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REPORT

THE NATIONAL ASSEMBLY	
DATE: 04 JUL 2023	DAY: TUE
TABLED OF	HON. DKRIN BATH, CBS, MP Deputy Leader of Majority
CLERK-AT THE TABLE:	INZOFU MAKALE

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – NAROK NORTH CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
28 SEP 2022
RECEIVED



NAROK NORTH 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)

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Narok North 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)

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(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Mr. David Muriithi Githinji
2.	Sub-County Accountant	CPA Joseph Mwangi
3.	Chairman NGCDFC	Mr. Samuel Naingisa
4.	Member NGCDFC	Mrs. Lanet Esho

(d) Fiduciary Oversight Arrangements

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

P.O. Box 664-20500
NG-CDF Complex
Narok-Nakuru Highway
Narok, KENYA

(f) Narok North Constituency NGCDF Contacts

Telephone: (254) 724925786
E-mail: cdfnaroknorthconstituency@ngcdf.go.ke
Website: www.cdfnaroknorthconstituency.go.ke

(g) Narok North Constituency NGCDF Bankers

Equity Bank Kenya Limited
Narok Branch
A/C No. 0360263540325
P O Box 1023-20500
Narok Kenya.

(h) Independent Auditors

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

II. NG-CDFC Chairman's Report



Mr. Samuel Naing'isa.

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

Narok North NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposals as proposed by the residents of Narok North constituency and ensure that all approved projects meet the requirements of sec 24 of the NG-CDF Act 2015, Capacity building of the project management committees (Pmc's), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was

achieved mainly through timely disbursement of received funds to the project management committees (Pmc), projects monitoring and regular ngcdf committee meetings.

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

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

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

A total of 53 classrooms, 4 dormitories, 2 laboratories, 3 administration blocks 3 teacher houses, 2 dining halls and 32 toilet blocks were constructed and or renovated through the allocation to the fund.

The fund's contribution towards education infrastructure across the constituency supported the 100% government transition policy. Narok North NG-CDF committee also allocated funds for construction of 1 security facility amounting to ksh.2, 600,000 in the year which have enhanced security in the constituency.

In addition, the fund supported retention of students in secondary and tertiary institutions through allocation of bursary. A total of Kes.34, 272,220 was allocated as bursary to needy students in the constituency. NG-CDF Narok North committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

A). Budget Performance

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

In the financial year ended June 30th, 2022, NG-CDF Narok North had a cumulative approved budget of Kshs **199,283,601** and the entire budget was fully disbursed to the constituency by the NGCDF Board within the financial year.

NG-CDF Narok North disbursed the received funds as follows;

Kes 103,385,924 was disbursed to various schools and other government agencies for implementation of the approved projects,

Kes 50,733,000 was issued as bursaries to needy students in the constituency,

Kes 12,758,482 was used in payment of NG-CDF committee allowances, monitoring, evaluation, use of goods and services and other administration expenses,

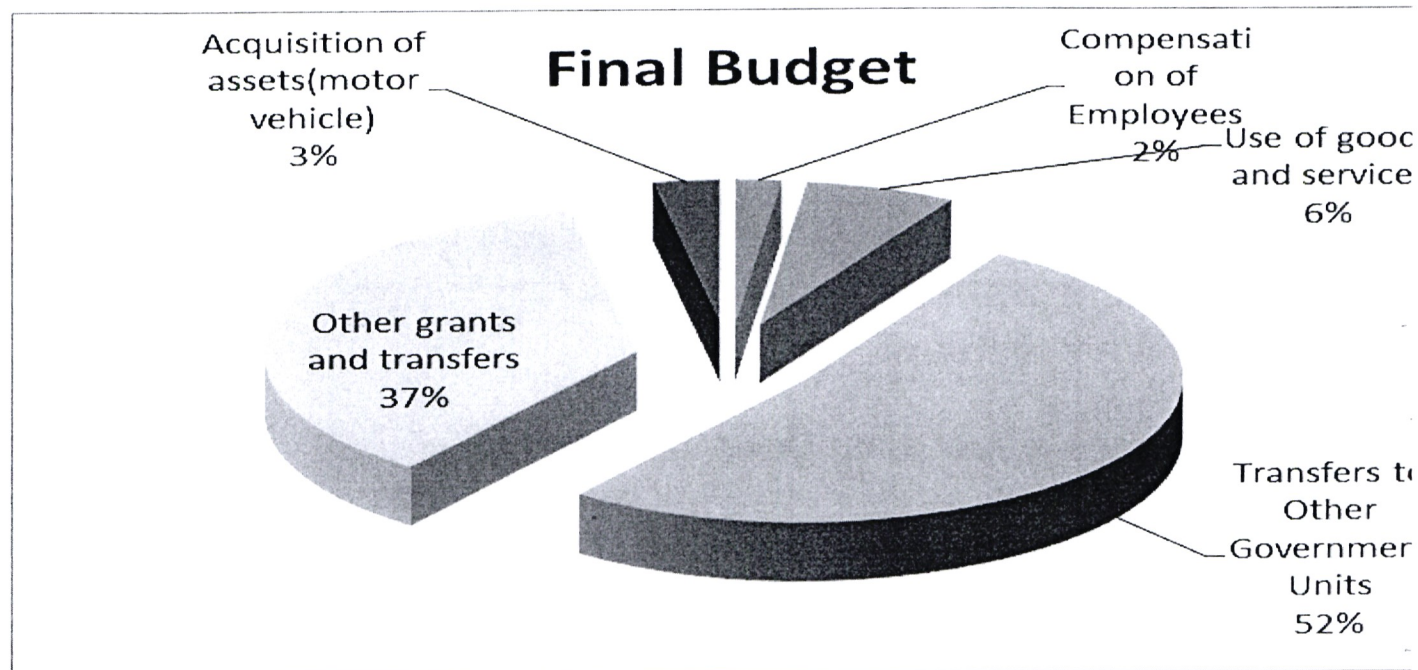
Kes 3,447,306 was used in payment of NG-CDFC staff salaries and gratuity,

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Kes 7,200,000 was used to fund security projects in the constituency during the financial year,
Kes 14,394,707 was used to fund emergency occurrences in the constituency,
Kes 5,180,000 was used to fund acquisition of NGCDF Office Motor vehicle to facilitate monitoring and evaluation exercise in the constituency,

The performance during the year is summarised as follows;

PAYMENTS	Final Budget	Total Expenditure	Budget utilization difference	% of utilization
Compensation of Employees	3,983,826	3,447,306	536,520	86.5
Use of goods and services	12,959,844	12,758,482	201,363	98.4
Transfers to Other Government Units	103,414,432	103,385,924	28,508	100.0
Other grants and transfers	73,125,498	72,327,707	797,791	98.9
Acquisition of assets	5,800,000	5,180,000	620,000	89.3
Other Payments(Strategic Plan)	-	-	-	
Funds Pending Approval	-	-	-	
TOTAL	199,283,600	197,099,419	2,184,181	98.9



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



B). Emerging issues related to NG-CDF in Narok North Constituency are;

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

C). NG-CDF Implementation challenges in Narok North Constituency are;

- ❖ Overdependence on the fund by the public and National government functions on all development related needs.

(To overcome this, NG-CDF Narok North Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency).

- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets occasioning unnecessary budgetary adjustments and delays in the implementation of approved projects.

