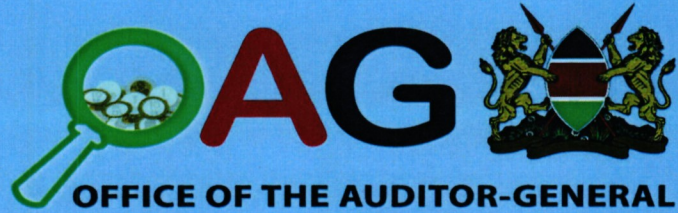


REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY	
DATE:	21 JUN 2023
TABLED BY:	Hon. Kimani Ichungu Leader, majority
CLERK OF THE TABLE:	Finlay Mwiru

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – MOSOP CONSTITUENCY**

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





MOSOP 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)

*MOSOP 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;

MOSOP Constituency

National Government Constituencies Development Fund (NGCDF)

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

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Elias Kimaiyo
2.	Sub-County Accountant	Joseph Rotich
3.	Chairman NGCDFC	Gilbert Rono
4.	Member NGCDFC	Divina Tuwei

(d) Fiduciary Oversight Arrangements

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

P.O. Box 4600
NG-CDF Building
Off Mosoriot Kaiboi Road
Kabiyet, KENYA

(f) MOSOP Constituency NGCDF Contacts

Telephone: (254)721817241
E-mail: cdmosop@ngcdf.go.ke
Website: www.go.ke

(g) MOSOP Constituency NGCDF Bankers

Cooperative Bank
Eldoret Branch
P.o Box 48231
Nairobi

(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

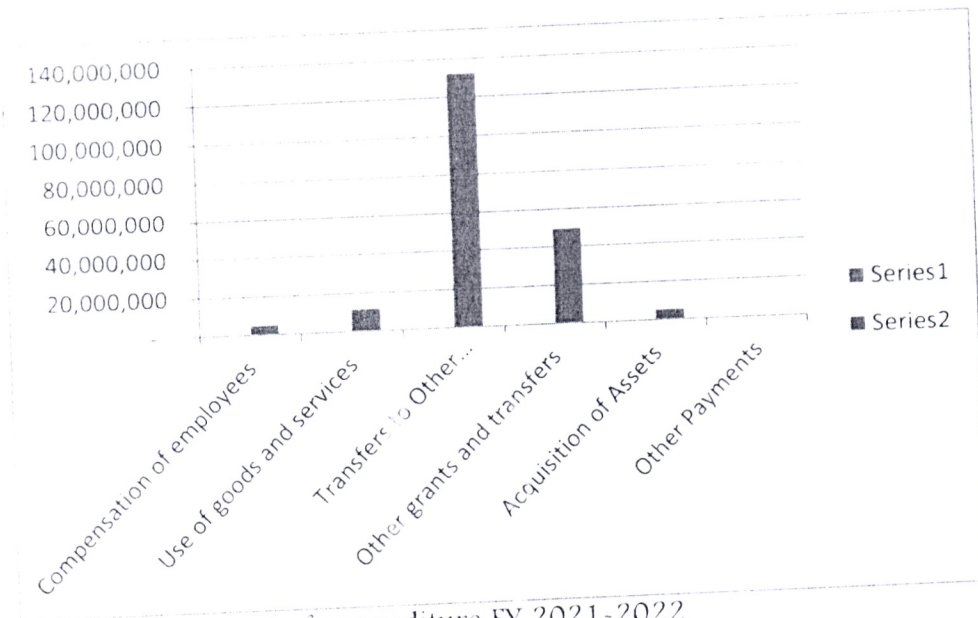
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. NG-CDFC Chairman's Report



On behalf of NG-CDFC Mosop, I present to you the financial statements for the period ended 30th June 2022. The performance was relatively high compared to the previous financial year. The entity received the balance of funds amounting to kshs 35,188,879 for the 2020-2021 and the entire allocations of kshs 137,088,879. Further the constituency had a balance brought forward kshs 53,214,372. The total budget therefore was kshs 225,492,131.27.

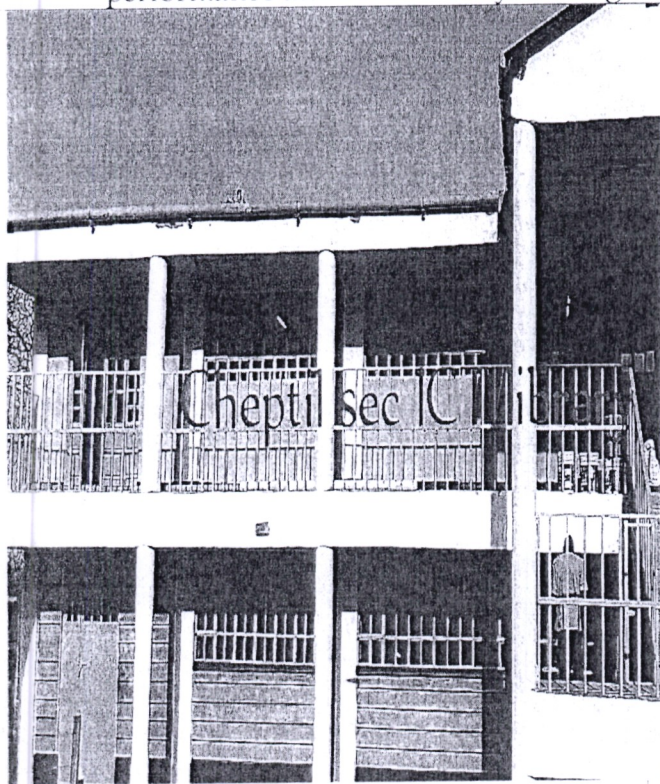
Funds absorption was relatively high compared to the previous year. This can be attributed to the Board effort on timely disbursements of funds. The total expenditure was 202,024,953 equivalents to 90.5% spending.



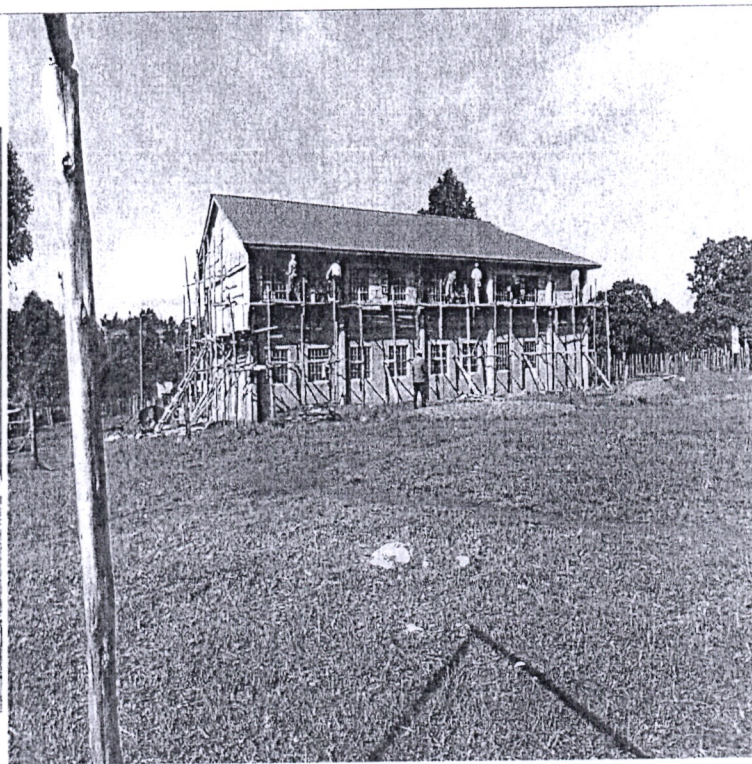
Summary statement of expenditure FY 2021-2022

