


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

PARLIAMENTARY ASSEMBLY

DATE: 04 JUL 2022 DAY: TUE

REPORT

TABLED BY:	HON. ODHEN BATHA, CBS, MP Deputy Leader of Majority
CLERK-AT THE TABLE:	OF WZOFU MWALE

THE AUDITOR-GENERAL

PARLIAMENT
OF KENYA
LIBRARY

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
NAROK EAST CONSTITUENCY**

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



NAROK EAST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th JUNE 2022

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

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Narok East 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 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Andrew K. Kiptanui
2.	Sub-County Accountant	Kennedy Ndung'u
3.	Chairman NGCDFC	Tapaiya Punyua
4.	Member NGCDFC	Kabaka Kirtela

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Narok East Constituency NGCDF. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) NAROK EAST CONSTITUENCY NGCDF Headquarters

P.O. Box 664-20500
NAROK EAST NG CDF Building
Junction – Nairekia Enkare Road
Narok, KENYA

(f) NAROK EAST CONSTITUENCY NGCDF Contacts

Telephone: (254) 721 333 360
E-mail: cdfnarokeast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NAROK EAST CONSTITUENCY NGCDF Bankers

Equity Bank
NAROK
P.o. Box 1023-20500
Narok, Kenya

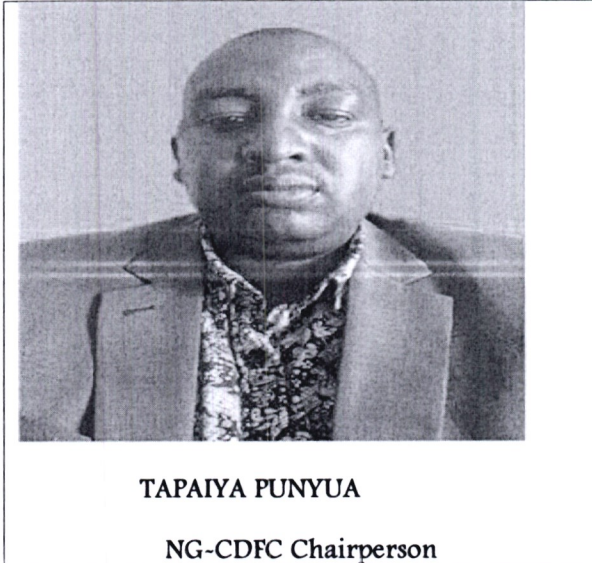
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC Chairman's Report



I am pleased to present the annual report and financial statements for Financial Year 2021/2022.

Narok East Constituents are determined to participate effectively in domesticating the vision, mission and core values of the National Government Constituencies Development Fund. The constituents have since been given the necessary platform on which to participate more proactively in the prioritization of need-based projects and programmes aimed at improving their standard of living.

In the financial year 2021/2022, the NG-CDF Narok East was allocated Ksh. **137,088,879.00** and was able to receive Kshs. **137,088,879.00** for the financial year 2021/2022 and another Ksh. **48,088,879.00** for the previous financial years totaling Kshs. **185,117,758.30** by the end of the financial year under review. There was also 100.0% absorption rate for the financial year 2021/2022 due to the prompt disbursement of funds by the Board.

The Constituency was also able to implement and complete most the projects that were rolled over from the previous financial year.