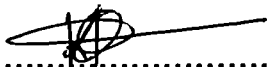
(NG-CDF Narok North committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC's) as soon as it receives).

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- ❖ Many projects are allocated funds (thinly spread projects)- leading to projects receiving insufficient funds

(To overcome this challenge, NG-CDF Narok North is focusing on allocating enough funds to complete the project within at most 2 years).

Moving forward NG-CDF Narok North Committee remains steadfast in delivering on our mandate of transforming lives (maendeleo kwa wote) thus creating a better society for all.



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**Samuel Naingisa
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 *Narok North Constituency 2018-2022* plan are to:

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

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

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiar 	In FY 21/22 -we increased number of classrooms in Primary and Secondary schools by 29 and 24 respectively 2dormitories, 3laboratories,2 dining halls and teachers houses in various schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules

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			ies at all levels	
Security	To have a safe and secure environment for business, learning and where the residents go about their lives without fearing for their lives and property.	-Decrease in the number of insecurity related incidents. -Improved security and a more secure business environment	-Numbers of usable physical infrastructure build in Police stations. Chief's offices, DCI and county Commissioners security facilities. -	In FY 21/22 We constructed police cell, armoury, pit latrine and one roomed police unit each in Olokurto, Sakutiek and Olpusimoru police stations.
Environment	To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.	Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of climate change.	Number of tree seedlings planted in public land. -sustainable environmental management activities.	In FY 21/22 - we increased number of trees planted where hundreds of tree seedlings were purchased, distributed and planted in various schools approximately 4,000 in number
Sports	To Nurture sporting talent, This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.	Increased engagement and persons earning a decent living from exploiting their sporting talent. -reduced unemployment rate among the youth.	Number of youth, women and persons living with disabilities taking up sporting activities. -Number of usable physical infrastructure build.	In FY 21/22 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in every ward in the constituency.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.	In FY 21/22 -we constructed Pit latrine blocks and re-roofing of classrooms in various schools When the schools were facing immediate closure by the county department of health.

IV. Environmental and Sustainability Reporting

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

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

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

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

2. Environmental performance

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

3. Employee welfare

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

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

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

4. Market place practices-

Narok North NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Narok North 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.

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



.....
Mr. David Muriithi Githinji

FAM

V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Narok North 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.

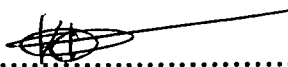
The Accounting Officer in charge of the NGCDF-Narok North Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting 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- Narok North 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.

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

Approval of the financial statements

The NGCDF- Narok North Constituency financial statements were approved and signed by the Accounting Officer on _____ 2022.


.....

Samuel L. Naingisa
Chairman – NGCDF Committee


.....

David Muriithi Githinji
Fund Account Manager

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NAROK NORTH 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

Disclaimer of Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Narok North Constituency set out on pages 1 to 46, which comprise the statement of financial assets and liabilities as at 30 June, 2022, and

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

the statement of receipts and payments, statement of cash flows and summary statement of appropriations 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 do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

1. Variances Between the Financial Statements and Prior Year Comparative Balances

Comparison between the financial statements and the prior year audited balances reflects an unexplained variances in various items as detailed below:

Item	Note	Financial Statements (Kshs.)	Audited Financial Statements (Kshs.)	Variance (Kshs.)
Decrease in Amounts Receivable	Statement of Cash Flows	-	4,123,000	(4,123,000)
Acquisition of Assets	Budget Execution by Sector	5,500,000	10,000,000	(4,500,000)
Amounts Due to Other Government Entities	Note 17.3	23,014,432	17,818,173	5,196,259
Acquisition of Assets	Note 17.3	5,500,000	10,000,000	(4,500,000)
Funds Pending Approval	Note 17.3	-	692,260	(692,260)
PMC Account Balances	Note 17.4	5,794,198	8,834,269	(3,040,071)

In the circumstances, the accuracy and completeness of prior year balances as disclosed in the financial statements could not be confirmed.

2. Inaccuracies in the Compensation of Employees

The statements of receipts and payments reflects compensation of employees amount of Kshs.3,447,306 as disclosed in Note 4 to the financial statements. However, the amount differs with the payment vouchers amount of Kshs.2,053,089 resulting to an unexplained variance of Kshs,1,394,217. Further, during the year under review one (1) employee was not competitively recruited. This is contrary to Regulation 18 (1) of the National Government Constituencies Development Regulations, 2016 which states that a Constituency Committee may engage staff through a transparent and competitive process. Further, the payroll provided for audit review did not indicate employee details such as designation and employment number. In addition, the staff establishment was not provided.

In the circumstances, the accuracy, completeness, existence and occurrence of compensation of employees' expenditure of Kshs.3,447,306 could not be confirmed.

3. Unsupported Training Expenses

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.12,758,482 as disclosed in Note 5 to the financial statements. The amount includes training expenses of Kshs.3,364,500 incurred on capacity building of National Government Constituencies Development and Project Management Committee Members. However, the expenditure was not supported with training needs assessment, invitation letters and attendance register. This is contrary to Section H.3 of the Public Service Commission Human Resource Manual of May, 2016 which states that training in the Public Service to be based on Training Needs Assessment which shall be conducted after every three (3) years in each State Department. Selection of trainees for all training programmes will be based on identified needs and will emphasize training for performance improvement that address Individual, Organizational and National goals.

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

4. Unsupported and Misclassified Expenditure on Office and General Supplies and Services

The statement of receipts and payments reflects an amount of Kshs.12,758,482 in respect of use of goods and services as disclosed in Note 5 to the financial statements. Included is office and general supplies and services expenditure of Kshs.1,020,530 which includes monitoring and evaluation expenditure of Kshs.470,000. However, the monitoring and evaluation reports were not provided for audit contrary to Regulation 26 (2) National Government Constituencies Development Fund Regulations, 2016 which states that a Constituency Committee shall carry out monitoring and evaluation of the projects at regular intervals and shall submit reports on the monitoring and evaluation exercise. Further, the expenditure was wrongly charged to office and general supplies and services instead of other Committee expenses.

In the circumstances, the regularity, classification and completeness of the office and general supplies and services expenditure of Kshs.470,000 could not be confirmed.

5. Unsupported Transfers to Other Government Units

The statement of receipts and payments reflects transfer to other Government entities totalling to Kshs.103,385,924 as disclosed in Note 6 to the financial statements which includes transfers to primary and secondary schools amounting to Kshs.62,489,664 and Kshs.40,896,260, respectively for construction works. However, the transfers for the construction works were not supported with payment vouchers, procurement records such as bills of quantities from qualified quantity surveyor, tender advertisements, tender evaluation minutes, signed contract, Inspection and Acceptance Committee reports, interim/completion certificates, Project Management Committee (PMC) accounting records such as cashbooks, bank statements and expenditure returns and evidence that the projects were implemented in consultation with relevant Government Departments. Further, contractors for works in the primary schools' projects were awarded tenders without NCA registration certificates, tax compliance certificates and three (3) year audited financial statements. In addition, project status was not provided for verification.

In the circumstances, the accuracy, completeness and value for money for transfers to other Government units totalling to Kshs.103,385,924 could not be confirmed.