Key Achievements for the period

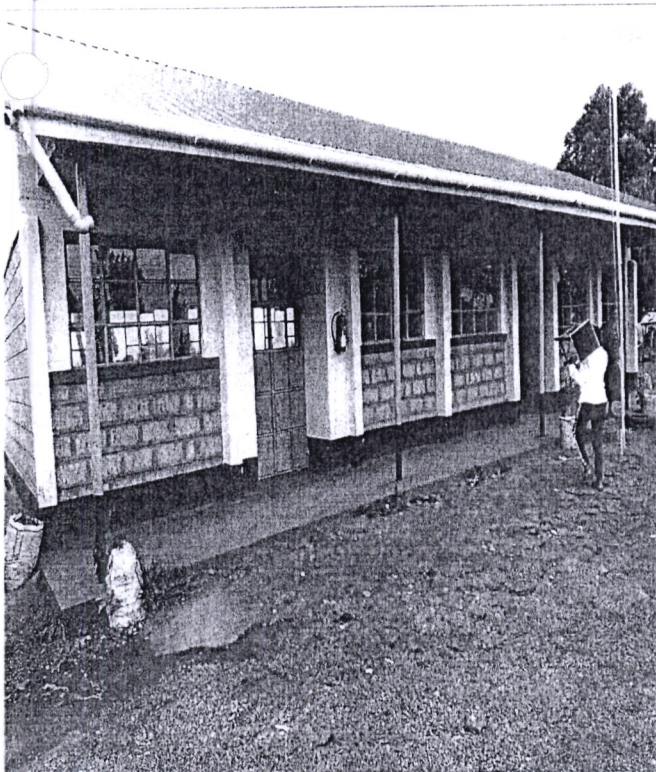
The completion rate of ongoing projects was high due to the allocations and funding levels thus constituents getting value for money. This is expected to translate to improved school's performance and constituency ranking.



Cheptil Secondary : ICT Library



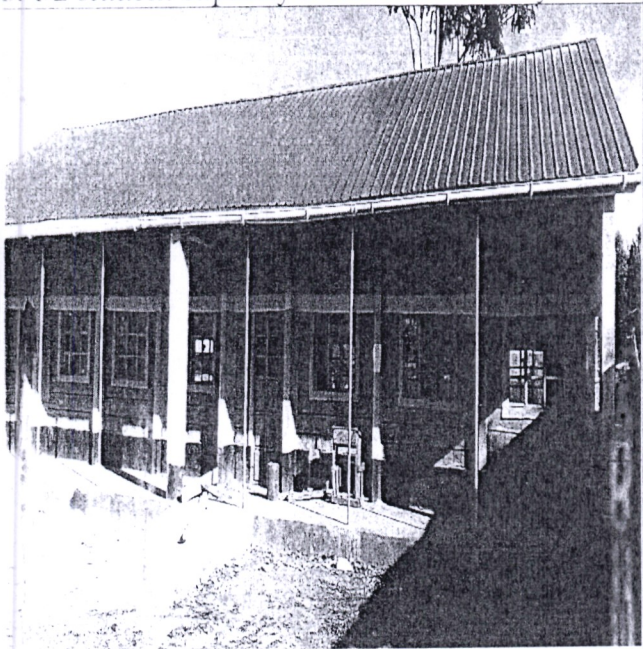
SDA Kurgung girls : Construction of Four classrooms



SDA Kimolwet Secondary School: construction of 32 student capacity Science Laboratory



Kapsaboat Primary School ; Construction of Administration Block.



A.C.K Singilet Secondary School: Construction of 2 Number Classrooms



Purchase of 6 number 45 students capacity schools buses for Koisolik Secondary, St Monica Secondary, AIC Kaigat Secondary, Kapkoimur Secondary, Sigot Secondary and Sangalo Secondary

Implementation challenges and recommended way forward

The implementation of planned activities was fairly good. This can be as a result of project management committee training prior to release of funds. Also the technical department, ie public works and clerk of works played key roles. However the following challenges were observed;

1. Delays by some contractors to implement the projects on time.
2. Cost of construction materials skyrocketed leading to some contractors terminating projects
3. Transfers of accounting heads especially in primary schools affected timely implementations of projects
4. Lapse of term of office in almost schools Board of management.

Way forward

1. The committee to enhance training and development of project management committees. This will not only lead to proper supervision of projects but will also enhance accountability
2. The contractors to be vetted properly during Evaluation of tenders and only those with capacity to be awarded the contracts so that delays in project implementation is minimised.
3. Continuous capacity building of NG-CDF committee and other line ministry staff.



GILBER SERTOI RONO

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 *MOSOP Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

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	<ul style="list-style-type: none"> To Improve access to education Improve infrastructure in learning institutions Improve academic performance in KCPE and KCSE 	<ul style="list-style-type: none"> Improved education standards Increased transition from primary to secondary school Improved transition from secondary schools to TVET and university 	<ul style="list-style-type: none"> -Number of usable physical infrastructure build in primary, secondary, and tertiary institutions -Number of bursary beneficiaries at all levels 	<p>In FY 2021/22 we increased number of classrooms in primary schools by ...</p> <p>We increased number of dormitories by two</p> <p>We increased number of laboratories by four</p>

MOSOP Constituency

National Government Constituencies Development Fund (NGCDF)

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

Security	<ul style="list-style-type: none"> Enhance and sustain security in the constituency 	<ul style="list-style-type: none"> Conducive working environment for security personnel Increased security coverage Secure business environment 	<ul style="list-style-type: none"> Number of rehabilitated and constructed DCC and chief offices 	<p>In FY 2021/22</p> <ul style="list-style-type: none"> We renovated two court chambers and constructed an ablution block for the proposed kabiyet law courts Purchased land for the establishment of Sangalo chiefs office
Environment	<ul style="list-style-type: none"> Promote sustainable environment management practices 	<ul style="list-style-type: none"> Increased forest cover in the constituency A more informed citizenry on environmental conservation 	<ul style="list-style-type: none"> Number of trees planted. Number of water tanks purchased for harvesting rain water 	<p>During F/Y 2021/22</p> <ul style="list-style-type: none"> Constructed 21 hand washing basin and erection of water tanks in 21 schools Incorporated water harvesting in all projects.
Sports	<ul style="list-style-type: none"> Nature and promote youth sporting talent Promote sustainable youth empowerment programmes 	<ul style="list-style-type: none"> Positively engaged youth Reduce crime rate 	<ul style="list-style-type: none"> Number of tournaments sponsored 	<p>During F/Y 2020/21</p> <ul style="list-style-type: none"> One Constituency sports tournament

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** MOSOP 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.

Environmental performance

NG CDF Mosop is alive to the fact that day-to-day operations can impact both directly and indirectly on the environment. The organization aim to protect and improve the environment through good management and by adopting best practice in the implementation of its programmes

To achieve this, we endeavor to;

- Comply fully with all relevant legal requirements, codes of practice and regulations.
- Prevent pollution to land, air and water.
- Reduce water and energy use.
- Identify and manage environmental risks and hazards.
- Involve customers, partners, clients, suppliers and subcontractors in the implementation of our objectives.
- Provide suitable training to enable employees to deal with their specific areas of environmental control.
- All employees are responsible for working towards the objectives contained within this policy.

2. Employee welfare

We invest in providing the best working environment for our employees. Mosop 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. Mosop 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.

3. Market place practices-

MOSOP 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

4. Community Engagements-

MOSOP 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.

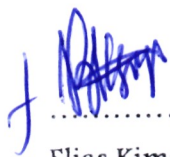
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



.....
Elias Kimaiyo

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-MOSOPX 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-MOSOP 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- MOSOP Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

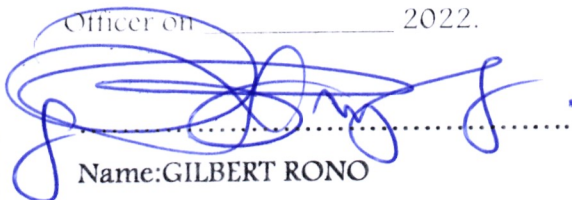
The Accounting Officer in charge of the NGCDF MOSOP Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further

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

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- MOSOP Constituency financial statements were approved and signed by the Accounting Officer on _____ 2022.