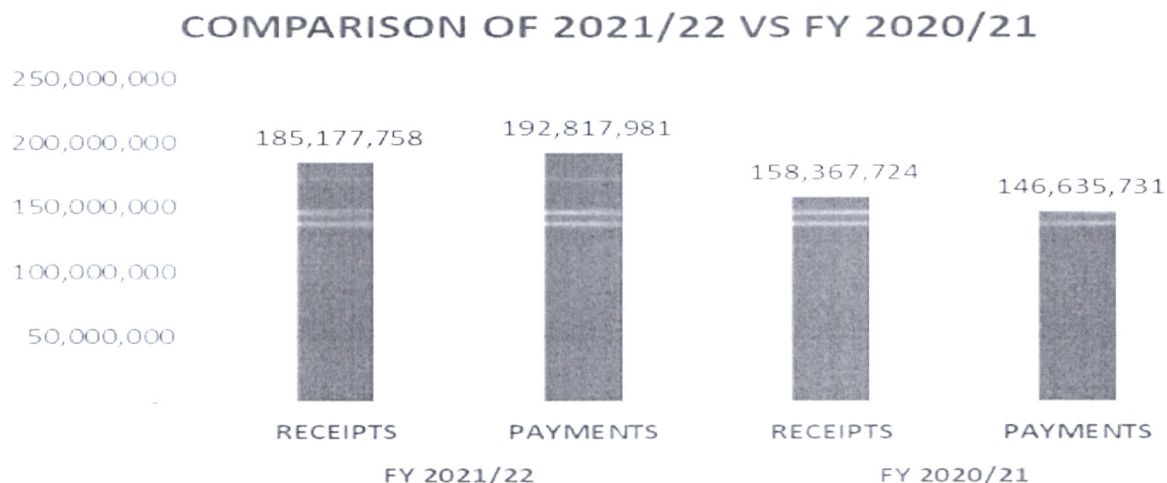
GRAPHICAL COMPARISON BETWEEN RECEIPTS AND PAYMENTS

COMPARISON BETWEEN RECEIPTS AND PAYMENTS



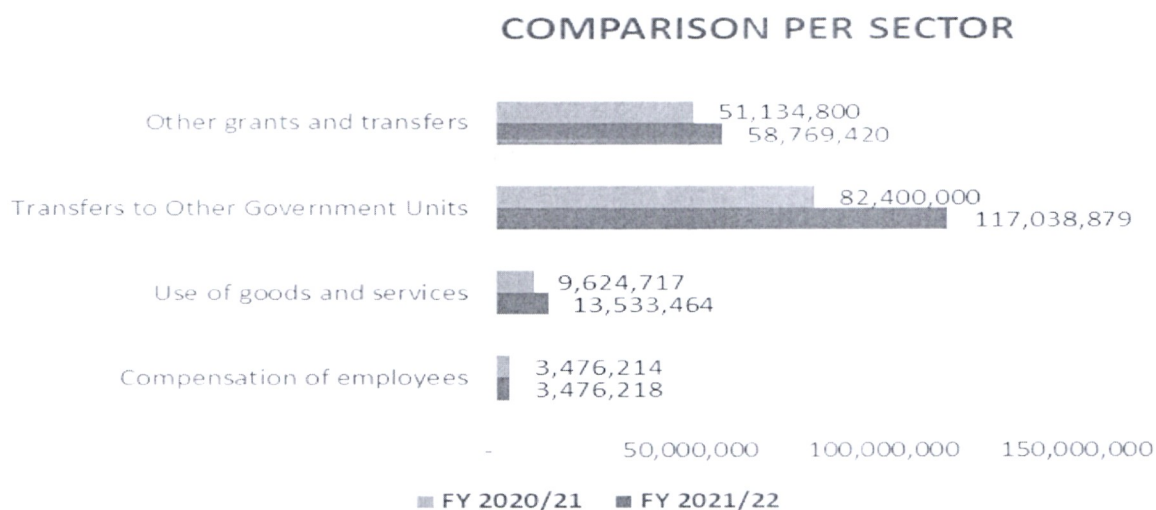
Payments exceeded receipts due to unutilized funds from the FY 2020/21.

COMPARISON BETWEEN FY 2021/22 & FY 2020/21



There was improved disbursement from Kshs 158M in the FY 2020/21 to Kshs 185M in the FY 2021/22.