6. Unconfirmed Issuance and Bursary

The statement of receipts and payments reflects an amount of Kshs.72,327,707 in respect of other grants and transfer as disclosed in Note 7 to the financial statements. Included is bursary to secondary schools and tertiary institutions amounting to Kshs.27,454,500 and Kshs.23,278,500, respectively. However, acknowledging receipts confirming that the amounts have been credited to the beneficiaries' fees account were not provided for verification. Further, it was not confirmed how the beneficiaries were vetted and recommended for bursary award. In addition, it was not possible to establish the basis of disapproving some applications and how much the successful students or applicants were awarded.

In the circumstances, the accuracy, regularity and completeness of the bursary to secondary schools and tertiary institutions amounting to Kshs.27,454,500 and Kshs.23,278,500, respectively could not be confirmed.

7. Unapproved Security Projects

The statement of receipts and payments reflects other grants and transfers amount of Kshs.72,327,707 as disclosed in Note 7 to the financial statements which includes security projects expenditure of Kshs.7,200,000. However, the expenditure was not supported with procurement records such as list of prequalified suppliers, tender advertisements, tender evaluation minutes, signed contract, Inspection and Acceptance Committee reports, interim/completion certificates, Project Management Committee (PMC) expenditure returns and evidence that the projects were implemented in consultation with relevant Government Departments. Further, the expenditure includes unapproved security projects totalling to Kshs.4,600,000.

In the circumstances, the accuracy, completeness and regularity of security projects expenditure of Kshs.7,200,000 could not be confirmed.

8. Unconfirmed Expenditure on Emergency Projects

The statement of receipts and payments reflects other grants and transfer amount of Kshs.72,327,707 as disclosed in Note 7 to the financial statements which includes emergency projects expenditure of Kshs.14,394,707. However, the expenditure exceeds the approved budget of Kshs.7,192,207 by Kshs.7,202,500 or 200%. Further, the nature of emergency was not provided for audit. In addition, payment vouchers totalling to Kshs.7,492,657 were not provided for audit.

In addition, no documentary evidence was provided to confirm the utilization of the emergency reserve was reported to the Board within thirty (30) days of the occurrence of the emergency. This is contrary to Regulation 20(2) of the National Government Constituencies Development Regulations, 2016.

In the circumstances, the accuracy and completeness of the emergency projects expenditure of Kshs.14,394,707 could not be confirmed. Further, Management was in breach of law.

9. Unsupported Purchase of a Vehicle

The statement of receipts and payments reflects acquisition of assets amount of Kshs.5,180,000 as disclosed in Note 8 to the financial statements. The expenditure

relates to purchase of a double cabin pickup motor vehicle. The tender was awarded after evaluation of four bids. However, procurement records such as user requisition, tender advertisement, appointment of the Tender Committees, tender opening and evaluation minutes, professional opinion, letter of offer, acceptance letter, signed contract, Inspection and Acceptance Committee reports. Further, ownership records for the vehicle were not provided for audit.

In the circumstances, the accuracy, completeness and ownership of purchase of motor vehicle amounting to Kshs.5,180,000 could not be confirmed.

10. Stale Cheques

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.2,184,182. However, review of the bank reconciliation statement for the month of June, 2022 reflects unpresented cheques totalling to Kshs.16,132,647.58 which include stale cheques amount of Kshs.85,244 which have not been reversed in the cashbook.

In the circumstances, the accuracy, completeness and existence of cash and cash equivalents balance of Kshs.2,184,182 could not be confirmed.

11. Unconfirmed Project Management Committee (PMC) Bank Balances

Other important disclosures as disclosed in Note 17.4 to the financial statements reflects Project Management Committee (PMC) bank balances of Kshs.3,172,184 in respect of thirty-seven (37) PMC bank balances as further disclosed in Annex 5 to the financial statements. However, the project implementation status report indicates that three hundred and seventy-five (375) projects have been funded since the inception of the Fund. However, cash books, closing bank balance confirmation certificates and bank reconciliation statements were not provided for audit. Further, only thirty-seven (37) PMC bank balances have been disclosed in the financial statements. The remaining three hundred and thirty-eight (338) PMC bank account balances have not been disclosed. It was also not confirmed when the bank accounts are operational.

In addition, the PMC bank balances for three hundred and seventy-one (371) completed projects have not been surrendered to the main Constituency Fund bank account in compliance with Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires all unutilized funds of the Project Management Committee to be returned to the Constituency account.

In the circumstances, the accuracy, completeness and existence of PMC bank balances of Kshs.3,172,184 could not be confirmed.

12. Unconfirmed Fixed Assets

Summary of fixed asset register as disclosed in Annex 4 reflects assets historical cost of Kshs.19,699,046. However, the summary of fixed asset register reflects nil land balance yet the Fund has buildings and structures with a cost of Kshs.6,133,133. Further, ownership documents for motor vehicles valued at Kshs.9,715,000 were not provided for audit. In addition, the assets register as provided for in Regulation 143 of the Public Finance Management (National Government) Regulations, 2015 was not provided for audit.

In the circumstances, the accuracy, completeness and ownership of the fixed assets balance of Kshs.19,699,046 could not be confirmed.

13. Project Verification

The statement of receipts and payments reflects transfer to other Government Units and other grants and transfer amount of Kshs.103,385,924 and Kshs.72,327,707, respectively as disclosed in Note 7 and 8 to the financial statements. Physical inspection on projects implemented by the Fund revealed the following anomalies:

13.1 Unconfirmed Construction of Pit Latrine

The construction of pit latrine at Enabelibel Nursery School was allocated a funding of Kshs.650,000 under the emergency projects and which was not utilized for the intended purpose. Physical verification conducted in the month of March, 2023, revealed that no activity relating to the project was undertaken at the school. Further, the project file, bill of quantities, and technical drawings were not provided for audit review.

13.2 Unsupported Construction of Two Classrooms

The construction of two (2) class rooms at JS Ole Naeku Primary was allocated an amount of Kshs.2,200,000. However, despite the two (2) classrooms being completed, project file, bill of quantities, and technical drawings were not provided for audit.

In the circumstances, regularity and value for money for the non-implementation of approved project amounting to Kshs.650,000 may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Basis for Disclaimer Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

I do not express a conclusion on the effectiveness of internal controls, risk management and overall governance as required by Section 7(1)(a) of the Public Audit Act, 2015. Because of the significance of the matters described in the Basis for Disclaimer Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit 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 continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the Management is aware of the intention to terminate the Fund or to cease operation.

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

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

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

Auditor-General's Responsibilities for the Audit


My responsibility is to conduct an audit of the Fund's financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is 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. I also consider internal controls, risk management and overall governance processes and systems in order to give an assurance on the effectiveness of internal controls, risk management and governance 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.

However, because of the matters described in the Basis for Disclaimer Opinion, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit

conclusion on lawfulness and effectiveness in the use of public resources, and effectiveness of internal controls, risk management and overall governance.