Name: GILBERT RONO

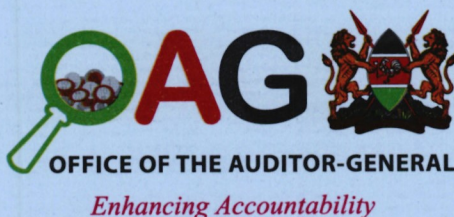
Chairman – NGCDF Committee



Name: ELIAS KIMAIYO

Finance Account Manager

REPUBLIC OF KENYA



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

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Anniversary Towers
Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MOSOP 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 overall 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 - Mosop Constituency set out on pages 1 to 39, 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 the summary statement of

Report of the Auditor-General on National Government Constituencies Development Fund - Mosop Constituency for the year ended 30 June, 2022

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 - Mosop 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

Project Management Committee Bank Balances

Other important disclosures Note 17.4 to the financial statements reflect Project Management Committee (PMC) bank balances amounting to Kshs.19,444,473 in respect of sixty-three (63) bank accounts held in two commercial banks. However, cash books, bank reconciliation statements, certificate of bank balance and bank statements for the sixty-three (63) bank accounts were not provided for audit review.

In the circumstances, the accuracy, completeness and existence of Project Management Committee bank balances amounting to Kshs.19,444,473 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 - Mosop 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 Fund had approved final budget amount of Kshs.225,492,131. During the year under review, the Fund incurred expenditure amounting to Kshs.204,024,953 resulting to under-expenditure of Kshs.21,467,178 or 10% of the approved budget.

The under expenditure affected the planned activities and may have impacted negatively on service delivery to the residents of Mosop Constituency.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

In the circumstance, the issues remain unresolved.

3. Project Implementation

Review of the project status report for the year under review revealed fifty-eight (58) projects with a budget of Kshs.131,779,620. However, only forty-three (43) projects with a disbursement of Kshs.84,736,820 were complete, while fifteen (15) projects with a disbursement of Kshs.17,278,800 were ongoing.

In the circumstances, the residents of Mosop Constituency have not received the envisaged services from the ongoing 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. Unreported Emergency Projects Expenditure

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.49,650,408. The amount includes emergency projects expenditure of Kshs.9,847,000 as disclosed in Note 7 to the financial statements. However, the expenditure was not reported to the Board. This is contrary to Regulation 20(2) of the 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 circumstances, Management was in breach of the National Government Constituencies Development Fund Act, 2015.

2. Unsupported Bursaries

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.49,650,408. The amount includes bursary to secondary schools amounting to Kshs.19,351,092 and bursary to tertiary institutions amounting to Kshs.14,434,436 all totalling to Kshs.33,785,528 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. Further, acknowledgement receipts and acknowledgement letters from the various institutions that received the bursary payments were not provided for audit review.

In the circumstances, the Management was in breach of the National Government Constituencies Development Fund Act, 2015.

3. Late Disbursement of Receipts

The statement of receipts and payments reflects transfers from the National Government Constituencies Development Fund Board amounting to Kshs.172,277,758. Review of documents revealed that disbursement for the year 2020/2021 amounting to Kshs.35,188,879 have not been received. No reason has been provided for the delayed disbursements. This is 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 National Government Constituencies Development Fund Act, 2015.

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 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 controls, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the Fund's 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 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 communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 June, 2023

MOSOP 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

I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2021-2022	2020-2021
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	172,277,758	174,367,724
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	-
TOTAL RECEIPTS		172,277,758	174,367,724
PAYMENTS			
Compensation of employees	4	5,029,031	2,878,349
Use of goods and services	5	11,583,095	10,073,551
Transfers to Other Government Units	6	132,317,620	100,561,400
Other grants and transfers	7	49,650,408	7,181,400
Acquisition of Assets	8	5,444,800	290,257
Other Payments	9	-	3,522,180
TOTAL PAYMENTS		204,024,953	124,507,137
SURPLUS/DEFICIT		(31,747,195)	49,860,587

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 21-09-2022 and signed by:



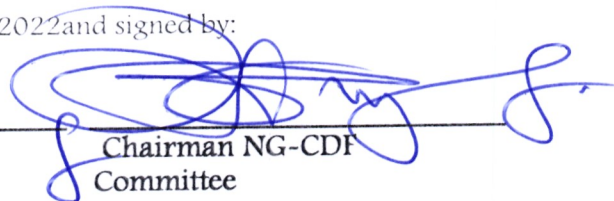
Fund Account Manager

Name: Elias kimaiyo



National Sub-County
Accountant: 16799

Name: Joseph Rotich
ICPAK M/No: 16799



Chairman NG-CDF
Committee

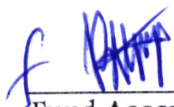
Name: Gilbert Rono

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	22,363,237	53,214,373
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		22,363,237	53,214,373
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		22,363,237	53,214,373
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL ASSETS		22,363,237	53,214,373
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	53,214,373	-
Prior year adjustments	14	896,059	
Surplus/Deficit for the year		(31,747,195)	49,860,587
NET FINANCIAL POSITION		22,363,237	49,860,587


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 21-09-2022 and signed by:



Fund Account Manager

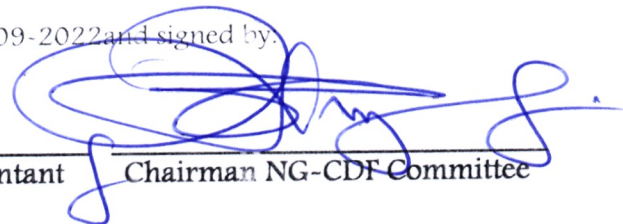
Name: Elias Kimaiyo



National Sub-County Accountant

Name: Joseph Rotich

ICPAK M/No: 16799



Chairman NG-CDF Committee

Name: Gilbert Sirtui

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

		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	172,277,758	174,367,724
Other Receipts	3	-	-
		172,277,758	174,367,724
Payments for operating activities			
Compensation of Employees	4	5,029,031	2,878,349
Use of goods and services	5	11,583,095	10,073,551
Transfers to Other Government Units	6	132,317,620	100,561,400
Other grants and transfers	7	49,650,408	7,181,400
Other Payments	9	-	3,522,180
		198,580,153	124,216,880
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	892,059	-
Prior year Adjustments	14	-	-
Net Adjustments		892,059	-
Net cash flow from operating activities		(25,406,336)	50,150,844
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(5,444,800)	(290,257)
Net cash flows from Investing Activities		(5,444,800)	(290,257)
NET INCREASE IN CASH AND CASH EQUIVALENT		(30,851,136)	49,860,587
Cash and cash equivalent at BEGINNING of the year	10	53,214,373	3,353,786
Cash and cash equivalent at END of the year		22,363,237	53,214,373

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 21-09-2022 and signed by:



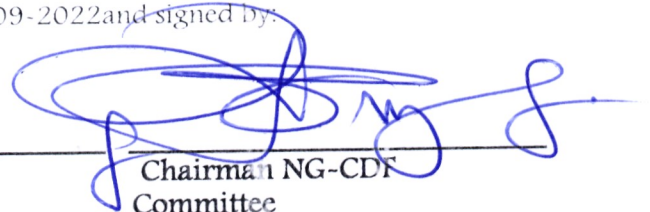
Fund Account Manager

Name: Elias Kimaiyo



National Sub-County Accountant

Name: Joseph Rotich
ICPAK M/No: 16799



Chairman NG-CDF Committee

Name: Gilbert Sirtui

MOSOP 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

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS			Previous years Outstanding Disbursements				
Transfers from NGCDF Board	137,088,879	53,214,373	35,188,879	225,492,131	225,492,131	(0)	100.0%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts				0	-	-	
TOTAL RECEIPTS	137,088,879	53,214,373	35,188,879	225,492,131	225,492,131	(0)	100.0%
PAYMENTS							
Compensation of Employees	3,786,571		2,007,139	5,793,710	5,029,031	764,679	86.8%
Use of goods and services	8,093,881	552,948	3,518,692	12,165,522	11,583,095	582,427	95.2%
Transfers to Other Government Units	94,121,420	36,600,000	2,600,000	133,321,420	132,317,620	1,003,800	99.2%
Other grants and transfers	25,642,207	15,249,324	27,063,048	67,954,579	49,650,408	18,304,171	73.1%
Acquisition of Assets	5,444,800	762,254		6,207,054	5,444,800	762,254	87.7%
Other Payments	0	49,847		49,847	-	49,847	
TOTAL	137,088,879	53,214,373	35,188,879	225,492,131	204,024,953	21,467,178	90.5%

