

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
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THE AUDITOR-GENERAL

ON

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

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

29 JUN 2023
Hon. Neom, Thursday
Deputy Majority Party Whip
Ar. Shituko



SIGOR CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND



ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th JUNE 2022

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

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

Table of Contents

	Page
I. Key Constituency Information and Management.....	iii
II. NG-CDFC CHAIRMAN’S REPORT.....	vii
III. Statement of Performance Against Predetermined Objectives for FY 2021/22.....	x
IV. Environmental and Sustainability Reporting.....	xiii
V. Statement of Management Responsibilities.....	xvii
VI. Report of the Independent Auditors on the NGCDF- Sigor Constituency.....	xviii
VII. Statement of Receipts and Payments for the Year Ended 30th June 2022.....	1
VIII. Statement of Assets and Liabilities as at 30th June, 2022.....	2
IX. Statement of Cash Flows for the Year Ended 30th June 2022.....	3
X. Summary Statement of Appropriation for the Year Ended 30th June 2022.....	4
XI. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022...	6
XII. Significant Accounting Policies.....	12
XIII. Notes to the Financial Statements.....	18

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

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

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

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

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

(c) Fiduciary Management

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

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

No	Designation	Name
1.	A.I.E holder	Edwin Siele
2.	Sub-County Accountant	Stanley Mutai
3.	Chairman NGCDFC	Clement Lomuto
4.	Member NGCDFC	Nicholas Molo

(d) Fiduciary Oversight Arrangements

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

P.O. Box 1 - 30603
NGCDF Building
Sigor Lomut Road,
Weiwei, KENYA

(f) Sigor Constituency NGCDF Contacts

Telephone: (254) 728573065
E-mail: cdfsigor@ngcdf.go.ke
Website: www.go.ke

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

(a) SIGOR Constituency NGCDF Bankers

Equity Bank,
Account No 1070296968337

Kapenguria Branch
P. O Box
Kapenguria.

(g) Independent Auditors

Auditor General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

Nairobi, Kenya

(h) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

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

II. NG-CDFC CHAIRMAN'S REPORT

CLEMENT LOMUTO

NG-CDFC CHAIRMAN



NG-CDF Sigor Constituency

The fund for constituency development was introduced in Kenya by the former president, His Excellency Hon. Mwai Kibaki in 2003. It was commonly known as Constituency Development Fund (CDF) and established in CDF Act, 2003. After review and amendment, the CDF Act, 2003 has currently been substituted by the National Government Development Funds (NG-CDF), Acts, 2015. The NG-CDF Act provides that the National Government share at least 2.5% of its ordinary revenue with the constituencies in the country. The ultimate purpose of the fund was to achieve equitable distribution of development across the country and eliminate regional development imbalances resulted from partisan politics. This fund targets all the constituency development projects and particularly those aimed at fighting extreme poverty at the grass-root level.

In Sigor Constituency, since its inception, the funds have facilitated several development projects in the constituency ranging from providing water by drilling boreholes, improving and supporting healthcare facilities, bridge, and road network improvement and improving educational facilities. Despite the intervention, the constituency still faces a number of challenges ranging from rampant insecurity concerns personnel and infrastructural, environmental degradation, inadequate learning facilities and infrastructural development, a huge volume of unemployed youths posing threat to the security sector and insufficient clean water. The reviewed areas of intervention by the NG-CDF Act 2015, aims at supporting areas of education, security, environment, youth, and sports, provide a great opportunity to combat such challenges in the constituency.

Rationale for Strategic Plan Development

Being the first-ever strategic plan being developed in the constituency, its development conforms with the National Government reform agenda to enhance service delivery to the constituents across the country. Moreover, the plan is aligned in meeting the National, Regional and Global goals and objectives in various sectors of the social economy.

This strategic plan is developed to build and expand the framework for public participation in project identification and implementation to ensure involvement, inclusion, ownership and of course control of resources, processes along with their outcome and opportunities.

The plan does provide a clear direction in terms of communication, resource mobilization feedback, monitoring and evaluation (M&E) and learning mechanism

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

1.2 The Strategic Plan Methodology

The development of plan 2018/23 is a result of a collaborative effort from various stakeholders both in at the national and constituency level include; the relevant government departments, civic and religious leaders, special interest groups and Non-Government Organizations (NGOs). The steps undertaken to develop the plan are as follows:

1. Sensitizing the community on the need to develop strategic plan.
2. Holding stakeholders and consultative forums and workshops.
3. Conducting field visits across the constituency and obtaining information on strategic areas of focus.
4. Gathering and analysing information from stakeholders on strategic issues and priority areas
5. Reviewing policy documents on the strategic issues
6. Strategic plan preparation and development

BUDGET PERFORMANCE

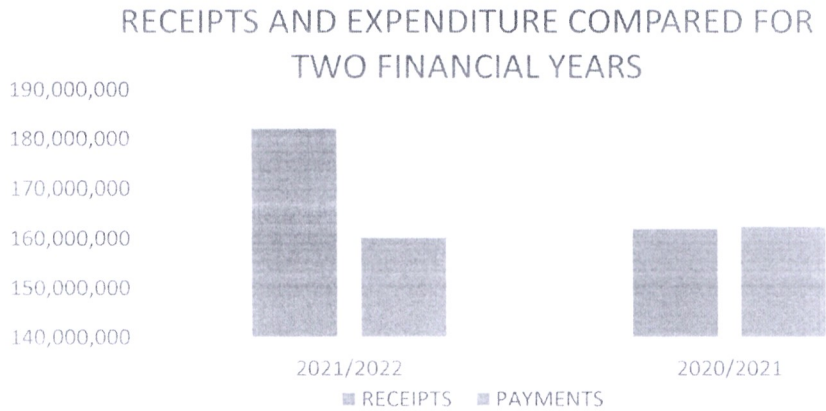
Guided by the vision of Sigor Constituency, which is to be a leading Constituency in the effective and efficient management of the fund. Sigor NG CDF has continued to implement in a well-organized and coordinated manner the various projects which follows clearly set performance indicators and time frame, under each of the four strategic priorities namely: education infrastructure and bursary, security, environment and sports through equity and sustainable development in poverty eradication at community level.

Sigor NG- CDF has made significant progress in its budget especially on the completion rates of the funded projects.

RECEIPTS AND EXPENDITURE COMPARED FOR TWO FINANCIAL YEARS

	2021/2022	2020/2021	
RECEIPTS	182,177,758	161,967,724	
PAYMENTS	161,871,532	162,410,249	

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



Otiot Secondary school 80 student capacity dormitory. Completed and handed over to use. Students now have conducive learning environment and more time to study and retention.