COMPARISON PER SECTOR FY 2021/22 VS FY 2020/21

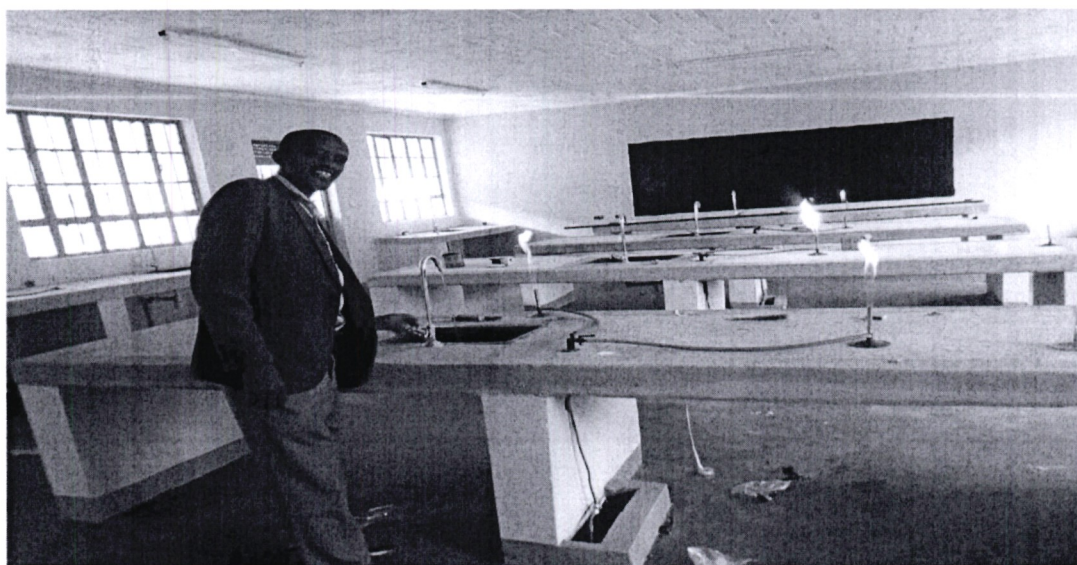


There was general improvement in disbursement of all projects funds in all sectors except compensation of employees.

The following are some of the ongoing and complete projects implemented during the financial year:



Olorien Boys' Secondary School Storey Administration Block with Library and Computer Lab



Aramat Secondary School construction of Laboratory



Olesharo Girls Secondary School Classrooms



Oletukat Secondary School 3 No. Classrooms.

Key achievements

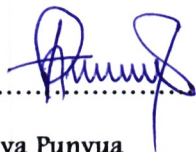
NG CDF has all along been promptly disbursing funds to Project Management Committees Accounts for timely implementation while ensuring value for public money. The NG CDFC has also embraced equity in the distribution of funds across the constituency in terms of the physical infrastructure and identification of needy cases for bursary awards in all categories.

Currently, all primary and secondary schools have at least one or more NG CDF funded projects, with six (7) secondary schools fully funded by NG CDF by 2021/2022 Financial Year.

Challenges and emerging issues

The delay in implementation of the projects was due to the delay by the National Treasury to disburse funds to the NG CDF Board eventually reducing the constituency's absorption rate during the financial year.

There is also the problem of community land ownership which makes the acquisition of land for schools process lengthy due to succession. We are currently receiving support from the Interior and Coordination of National Government and Lands Ministries in facilitation of change in land ownership documents for schools.



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Name: Tapaiya Punyua
CHAIRPERSON NGCDF COMMITTEE

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

Introduction

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

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

- *Mobilize more resources for the community developments*
- *To improve school infrastructure and access road with the constituency*
- *To give scholarship and bursaries to less privilege in the constituency*
- *To sensitize the community on the environmental awareness by distributing and planting trees to schools*
- *To improve police infrastructure within the constituency*
- *To build capacity of the community to implement development projects*

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 21/22 -we increased number of classrooms from 215 to 231, laboratories from 8 to 11, Dormitories (19), Staff Houses (78), School Land(3), Admin Blocks(1). - Bursary beneficiaries at all levels were as per the attached schedules (4,200)
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	We didn't manage to fund Security projects during the Financial year
Environment	Improve access to clean water and a more sustainable and conserved environment through natural resources conservation initiatives	Equip schools with tanks	Tanks supplied in different schools	2 Tanks supplied to NG CDF Office and Nakurto Lukuny Primary School

Narok East Constituency

National Government Constituencies Development Fund (NGCDF)

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

Sports	Empower and develop youth and special groups	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme is 16 teams around the constituency
Emergency	Improve the mechanism used in handling disasters	Reduce loss of live and properties	Covid 19 assortments supplied in the constituency	Help reduce the rate of spread of covid 19.