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


Explanatory Notes:

- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]
 - i) Underutilization on compensation to employees is as a result of over budgeting of funds at the beginning of the financial period.
 - ii) Under expenditure on other transfers is due to unspent emergencies as at the close of the financial year.
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	21,467,180
Less undisbursed funds receivable from the Board as at 30th June 2022	(0)
Add Accounts payable	21,467,180
Less Accounts Receivable	896,059
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	22,363,239
	21,467,180

The Constituency financial statements were approved on 21-09-2022 and signed by:


 Fund Account Manager


 National Sub-County Accountant


 Chairman NG-CDF Committee

Name: Elias Kimaiyo

Name: Joseph Rotich
 ICPAK M/No: 16799

Name: Gilbert Sirtui

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

PROJECT_CODE	DESCRIPTION			TOTAL PAYMENTS	BALANCE
1.0 Administration and Recurrent					
4-0029-156-2110101-100-2020-2021-2	NG-CDF : Compensation of	2,007,139	2,007,139	2,007,139	0
4-0029-156-2110101-100-2020-2021-4	NG-CDF : PAYMENT OF EMPLOYEES	2,702,232	2,702,232	1,972,803	729,429
4-0029-156-2110101-100-2021-2022-31	NG-CDF : Payment of Employees service gratuity for 7 staff	896,059	896,059	896,059	0
4-0029-156-2120101-100-2021-2022-41	NG-CDF : Payment of NSSF deductions	103,680	103,680	103,680	0
4-0029-156-2120201-100-2021-2022-51	NG-CDF : Payment of NHIF deductions	84,600	84,600	49,350	35,250
4-0029-156-2210101-100-2021-2022-61	NG-CDF : UTILITY EXPENSES- ELECTRICITY	40,000	40,000	39,330	670
4-0029-156-2210102-100-2019-2020-001	NG-CDF : USE OF GOODS	10,000	10,000	10,000	0
4-0029-156-2210102-100-2021-2022-61	NG-CDF : UTILTY EXPENSES- WATER	30,000	30,000	30,000	0
4-0029-156-2210201-100-2021-2022-61	NG-CDF : TELEPHONE, TLEX AND MOBILE PHONE EXPENSES	300,000	300,000	242,100	57,900
4-0029-156-2210202-100-2021-2022-61	NG-CDF : INTERNET CONNECTION	50,000	50,000	44,000	6,000
4-0029-156-2210203-100-2019-2020-002	NG-CDF : Courier and Postal services	100,000	100,000	100,000	0
4-0029-156-2210203-100-2021-2022-61	NG-CDF : COURIER AND POSTAL	400,000	400,000	393,220	6,780
4-0029-156-2210301-100-2019-2020-005	NG-CDF : Travel costs	10,000	10,000	10,000	0
4-0029-156-2210301-100-2021-2022-61	NG-CDF : TRAVEL COSTS(AIRLINES,	50,000	50,000	50,000	0
4-0029-156-2210302-100-2019-2020-006	NG-CDF : accommodation	50,000	50,000	50,000	0
4-0029-156-2210302-100-2021-2022-61	NG-CDF :	100,000	100,000	100,000	0
4-0029-156-2210303-100-2019-2020-007	: Daily Subsistence Allowance	50,000	50,000	50,000	0
4-0029-156-2210303-100-2021-2022-61	NG-CDF : DAILY SUBSISTENCE	100,000	100,000	99,660	340
4-0029-156-2210504-100-2019-2020-004	NG-CDF : advertising, awareness and	50,000	50,000	50,000	0
4-0029-156-2210504-100-2021-2022-61	NG-CDF : ADVERTISING,	50,000	50,000	49,952	48
4-0029-156-2210802-100-2020-2021-1	NG-CDF : Committee allowances	3,126,844	3,126,844	3,123,415	3,429
4-0029-156-2210802-100-2021-2022-11	NG-CDF : PAYMENT OF COMMITTEE	2,400,000	2,400,000	2,108,100	291,900
4-0029-156-2211101-100-2019-2020-008	NG-CDF : general Office Supplies	126,490	126,490	126,270	220
4-0029-156-2211101-100-2021-2022-61	NG-CDF : GENERAL OFFICE SUPPLIES	101,009	101,009	100,970	39
4-0029-156-2211201-100-2020-2021-3	NG-CDF : REFINED FUEL AND	273,510	273,510	271,342	2,168

4-0029-156-2210201-100-2021-2022-61	NG-CDF: REFINED FUEL AND	250,000	250,000	250,000	0
4-0029-156-2220101-100-2019-2020-003	NG-CDF: motor vehicle and motor	156,458	156,458	156,458	0
4-0029-156-2220101-100-2021-2022-61	NG-CDF: MOTOR VEHICLE AND	200,000	200,000	200,000	0

2.0 Monitoring and evaluation

4-0029-156-2210301-111-2021-2022-2	NG-CDF: TRAVEL COST AIRLINES.	50,000	50,000	49,600	400
4-0029-156-2210303-111-2021-2022-2	NG-CDF: SUBSISTENCE	60,000	60,000	60,000	0
4-0029-156-2210701-111-2021-2022-3	NG-CDF: TRAVEL ALLOWANCES	100,000	100,000	100,000	0
4-0029-156-2210701-111-2021-2022-3	NG-CDF: TRAVEL ALLOWANCES	200,000	200,000	199,900	100
4-0029-156-2210702-111-2021-2022-3	NG-CDF: RENT ALLOCATION OF	200,000	200,000	200,000	0
4-0029-156-2210703-111-2021-2022-3	NG-CDF: PRODUCTION OF	100,000	100,000	100,000	0
4-0029-156-2210704-111-2021-2022-3	NG-CDF: HIRE OF TRAINING	200,000	200,000	176,400	23,600
4-0029-156-2210801-111-2020-2021-2	NG-CDF: CATERING SERVICES	25,168	25,168	25,168	0
4-0029-156-2210804-111-2021-2022-3	NG-CDF: CATERING SERVICES.	400,000	400,000	400,000	0
4-0029-156-2210802-111-2020-2021-3	NG-CDF: PAYMENT OF COMMITTEE	83,580	83,580	83,580	0
4-0029-156-2210802-111-2021-2022-1	NG-CDF: PAYMENT OF COMMITTEE	1,500,000	1,500,000	1,499,000	1,000
4-0029-156-2210811-111-2021-2022-3	NG-CDF: NG-CDF AND PMC	800,000	800,000	791,780	8,220
4-0029-156-2211101-111-2020-2021-1	NG-CDF: GENERAL OFFICE SUPPLIES	9,590	9,590	9,590	0
4-0029-156-2211101-111-2021-2022-2	NG-CDF: GENERAL OFFICE	150,000	150,000	143,960	6,040
4-0029-156-2211201-111-2021-2022-2	NG-CDF: REFINED FUEL AND	150,000	150,000	89,999	60,001
4-0029-156-2220101-111-2021-2022-2	NG-CDF: MOTORVEHICLE AND	112,872	112,872	0	112,872

Emergency

4-0029-156-2640204-101-2020-2021-001	NG-CDF: EMERGENCIES	7,286,503	7,286,503	7,247,000	39,503
4-0029-156-2640204-101-2021-2022-11	NG-CDF: TO CATER FOR	7,192,207	7,192,207	2,600,000	4,592,207

4.0 Bursary and Social Security

4-0029-156-2640101-103-2020-2021-002	CONSTITUENCY: BURSARY	268,826	268,826	163,184	105,642
4-0029-156-2640101-103-2020-2021-1	NG-CDF: BURSARY FOR NEEDY	16,063,048	16,063,048	16,063,048	0
4-0029-156-2640101-103-2021-2022-11	NG-CDF: PAYMENT OF FEE SUBSIDY	10,500,000	10,500,000	137,000	10,363,000
4-0029-156-2640101-103-2021-2022-21	NG-CDF: PAYMENT OF THE SUBSIDY	4,500,000	4,500,000	4,092,960	407,040
4-0029-156-2640102-103-2020-2021-003	BURSARY TERTIARY: BURSARY	2,334,295	2,334,295	2,334,295	0
4-0029-156-2640102-103-2020-2021-2	NG-CDF: PAYMENT OF BURSARY IN	11,000,000	11,000,000	10,994,341	5,659