Chemutlokoty primary school, 80 student capacity dining hall completed and handed over to use by the school. Students now have social hall to hold activities and events jointly and had been put to use by the community around.

Implementation challenges

Challenges ranging from rampant insecurity concerns, personnel and infrastructural, environmental degradation, inadequate learning facilities and infrastructural development, a huge volume of unemployed youths posing threat to the security sector and insufficient clean water.

Signature.....
Clement Lomuto *[Handwritten Signature]*

CHAIRMAN NGCDF COMMITTEE

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

III. Statement of Performance against Predetermined Objectives for FY 2021/22

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 Sigor Constituency 2018-2022 plan are to:

Strategic Issues	Strategic Objectives	Strategies
Education	<ul style="list-style-type: none">• To improve access to quality Education	<ul style="list-style-type: none">• Improve on infrastructural development• Strengthening and supporting students programmes
Security	<ul style="list-style-type: none">• To strengthen security in the Constituency	<ul style="list-style-type: none">• Improve security facilities• Strengthen community policing
Environment	<ul style="list-style-type: none">• To combat the effect of environmental degradation	<ul style="list-style-type: none">• Establish environmentally sustainable programmes• Enhance protection of water catchment areas
Youth and Sports	<ul style="list-style-type: none">• To harness youths talents and support sport development	<ul style="list-style-type: none">• Establish and support local youths Teams• Campaign against drug use and substance abuse
Communication & Dissemination of information	<ul style="list-style-type: none">• To enhance effective communication and sharing of Information	<ul style="list-style-type: none">• Enhance engagement with all relevant stakeholders• Enhance media relation to reach out

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

to the public

Database	• To improve data storage,	• Developing database management
Management	integration and sharing	System
System	Information	• Develop capacity of the staffs

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance school's infrastructure to enhance facilities and provide Conducive Learning environment for children	Number of usable Physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	Number of classrooms increased by 15 in primary schools and by 2 in secondary schools
Water and Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Equip schools and public facilities with Sanitation Facilities	Number of sanitation facilities built in primary and secondary Number of trees Planted	Improved hygiene
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and Enhance Provincial Administration and other security organs infrastructure to enhance service Delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	Improved security

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

Constituency Program	Objective	Outcome	Indicator	Performance
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through Sports	Number of youth groups benefitting from the sports programs	Improved talent creation and management

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

IV. Environmental and Sustainability Reporting

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

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

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

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

The communities in Sigor constituency derive their livelihood from the environment. Food, water, pasture for livestock among others, are acquired from the environment that ought to be protected. However, the constituency experiences environmental challenges and concerns that eventually have great and negative impact to people's livelihood. Some of the environmental challenges include: deforestation for settlement, land for cultivation and burning charcoal. Destroying the environment has a negative impact on the climate change leading to ice melting hence raising global temperatures. The impact of the climate change is evident in the constituency in the quest for pasture, water and dwindled agricultural yields. Measures are required in the constituency to mitigate the impact of the climate change and environmental concerns. These measures may include;

- Establishing other sources of fuel other than charcoal and firewood is critical in conserving environment against degradation.
- Need to support sustainable development project in the constituency.
- Need for the constituency to practise agro-forestation, re-forestation and afforestation to combat issues on climate change and harsh weather environment in the

Region

- Establish environmentally sustainable programmes
- Enhance protection of water catchment areas

Other than the effects mentioned above, the constituency is also blessed with mountainous ecosystem which covers almost 40% of the constituency. These Mountainous ecosystems exist in both lowlands and highlands and are particularly fragile and highly susceptible to erosion and landslides. They are especially important for biodiversity conservation since many harbours unique assemblages of plants and animals, including high levels of endemic species. Mountains are an important source of water. For example, Mt. Mtelo, Mt. Koghogh, Nasolot hills, Lelan Highlands and Cherangani Hills.

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

These mountain ecosystems have been subjected to a variety of uses and in the process have been exposed to degradation. The main drivers of mountain ecosystems degradation are;

- i. deforestation,
- ii. illegal logging,
- iii. poaching of wild plants and animals,
- iv. fires and mining,
- v. uncontrolled grazing,
- vi. Encroachment and the effects of climate change.

3. Employee welfare

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

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

Sigor NGCDF Constituency is committed to fair and ethical market practices.

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 practices 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 honoring all contracts and settling payments promptly.

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

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-

Sigor NGCDF has endeavored 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.

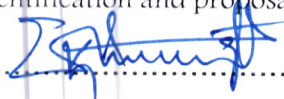
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



Name; Edwin Siele

Ag. FAM Sigor Constituency

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

V. Statement of Management Responsibilities

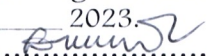
Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form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

The Accounting Officer in charge of the NGCDF-Sigor 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.

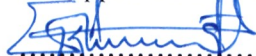
The Accounting Officer in charge of the NGCDF-Sigor Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Sigor Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control. The Accounting Officer in charge of the NGCDF Sigor 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- Sigor Constituency financial statements were approved and signed by the Accounting Officer on

4/5 2023


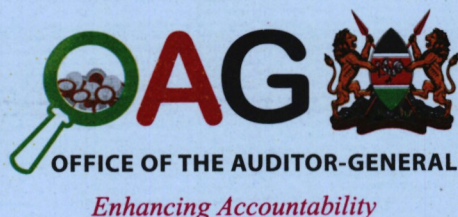
Name: Clement Lomuto
Chairman – NGCDF Committee



Name: Edwin Siele
Fund Account Manager

REPUBLIC OF KENYA

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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Sigor Constituency set out on Pages 1 to 33, which comprise the statement of assets and liabilities as at 30 June, 2022, statement of receipts

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

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

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

Basis for Qualified Opinion

1. Variances in Financial Statements

The following variances in the financial statements were noted;

- 1.1 The statement of receipts and payments reflects comparative compensation of employees expenditure of Kshs.4,002,037 while Note 4 reflects Kshs.3,745,465 resulting to an unexplained nor variance of Kshs.256,572;
- 1.2 The statement of receipts and payments reflects comparative use of goods and services expenditure of Kshs.9,615,811 while Note 5 reflects Kshs.9,606,411 resulting to an unexplained nor variance of Kshs.9,400;
- 1.3 The statement of receipts and payments reflects comparative transfers to other government units expenditure of Kshs.57,998,354 while Note 6 reflects Kshs.58,598,354 resulting to an unexplained nor variance of Kshs.600,000.