I am independent of National Government Constituencies Development Fund - Narok North 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.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 June, 2023


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

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

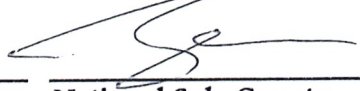
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		182,177,758	161,367,724
Payments			
Compensation Of Employees	4	3,447,306	2,098,271
Use Of Goods and Services	5	12,758,482	11,149,455
Transfers To Other Government Units	6	103,385,924	111,077,120
Other Grants and Transfers	7	72,327,707	25,652,126
Acquisition Of Assets	8	5,180,000	-
Other Payments	9	-	-
Total Payments		197,099,419	149,976,972
Surplus/(Deficit)		(14,921,660)	11,390,752

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 _____ 2022 and signed by:


Fund Account Manager

Name: Mr. David Githinji


National Sub-County
Accountant

Name: CPA Joseph Mwangi
ICPAK M/No:7896


Chairman NG-CDF Committee

Name: Mr. Samuel Naingisa

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

VIII. Statement of Assets and Liabilities as at 30th June, 2022

	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	2,184,182	17,105,842
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		2,184,182	17,105,842
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		2,184,182	17,105,842
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		2,184,182	17,105,842
Represented By			
Fund Balance B/Fwd	13	17,105,842	5,715,090
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(14,921,660)	11,390,752
Net Financial Position		2,184,182	17,105,842


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 _____ 2022 and signed by:



Fund Account Manager

Name: Mr. David Githinji



National Sub-County
Accountant

Name: CPA Joseph Mwangi
ICPAK M/No:7896



Chairman NG-CDF Committee

Name: Mr. Samuel Naingisa


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

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


	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Other Receipts	3	-	-
Total Receipts		182,177,758	161,367,724
Payments			
Compensation Of Employees	4	3,447,306	2,098,271
Use Of Goods and Services	5	12,758,482	11,149,455
Transfers To Other Government Units	6	103,385,924	111,077,120
Other Grants and Transfers	7	72,327,707	25,652,126
Other Payments	9	-	-
Total Payments		191,919,419	149,976,972
Total Receipts Less Total Payments		(9,741,660)	11,390,752
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(9,741,660)	11,390,752
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	5,180,000	-
Net Cash Flows from Investing Activities		(5,180,000)	-
Net Increase In Cash And Cash Equivalent		(14,921,660)	11,390,752
Cash & Cash Equivalent At Start Of The Year	10	17,105,842	5,715,090
Cash & Cash Equivalent At End Of The Year	10	2,184,182	17,105,842

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 _____ 2022 and signed by:



Fund Account Manager
Name: Mr. David Githinji



**National Sub-County
Accountant**
Name: CPA Joseph Mwangi
ICPAK M/No:7896



Chairman NG-CDF Committee
Name: Mr. Samuel Naingisa

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

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

Receipts/ Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization Difference e=c-d	% of Utilization f=d/c %
	A	B	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements				
	2021/2022				2021/2022	30/06/2022		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	137,088,879	17,105,842	45,088,879		199,283,601	199,283,601	-	100.0%
Proceeds From Sale of Assets	-	-	-		-	-	-	
Other Receipts	-	-	-		-	-	-	
Totals	137,088,879	17,105,842	45,088,879		199,283,601	199,283,601	-	100.0%
Payments								
Compensa tion Of Employees	3,022,747	961,079	-		3,983,826	3,447,306	536,520	86.5%
Use Of Goods and Services	9,301,706	3,658,140	-		12,959,846	12,758,482	201,364	98.4%
Transfers To Other Governme nt Units	80,400,000	2,028,508	20,985,924		103,414,432	103,385,924	28,508	100.0%

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

Receipts/ Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization Difference e=c-d	% of Utilization f=d/c %
	A	2021/2022	B	Opening Balance (C/Bk) and AIA				
		2021/2022		Opening Balance (C/Bk) and AIA	2021/2022	30/06/2022		
				Previous Years' Outstanding disbursements				
Receipts								
Other Grants and Transfers	44,064,427		10,458,115	18,602,955	73,125,497	72,327,707	797,790	98.9%
Acquisition of Assets	300,000		-	5,500,000	5,800,000	5,180,000	620,000	89.3%
Other Payments	-		-	-	-	-	-	0.0%
Funds Pending Approval*	-		-	-	-	-	-	
Totals	137,088,879		17,105,842	45,088,879	199,283,601	197,099,419	2,184,182	98.9%

***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.

Compensation of Employees is under-utilized due to over budgeting for employees' salaries, gratuity and allowances.

Explanation on the changes between the original and final budget as per IPSAS 1.9.23.1;

- ❖ Kes 17,105,842 is the unutilized funds brought forward from FY 2020/2021 (refer to cashbook/bank closing balance as at 30th June 2021).

**Narok North Constituency
National Government Constituencies Development Fund (NGCDF)
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- ❖ Kes 45,088,879 is the unutilized funds for FY 2020/2021 which was disbursed to the constituency by the NGCDF BOARD in FY 2021/2022, and reallocations within the budget.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	2,184,181
Less undisbursed funds receivable from the Board as at 30 th June 2022	-
Add Accounts payable	2,184,181
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	2,184,181

The Constituency financial statements were approved on _____ 2022 and signed by:



Fund Account Manager

Name: Mr. David Githinji



National Sub-County Accountant

**Name: CPA Joseph Mwangi
ICPAK M/No:7896**



Chairman NG-CDF Committee

Name: Mr. Samuel Naingisa

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

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,022,747	961,079		3,983,826	3,447,306	536,520
1.2 Committee allowances	3,122,973	26,133		3,149,106	3,049,000	100,106
1.3 Use of goods and services	2,066,066	1,266,500		3,332,566	3,285,982	46,585
Sub total	8,211,786	2,253,712	-	10,465,498	9,782,287	683,211
2.0 Monitoring and evaluation						
2.1 Capacity building	1,480,055	1,904,475		3,384,530	3,364,500	20,030
2.2 Committee allowances	2,231,160	445,000		2,676,160	2,709,000	(32,840)
2.3 Use of goods and services	401,452	16,032		417,484	350,000	67,484
Sub total	4,112,666	2,365,507	-	6,478,173	6,423,500	54,673
3.0 Emergency						
3.1 Primary Schools						
KAMURAR PRIMARY SCHOOL			750,000	750,000	750,000	-
OLOLONGOI PRIMARY SCHOOL			750,000	750,000	750,000	-
ENABELBEL NURSERY SCHOOL			650,000	650,000	650,000	-
NCHURRA YIABORI PRIMARY SCHOOL			650,000	650,000	650,000	-
SIKINTER PRIMARY SCHOOL			650,000	650,000	650,000	-

**Narok North Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
SAKUTIEK PRIMARY SCHOOL			750,000	750,000	750,000	-
ILUKUMAE PRIMARY SCHOOL			750,000	750,000	750,000	-
OSONKOROI PRIMARY SCHOOL			750,000	750,000	750,000	-
ENKUSERO PRIMARY SCHOOL			1,000,000	1,000,000	1,000,000	-
OLOLEPO PRIMARY SCHOOL	607,793		492,207	1,100,000	1,100,000	-
ENTYANI PRIMARY SCHOOL	1,100,000			1,100,000	1,100,000	-
NAITUYUPAKI PRIMARY SCHOOL	1,100,000			1,100,000	1,100,000	-
OIMERU PRIMARY SCHOOL	1,100,000			1,100,000	1,100,000	-
OLE KENTA PRIMARY SCHOOL	850,000			850,000	850,000	-
3.2 Secondary schools						-
ILMASHARIANI SEC SCHOOL	650,000			650,000	650,000	-
NTIMAMA SEC SCHOOL	292,207			292,207	292,207	-
SENCHURA SEC SCHOOL	650,000			650,000	650,000	-
3.3 Tertiary institutions						-
3.4 Security projects						-
NAROK COUNTY DCI OFFICE	750,000			750,000	750,000	-
3.5 Others						-
NIDHIWA AGENCIES(FIRE EQUIPMENT)	100,450			100,450	100,450	-
COMMISSIONER OF VAT	2,050			2,050	2,050	-
3.6 Unutilized	(10,293)			(10,293)		(10,293)