IV. Environmental and Sustainability Reporting

Narok East NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Narok East NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Narok East 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 marginalized groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; Narok East 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:** Narok East NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using

sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

During the 2021/2022 financial year, managements spent a total of Kshs.850,000 on environmental activities by creating an awareness by supporting the community and the students to carry out environmental conservation activities by planting trees in various school in the constituency

3. Employee welfare

We invest in providing the best working environment for our employees. Narok East 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. Narok East Constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Narok East 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.

Narok East NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Narok East 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

Narok East 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.

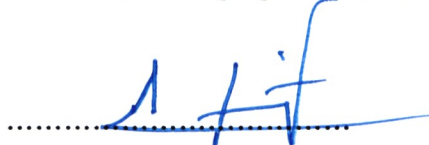
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full-consideration to public input in making that decision.

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

Public Awareness

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

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



Name: Andrew K. Kiptanui

Fund Account Manager

V. Statement of Management Responsibilities

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

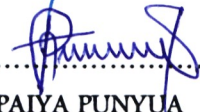
The Accounting Officer in charge of the NG-CDF-Narok East Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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 NG-CDF-Narok East 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 NG-CDF-Narok East 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.

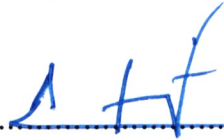
The Accounting Officer in charge of the NG-CDF Narok East Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used 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 NG-CDF- Narok East Constituency financial statements were approved and signed by the Accounting Officer on 24/04 2023.

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Name: TAPAIYA PUNYUA
Chairperson – NGCDF Committee

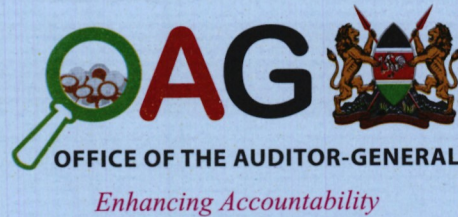
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Name: ANDREW K. KIPTANUI
Fund Account Manager



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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – NAROK EAST 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 - Narok East Constituency set out on pages 1 to 30,

which comprise the statement of assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Other Grants and Other Payments

1.1 Unsupported for Bursary Payments

The statement of receipts and payments reflects other grants and other transfers of Kshs.63,243,978 as disclosed in Note 7 to the financial statements. Included in this amount is bursaries to r Secondary Schools of Kshs.34,814,200 and tertiary institutions of Kshs.17,939,178 totaling to Kshs.52,753,378. However, beneficiary listing detailing out students' names, admission numbers, amounts disbursed, and respective learning institutions were not provided for audit. Further, there was no evidence that bursary applications were vetted. This is contrary to Section (21)(3) of the National Government Constituencies Development Fund Regulations, 2016 which provides that the constituency committee must vet all person's proposed to receive support in accordance with the guidelines issued by the Board.

In addition, bursary application register, the approved/signed education bursary subcommittee meeting minutes stipulating the selection and award process and acknowledgement receipts for the amount disbursed was not for audit .

In the circumstances, the accuracy and completeness of bursary payments of Kshs.52,753,378 could not be confirmed.

1.2 Unsupported Projects Expenditure

The statement of receipts and payments reflects other grants and other transfers of Kshs.63,243,978 as disclosed in Note 7 to the financial statements. This amount includes sports projects of Kshs.1,540,600 and environment projects of Kshs.850,000 totaling Kshs.2,390,600. However, the projects were implemented without Projects Management Committee. Further, the expenditure returns, procurement records and detailed

supporting schedules indicating uses to which the monies were put were not provided for audit.

In the circumstances, the accuracy and completeness of sports and environment expenditure of Kshs.2,390,600 could not be confirmed.

2. Inaccuracies in the Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.8,598,266 as disclosed in Note 10A to the financial statements. However, the balance differed with the cashbook balance of Kshs.8,533,826 as reflected in the bank reconciliation statement resulting to an unexplained variance of Kshs.64,440.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.8,598,266 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 - Narok East 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

1.1 Budget Absorption

The summary statement of appropriation reflects actual receipts and payments on comparable basis of Kshs.205,955,245 and Kshs.197,357,015 respectively resulting to an overall under expenditure of Kshs.8,598,230 or 4% of the budget.

The under absorption of Kshs.8,598,230 could have affected the planned activities and may have impacted negatively on service delivery to the public.