In the circumstances, the accuracy of the above amounts included in these financial statements could not be confirmed.

2. Unsupported Expenditure on Committee Allowances

The statement of receipts and payments reflects use of goods and services amount of Kshs.12,062,371 as disclosed in Note 5 to the financial statements. The amount includes committee allowance amount of Kshs.5,475,000 which was not supported by invitation letters to attend meetings, attendance register and committee minutes.

In the circumstances, the accuracy, completeness and occurrence of committee allowance expenditure of Kshs.5,475,000 could not be confirmed.

3. Unacknowledged Bursary Disbursements

The statement of receipts and payment reflect other grants and transfers of Kshs.64,346,455 as disclosed in Note 7 to the financial statements. The transfers include bursary disbursements to tertiary institutions and secondary schools of Kshs.54,698,950.

However, only Kshs.33,673,950 was acknowledgement by official receipts from the respective institutions resulting to an unexplained variance of Kshs.21,025,000.

In the circumstances, the accuracy and completeness of bursary disbursements of Kshs.21,025,000 could not be confirmed.

4. Unsupported Fuel Payments

The statement of receipts and payments reflects use of goods and services amount of Kshs.12,062,371 as disclosed in Note 5 to the financial statements which includes fuel, oil and lubricants amount of Kshs.696,000. However, this payment was not supported by work tickets, detail orders, suppliers fuel statements and fuel register contrary to Regulation 104(1) of Public Finance Management regulations, 2015 which states that all receipts and payments of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

In the circumstances, the accuracy, completeness and occurrence of fuel, oil and lubricants expenditure of Kshs.696,000 could not be ascertained.

5. Stale Cheques

The statement of assets and liabilities reflects bank balance of Kshs.27,429,113 as disclosed in Note 10A to the financial statements. Included in the balance are unrepresented cheques amounting to Kshs.10,916,332 out of which Kshs.2,996,248 were stale cheques which had not been reversed in the cashbook.

In the circumstances, the accuracy and completeness of bank balance of Kshs.2,996,248 could not be confirmed.

6. Unsupported Project Management Committee Bank Balance

Note 17.4 reflects project management committee (PMC) bank balance of Kshs.35,339,477 held in twenty-six (26) commercial banks as disclosed in Annex 5 to the financial statements. However, the respective certificates of bank balances, cash books, bank reconciliation statements and bank statements were not provided for audit. In addition, during the year under review Kshs.79,500,000 was disbursed to fifty-eight (58) projects, an indication of non-disclosure of twenty-nine (29) project management committee bank balances.

In the circumstances, the existence, accuracy and completeness of project management committee bank balance of Kshs.35,339,477 could not be confirmed.

7. Inaccuracy of Land Balance

Annex 4 to the financial statements on summary of fixed assets register reflects cumulative historical asset balance of Kshs.37,597,570. However, the land on which the Fund's building and structures are built has not been valued and not included in fixed assets register and financial statements. In addition, land ownership documents or land title deeds were not provided for audit.

In the circumstances, the accuracy, completeness and ownership of fixed assets historical cost balance of Kshs.37,597,570 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final payments budget of Kshs.188,350,645 and actual on comparable basis of Kshs.161,871,532 resulting to an under-utilization of Kshs.26,479,113 or 14% of the budget.

The under utilization of budgeted funds is an indication that services and approved projects/programmes were not delivered to the residents.

2. Project Implementation Status

Ten (10) projects with total disbursements of Kshs.19,900,000 were inspected in March, 2023 and observed to have implementation challenges including poor workmanship, delays and non-labeling of the projects as summarized in **Appendix 1**.

Failure to implement projects as envisioned denied residents the benefits that would have accrued from the approved projects.

3 Unresolved Prior Year Matters

The management has not addressed audit issues in 2020/2021 financial year report contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which require accounting officers designated for National Government Entities to try to resolve any issues resulting from an audit that remain outstanding. The issues therefore remain unresolved as indicated in the progress on follow up of auditor recommendations report.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Prepare Schedule of Meetings

Note 5 to the financial statements reflects committee allowance amount of Kshs.5,475,000. However, there was no evidence to confirm that the secretary to the committee prepared a schedule of meetings which were to be held during the year. This was contrary to Regulation 7(9) of the National Government Constituencies Development Fund Regulations, 2016 which states that the Secretary shall, at the beginning of every financial year, in consultation with the officer of the Board seconded to the Constituency, prepare and table before a Constituency Committee a schedule of the meetings to be held during the year.

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

2. Delay in Disbursement of Funds from the Board

The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board amount of Kshs.182,177,758. The amount includes Kshs.45,088,879 or 25% of total budgeted receipts for financial year 2020/2021. The late disbursements contravene Section 39(2) of the National Government Constituencies Development Fund Act, 2015 which states that the disbursement of funds to the Constituency Fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to twenty-five per centum of the allocation for the constituency and thereafter the Constituency Fund account shall be replenished in three equal instalments at the beginning of the second, third and fourth quarters of the financial year.

In the circumstances, Management of the Board was in breach of the law resulting in delay in implementation of approved projects or programs.

3. Irregular Routine Maintenance of Vehicles

Note 5 to the financial statements reflects routine maintenance of vehicles and other transport equipment amount of Kshs.1,083,206. However, there was no evidence of competitive bidding for the services. This was contrary to Section 106(2) (b) of the Public Procurement and Asset Disposal Act, 2015 which requires the Accounting officer of a procuring entity to ensure that the request for quotation to be given to as many persons as necessary to ensure effective competition and shall be given to at least three persons, unless that is not possible;

In the circumstances, Management breached the law.

4. Irregular Award of Tenders

Note 6 to the financial statements reflects transfers to other government units of Kshs.81,300,000. The amount includes transfers of Kshs.5,000,000 to Ngoyomwo Primary School for construction of an eighty (80) pupils capacity dormitory, Kshs.1,600,000 to AIC Masat Primary School for construction of two (2) classrooms and Kshs.5,000,000 to Chesombur Secondary School for construction of an eighty (80) students capacity laboratory. However, there was no evidence of appointment to the tender opening committees contrary to Section 78(1) of Public Procurement and Asset

Disposal Act, 2015 and establishment of an adhoc evaluation committee contrary to Section 46(1) of the same Act. In addition, there was no evidence of contract agreement for construction of laboratory at Chesombur Secondary School contrary to Section 135(1) and award notification to the winning bidder and regret letters to unsuccessful bidders contrary to Sections 87(2) and (3) of the same Act.