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Sub total	7,192,207	-	7,192,207	14,384,414	14,394,707	(10,293)
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	14,272,220	10,458,115	2,828,999	27,559,334	27,454,500	104,834
4.3 Tertiary Institutions	20,000,000	-	3,981,749	23,981,749	23,278,500	703,249
4.4 Universities	-	-	-	-	-	-
4.5 Social Security	-	-	-	-	-	-
Sub total	34,272,220	10,458,115	6,810,748	51,541,083	50,733,000	808,083
5.0 Sports						
5.1	-	-	-	-	-	-
5.2	-	-	-	-	-	-
5.3	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
6.0 Environment						
6.1	-	-	-	-	-	-
6.2	-	-	-	-	-	-
6.3	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
7.0 Primary Schools Projects (List all the Projects)						
OLOLEPO PRIMARY SCHOOL			688,115	688,115	688,115	-

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
OLE MEISI PRIMARY SCHOOL			6,401,549	6,401,549	6,401,549	-
EOR ENTEPESI PRIMARY SCHOOL			1,100,000	1,100,000	1,100,000	-
PULUNGA PRIMARY SCHOOL			2,100,000	2,100,000	2,100,000	-
EMPATIPAT BOARDING PRY SCH			5,500,000	5,500,000	5,500,000	-
MURUA PRIMARY SCHOOL		(14,730)	-	(14,730)	-	(14,730)
SONKORO PRIMARY SCHOOL		(131)	-	(131)	-	(131)
OLE MUGUR PRIMARY SCHOOL			900,000	900,000	900,000	-
NAIRENKE PRIMARY SCHOOL			1,200,000	1,200,000	1,200,000	-
OLOSERIAN PRIMARY SCHOOL			2,400,000	2,400,000	2,400,000	-
Enarau Primary School	1,200,000			1,200,000	1,200,000	-
Enkidikiroto Primary School	1,200,000			1,200,000	1,200,000	-
Entinki Primary School	1,200,000			1,200,000	1,200,000	-
Erusiai Primary School	1,200,000			1,200,000	1,200,000	-
Esanangururi Primary School	1,100,000			1,100,000	1,100,000	-
Imolelian Primary School	1,200,000			1,200,000	1,200,000	-
Iparakuo Primary School	1,200,000			1,200,000	1,200,000	-
Ipolton Primary School	500,000			500,000	500,000	-
J.S Naeku Primary School	2,200,000			2,200,000	2,200,000	-
Kamurar Primary School	1,200,000			1,200,000	1,200,000	-
Kimondi Primary School	1,200,000			1,200,000	1,200,000	-

*Narok North Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kiromodie Primary School	1,100,000			1,100,000	1,100,000	-
Nairasasa Primary School	1,100,000			1,100,000	1,100,000	-
Naitoti Primary School	1,200,000			1,200,000	1,200,000	-
Naningo Primary School	1,100,000			1,100,000	1,100,000	-
Nkareta Primary School	1,100,000			1,100,000	1,100,000	-
Olelusie Primary School	1,200,000			1,200,000	1,200,000	-
Olemwanik Primary School	5,300,000			5,300,000	5,300,000	-
Olenoosiria Primary School	1,200,000			1,200,000	1,200,000	-
Olkeri Primary School	1,200,000			1,200,000	1,200,000	-
Ololoiboti Primary School	1,200,000			1,200,000	1,200,000	-
Olooltoto boarding Primary School	1,100,000			1,100,000	1,100,000	-
Oloolorten Primary School	1,200,000			1,200,000	1,200,000	-
Olesonkoyo Primary School	1,200,000			1,200,000	1,200,000	-
Oltetia Primary School	1,200,000			1,200,000	1,200,000	-
Oseyiai Primary School	2,400,000			2,400,000	2,400,000	-
Ratia Range Primary School	1,200,000			1,200,000	1,200,000	-
Shapaltarakwa Primary School	2,400,000			2,400,000	2,400,000	-
Sikinterr Primary School	1,200,000			1,200,000	1,200,000	-
Topoti Primary School	1,200,000			1,200,000	1,200,000	-
Sub total	42,200,000	(14,861)	20,289,664	62,474,803	62,489,664	(14,861)

**Narok North Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.0 Secondary Schools Projects (List all the Projects)						
Katakala Day Secondary School	5,500,000	43,000		5,543,000	5,500,000	43,000
Entontol Secondary		369	-	369	-	369
Ilmashariani Sec School	2,200,000		696,260	2,896,260	2,896,260	-
Nkareta Secondary school	1,000,000	2,000,000		3,000,000	3,000,000	-
Enkusero Secondary School	3,600,000			3,600,000	3,600,000	-
Entiyani Secondary School	500,000			500,000	500,000	-
Iltareto day Secondary School	8,000,000			8,000,000	8,000,000	-
Ole Kenta Secondary School	5,400,000			5,400,000	5,400,000	-
Olimariko Secondary School	1,200,000			1,200,000	1,200,000	-
Olopirik day Secondary School	3,600,000			3,600,000	3,600,000	-
Olorropil Secondary School	2,400,000			2,400,000	2,400,000	-
Purko Secondary School	1,200,000			1,200,000	1,200,000	-
Rokonka Secondary School	3,600,000			3,600,000	3,600,000	-
Sub total	38,200,000	2,043,369	696,260	40,939,629	40,896,260	43,369
Sub total						
9.0 Tertiary institutions Projects (List all the Projects)						
9.1	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
10.0 Security Projects						

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Olpusimoru Police Post			2,000,000	2,000,000	2,000,000	-
Sakutiek Police Station			2,600,000	2,600,000	2,600,000	-
Olokurto Police Station	2,600,000			2,600,000	2,600,000	
Sub total	2,600,000	-	4,600,000	7,200,000	7,200,000	-
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	300,000		5,500,000	5,800,000	5,180,000	620,000
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-	-
Sub total	300,000	-	5,500,000	5,800,000	5,180,000	620,000
12.0 Others						
12.1 Strategic Plan	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
Funds pending approval**	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
Grand Total	137,088,879	17,105,842	45,088,879	199,283,601	197,099,419	2,184,182

(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-Narok North 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 30th June 2021 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.