5.0 Sports

4-0029-156-2640509-112-2019-2020-1	NG-CDF: SPORTS FOR WARDS	1,500,000	1,500,000	1,500,000	0
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6.0 Environment

4-0029-156-2640510-110-2020-2021-1	ENVIRONMENT PROJECT:	1,800,000	1,800,000	1,800,000	0
4-0029-156-2640510-110-2015-2016-01	NG-CDF: PURCHASE OF TREE	307,700	307,700	307,700	0
7.0 Primary Schools Projects					
4-0029-156-2630204-104-2019-2020-24	NYIGOON PRIMARY SCHOOL:	1,400,000	1,400,000	1,400,000	0
4-0029-156-2630204-104-2020-2021-03	SDA KAFKWIENIO PRIMARY SCHOOL	800,000	800,000	800,000	0
4-0029-156-2630204-104-2020-2021-04	NGARIET PRIMARY SCHOOL:	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630204-104-2020-2021-11	PAG KATONON PRIMARY SCHOOL	800,000	800,000	800,000	0
4-0029-156-2630204-104-2020-2021-18	KAPTEBEE PRIMARY SCHOOL:	100,000	100,000	0	100,000
4-0029-156-2630204-104-2020-2021-3	ST PETERS KASH..N PRIMARY	800,000	800,000	800,000	0
4-0029-156-2630204-104-2020-2021-30	LABORET DAY PRIMARY SCHOOL:	800,000	800,000	800,000	0
4-0029-156-2630204-104-2020-2021-32	ST ANTHONY TU'UWET	500,000	500,000	500,000	0
4-0029-156-2630204-104-2020-2021-36	ACK ST JOHN KAFKORIO PRIMARY	800,000	800,000	800,000	0
4-0029-156-2630204-104-2020-2021-38	KEBULONIK PRIMARY SCHOOL:	3,000,000	3,000,000	3,000,000	0
4-0029-156-2630204-104-2020-2021-39	KEBULONIK PRIMARY SCHOOL:	5,000,000	5,000,000	5,000,000	0
4-0029-156-2630204-104-2020-2021-41	SDA TRIIN PRIMARY SCHOOL:	800,000	800,000	800,000	0
4-0029-156-2630204-104-2020-2021-47	NYIGOON PRIMARY SCHOOL:	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-002	Kapsboat primary school:	635,600	635,600	635,600	0
4-0029-156-2630204-104-2021-2022-1	BISHOP M'GE MEMORIAL PRIMARY	392,420	392,420	392,420	0
4-0029-156-2630204-104-2021-2022-10	KAFKORIO PRIMARY SCHOOL:	600,000	600,000	600,000	0
4-0029-156-2630204-104-2021-2022-11	ACK CHEFKOYO MISION PRIMARY:	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630204-104-2021-2022-12	AIC NDULELE PRIMARY SCHOOL:	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630204-104-2021-2022-13	KAPKAGARON PRIMARY SCHOOL:	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-14	PAG KABIYET PRIMARY SCHOOL:	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-15	SDA PANAMA PRIMARY SCHOOL:	1,900,000	1,900,000	1,900,000	0
4-0029-156-2630204-104-2021-2022-16	KABIYET TOWNSHIP PRIMARY	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630204-104-2021-2022-17	KAFERTON PRIMARY SCHOOL:	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630204-104-2021-2022-18	KAKIPTU PRIMARY SCHOOL:	850,000	850,000	850,000	0
4-0029-156-2630204-104-2021-2022-19	CHEFKEMEL PRIMARY SCHOOL:	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-2	ST. JOHN AINAFMCI PRIMARY SCH	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-20	KAPNGANIO PRIMARY SCHOOL:	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-21	ACK SINGILET PRIMARY SCHOOL:	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-22	AIC KAMBOGA PRIMARY SCHOOL	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-23	KURGUNG PRIMARY SCHOOL:	500,000	500,000	500,000	0
4-0029-156-2630204-104-2021-2022-24	RUBET PRIMARY SCHOOL:	900,000	900,000	900,000	0

4-0029-156-2630204-104-2021-2022-25	KAMUNGEI PRIMARY SCHOOL :	900,000	900,000	900,000	0
4-0029-156-2630204-104-2021-2022-26	ST BENEDICT PRIMARY SCHOOL	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-27	AIC KAPTICH PRIMARY SCHOOL :	2,000,000	2,000,000	2,000,000	0
4-0029-156-2630204-104-2021-2022-28	KAMULAT PRIMARY SCHOOL :	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-29	AIC KAMOTONG PRIMARY SCHOOL	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-3	CHEPPEWAI PRIMARY SCHOOL :	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-30	NYTGOON PRIMARY SCHOOL :	2,700,000	2,700,000	2,700,000	0
4-0029-156-2630204-104-2021-2022-31	ST FRANCIS KATANIN PRIMARY	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-32	ST MONICA KAPKAITT PRIMARY	950,000	950,000	950,000	0
4-0029-156-2630204-104-2021-2022-33	AIC KAIGAT ER -TARY SCHOOL :	1,500,000	1,500,000	1,500,000	0
4-0029-156-2630204-104-2021-2022-35	ALL SAINTS KEBILONIK PRIMARY :	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630204-104-2021-2022-36	ndalat job outreach : purchase of 25	875,000	875,000	875,000	0
4-0029-156-2630204-104-2021-2022-37	KAPKAITT PRIMARY SCHOOL :	1,025,000	1,025,000	1,025,000	0
4-0029-156-2630204-104-2021-2022-4	ST AUGUSTINE MURTO PRIMARY :	500,000	500,000	500,000	0
4-0029-156-2630204-104-2021-2022-5	SIGOT PRIMARY SCHOOL :	500,000	500,000	500,000	0
4-0029-156-2630204-104-2021-2022-6	KABISAGA PRIMARY SCHOOL :	600,000	600,000	600,000	0
4-0029-156-2630204-104-2021-2022-7	CHEPTIL PRIMARY SCHOOL :	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-8	ACK KIMOGOCH PRIMARY :	800,000	800,000	800,000	0
4-0029-156-2630204-104-2021-2022-9	SDA KAPERINGON PRIMARY :	700,000	700,000	700,000	0
8.0 Secondary Schools Projects					
4-0029-156-2630205-104-2017-2018-01	ST THOMAS KAIBOI SECONDARY	1,500,000	1,500,000	1,500,000	0
4-0029-156-2630205-104-2018-2019-02	ST PETERS EISERO GIRLS :	350,000	350,000	350,000	0
4-0029-156-2630205-104-2020-2021-10	AIC KAMANYINYA SECONDARY	7,200,000	7,200,000	7,200,000	0
4-0029-156-2630205-104-2020-2021-11	TUKTUK SECONDARY SCHOOL :	2,200,000	2,200,000	2,200,000	0
4-0029-156-2630205-104-2020-2021-14	TAROLWA SECONDARY SCHOOL :	7,200,000	7,200,000	7,200,000	0
4-0029-156-2630205-104-2020-2021-15	ST PETERS KAMASAI SECONDARY	400,000	400,000	400,000	0
4-0029-156-2630205-104-2020-2021-16	TANGARTWET SECONDARY SCHOOL	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630205-104-2020-2021-17	KIPSAMQITE SECONDARY SCHOOL :	800,000	800,000	800,000	0
4-0029-156-2630205-104-2020-2021-3	ST CHARLES LWANGA SECONDARY	800,000	800,000	800,000	0
4-0029-156-2630205-104-2020-2021-7	KIMOLWET SECONDARY SCHOOL	1,500,000	1,500,000	1,500,000	0
4-0029-156-2630205-104-2021-2022-	ST MICHAEL KABISAGA SECONDARY	800,000	800,000	800,000	0
4-0029-156-2630205-104-2021-2022-10	ST BRIGITTA KIPKAREN HIGH	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630205-104-2021-2022-11	AIC KAMANYINYA SECONDARY	300,000	300,000	300,000	0
4-0029-156-2630205-104-2021-2022-12	KOISOUK SECONDARY SCHOOL :	7,918,300	7,918,300	7,876,000	42,300