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

5. Failure to Properly Constitute Bursary Committee

Note 7 to the financial statements reflects bursary disbursements to tertiary institutions and secondary schools amount of Kshs.54,698,950. The bursary awards were done by a bursary sub-committee which did not include area education officer or a representative from the Ministry of Education. This was contrary to Constituency Development Fund Board circular reference VOL1/111 dated 13 September, 2010 which requires that a subcommittee of Constituency Development Fund to manage the bursary scheme should include two co-opted members one who must be an education officer, or an officer seconded from Ministry of Education.

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

6. Unsupported Emergency Projects

Note 7 to the financial statements reflects emergency projects payments of Kshs.7,200,000 out of which Kshs.2,700,000 was incurred on construction of a police station and pit latrines. However, there was no evidence to show that the projects met the prescribed emergency criteria. This was contrary to Section 8(3) of the National Government Constituencies Development Fund Act, 2015 which states that "Emergency" shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents.

In the circumstances, Management was in breach.

7. Lack of Staff Appraisal

During the year under review Management did not carry out staff appraisal to the seventeen (17) members of staff. This was contrary to paragraph G.10 of the Public Service Commission Human Resource Policy Manual 2016 which states that performance appraisal is an on-going process throughout the performance period. Milestones over the review period should be documented and maintained in the appraisee's personal file.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


 CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

12 June, 2023

Appendix 1

Project Verification Report

S/No.	Project Name	Project Activity	Amount Disbursed (Kshs.)	Observations
1.	Chepkoghin Primary School	Construction of one classroom to completion	800,000	The classroom internal wall plastering has developed some cracks, external wall keying not done, slab finishing and embankment were not done. The verandah has cracks and labelling for the project has not been done.
2.	Runo Primary School	Construction of two classrooms to completion	1,600,000	The classroom internal walls plastering was not smoothed and painting was two coats instead of three. The verandah has cracks, electrical installation was not done and the project is not labelled.
3.	Aniken Primary School	Fencing of 4 Acre perimeter with barbed wire and chain link wire and with metallic posts	1,000,000	The fencing is complete but the project is not labelled.
4.	Chester Chief's Office	Construction of 4-door pit latrine	800,000	The latrine is complete and in use but not labelled.
5.	Chepperum Primary School	Renovation of 8 classrooms	2,000,000	Two lower classrooms were well done, four glasses windows were not fixed, internal wall not painted and floor plastering was not done but.
6.	Lomut Chief's Office	Construct of four-door pit latrine toilets	1,100,000	The toilet is complete, internal wall painted but not plastered. One door is not properly fitted and the room was not constructed to the specifications and appeared to be too small and the project is not labelled.
7.	Parsonga Primary School	Construction of an 80-students capacity dormitory to completion	5,000,000	The dormitory is complete, however, half of it is being used as classroom and the other as a dormitory. Also, the project is not labelled.

S/No.	Project Name	Project Activity	Amount Disbursed (Kshs.)	Observations
8.	Chesombur Secondary School	Construction of 80-students capacity twin laboratory to completion	5,000,000	The construction is ongoing and only one laboratory and a store has been built and were incomplete. The laboratory is being used as a classroom and the project is not labelled.
9.	Kokwomesses Primary School	Construction of 10 door pit latrine toilets and urinal to completion with one door user friendly and accessible to persons with disability	2,000,000	The project is complete and in use however, internal and external wall were not plastered but painted. The project is not accessible to persons with disability and it is not labelled.
10.	Cheptamas Primary School	Construction of four-door pit latrine to completion with one door friendly and accessible to Persons with Disability	600,000	Two (2) doors have not been installed, plastering not done and one latrine is not accessible to persons with disability and the project is not labelled.
		Total	19,900,000	

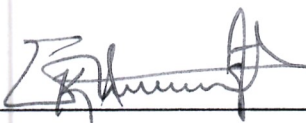
Sigor Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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	161,967,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		182,177,758	161,967,724
Payments			
Compensation of Employees	4	4,162,706	4,002,037
Use of Goods and Services	5	12,062,371	9,615,811
Transfers to Other Government Units	6	81,300,000	57,998,354
Other Grants and Transfers	7	64,346,455	90,794,048
Acquisition of Assets	8	-	-
Other Payments	9	-	-
Total Payments		161,871,532	162,410,248
Surplus/(Deficit)		20,306,226	(442,526)

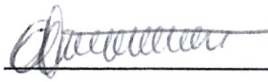
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 4/5 2023 and signed by:



Fund Account Manager

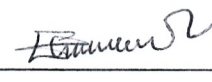
Name: Edwin Siele



National Sub-County Accountant

Name: Stanley Mutai

ICPAK M/No:



Chairman NG-CDF Committee

Name: Clement Lomuto

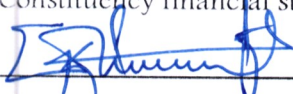
Sigor Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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

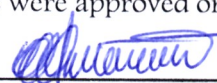
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash and Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	27,429,113	6,172,887
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		27,429,113	6,172,887
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		27,429,113	6,172,887
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	950,000	-
Total Financial Liabilities		-	-
Net Financial Assets		26,479,113	6,172,887
Represented By			
Fund Balance B/Fwd	13	6,172,887	5,718,983
Prior Year Adjustments	14	-	896,430
Surplus/Deficit for The Year		20,306,226	(442,526)
Net Financial Position		26,479,113	6,172,887

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

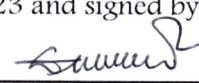
The Constituency financial statements were approved on 4/5 2023 and signed by:



Fund Account Manager



National Sub-County Accountant



Chairman NG-CDF Committee

Name: Edwin Siele

Name: Stanley Mutai

Name: Clement Lomuto

ICPAK M/No:

Sigor 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 - 2021	2021 - 2021
		Kshs	Kshs
Receipts from Operating Activities			
Transfers from NGCDF Board	1	182,177,758	161,967,724
Other Receipts	3	-	-
Total Receipts		182,177,758	161,967,724
Payments			
Compensation of Employees	4	4,162,706	4,002,037
Use of Goods and Services	5	12,062,371	9,615,811
Transfers to Other Government Units	6	81,300,000	57,998,354
Other Grants and Transfers	7	64,346,455	90,794,048
Other Payments	9	-	-
Total Payments		161,871,532	162,410,248
Total Receipts Less Total Payments		-	(442,524)
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	950,000	-
Prior Year Adjustments	14	-	896,430
Net Cash Flow from Operating Activities		21,256,226	453,906
Cash flow From Investing Activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net Cash Flows from Investing Activities		-	-
Net Increase in Cash and Cash Equivalent		21,256,226	453,906
Cash & Cash equivalent at start of the Year	10	6,172,887	5,718,983
Cash & Cash equivalent at end of the Year	10	27,429,113	6,172,887