1.2 Unauthorized Expenditure

Review of the statement of budget execution by sectors and programmes revealed that, the Fund Management incurred payments amounting to Kshs.104,641,583 on nine (9) expenditure items against an approved budget of Kshs.71,704,043 resulting into an over-expenditure of Kshs.32,937,540 or 46%.

The over expenditure of Kshs.32,937,540 required approval by the National Government Constituencies Development Fund Board. However, no evidence of approval was provided.

In the circumstances, the regularity of expenditure amounting to Kshs.32,937,540 could not be ascertained.

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. Unsupported Compensation of Employees

The statement of receipts and payments reflects compensation of employees of Kshs.3,476,218 as disclosed in Note 4 to the financial statements. However, the amount includes gratuity payments of Kshs.822,600 computed using employee's gross earnings instead of basic salary in breach of SRC Circular 002/03/2013 of 1 March, 2013. Further the payroll provided revealed that Pay as You Earn (PAYE) tax was recovered from employees' salaries without being granted the applicable monthly personal relief in breach of Section 29(1) of Income Tax Act, 2010.

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

2. Irregular Expenditure on Emergency Projects

The statement of receipts and payments reflects other grants and transfers of Kshs.63,243,978 as disclosed in Note 7 to the financial statements. This amount includes Kshs.8,100,000 incurred on emergency projects. However, the transfers were not supported by documentary evidence indicating the nature of emergency, funding requests or proposals and Constituency Development Fund Committee minutes supporting payments from the constituency emergency reserve. This is contrary to Section 7(3) of the National Government Constituencies Development Fund Act, 2015. Further, the Management did not report the utilization of the emergency reserve to the National Government Constituencies Development Fund Board within thirty (30) days of the occurrence as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

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

3. Non-Closure of Project Management Committee Bank Accounts

Note 17.4 to the financial statements reflects Project Management Committee account balances of Kshs.7,952,783 held in eighteen (18) accounts as disclosed in Annex 5 to the financial statements. Included in the balance of Kshs.7,952,783 is Kshs.2,078,173 held in thirteen (13) bank accounts in respect of completed projects as at 30 June 2022 which had not been refunded to the main Fund Account. This is contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that, all unutilized funds of the Project Management Committee shall be returned to the constituency account.

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

4. Irregular Reallocation of Funds

Review of records revealed that the Fund Management reallocated Kshs.23,817,501 to four (4) projects which had not been approved by the Board. Further, nine (9) projects with a budget of Kshs.21,367,501 were also reallocated to other projects without prior approval of the Board. This is contrary to Section 6 (2) of the Fund's Act, 2015 which states that once funds are allocated for a particular project, they shall remain allocated for that project and may only be re-allocated for any other purpose during the financial year with the approval of the Board.

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

5. Lack of Constituency Development Fund Committee

The Fund had no Constituency Development Fund Committee for a period in excess of ten (10) months following the expiry of the term of office for the former members on 29 May, 2022 contrary to provisions of Section 43(1) of the National Government Constituencies Development Fund Act, 2015.

The Fund's governance structure was therefore not properly constituted.

6. Projects Implementation Status

Review of records revealed that, the Constituency Committee planned to implement a total of sixty-three (63) projects at a cost of Kshs.137,485,751. Review of the project implementation status report as of 30 June, 2022 indicated that thirty-two (32) projects valued at Kshs.76,150,000 were incomplete due to slow tendering and implementation processes.

In the circumstances, the constituents may not fully realize value for money from the thirty-two (32) projects valued at Kshs.76,150,000.

7. Unsatisfactorily Implemented Projects

Nine (9) projects with total allocation of Kshs.60,288,879 were sampled for verification during the month of April, 2023. However, unsatisfactory observations were made

against each of the projects as detailed in **Appendix I**. No satisfactory explanations were rendered for the deficiencies in projects implementation.

In the circumstances, the constituents may not realize value for money from the projects valued at Kshs.60,288,879.

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.