4-0029-156-2630205-104-2021-2022-13	A.I.C KALIGAT SECONDARY SCHOOL :	7,918,300	7,918,300	7,876,000	42,300
4-0029-156-2630205-104-2021-2022-14	SANGALLO SEC SCHOOL : PURCHASE	7,918,300	7,918,300	7,876,000	42,300
4-0029-156-2630205-104-2021-2022-15	A.I.C CHEPTONON SECONDARY	1,000,000	1,000,000	1,000,000	0
4-0029-156-2630205-104-2021-2022-16	NIDALAT JOBS OF TRACH :	4,983,600	4,983,600	4,983,600	0
4-0029-156-2630205-104-2021-2022-2	A.I.C TANGARATWIT SECONDARY	800,000	800,000	800,000	0
4-0029-156-2630205-104-2021-2022-3	S.D.A KOILEL PRIMARY :	950,000	950,000	950,000	0
4-0029-156-2630205-104-2021-2022-4	ST. MONICA KAKOROS SEC	7,918,300	7,918,300	7,876,000	42,300
4-0029-156-2630205-104-2021-2022-5	KARPOIMUR SECONDARY SCHOOL	7,918,300	7,918,300	7,876,000	42,300
4-0029-156-2630205-104-2021-2022-6	ST ANDREWS K. PSATO SECONDARY	500,000	500,000	500,000	0
4-0029-156-2630205-104-2021-2022-7	SIGOT SECONDARY SCHOOL :	7,918,300	7,918,300	7,876,000	42,300
4-0029-156-2630205-104-2021-2022-9	ST. BRIGITTA KIPAKEN HIGH	1,000,000	1,000,000	1,000,000	0
10.0 Security Projects					
4-0029-156-2640507-108-2021-2022-004	NG. CDF MOTOR VEHICLE :	5,444,800	5,444,800	5,444,800	0
4-0029-156-2640507-113-2015-2016-02	KAMASAI CHIEFS OFFICE :	400,000	400,000	0	400,000
4-0029-156-2640507-113-2015-2016-03	KABIYEMETI CHIEFS OFFICE :	400,000	400,000	0	400,000
4-0029-156-2640507-113-2015-2016-1	KAMASAI POLICE STATION :	400,000	400,000	0	400,000
4-0029-156-2640507-113-2019-2020-04	KAIROI ASSISTANT CHIEFS OFFICE :	500,000	500,000	500,000	0
4-0029-156-2640507-113-2020-2021-03	KABIYET MAGISTRATE COURT :	50,000	50,000	50,000	0
4-0029-156-2640507-113-2021-2022-1	KAPKATET CHIEFS OFFICE :	250,000	250,000	0	250,000
4-0029-156-2640507-113-2021-2022-2	SANGALO DIVISIONAL HEAD	1,000,000	1,000,000	1,000,000	0
4-0029-156-2640510-110-2019-2020-2	SDA TRIIN PRIMARY SCHOOL : SDA	50,000	50,000	50,000	0
4-0029-156-2640511-108-2021-2022-1	KABIYET MAGISTRATE COURT :	700,000	700,000	610,180	89,820
4-0029-156-2640511-108-2021-2022-2	KABIYET MAGISTRATE COURT :	500,000	500,000	0	500,000
4-0029-156-2640511-108-2021-2022-3	KABIYET MAGISTRATE COURT :	800,000	800,000	0	800,000
4-0029-156-2640511-108-2021-2022-4	SUB COUNTY DIRECTOR	200,000	200,000	200,000	0
11.0 Acquisition of assets					
4-0029-156-3110302-108-2017-2018-01	NG. CDF OFFICE :	381,903	381,903	0	381,903
4-0029-156-311002-108-2017-2018-01	NGCDF OFFICE : PURCHASE OF	32,200	32,200	0	32,200
		225,492,133	225,492,133	204,024,953	21,467,180

(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-MOSOP 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 Kshs	2020 - 2021 Kshs
1330407	Normal Allocation	B096983		22,000,000
1330407	Normal Allocation	B104647		28,000,000
1330407	Normal Allocation	A823689		17,167,724
1330407	Normal Allocation	B104803		3,100,000
1330407	Normal Allocation	B124618		9,000,000
1330407	Normal Allocation	B124863		800,000
1330407	Normal Allocation	B119579		12,000,000
1330407	Normal Allocation	B119971		13,000,000
1330407	Normal Allocation	B128212		6,900,000
1330407	Normal Allocation	B129174		6,000,000
1330407	Normal Allocation	B132268		6,000,000
1330407	Normal Allocation	B138937		13,000,000
1330407	Normal Allocation	B105149		1,400,000
1330407	Normal Allocation	B105024		13,000,000
1330407	Normal Allocation	B126229		8,000,000
1330407	Normal Allocation	B140667		15,000,000
1330407	Normal Allocation	B105219	35,188,879.30	
1330407	Normal Allocation	B105398	45,000,000.00	
1330407	Normal Allocation	B105613	23,000,000.00	
1330407	Normal Allocation	B28630	5,000,000.00	
1330407	Normal Allocation	B128944	16,000,000.00	
1330407	Normal Allocation	B154140	15,000,000.00	
1330407	Normal Allocation	B164371	33,088,879.00	
	TOTAL		172,277,758	174,367,724

2. Proceeds From Sale of Assets

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

3. Other Receipts

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

Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	Description	2021-2022	2020 - 2021
		Kshs	Kshs
2110201	NG-CDFC Basic staff salaries	2,143,914	1,887,581
	Personal allowances paid as part of salary		
2110301	House allowance	792,000	441,000
2110314	Transport allowance	48,000	351,000
2110320	Leave allowance	0	0
2710120	Gratuity-contractual employees	1,912,357	0
2120101	Employer Contributions Compulsory national social security schemes	132,760	198,768
	TOTAL	5,029,031	2,878,349

5. Use Of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	74,123	22,500
Electricity	0	0
Water & sewerage charges	-	48,900
Office rent		-
Communication, supplies and services	879,272	244,978
Domestic travel and subsistence	1,289,360	763,200
Printing, advertising and information supplies & services	0	19,384
Rentals of produced assets		-
Training expenses	1,047,280	2,699,080
Hospitality supplies and services	425,168	604,650
Other committee expenses	0	206,000
Committee allowance	6,514,095	3,325,120
Insurance costs		-
Specialised materials and services		-
Office and general supplies and services	380,790	378,677
Fuel, oil & lubricants	616,548	719,096
Other operating expenses	0	0
Bank service commission and charges	0	16,130
Other Operating Expenses	-	132,900
Security operations		-
Routine maintenance - vehicles and other transport equipment	356,458	636,436
Routine maintenance- other assets		256,500
TOTAL	11,583,095	10,073,551

Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Transfers to Primary Schools	50,778,020	60,540,000
Transfers to Secondary Schools	81,539,600	40,021,400
Transfers to Tertiary Institutions		
TOTAL	132,317,620	100,561,400

7. Other Grants and Other transfers

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Bursary - Secondary (see attached list)	19,351,092	90,000
Bursary -Tertiary (see attached list)	14,434,436	1,943,400
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security Projects (see attached list)	2,360,180	2,498,000
Sports Projects (see attached list)	1,500,000	700,000
Environment Projects (see attached list)	2,157,700	750,000
Emergency Projects (see attached list)	9,847,000	1,200,000
TOTAL	49,650,408	7,181,400

8. Acquisition Of Assets

Non Financial 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 Bicycles & Motorcycles		-	290,257.00
Overhaul of Vehicles and Other Transport Equipment		5,444,800.00	-
Purchase of Household Furniture and Institutional Equipment			
Purchase of office furniture and and General Equipment		0	-
Purchase of computers ,printers and other IT equipments		-	-
Purchase of ICT Equipment, Software and Other ICT Assets		-	-
Purchase of Specialized Plant, Equipment and Machinery		-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.		-	-
Acquisition of Land			-
Acquisition of Intangible Assets			
TOTAL		5,444,800	290,257

9. Other Payments

		2021-2022	2020 - 2021
	Description	Kshs	Kshs
2211310	Strategic Plan	0	
2211311	ICT Hubs	0	0
	Nandi North Sub-County Treasury		322,180
	Kabiyet Law		3,200,000
			0
	TOTAL	0	3,522,180

10: Cash Book Bank Balance

Name of Bank, Account No. & currency	Account Number	2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Cooperative Bank, Eldoret Branch .Mosop NG-CDF	A/C no.1120086387700	22,363,237	53,214,373
TOTAL		22,363,237	53,214,373

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>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>

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

Notes to the Financial Statement Continued

12A. Retention

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

[Provide short appropriate explanations as necessary.]

