00	
Sda Sironoi Primary	490264748200	Equity Bank	20/08/2015	5,575.00	
Namgoi Sec School	490297349175	Equity Bank	13/05/2011	13,630.00	
Siksiket Primary	490269996421	Equity Bank	29/09/2016	1,487.00	
Aic Mosoriot Primary	490277638712	Equity Bank	18/09/2018	415.00	
Olbutenet Primary	300297252797	Equity Bank	14/04/2011	500,294.00	
Tuiyobei Primary	490262106496	Equity Bank	18/02/2014	300,403.00	
Kiptuiya Primary	490266853118	Equity Bank	17/02/2016	500,760.00	
Cheptigok Pry	1136977317	Kcb	08/10/2012	1,121.00	


Kipkoriony Pry	1151902527	Kcb	10/04/2014	388,467.00
Kokwet Chiefs Office	1238884849	Kcb	18/09/2018	477,585.00
Ngatatia Pry	1136845941	Kcb	02/10/2012	1,323.00
Aic Belekenya	1137278196	Kcb	23/10/2012	228,220.00
Itigo Girls Sec	1128894998	Kcb	13/07/2011	169,400.00
CHEMUSWA Pry	1024131679100	NATIONAL	08/05/2017	47,555.00
Talai Primary	1024018709500	National	22/07/2014	202,330.00
Aic Baraton Academy	2455697201	National	19/01/2008	899.60
Aic Kipkongorwo Sec Shool	01025064793901	National	23/05/2014	1,200,677.00
Aic Saniak Academy	01024056800500	National	08/05/2012	1,201,675.00
Kisabei Pry	2456788700	National	03/04/2012	2,640.00
Kosirai High School	2555657802	National		600,000.00
Kosirai Pry	0102216264800	National	02/07/2020	251,568.00
Mwein Adventist Sec	24555748601	National		600,000.00
Mwein Pry	2455930101	National	07/12/2011	281,139.65
St Jude Kokwet Sec School	2156633300	National	14/07/2010	502,730.00
St Luke Mogyiywet Pry	2428221001	National	16/07/2010	2,299.40
St Mark Kabaa Pry	01022246186800	National	07/05/2022	20,935.00
St Patrick Ndaptabwa Sec	2156025200	National	26/08/2008	256,264.00
Kiutany Pry	1024056774400	National	03/04/2012	494,500.00

St Theresa Of The Child Jesus Masaba Sec	1022211762000	National	28/09/2018	2,001,315.00	
Kipsirwo Pry	1024056759000	National	03/01/2012	620,891.67	
Aic Kabilo Pry	1022235663900	National	16/04/2021	803,200.00	
St Stephen Kiptuiya	1025056785901	National	31/10/2013	474,474.61	
Aic Ndongyongaria Sec	1022243674700	National	09/02/2022	592,550.00	
Kombe Primary	2455586001	National	05/10/2012	251,871.00	
Kaptel Primary	2455546701	National	16/10/2012	485.00	
Kapkuto Primary	1022221700100	National	24/10/2019	46,410.00	
Ngechek Primary	1024117173000	National	06/10/2016	7,314.99	
Cheptarit Primary	1022065032000	National	09/10/2017	382.00	
Holy Family Leimokwo	1024117120900	National	14/02/2017	602,304.00	
				35,672,596.	

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)
1.0	Unsupported PMC-Account Balances	The Project Management Committees' (PMCs) account balances as at 30th June 2019 are supported by the bank statements. However, going forward we have advised the PMCs to prepare bank reconciliation statements so as to properly support the balances. Our office staff will play a key role in assisting the PMCs who may be having challenges in preparing the bank reconciliation statements.	Harun Chebii-FAM	Resolved
2.0	Unsupported Land Ownership	Indeed the NG-CDF committee disbursed Ksh 1,500,000 for the purchase of two parcels of land for two primary schools-i.e Tuigoin Primary (Ksh 800,000) and Tironin Primary (Ksh 700,000). The two (2) parcels of land are yet to be transferred to the benefiting schools because the same have to go through succession process.	Harun Chebii-FAM, M. Munai-NGCDFC Chair	Not Resolved
3.0	Project Implementation Report	Indeed there are a few projects which are still incomplete and on-going as observed by the audit team. The NG-CDF Committee has allocated additional funding to the affected projects and we expect the same to be completed within the current financial year.	Harun Chebii-FAM, M. Munai-NGCDFC Chair	Resolved

.....

Harun K. Chebii
Fund Account Manager.