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

Responsibilities of Management and those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are

in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

Beneficiary	Project Details	Type	Cost (Kshs.)	Observation
1. Oleseneto Primary School	Purchase of 5 acres of land.	Transfers to Primary Schools	1,600,000	Project Management Committee records showing land valuation, sales agreement, search and ownership documents were not provided and therefore the acquired land could not be verified. Further, there was no evidence that the ownership documents had been authenticated with relevant government agencies including the Registrar of Lands contrary to Regulation 11 (k) of the NGCDF Regulations 2016.
2. Olorien Boys' Secondary School	Construction of Storeyed administration Block of 16 rooms with library and computer laboratory of capacity 100 students to completion.	Transfers to Secondary Schools	30,800,000	<p>The project was allocated Kshs.10,400,000 in previous financial year, out of which an amount of Kshs.8,600,000 was disbursed. During the year under audit, the project was allocated additional amount of Kshs.20,400,000. However, the Management disbursed a total of Kshs.30,800,000 instead of the approved allocation of Kshs.22,200,000 resulting to excess disbursements of Kshs.8,600,000 whose source was not explained.</p> <p>Further, the projects' initial cost varied upward by Kshs.8,600,000 from Kshs.30,800,000 to Kshs.39,400,000 without formal contract variation approval contrary to Section 139 of the Public Procurement and Asset Disposal Act, 2015.</p> <p>Physical verification revealed that the projects were</p>

Beneficiary	Project Details	Type	Cost (Kshs.)	Observation
				complete but had not been put into use. Further, branding had not been done to show when and whether the NGCDF funds were used for its implementation.
3. Olesharo Girls Secondary School	Construction of 100 capacity dining hall with kitchen to completion	Transfers to Secondary Schools	8,000,000	Physical verification revealed that the project was incomplete, but the project site had been abandoned without construction materials nor equipment and no activities were found to be on going. Pending works included installation of windows, external and internal finishes, painting and decorations, fittings and fixtures and electrical works.
4. Olorien Boys' Secondary School	Completion of dining hall with kitchen	Transfers to Secondary Schools	7,500,000	The project received funding of Kshs.8,000,000 in the previous year and an additional allocation of Kshs.7,500,000 in the year of audit totaling to accumulated disbursement of Kshs.15,500,000. However, the procurement documents including Bill of Quantities (BQ) and contract agreement in support of the disbursements were not provided for audit. Physical verification revealed that the project had stalled for two (2) years at the lintel phase and the contractor was not on site.
5. Olesharo Girls Secondary School	Construction of girl's dormitory of (96 capacity) to completion	Transfers to Secondary Schools	4,088,879	The project had not been approved by the NGCDF Board and its funding was reallocated from Suswa Girls Secondary School.

Beneficiary	Project Details	Type	Cost (Kshs.)	Observation
				Physical verification revealed that the project was incomplete, but the site had been abandoned by the contractor without evidence of ongoing works. Pending works included installation of windows and doors, external and internal finishes, painting and decoration, fitting and fixtures and electrical works.
6. Olesharo Girls Secondary School	Construction of 2 classrooms to completion	Transfers to Secondary Schools	2,300,000	Physical verification revealed that the project was incomplete, but the site had been abandoned after it stalled at the roofing phase. Pending works included installation of windowpanes, external and internal finishes, painting and decoration, fitting and fixtures and electrical works.
7. Olaimutiai Secondary School	Construction of 3 classrooms to completion	Transfers to Secondary Schools	2,000,000	The project had been completed and put in use. However, branding had not been done to show when and whether the NGCDF funds were used for its implementation contrary to Regulation 11 of the National Government Constituencies Development Regulations, 2016.
8. Olorien Boys' Secondary School	Construction of principal's house with 3 rooms and shower to completion	Transfers to Secondary Schools	2,000,000	The Project Management Committee irregularly changed the project's activity and constructed two (2) single rooms instead of one staff house of three (3) rooms as approved by the NGCDF Board. Physical verification revealed that the project had not been completed. However, there were no activities on going and the site looked abandoned without the contractor nor construction materials.