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	896,059	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	896,059	-

13. Balances Brought Forward

	2021-2022	2020- 2021
	Kshs (1/7/2021)	Kshs (1/7/2020)
Bank accounts	53,214,373	3,353,786
Cash in hand		
Imprest		
TOTAL	53,214,373	3,353,786

[Provide short appropriate explanations as necessary]

14. Prior Year Adjustments

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

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

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

	2021- 2022	2020- 2021
	Kshs	Kshs
Deposits and Retention as a t 1st July 2021 (A)	-	0
Deposits and Retention held during the year (B)	0	0
Deposits and Retention paid during the year ©	-	0
Closing accounts payable at 30th June (D=A+B-C)	0	0
Net changes in accounts payables A-D	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	896,059	0
Others (<i>specify</i>)		
Total	896,059	0

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020- 2021
	Kshs	Kshs
Compensation of employees	764,679	2,007,139
Use of goods and services	582,427	4,071,640
Amounts due to other Government entities (see attached list)	1,353,800	38,200,000
Amounts due to other grants and other transfers (see attached list)	18,766,274	42,312,372
Acquisition of assets		762,256
Others (<i>specify</i>)	0	49,847
Funds pending approval		1,000,000
	21,467,180	88,403,254

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	19,444,472.80	12,650,844
Total	19,444,472.80	12,650,844

MOSOP 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. PHILISTER JEPLETING	Secretary	1 ST JUNE 2018	65,891.43	
2. SARAH SEUREY	Records Clerk	1 ST JUNE 2018	65,891.43	
3. NANCY JEMUTAI	Accounts Assistant	1 ST JUNE 2018	105,679.31	
4. ALICE JERUTO	Office Assistant	1 ST JUNE 2018	56,919.72	
5. DAVID MARU	Driver	1 ST JULY 2018	65,891.43	
6. AMON KIPNGETICH	Clerk Of Works	1 ST JULY 2019	269,465.02	
7. THEOPHILUS KIPYEGO	General Clerk	1 ST JULY 2019	193,877.10	
8. ROBERT KIPROP	Driver	1 ST OCYTOBER 2020	72,443.28	
Sub-Total				
Grand Total			896,059	

Annex 3 – Unutilized Fund

NAME	BRIEF DESCRIPTION	Outstanding Balance 2021-2022	Outstanding Balance 2020-2021	COMMENT
NGCDF : PAYMENT OF EMPLOYEES'		729,429	0	
NG-CDF : Payment of NHIF deductions		35,250	0	
NG-CDF : UTILITY EXPENSES-ELECTRICITY		764,679	0	
NG-CDF : TELEPHONE, TELEX AND MOBILE PHONE EXPENSES		3,985	0	
		57,900	0	
NG-CDF : INTERNET CONNECTION		6,000	0	
NG-CDF : COURIER AND POSTAL		6,780	0	
NG-CDF : HIRE OF TRAINING		23,600	0	
NG-CDF : Committee allowances		3,429	0	
NG-CDF : PAYMENT OF COMMITTEE		291,900	0	
NG-CDF : PAYMENT OF COMMITTEE		1,000	0	
NG-CDF : NG-CDFC AND FMC		8,920	0	
NG-CDF : GENERAL OFFICE		6,040	0	
NG-CDF : REFINED FUEL AND		60,001	0	
NG-CDF : MOTORVEHICLE AND		112,872	0	
		582,427	0	
NGARIET PRIMARY SCHOOL :		1,000,000	0	
KAPTIBEE PRIMARY SCHOOL :		100,000	0	
KOISOLIK SECONDARY SCHOOL :		42,300	0	
A.I.C KAIGAT SECONDARY SCHOOL :		42,300	0	
SANGALO SEC SCHOOL : PURCHASE		42,300	0	
ST. MONICA KAPKOROS SEC		42,300	0	
KAPKOIMUR SECONDARY SCHOOL :		42,300	0	
SIGOT SECONDARY SCHOOL :		42,300	0	
		1,353,800	0	
CONSTITUENCY : BURSARY		105,642	0	
NGCDF : PAYMENT OF FEE SUBSIDY		10,363,000	0	
NG-CDF : PAYMENT OF FEE SUBSIDY		407,040	0	
NG-CDF : PAYMENT OF BURSARY IN		5,659	0	
NG-CDF : EMERGENCIES		39,503	0	
NG-CDF : TO CATER FOR		4,591,507	0	
KAMASAI CHIEFS OFFICE :		400,000	0	
KABIYEMET CHIEFS OFFICE :		400,000	0	
KAMASAI POLICE STATION :		400,000	0	
KAPKATET CHIEFS OFFICE :		250,000	0	

KABUYET MAGISTRATE COURT :	89,820	0	
KABUYET MAGISTRATE COURT :	500,000	0	
KABUYET MAGISTRATE COURT :	800,000	0	
NG-CDF OFFICE :	381,903	0	
NGCDF OFFICE : PURCHASE OF	32,200	0	
	18,766,274	0	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)		Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs)	
	2020/2021	2021/2022			2021/2022	2021/2022
Land					0	
Buildings and structures	9,864,317				9,864,317	
Transport equipment	4,104,657	5,444,800			9,549,457	
Office equipment, furniture and fittings	2,822,050				2,822,050	
ICT Equipment, Software and Other ICT Assets	30,000				30,000	
Other Machinery and Equipment	22,144,910				22,144,910	
Heritage and cultural assets					0	
Intangible assets					0	
Total	38,965,934				44,410,734	

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

	PROJECT NAME	BANK	ACCOUNT NO	BANK BALANCE 2021/2022	BANK BALANCE 2020/2021
1	ABC LABUYWET PRIMARY SCHOOL	COOPERATIVE	1139610521501	30,702.00	315,702.00
2	ALL SAINTS BISHOP MUGE KAPKOIMUR	COOPERATIVE	1139441210400	13,630.00	13,630.00
3	AIC KAIGAT PRIMARY SCHOOL:	COOPERATIVE	1141958014200	25,656.00	346.00
4	A.I.C KAPTICH PRIMARY SCHOOL:	SIDIAN	1008030015208	2,124,037.00	124,037.00
5	ACK CHEPKOIYO MISION PRIMARY:	COOPERATIVE	1141958859200	94,714.00	-
6	ACK KIMOGOCH PRIMARY: RENOVATION	COOPERATIVE	1139185720000	1,840.00	1,840.00
7	ACK ST JOHN KAPKORIO PRIMARY:	COOPERATIVE	1141674530600	66,107.00	58,909.00
8	AIC SETYOT PRIMARY SCHOOL	COOPERATIVE	1141441397500	3,855.00	3,855.00
9	AIC LOLKERINGET PRIMARY SCH	COOPERATIVE	1141442895500	25,389.00	138,987.00
10	AIC NDULELE SECONDARY SCHOOL	COOPERATIVE	1139441396300	82,930.00	1,341,771.00
11	ALL SAINTS KEBULONIK PRIMARY:	COOPERATIVE	1129327128401	-	3,428.00
12	BISHOP MUGE MEMORIAL PRIMARY	COOPERATIVE	1139184709400	558,420.00	916.00
13	CHEPKATET PRIMARY SCHOOL	SIDIAN	1008030010478	90,775.00	716,837.00
14	CHEPTERWAI PRIMARY SCHOOL:	COOPERATIVE	1139185738100	261,816.00	9,572.00
15	CHEPTIL PRIMARY SCHOOL:	COOPERATIVE	1141046480700	803,915.00	3,915.00
16	EISERO GIRLS HIGH SCHOOL	COOPERATIVE	1139183988200	772,927.00	2,307.00