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 4/5 2023 and signed by:



Fund Account Manager

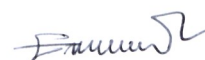
Name: Edwin Siele



National Sub-County Accountant

Name: Stanley Mutai

ICPAK M/No:



Chairman NG-CDF Committee

Name: Clement Lomuto

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

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

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2021/2022	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	%
Transfers from NGCDF Board	137,088,879	6,172,887	45,088,879	188,350,645	188,350,645	0	0.0%
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	0.0%
Totals	137,088,879	6,172,887	45,088,879	188,350,645	188,350,645	0	100.0%
Payments							
Compensation of Employees	3,465,716	1,398,396	1,000,000	5,864,112	4,162,706	1,701,406	71%
Use of Goods and Services	8,872,283	2,199,300	990,788	12,062,371	12,062,371	0	100.0%
Transfers to Other Government Units	72,900,100	2,188,830	30,324,500	105,413,430	81,300,000	24,113,430	77.1%
Other Grants and Transfers	51,850,780	0	12,773,591	64,624,371	64,346,455	277,916	99.6%
Acquisition of Assets	0	386,361	0	386,361	-	386,361	0.0%
Other Payments	0	0	0	0	-	0	0.0%
Funds Pending Approval**	0	0	0	0	0	0	-
Totals	137,088,879	6,172,887	45,088,879	188,350,645	161,871,532	26,479,113	85.9%

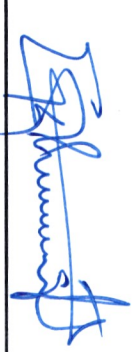
- a) On compensation of employees there is pending gratuity for staff completing their contracts hence resulting to utilization of 71%.
b) On transfers to other government entities there are projects approved by the board towards the end of the financial year hence have not been paid and thereby giving utilization of 77.1%.

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

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

Description	Amount
Budget utilisation difference totals	26,479,113
Less undisbursed funds receivable from the Board as at 30 th June 2022	-
	26,479,113
Add Accounts payable	950,000
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	27,429,113

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



Fund Account Manager



National Sub-County Accountant



Chairman NG-CDF Committee

Name: Edwin Siele

Name: Stanley Mutai

Name: Clement Lomuto

ICPAK M/No:

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

XI. 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	3,465,716	1,398,396	1,000,000	5,864,112	4,162,706	1,701,406
1.2 Committee allowances	1,700,000	592,546	-	2,292,546	2,292,546	0
1.3 Use of goods and services	3,059,617	-	540,788	3,600,405	3,600,405	0
Total	8,225,333	1,990,942	1,540,788	11,757,063	10,055,657	1,701,406
2.0 Monitoring and evaluation						
2.1 Capacity building	1,000,000.00	500,000	-	1,500,000	1,350,000	150,000
2.2 Committee allowances	1,352,000	1,106,754	-	2,458,754	2,458,754	0
2.3 Use of goods and services	1,760,666	-	450,000	2,210,666	1,160,666	1,050,000
Total	4,112,666	1,606,754	450,000	6,169,420	4,969,420	1,200,000
3.0 Emergency						
3.1 Primary Schools	-	-	-	-	-	-
MASAT PRIMARY SCH	-	-	-	-	200,000	
SAKAT PRIMARY SCH	-	-	-	-	500,000	
LIKWON PRIMARY SCH	-	-	-	-	200,000	
FOGHOI PRIMARY SCHOOL	-	-	-	-	200,000	
SURUMPEN PRIMARY SCHOOL	-	-	-	-	200,000	
SKAK PRIMARY SCH	-	-	-	-	400,000	
CHESEGON AP POST	-	-	-	-	500,000	
CATHERINE IM	-	-	-	-	400,000	
NGOYOMWO PRIMARY SCH	-	-	-	-	400,000	
CHEPKONDOL PRIMARY SCH	-	-	-	-	200,000	

Sigor 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 AVA	Previous Years' Outstanding Disbursements			
3.2 Secondary schools	-	-	-	-	-	-
AKIRIAME T SEC SCH	-	-	-	-	800,000	
NYANGAITA SEC SCH	-	-	-	-	800,000	
CHEMAIN SEC SCH	-	-	-	-	300,000	
KAKACHAWA SEC SCH	-	-	-	-	200,000	
3.3 Tertiary institutions	-	-	-	-	-	
3.4 Security projects	-	-	-	-	-	
CHESTA CHIEFS OFFICE	-	-	-	-	800,000	
LOMUT CHIEFS OFFICE	-	-	-	-	1,100,000	
3.5 Unutilized	7,192,207	-	-	7,192,207	-	
Total	7,192,207	-	-	7,192,207	7,200,000	(7,793)
4.0 Bursary and Social Security						
4.1 Secondary Schools	28,000,000	2,188,830	12,773,591	42,962,421	46,359,950	(3,397,529)
4.2 Tertiary Institutions	11,516,795	-	-	11,516,795	8,339,000	3,177,795
4.3 Social Security	-	-	-	-	-	-
4.4 Special Needs	-	-	-	-	-	-
Total	39,516,795	2,188,830	12,773,591	54,479,216	54,698,950	(219,734)
5.0 Sports						
Constituency Sports Tournament	2,741,778	-	-	2,741,778	1,247,505	1,494,273
Total	2,741,778	-	-	2,741,778	1,247,505	1,494,273
6.0 Environment						
Total	-	-	-	-	-	-
7.0 Primary Schools Projects						
Chemuserion Primary School	800,000	-	-	800,000	800,000	0