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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO.B105228	34,392,619	
AIE NO.B105533	44,000,000	
AIE NO.B105895	24,000,000	
AIE NO.B128652	5,000,000	
AIE NO.B128965	26,000,000	
AIE NO.B154162	38,088,879	
AIE NO.B089067	10,696,260	
AIE NO.B096990		18,000,000
AIE NO.B104656		23,000,000
AIE NO.A823699		27,367,724
AIE NO.B104905		1,000,000
AIE NO.B124633		9,000,000
AIE NO.B119602		10,000,000
AIE NO.B119992		13,000,000
AIE NO.B128233		6,900,000
AIE NO.B129195		6,000,000
AIE NO.B132289		6,000,000
AIE NO.B138958		13,000,000
AIE NO.B126250		6,100,000
AIE NO.B105045		10,000,000
AIE NO.B140688		12,000,000
TOTAL	182,177,758	161,367,724

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Notes to the Financial Statements (Continued)

2. Proceeds from Sale of Assets

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

4. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,191,737	2,076,671
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	1,233,569	-
Employer Contributions Compulsory national social security schemes	22,000	21,600
Total	3,447,306	2,098,271

Narok North Constituency
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Notes to the Financial Statements (Continued)

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	5,758,000	7,477,000
Utilities, supplies and services	1,575,600	1,016,523
Communication, supplies and services	-	48,002
Domestic travel and subsistence	280,500	437,000
Printing, advertising and information supplies & services	26,130	105,146
Rentals of produced assets	-	-
Training expenses	3,364,500	755,000
Hospitality supplies and services	333,550	292,560
Other committee expenses	-	-
Committee allowance		
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	1,020,530	325,318
Other operating expenses	48,672	84,167
Routine maintenance – vehicles and other transport equipment	351,000	588,240
Routine maintenance – other assets	-	20,500
Total	12,758,482	11,149,455

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	62,489,664	77,897,949
Transfers To Secondary Schools (See Attached List)	40,896,260	33,179,171
Transfers To Tertiary Institutions (See Attached List)	-	-
Total	103,385,924	111,077,120

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Notes to The Financial Statements (Continued)

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	27,454,500	8,012,885
Bursary – tertiary institutions (see attached list)	23,278,500	16,691,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programs (NHIF)	-	-
Security projects (see attached list)	7,200,000	150,000
Sports projects (see attached list)	-	-
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	14,394,707	798,241
Total	72,327,707	25,652,126

8. Acquisition of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	5,180,000	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	5,180,000	-

9. Other Payments

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

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Notes to the Financial Statements (Continued)

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
<i>EQUITY BANK NAROK 0360263540325</i>	2,184,182.17	17,105,842
Total	2,184,182.17	17,105,842
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

11: Outstanding Imprests

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

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

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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	-	-

12B. Gratuity

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

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	17,105,842.43	1,592,090
Cash in hand	-	-
Imprest	-	4,123,000
Total	17,105,842	5,715,090

Notes to the Financial Statements (Continued)

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

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

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

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	536,520	961,079
Use of goods and services	201,363	3,658,139
Amounts due to other Government entities (see attached list)	28,508	23,014,432
Amounts due to other grants and other transfers (see attached list)	797,791	29,061,071
Acquisition of assets	620,000	5,500,000
Funds pending approval	-	-
Total	2,184,181	62,194,721

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	3,172,184	5,794,198
Total	3,172,184	5,794,198

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Annexes
Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees	Payment of staff salaries	536,520	961,079	Ongoing
Use of goods & services	Purchase of Fuel, Office tea, stationary	201,364	3,658,139	Ongoing
Sub total		737,884	4,619,218	
Amounts due to other Government entities				
Ololepo Primary School	Construction of four door pit latrine to completion	-	688,115	Project now Complete and in Use
Ole Meisi Primary School	Construction of 96 student capacity dormitory to completion and supply of fifty desks	-	6,401,549	Project now Complete and in Use
Eor Entepesi Primary School	Construction of one classroom to Completion	-	1,100,000	Project now Complete and in Use
Pulunga Primary School	Construction of two classrooms to Completion	-	2,100,000	Project now Complete and in Use
Empatipat Boarding Pry School	Construction of 96 student capacity dormitory to completion	-	5,500,000	Project now Complete and in Use
Murua Primary School	Construction of one classroom to Completion	(14,730)	(14,730)	Project now Complete and in Use

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Sonkoro Primary School	Construction of one classroom to Completion	(131)	(131)	Project now Complete and in Use
Ole Mugur Primary School		-	900,000	Project now Complete and in Use
Nairenke Primary School	Construction of one classroom to Completion	-	1,200,000	Project now Complete and in Use
Oloserian Primary School	Construction of two classrooms to Completion	-	2,400,000	Project now Complete and in Use
SECONDARY SCHOOLS				
Katakala Day Secondary School	Construction of one classroom to Completion	43,000	43,000	Project now Complete and in Use
Entontol Secondary	Construction of one classroom to Completion	369	369	Project now Complete and in Use
Ilmashariani Sec School	Construction of four door pit latrine to completion	-	696,260	Project now Complete and in Use
Nkareta Secondary school	Construction of administration block to completion co-funding with PTA	-	2,000,000	Project now Complete and in Use
Sub-Total		28,508	29,014,492	
Amounts due to other grants and other transfers				
Bursary Secondary School	Payment of bursary to needy students in sec schools	104,834	13,287,114	Ongoing

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Bursary Tertiary Institutions	Payment of bursary to needy students in tertiary institutions	703,249	3,981,749	Ongoing
Social Security(NHIF)		-	-	
Constituency Sports Project		-	-	
Constituency Environment Project		-	-	
Security Projects	Construction of Armoury, pit latrine OB desk and Cell	-	4,600,000	Project now Complete and in Use
Emergency(unutilised)	To address any unforeseen occurrences in the constituency within the financial year	(10,293)	7,192,207	Project now Complete and in Use
Sub-Total				
Acquisition of assets				
Purchase of Vehicles and Other Transport Equipment	Purchase of motor cycle and payment of motor vehicle insurance	620,000	5,500,000	Ongoing
Others (specify)				
Sub-Total				
Funds pending approval				
Grand Total		2,184,181	62,194,720	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	-	-	-	-
Buildings and structures	6,133,133	-	-	6,133,133
Transport equipment	4,535,000	5,180,000	-	9,715,000
Office equipment, furniture and fittings	3,055,913	-	-	3,055,913
ICT Equipment, Software and Other ICT Assets	795,000	-	-	795,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	14,519,046	5,180,000	-	19,699,046

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Annex 5 –PMC Bank Balances as at 30th June 2022

PMC	Bank	Account number	Date of Account Opening	Bank Balance 2021/22	Bank Balance 2020/21
Naisoya Primary School	Equity	0360269100301	20.07.2020		1,548,688
Empatipat Primary School	Equity	0360279791511	20.07.2020		1,000
Enaibor Ajjik Primary School	Equity	0360279027260	20.07.2020		767,817
Maasai Mara University Model Pry Sch	Equity	0360271951298	20.07.2020		3,000
Osonkoroi Primary School	Equity	0360266085221	18.08.2020		180
Olepolos Primary School	Equity	0360269217390	18.09.2020		3,000,835
Olpusimoru Primary School	Equity	0360268504219	18.09.2020		366
Olorropil Primary School	Equity	0360270322453	18.09.2020		380
Olturoto Primary School	Equity	0360280270478	18.09.2020		16,222
Ilkinye Primary School	Equity	0360265858527	29.10.2020		200
Erusiai Primary School	Equity	0360277197076	10.11.2020		52,060
Ntorobo Primary School	Equity	0360280276400	10.11.2020		540
Naituyupaki Primary School	Equity	0360280280687	10.11.2020		25
Iltareto Primary School	Equity	0360277503850	10.11.2020		500
Olokirikirai Primary School	Equity	0360280325184	10.11.2020		800