17	KABISAGA PRIMARY SCHOOL	COOPERATIVE	1139440771200	95,225.00	130.00
18	KABIYET TOWNSHIP PRIMARY SCHOOL	COOPERATIVE	1139440671100	124,445.00	1,012.00
19	KABIYET POLCE STATION	COOPERATIVE	1141810377000	156,742.00	399,162.00
20	KAPKAWA BAPTIST PRI	COOPERATIVE	1139440091000	4,479.00	402,196.00
21	KAMASIA PRIMARY	COOPERATIVE	1141442950200	109,818.00	74,060.00
22	KAMULAT PRIMARY	COOPERATIVE	1141672687200	367,952.00	1,819.00
23	KAMUNGEI PRIMARY SCHOOL	COOPERATIVE	1139440132100	119,815.00	2,020.00
24	KAPKATET CHIEFS OFFICE	COOPERATIVE	1141442931500	9,047.00	9,047.00
25	KAPKATET SECONDARY SCHOOL	COOPERATIVE	1139440334400	44,053.00	44,053.00
26	KAPKOIMUR SECONDARY SCHOOL	COOPERATIVE	1139046818301	24,494.00	25,214.00
27	KAPKORIO PRIMARY SCHOOL	COOPERATIVE	1141443545500	363,414.00	97,648.00
28	KAPSSERTON PRIMARY SCHOOL	COOPERATIVE	1139441395700	201,115.00	253.53
29	KETAM PRIMARY SCHOOL	SIDIAN	100803009763	442,666.00	829,004.00
30	KEBULONIK PRIMARY SCHOOL	COOPERATIVE	1139441000100	4,989,030.00	1,680.00
31	KIPKAREN PRIMARY SCHOOL	COOPERATIVE	1141443687000	114,893.00	945,230.00
32	KIPKOMBOT PRIMARY SCHOOL	COOPERATIVE	1141672757300	30,751.00	351,845.00
33	KOISOLIK SECONDARY SCHOOL	COOPERATIVE	1139326616700	15,876.00	16,396.00
34	KOIBAN SECONDARY SCHOOL	COOPERATIVE	1141443814200	13,232.00	121,978.00

35	KOITALEL SAMOEL SECONDARY SCHOOL	COOPERATIVE	1139329048600	1,454.00	1,454.00
36	KOROMO PRIMARY SCHOOL	COOPERATIVE	113932714500	97,467.00	888,276.00
37	KURGUNG PRIMARY SCHOOL	COOPERATIVE	1139329113300	55,615.50	7,432.50
38	NDALAT JOBS OUTREACH	COOPERATIVE	1139185658300	2,005.00	2,005.00
39	PAG KATONON PRIMARY SCHOOL	COOPERATIVE	113932934000	1,133,239.70	197,109.00
40	SANGALO DIVISIONAL HEAD QUARTERS	COOPERATIVE	1141722055600	28,950.00	-
41	SAMUTET PRIMARY SCHOOL	COOPERATIVE	1141443952800	502,960.00	502,960.00
42	SDA KAPKERINGON PRIMARY	COOPERATIVE	1139673533000	119,021.00	200,345.00
43	SIGOT PRIMARY SCHOOL	SIDIAN	1008030019527	115,865.00	-
44	SOIN PRIMARY SCHOOL	COOPERATIVE	1139441363600	253.00	253.00
45	ST ANDREWS KAPSATO SECONDARY	COOPERATIVE	1141442913600	224,509.00	110,566.00
46	ST BENEDICT PRIMARY SCHOOL	COOPERATIVE	1139328601500	955,033.60	151,877.60
47	ST CHARLES LWANGA SECONDARY	COOPERATIVE	1139328141600	904,257.00	105,117.00
48	ST MONICA KAPKATET PRIMARY	COOPERATIVE	1139183923100	1,453,000.00	3,000.00
49	ST MARK CHESARAM PRIMARY SCHOOL	COOPERATIVE	1141722010600	68,911.00	431,095.00
50	ST PETERS KAMASAI SECONDARY	COOPERATIVE	1139440091000		
51	ACK ST MATHEWS KORMAET SECONDARY SCHOOL	CO-OPERATIVE	1139441350100	1,155,661.00	1,155,661.00
52	ST. AUGUSTINE MURTO PRIMARY	COOPERATIVE	1139185711300	68,585.00	3,000.00
53	ST. BRIGITTA KIPKAREN HIGH SCHOOL	COOPERATIVE	1141045811300	6,462.00	11,577.00

54	ST PATRICKS CHEMNOET SECONDARY SCHOOL	COOPERATIVE	1139441368400	2,602.00	102,602.00
55	PHILIP BIWOTT PRIMARY SCHOOL	COOPERATIVE	1139184625500	19,264.00	167,464.00
56	TANGARATWET PRIMARY	COOPERATIVE	1139185747000	18,288.00	512,630.00
57	TUKTUK SECONDARY SCHOOL	COOPERATIVE	1139441356600	13,800.00	805,280.00
58	TUKTUK PRIMARY SCHOOL	COOPERATIVE	1141443724200	39,297.00	247,303.00
59	ST JOHN AINAMOI PRIMARY SCHOOL	SIDAN	1008030015011	79,922.00	1,294.00
60	ST PAULS KAPKECHUI PRIMARY	COOPERATIVE	1139440844800	39,470.00	801,627.00
61	ACK SARORA SECONDARY SCHOOL	COOPERATIVE	1139441364200	9,808.00	9,808.00
62	KOIBAN PRIMARY SCHOOL	COOPERATIVE	1139185723000	115,095.00	115,095.00
63	ST PETES BIREI PRIMARY SCHOOL	COOPERATIVE	1139328937300	29,918.00	29,918.00
				19,444,472.80	12,623,548.63

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 Transfers to primary schools	The statement of receipts and payments included a total transfer of kshs 1,950,000 for the purchase of land. However sale agreements and title copies for the purchased land were not availed for audit verification.	Copies of sale agreements and title deed for Kipsamoo primary (Nandi/Chemuswa/950) and Ndalat Jobs Outreach primary schools (title no Nandi/Ndalat/891). The processing of title for ADC T ollilet is underway.	Not resolved	End of July 2022
2.0 cash and cash equivalent	The statement of assets and liabilities for the Financial year ended 30 June 2021 reflected cash and cash equivalent of kshs 53,214,373. Examination of documents availed for audit revealed payments Totalling kshs 2,785,000 not recorded in cash book.	The payments in bank statement not recorded in cash book dates back to 2015-2016 financial years. The payments have since remained as reconciling items. The then office holders were yet to adequately respond to the raised issues as at the time of Audit. The matter is currently been handled by the NG-CDF Board and national treasury.	Not resolved	
3.0 Project management committee bank accounts	Note 17.4 and annex 5 to the financial statement reflect project management committee bank account balances amounting to kshs 12,650,844. However cash books and bank reconciliation statements for the PMC were not provided for audit review.	NG-CDF Act 2015 sections 38 provided that project under the act will be implemented by the Therefore projects under the fund are implemented by PMC who are responsible to preparation of books of accounts. The said books of accounts are readily available at the PMCs. To	Not resolved	June 2023

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)
	Consequently the balance as at 30 June 2021 could not be confirmed.	ensure that the books of accounts are readily available, NG-CDF Board has from FY 2021-2022 implemented an information management system (CDF MIS) that ensured timely posting of payments in the cashbooks		
Budget control and performance	The summary statement of appropriation – recurrent and development combined reflects financial receipts budget and actual on comparable basis Totalling kshs 212,910,391 and kshs 177,721,510 respectively, resulting in underfunding of kshs 35,188,881.	Budget implementation and under performance was occasioned by late receipt of funds. However projects adding upto kshs 88,403,254 with the exception of projects totalling kshs 2,785,000 which is as a result of insufficient funds in bank account	Resolved	


 Elias Kirmaiyo
 Fund Account Manager.