Sigor 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			
Ng'oyomwo Primary School	5,000,000	-	-	5,000,000	5,000,000	0
Kamanau Primary School	2,000,000	-	-	2,000,000	2,000,000	0
Koposes Primary School	800,000	-	-	800,000	800,000	0
Poyokrut Primary school	800,000	-	-	800,000	800,000	0
Peeta Primary School	800,000	-	-	800,000	800,000	0
Sostin Primary School	800,000	-	-	800,000	800,000	0
Topogheny Primary School	800,000	-	-	800,000	800,000	0
Chepkoghin Primary School	1,600,000	-	-	1,600,000	1,600,000	0
Chepkondol Primary School	1,600,000	-	-	1,600,000	1,600,000	0
Chepserum Primary School	2,000,000	-	-	2,000,000	2,000,000	0
Skot Primary School	800,000	-	-	800,000	800,000	0
Sisit Primary School	800,000	-	-	800,000	800,000	0
Takar Primary School	800,000	-	-	800,000	800,000	0
Solion primary School	1,000,000	-	-	1,000,000	1,000,000	0
Tankal Primary School	800,000	-	-	800,000	800,000	0
Supetoy Primary school	800,000	-	-	800,000	800,000	0
Kotulpogh Primary School	9,300,000	-	-	9,300,000	9,300,000	0
Annet Primary school	800,000	-	-	800,000	800,000	0
Mariny Primary School	700,000	-	-	700,000	700,000	0
Chemalei Primary School	300,000	-	-	300,000	300,000	0
Aniken Primary School	1,000,000	-	-	1,000,000	1,000,000	0
Talon – Nasolot primary school Road	3,000,000	-	-	3,000,000	-	3,000,000
Toosikiritio – topogheny primary school Road	3,000,000	-	-	3,000,000	-	3,000,000
Chemutlokotoyo Primary School	5,000,000	-	-	5,000,000	5,000,000	0

Sigor 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			
Parsonga Primary School	5,000,000	-	-	5,000,000	5,000,000	0
Kokwomeses Primary School	2,000,000	-	-	2,000,000	2,000,000	0
Lomut Primary School	2,600,050	-	-	2,600,050		2,600,050
Ptirap Primary School	-	-	800,000	800,000	800,000	0
Sukuk Primary School	-	-	800,000	800,000	800,000	0
Sintai Primary School	-	-	800,000	800,000	800,000	0
Masat Primary School	-	-	1,600,000	1,600,000	1,600,000	0
Chepkukui Primary School	-	-	800,000	800,000	800,000	0
Runo Primary School	-	-	1,600,000	1,600,000	1,600,000	0
Ipet Primary School	-	-	1,000,000	1,000,000	1,000,000	0
Korelach Primary School	-	-	800,000	800,000	800,000	0
Kokwotendwo Primary School	-	-	800,000	800,000	800,000	0
Nasolot Primary School	-	-	800,000	800,000	800,000	0
Chopbotwo Primary School	-	-	800,000	800,000	800,000	0
Pekon Primary School	-	-	1,600,000	1,600,000	1,600,000	0
Sekerot Primary School	-	-	1,000,000	1,000,000	1,000,000	0
Kangisia Primary School	-	-	800,000	800,000	800,000	0
Masol school	-	-	2,000,000	2,000,000	2,000,000	0
Otiot mixed school	5,000,000	-	-	5,000,000	5,000,000	0
Tepso mixed School	1,600,000	-	-	1,600,000	1,600,000	0
Lomut Primary School	-	-	7,162,250	7,162,250	-	7,162,250
Total	61,300,050	-	23,162,250	84,462,300	68,700,000	15,762,300
8.0 Secondary Schools Projects						
Cheptulel Girls Secondary school	1,500,000	-	-	1,500,000	1,500,000	0
Akiramat Secondary school	2,500,000	-	-	2,500,000	2,500,000	0

Sigor 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			
Fr. Leo Staples Girls Secondary School	2,600,050	-	-	2,600,050	2,400,000	200,050
Chesombur Secondary School	5,000,000	-	-	5,000,000	5,000,000	0
Muino	600,000	-	-	600,000	600,000	0
Cheptamas School	600,000	-	-	600,000	600,000	0
Fr. Leo Staples Girls Secondary School	-	-	7,162,250	7,162,250	-	7,162,250
Total	14,000,050	-	7,162,250	21,162,300	12,600,000	7,362,300
9.0 Tertiary institutions Projects						
Total	-	-	-	-	-	-
10.0 Security Projects						
Mosop Chief's Office	600,000	-	-	600,000	600,000	0
Porkoyo Chiefs Office	600,000	-	-	600,000	600,000	0
Total	1,200,000	-	-	1,200,000	1,200,000	0
11.0 Acquisition of assets						
Construction of CDF office	-	386,361	-	386,361	-	386,361
Total	-	386,361	-	386,361	-	386,361
12.0 Other payments						
Strategic plan	-	407,608	-	407,608	-	407,608
Total	-	-	-	-	-	-

Sigor 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			
13.0 unallocated fund	-	-	-	-	-	-
Unapproved projects	-	-	-	-	-	-
AIA	-	-	-	-	-	-
FMC savings	-	-	-	-	-	-
Total						
	137,088,879	6,172,887	45,088,879	188,350,645	161,871,532	26,479,113

(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

XII. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Sigor 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.

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

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.

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorized 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 2022 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.

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

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

XIII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
NGCDF Board	Kshs	Kshs
AIE NO. 2019/2020/B104750		20,000,000
AIE NO. 2019/2020/A823721		35,000,000
AIE NO. 2019/2020/B104839		14,367,724
AIE NO. B04927		600,000
AIE NO. 2020/2021/B124662		9,000,000
AIE NO. 2020/2021/B119642		8,500,000
AIE NO. 2020/2021/B132328		6,000,000
AIE NO. 2020/2021/B128274		6,900,000
AIE NO. 2020/2021/B128031		13,000,000
AIE NO. 2020/2021/B041290		6,000,000
AIE NO. 2020/2021/B128031		13,000,000
AIE NO. 2020/2021/B126289		7,000,000
AIE NO. 2020/2021/B105084		10,600,000
AIE NO. 2020/2021/B140728		12,000,000
AIE NO. 2020/2021/B105282	33,000,000	
AIE NO. 2020/2021/B089093	12,088,879	
AIE NO. 2021/2022/B105559	44,000,000	
AIE NO. 2021/2022/B105929	22,000,000	
AIE NO. 2021/2022/B128696	5,000,000	
AIE NO. 2021/2022/B163858	12,000,000	
AIE NO. 2021/2022/B154203	12,000,000	
AIE NO. 2021/2022/B128926	18,000,000	
AIE NO. 2021/2022/B128926	12,088,879	
AIE NO. 2021/2022/B128926	12,000,000	
TOTAL	182,177,758	161,967,724

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	-	-

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

Notes to the Financial Statements (Continued)

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	3,012,706	3,745,465
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	950,000	-
Employer Contributions Compulsory national social security schemes	200,000	-
Total	4,162,706	3,745,465

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

Notes to the Financial Statements (Continued)