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PMC	Bank	Account number	Date of Account Opening	Bank Balance 2021/22	Bank Balance 2020/21
Olomayana Primary School	Equity	0360280641006	11.11.2020		873
Ole Kingara Primary School	Equity	0360280643548	13.11.2020		200
Eoro Entepesi Primary School	Equity	0360280645314	18.11.2020		120
Narok North Environment Pmc account	Equity	0360271575652	27.11.2020		400,392
Oloolorten Primary School	Equity	0360282111305	13.07.2021	1,000	
Enkidikiroto Primary School	Equity	0360282198003	13.07.2021	800	
Olelusie Primary School	Equity	0360263864623	13.07.2021	480	
Erusiai Primary School	Equity	0360277197076	13.07.2021	450	
Olemwanik Primary School	Equity	0360282081269	26.08.2021	149	
Olkeri Primary School	Equity	0360282322332	26.08.2021	56,690	
Entiki Primary School	Equity	0360282486775	18.11.2021	100,000	
Kimondi Primary School	Equity	036026845550	18.11.2021	200	
Ratia range Primary School	Equity	0360282235412	18.11.2021	56,690	
Shapatara Primary School	Equity	0360279640945	18.11.2021	959	
Kamurarr Primary School	Equity	0360271018397	18.11.2021	488,150	
Naitoti Primary School	Equity	0360271937655	18.11.2021	57,320	

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PMC	Bank	Account number	Date of Account Opening	Bank Balance 2021/22	Bank Balance 2020/21
Enarau Primary School	Equity	0360282129674	18.11.2021	200	
Ipoton Primary School	Equity	0360268551836	18.11.2021	997	
Ilmolelian Primary School	Equity	0360280270478	18.11.2021	56,690	
Nkareta Primary School	Equity	0360282439313	18.11.2021	41,966	
Oltetia Primary School	Equity	0360271935998	12.01.2022	52,400	
Iparakwa Primary School	Equity	0360282354017	12.01.2022	56,690	
Topoti Primary School	Equity	0360282456679	12.01.2022	690	
Ololoiboti Primary School	Equity	0360277446481	08.02.2022	178,210	
Sinkiterr Primary School	Equity	0360278750326	08.02.2022	57,370	
Naningo Primary School	Equity	0360282082680	08.02.2022	500	
Nairasura Primary School	Equity	0360282221728	08.03.2022	51,766	
Rokonka Secondary School	Equity	0360282086060	08.03.2022	178,080	
Enkusero Sec School	Equity	0360282094163	08.03.2022	219,309	
Olmariko Sec School	Equity	0360282081013	08.03.2022	58,690	
Ole kenta Sec School	Equity	0360278907239	08.03.2022	798,304	
Entiyani Sec School	Equity	0360278993085	08.03.2022	3,700	

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PMC	Bank	Account number	Date of Account Opening	Bank Balance 2021/22	Bank Balance 2020/21
Olopirik Day sec School	Equity	0360282094779	08.03.2022	99,069	
Purko Secondary School	Equity	0360280775640	08.03.2022	175,891	
Nkareta sec School	Equity	0360266108799	18.11.2021	23,355	
Iltareto Day sec School	Equity	0360277503850	18.11.2021	141	
Olorropil sec School	Equity	0360282084062	18.11.2021	113,379	
Ilmasharian sec School	Equity	0360281340391	18.11.2021	200,100	
Katakala Day & Boarding Sec School	Equity	0360277622328	18.11.2021	4,548	
Olooitoto Boarding Primary School	Equity	0360279662566	18.11.2021	940	
Olokurto police Station	Equity	0360282598590	18.11.2021	36,312	
Total				3,172,184	5,794,198

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>4.1 Training Needs Assessment</p>	<p>The statement of receipts and payments shows that Kshs11,149,456 was spend on use of goods and services. Included in this figure under Note 5 is Kshs. 755,000 training expenses which is not supported by a training needs assessment as required by Section H.3 (1) of the Public Service Commission Human Resource manual of May 2016.</p> <p>Under the circumstances the audit could not confirm if the training achieved value for money.</p> <p>Risk(s)/Effect(s)/Implications The trainings carried out may not have been tailored to improving the Narok North's Constituency Fund's performance resulting to non-achievement of value for money and thus affecting service delivery to the residents of Narok North Constituency.</p> <p>Recommendation Future trainings to be done in accordance with a documented and approved training needs assessment report.</p>	<p>Management appreciates the audit Findings and recommendations and commits that future trainings will be based on training needs assessment as required by Section H.3 (1) of the Public Service Commission Human Resource manual of May</p>	<p>Resolved</p>	<p>30.06.2022</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)						
		2016.								
4.2 Emergency Reserve	<p>Reported in the statement of receipts and payments is Kshs. 25,652,126 other grants and other payments. Included under Note 7 to the financial statements is Emergency expenditure of Kshs. 798,241. It was observed that the Fund did not report the utilization of the emergency reserve to the board within thirty (30) days of the occurrence of the emergency as required in Section 20 (2) of the National Government Constituencies Development Fund Regulations 2016.</p> <p>Risk(s)/Effect(s)/Implications The fund is not being operated as per the law.</p> <p>Recommendation The fund should report the utilization of the emergency reserve to the board within the stipulated time.</p>	<p>Management appreciates the audit Findings and recommendations and confirms that the emergency was reported to the board in August 2020 and the letter is hereby provided for audit review and verification.</p>	Resolved	30.06.2022						
4.3 Use of Incomplete Projects	<p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government entities of Kshs. 111,077,120. This amount includes transfer to different Primary schools of Kshs. 77,897,949 for various projects. During verification we realized that some projects have been put into use before they are complete and before the projects are officially handed over to the Schools. Inspection reports or completion certificates from the engineer were not availed as indicated in the attached schedule.</p> <table border="1"> <thead> <tr> <th>School</th> <th>Project</th> <th>Amount Kshs</th> </tr> </thead> <tbody> <tr> <td>Olturoto primary School</td> <td>Construction of two class rooms</td> <td>2,400,000</td> </tr> </tbody> </table>	School	Project	Amount Kshs	Olturoto primary School	Construction of two class rooms	2,400,000	<p>The management appreciates the audit Findings and recommendations however the projects were under construction during the time of audit. They are now complete and in use.</p> <p>Inspection reports</p>	Resolved	30.06.2022
School	Project	Amount Kshs								
Olturoto primary School	Construction of two class rooms	2,400,000								