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	3,225,736	50,000
Communication, supplies and services	51,156	190,704
Domestic travel and subsistence		-
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses	1,350,000	1,317,352
Hospitality supplies and services		
Other committee expenses		2,506,500
Committee allowance	5,475,000	0
Insurance costs		
Specialized materials and services		
Office and general supplies and services	0	3,835,500
Other operating expenses-		105,000
Routine maintenance – vehicles and other transport equipment fuel	1,083,206	406,000
Routine maintenance – other assets		
Bank service commission and charges	181,273	
Fuel, Oil & lubricants	696,000	1,195,355
Total	12,062,371	9,606,411

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

Notes to the Financial Statements (Continued)

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to Primary Schools	68,700,000	34,051,000
Transfers to Secondary Schools	12,600,000	24,547,354
Transfers to Tertiary Institutions	-	-
Total	81,300,000	58,598,354

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools	46,359,950	48,647,145
Bursary – tertiary institutions	8,339,000	7,792,500
Bursary – special schools	-	-
Mock & CAT	-	-
Social Security programmes (NHIF)	-	-
Security projects	1,200,000	22,700,000
Sports projects	1,247,505	2,553,000
Environment projects	-	-
Emergency projects	7,200,000	8,767,373
Total	64,346,455	90,460,018

8. Acquisition of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-

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

Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	-	-

Notes to the Financial Statements (Continued)

9. Other Payments

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

10: Cash Book Bank Balance

Name of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	-	-
<i>Equity Kapenguria Branch A/c No 1070296968337</i>	27,429,113	6,172,887
Total	27,429,113	6,172,887
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

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

11: Outstanding Imprests

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

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)	950,000	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	950,000	-

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	6,172,887	6,615,412
Cash in hand		
Imprest		
Total	6,172,887	6,615,412

Sigor Constituency

National Government Constituencies Development Fund (NGCDF)

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

Notes to the Financial Statements (Continued)

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	-	-
	-	-

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)	950,000	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	950,000	-
	-	-

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

Notes to the Financial Statements (Continued)

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	950,000	-
Others (<i>specify</i>)	-	-
Total	950,000	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,243,798	990,788
Use of goods and services	-	424,362
Amounts due to other Government entities	23,124,600	31,954,570
Amounts due to other grants and other transfers	1,266,746	15,501,662
Acquisition of assets	386,361	1,493,955
Funds pending approval	407,608	-
Total	27,429,113	50,365,337

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances	35,339,476.60	712,676
Total	35,339,476.60	712,676

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

Annexes: I Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
Construction of buildings	a	b	C	d=a-c	
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					

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1. MIKA KIPROF	Driver	8 th August 2017	136,977	
2. PHILIP PRUTO	Accounts Assistant	8 th August 2017	273,953	
3. CHRISTINE LOYEYE	Secretary	8 th August 2017	66,279	
4. EMMANUEL KWANGAYER	Watchman	8 th August 2017	26,512	
5. RITEE PKIENY	Grounds man	8 th August 2017	26,512	
6. DESMOND FOWON	Clerk of works	8 th August 2017	66,279	
7. SAMICH LINUS	Office Assistant	8 th August 2017	33,140	
8. ABRAHAM NYANGAITA	Office Assistant	8 th August 2017	26,512	
9. NEWTON LITA	Driver	8 th August 2017	97,209	
10. DENIS APALOKAFEL	Driver	8 th August 2017	97,209	
11. JOEL LOKOU	Office Assistant	8 th August 2017	33,140	
12. CAROLINE CHEPTUM	Office Assistant	8 th August 2017	66,279	
Sub-Total			950,000	
Grand Total				

Sigor Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022
Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Administration and recurrent				
Salary	Payment of monthly salary to staff	1,293,798	990,788	
Gratuity	Payment of gratuity to staff	950,000		
Use of goods and services	Payment of goods and services	16,754		
Amounts due to other Government entities				
			31,954,570	
Lomut primary school	Purchase of 51 seater school bus	9,762,300		
Talon-Nasolot primary school	Bush clearing and road opening to a school	3,000,000		
Toosikirio-Topoghteny primary school	Bush clearing and road opening to a school	3,000,000		
Fr. Leo Staples Secondary school	Purchase of 51 seater school bus	7,362,300		
Sub-Total		23,124,600		
Amounts due to other grants and other transfers				
Constituency sports tournament	Carrying out of sports tournament within the constituency	1,266,746	15,501,662	
Sub-Total		1,266,746		
Acquisition of assets			1,493,955	
NG-CDF offices	Construction of 4car parking shade	386,361		
Others -Strategic plan	Development of 5-year strategic plan	407,608	407,608	
Sub-Total				
Funds pending approval				
Grand Total		27,429,539	50,365,337	

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

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/2022
Land	-	-	-	-
Buildings and structures	22,098,570	-	-	22,098,570
Transport equipment	10,330,000	-	-	10,330,000
Office equipment, furniture and fittings	2,510,000	-	-	2,510,000
ICT Equipment, Software and Other ICT Assets	878,000	-	-	878,000
Other Machinery and Equipment	1,781,000	-	-	1,781,000
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	37,597,570	-	-	37,597,570

Sigor Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022
Annex 5 –PMC Bank Balances as at 30th June 2022

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21		
1	KAKACHAWA PRIMARY SCHOOL	1070281006955	EQUITY	24-06-2021	349880.00	0
2	IPEFT PRIMARY SCHOOL	1070281009491	EQUITY	25-06-2021	0.00	0
3	AIG SINTAI PRIMARY SCHOOL	1070281026214	EQUITY	01-07-2021	200.00	0
4	KOKWOTENDWO PRIMARY SCHOOL	1070281015652	EQUITY	28-06-2021	0	0
5	NASOLOT PRIMARY SCHOOL	1070281048166	EQUITY	08-07-2021	0	0
6	RUNO PRIMARY SCHOOL	1070281016587	EQUITY	28-06-2021	0	0
7	CHOPOTWO PRIMARY SCHOOL	1070281005966	EQUITY	24-06-2021	0	0
8	ST. PETERS KORELLACH	1070281015957	EQUITY	28-06-2021	0	0
9	KANGISIA PRIMARY SCHOOL	1070271042196	EQUITY			0
10	PEKON PRIMARY SCHOOL	1070281017486	EQUITY	29-06-2021	0.00	0
11	SEKEROT PRIMARY SCHOOL	1070281009443	EQUITY	25-06-2021	380	0
12	SUKUK PRIMARY SCHOOL	1070281016326	EQUITY	28-06-2021	500	0
13	PTIRAP ORIMARY SCHOOL	1070298111276	EQUITY	08-10-2011	1065	0
14	CHEPKOKOGH CHIEFS OFFICE	1070280350826	EQUITY	04-12-2020	0	0
15	CHEPKUKUI PRIMARY SCHOOL	1070281032268	EQUITY	03-07-2021	0	0
16	AMOLEM CHIEFS OFFICE	1070279818294	EQUITY	14-05-2020	0	0
17	Chesta Girls Sec sch	1070280163236	EQUITY	02-10-2020	0	1,160
18	Chorwa Primary School	1070280180596	EQUITY	09-10-2020	0	220
19	Kaporon Primary School	1070280132021	EQUITY	22-09-2020	0	1760
20	Kiwakan Primary School	1070280038907	EQUITY	22-08-2020	0	760
21	Kokwokochiy Primary School		Equity	23-09-2020	0.00	0
22	kokwositet Primary School	1070280134091	EQUITY	30-09-2020	0	315
23	Lokarkar Primary school	1070283992859	EQUITY	09-10-2020	0	480
24	Matus Primary School	1070280180117	EQUITY	09-10-2020	0	695
25	Orwa Primary School	1070280182748	EQUITY	15-11-2018	0	700,000
26	Farek Primary School	1070277817478	EQUITY	05-10-2020	0	198
27	Sangat Secondary School	1070280166736	EQUITY	14-09-2018	0	810
28	Sigor Girls Primary School	1070177626867	EQUITY	30-09-2020	0	2440