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)																																		
<p>4.4 Failure to Maintain PMC Meeting Minutes</p>	<table border="1" data-bbox="432 943 611 1731"> <tr> <td>Emaiyan Primary School</td> <td>Construction of two classes</td> <td>2,200,000</td> </tr> <tr> <td>Emaiyan Primary School</td> <td>Construction of two classes</td> <td>2,400,000</td> </tr> <tr> <td>Total</td> <td></td> <td>7,000,000</td> </tr> </table> <p>Risk(s)/Effect(s)/Implications The fund is not adhering to government laid down procedures of construction</p> <p>Recommendation The management should follow up to ensure that the PMC maintain all required documents and decisions are made through minute resolutions as is required in law.</p> <p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects transfers to other government entities of Kshs. 111,077,120. However, a review of the transfers supporting documents revealed that there were no PMC meeting minutes for projects worth Kshs. 18,479,171 as listed below:</p> <table border="1" data-bbox="1129 943 1460 1787"> <thead> <tr> <th>Payee</th> <th>Date</th> <th>P.V No.</th> <th>Cheque No.</th> <th>Amount(Kshs.)</th> </tr> </thead> <tbody> <tr> <td>Katakala Sec School</td> <td>20.07.2020</td> <td>5</td> <td>4627</td> <td>2,730,000</td> </tr> <tr> <td>Katakala Sec School</td> <td>18.09.2020</td> <td>14</td> <td>4642</td> <td>5,457,000</td> </tr> <tr> <td>Katakala Sec School</td> <td>10.11.2020</td> <td>31</td> <td>4679</td> <td>1,092,171</td> </tr> <tr> <td>Emaiyan</td> <td>25.03.2021</td> <td>52</td> <td>4941</td> <td>2,200,000</td> </tr> </tbody> </table>	Emaiyan Primary School	Construction of two classes	2,200,000	Emaiyan Primary School	Construction of two classes	2,400,000	Total		7,000,000	Payee	Date	P.V No.	Cheque No.	Amount(Kshs.)	Katakala Sec School	20.07.2020	5	4627	2,730,000	Katakala Sec School	18.09.2020	14	4642	5,457,000	Katakala Sec School	10.11.2020	31	4679	1,092,171	Emaiyan	25.03.2021	52	4941	2,200,000	<p>and completion certificates are now available for audit verification.</p>		
Emaiyan Primary School	Construction of two classes	2,200,000																																				
Emaiyan Primary School	Construction of two classes	2,400,000																																				
Total		7,000,000																																				
Payee	Date	P.V No.	Cheque No.	Amount(Kshs.)																																		
Katakala Sec School	20.07.2020	5	4627	2,730,000																																		
Katakala Sec School	18.09.2020	14	4642	5,457,000																																		
Katakala Sec School	10.11.2020	31	4679	1,092,171																																		
Emaiyan	25.03.2021	52	4941	2,200,000																																		
		<p>Management appreciates the audit findings and confirms that in some instances the PMC's pass verbal resolutions and thus their meeting minutes are not always available in the project file. Management will however take immediate action to ensure enforcement of</p>	Resolved	30.06.2022																																		

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Reference No. on the external audit Report	Issue / Observations from Auditor						Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Primary School						documenting this resolutions going forward.		
	Enaibor Primary School	20.07.2020	7	4628		2,000,000			
	Olepolos Primary School	18.09.2020	17	4645		3,000,000			
	Naisoya Primary School	20.07.2020	3	4624		1,500,000			
	Naisoya Primary School	18.09.2020	12	4639		500,000			
	Total					18,479,171			
	<p>In the circumstances the fund is not being operated as per the law.</p> <p>Risk(s)/Effect(s)/Implications The fund is not being run as per the law</p> <p>Recommendation The Fund Manager to provide acknowledgement letters or receipts</p>								
4.5 Implementation Status	<p>Physical verification of project implementation undertaken on 25 April, 2022 revealed the following anomalies: -</p> <p>(i) Olepolos Primary School – Construction of 96 Beds Capacity Dormitory Block</p> <p>As previously reported in the audit inspection done on 26 January, 2021 and reported in the 2019/2020 OAG report a</p>						<p>i. Olepolos Primary School – Construction of 96 Beds Capacity Dormitory Block</p> <p>The contractor is on site addressing the undone works</p>	Resolved	30.06.2022

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>project verification done on 25 April, 2022 revealed that the dormitory was still incomplete, although painting and decoration, plastering of the floor, ceiling works, windows, doors, were done contractor was not on site and electric works and mechanical works were not done, Engineers, certificates of payment and invoices were not provided for the Kshs. 3,900,000 transferred to Towfiq Building Construction Limited.</p> <p>(ii) Naituyupaki Primary School-Construction of Two Classroom</p> <p>Audit inspection done revealed Damaged floor with hollow cracks and missing window inches and stoppers. A detailed certificate of competition for Kshs. 2,400,000 transferred to the project was not availed for audit verification.</p> <p>(iii) Anaibor Ajjjik Primary School- Construction of a School Dormitory</p> <p>Audit inspection done on 25 April, 2022 revealed that the dormitory was incomplete on Ceiling, Floor, painting, electrical works, Toilet plastering and painting not done. Further the contractor was not on site, dented roofing, floor and ceiling is damaged. A detailed certificate of competition for Kshs. 4,000,000 transferred to the project was not availed for audit verification.</p> <p>(iv) Olturoto Primary School-Construction of Two Classes</p>	<p>on electrical works upon completion the works Officer will issue certificate of practical completion.</p> <p>ii. Naituyupaki Primary School-Construction of Two Classroom The contractor is on site making good the defects. Upon completion the works Officer will issue certificate of practical completion.</p> <p>iii. Anaibor Ajjjik Primary School-Construction of a School Dormitory The contractor has addressed the defects and awaiting the works officer to visit the</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Audit inspection done revealed that the classrooms are incomplete, on painting, missing window panes, and the entrance veranda is not done. The contractor was not on site, the floor is damaged and window panes are loose. A detailed certificate of competition for Kshs. 2,400,000 transferred to the project was not availed for audit verification.</p> <p>Risk(s) / Effect(s) / Implications There is a risk that the constituents are not getting value for money with incomplete projects.</p> <p>Recommendation The management has not explained the reasons the projects are taking long to be completed and poor workmanship. The fund should ensure rigorous training is carried for the implementing PMC's and appraise them on the relevant government institutions that should be involved for any government project that they carry out to ensure value for money, compliance to government procedures as well as the well-being of the end users of such projects.</p>	<p>site and issue of certificate of practical completion.</p> <p>iv. Olturoto School-Primary Construction of Two Classes We appreciate the audit findings, and would wish to draw your attention to the fact that the block of three classrooms you verified were funded by different entities as follows:</p> <ul style="list-style-type: none"> • 2no. classrooms by NG - CDF NAROK NORTH • 1no. classroom by NAROK 		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>COUNTY GOVERNMENT</p> <p>The Classroom with missing window panes and the entrance veranda was constructed by NAROK COUNTY GOVERNMENT and not NG-CDF NAROK NORTH</p>		
<p>4.6 Cash and Cash Equivalents</p>	<p>The statement of assets and liabilities reflect a cash and cash equivalent balance of Ksh. 17,105,842 as at 30 June, 2021. Examination of bank reconciliation statement for Recurrent A/c NO: 0360263540325 held at Equity Bank of Kenya Limited for the year ended 30 June, 2021 revealed unrepresented cheques totaling Kshs. 5,359,298.18 whose clearance dates could not be confirmed. Further, Kshs. 22,620 bank charges have not been recorded in the cash book but reported as a reconciling item. Annex 5 to the financial statements is FMC bank balances as at 30 June, 2021 Kshs. 8,834,269. However, the balance is not supported by cash books and bank reconciliation statements.</p>	<p>Management appreciates the audit observation and confirms that the cashbook has since been updated in the beginning of the financial year 2021-2022 to include the expense for the bank charges and all stale cheques</p>	Resolved	01.07.2021

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Risk(s)/Effect(s)/Implications The cash and cash equivalent may be understated by the amount of un-presented cheques.</p> <p>Recommendation The cashbook should be updated to include the bank charges and any un-presented cheques which have not cleared within 6 six months should be written back to the cash book.</p>	written back to the cashbook.		

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 David Muriithi Githinji
 Fund Account Manager.