Sigor Constituency

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
29	Symbol Primary School	1070280154964	0	495
30	SoKka Primary School	1070280158999	0	280
31	Sostin Secondary School	1070280134631	0	768
32	Arpollo Primary School	1070280137866	0	400
33	Cheptokol Primary School	1070280134715	0	400
34	Katugh Secondary School	1070280162645	0	1495
35	CHEPSEBUM PRIMARY SCHOOL	1070199421993	2,001,747	0
36	KOKWOMESES PRIMARY SCHOOL	1070282055094	399,507	0
37	OTIOT MIXED SECONDARY SCHOOL	1070282022160	800,000	0
38	KOTULPOGH PRIMARY SCHOOL	1070282040370	1,499,520	0
39	AKIRIAMET SECONDARY SCHOOL	1070279818056	1,150,840	0
40	AIC CHESOMBUR SECONDARY SCHOOL	1070282046822	2,000,000	0
41	PARSONGA PRIMARY SCHOOL	1070282033274	100	0
42	NGOYOMWO PRIMARY SCHOL	1070281753959	5,000	0
43	KAMANAU PRIMARY SCHOOL	1070282194871	2,000,001	0
44	CHEMUTLOKOTYO PRIMARY SCHOOL	1070282067976	39,367	0
45	TAKAR PRIMARY SCHOOL	1070282817180	0	0
46	SOSTIN PRIMARY SCHOOL	1070282801235	800,487	0
47	CHEPKOGHIN PRIMARY SCHOOL	1070282788905	800,000	0
48	RCEA NASOLOI PRIMARY SCHOOL	1070282789900	487	0
49	SOLION PRIMARY SCHOOL	1070282773598		-
50	MARINY PRIMARY SCHOOL	1070282417865	1,500,000	0
51	CHESOMBUR SECONDARY SCHOOL	1070282046822	2,000,000	0
52	CHEPTULEL GIRLS SECONDARY		-	-

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

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
SCHOOL				
53	CHEPTULEL CHIEFS OFFICE	EQUITY	-	-
54	CHEMALEI PRIMARY SCHOOL	EQUITY	187	0
55	KOKWORITIT SECONDARY SCHOOL	EQUITY	-	-
56	ANIKEN PRIMARY SCHOOL	EQUITY	-	-
57	ANNET PRIMARY SCHOOL	EQUITY	-	-
58	CHEMUSERION PRIMARY SCHOOL	EQUITY	-	-
59	CHEPKONDOL PRIMARY SCHOOL	EQUITY	-	-
60	KOPOSES PRIMARY SCHOOL	EQUITY	87.50	-
61	PEOTA PRIMARY SCHOOL	EQUITY	-	-
62	PORYOKRUT PRIMARY SCHOOL	EQUITY	-	-
63	SISIT PRIMARY SCHOOL	EQUITY	-	-
64	SKOT PRIMARY SCHOOL	EQUITY	-	-
65	SOSTIN PRIMARY SCHOOL	EQUITY	-	-
66	SUPETOY PRIMARY SCHOOL	EQUITY	-	-
67	TAMKAL PRIMARY SCHOOL	EQUITY	-	-
68	TOPOGHENY PRIMARY SCHOOL	EQUITY	-	-
69	LOMUT PRIMARY SCHOOL	EQUITY	9,675,820.00	-
70	FR LEO STAPLES GIRLS SECONDARY SCHOOL	EQUITY	9,675,820.00	-
71	TEPSO SECONDARY SCHOOL	EQUITY	-	-
72	CHEPTAMAS PRIMARY SCHOOL	EQUITY	14-05-2020	-
73	MOSOP CHIEFS OFFICE	EQUITY	638,393.6	-
74	MUNO CHIEFS OFFICE	EQUITY	-	-
75	PORKOYO CHIEFS OFFICE	EQUITY	87.50	-
		TOTAL	35,339,476.60	712,676

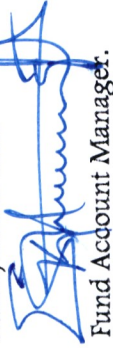
**Sigor Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

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)
Ref. OAG/RRRO/2020-2021 - 1 -01 -0130-09(16) 1.0	Presentation, Accuracy and Disclosure of the Financial Statements	Financial statements and accompanying schedules have been amended to reflect the true and fair figures of the financial position of Sigor Constituency as at 30th June 2021	Not resolved	
Ref. OAG/RRRO/2020-2021 - 1 -01 -0130-09(16) 2.0	Cash and Cash Equivalents - Stale cheques	Recommendation was noted and all stale cheques reversed back to cashbook and issued afresh to new beneficiaries	Not resolved	
Ref. OAG/RRRO/2020-2021 - 1 -01 -0130-09(16) 3.0	Unsupported Compensation of Employees	Compensation of employee figure of ksh 3,745,465 has been amended in the financial statements to reflect the true figure as per the payment vouchers presented and actual expenditure.	Not resolved	
Ref. OAG/RRRO/2020-2021 - 1 -01 -0130-09(16) 4.0	Project Management Committee Bank Balances	All project management committee balances have been captured in the report	Not resolved	

Name: **Edwin Siele**



Fund Account Manager.