Beneficiary	Project Details	Type	Cost (Kshs.)	Observation
9. St. Anthony Secondary School	Construction of a kitchen to completion	Transfers to Secondary Schools	2,000,000	The project had been completed and put in use. However, branding had not been done to show when and whether the NGCDF funds were used for its implementation contrary to Regulation 11 of the National Government Constituencies Development Regulations, 2016.
Total			60,288,879	

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National Government Constituencies Development Fund (NGCDF)
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VII. Statement of Receipts and Payments for the Year Ended 30th June 2022

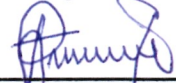
	Note	2021-2022	2020-2021
Kshs			
RECEIPTS			
Transfers from NGCDF Board	1	185,177,758	158,367,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		185,177,758	158,367,724
PAYMENTS			
Compensation of employees	4	3,476,218	3,476,214
Use of goods and services	5	13,597,904	9,624,717
Transfers to Other Government Units	6	117,038,879	82,400,000
Other grants and transfers	7	63,243,978	51,134,800
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		197,356,979	146,635,731
SURPLUS/DEFICIT		(12,179,221)	11,731,993

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 24/04/ 2023 and signed by:


Fund Account Manager


National Sub-County Accountant


Chairperson NG-CDF Committee

Name: ANDREW K. KIPTANUI

Name: JOHN K. NDUNGU
ICPAK M/No: 14351

Name: TAPAIYA PUNYUA



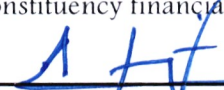
Narok East Constituency
National Government Constituencies Development Fund (NGCDF)
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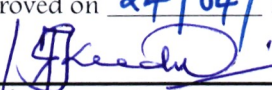
VIII. Statement of Assets and Liabilities as At 30th June, 2022

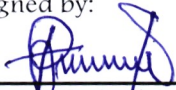
	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	8,598,266	20,777,487
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		8,598,266	20,777,487
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		8,598,266	20,777,487
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL ASSETS		8,598,266	20,777,487
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	20,777,487	9,045,494
Prior year adjustments	14	-	-
Surplus/Deficit for the year		(12,179,221)	11,731,993
NET FINANCIAL POSITION		8,598,266	20,777,487

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 24/04/ 2023 and signed by:


Fund Account Manager


National Sub-County Accountant


Chairperson NG-CDF Committee

Name: ANDREW K. KIPTANUI

Name: JOHN K. NDUNGU
ICPAK M/No: 14351

Name: TAPAIYA PUNYUA



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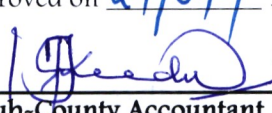
IX. Statement of Cash Flows for the Year Ended 30th June 2022

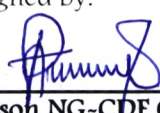
		2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	185,177,758	158,367,724
Other Receipts	3	-	-
		185,177,758	158,367,724
Payments for operating activities			
Compensation of Employees	4	3,476,218	3,476,214
Use of goods and services	5	13,597,904	9,624,717
Transfers to Other Government Units	6	117,038,879	82,400,000
Other grants and transfers	7	63,243,978	51,134,800
Other Payments	9	-	-
		197,356,979	146,635,731
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(12,179,221)	11,731,993
CASHFLOW 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			
		(12,179,221)	11,731,993
Cash and cash equivalent at BEGINNING of the year	10	20,777,487	9,045,494
Cash and cash equivalent at END of the year		8,598,266	20,777,487

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 24/04/ 2023 and signed by:


Fund Account Manager


National Sub-County Accountant


Chairperson NG-CDF Committee

Name: ANDREW K. KIPTANUI

Name: JOHN K. NDUNGU
ICPAK M/No: 14351

Name: TAPAIYA PUNYUA



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


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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
a	b	c=a+b	d	e=c-d	f=d/c %	
RECEIPTS						
Transfers from NG-CDF Board	137,088,879	48,088,879	205,955,245.0	205,955,245	0	100%
Proceeds from Sale of Assets	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	0%
TOTAL RECEIPTS	137,088,879	48,088,879	205,955,245	205,955,245	0	100%
PAYMENTS						
Compensation of Employees	3,476,220	-	3,476,226.00	3,476,218	8	100%
Use of goods and services	8,861,779	1,699,794.00	10,608,883.00	13,597,904	(2,989,021)	128%
Transfers to Other Government Units	78,800,000	46,372,521	129,600,000.00	117,038,915	12,561,085	90%
Other grants and transfers	45,950,880	-	62,253,572.00	63,243,978	(990,406)	102%
Acquisition of Assets	-	-	-	-	-	0%
Other Payments	-	16,600	16,600.00	-	16,600	0%
funds pending approval	-	-	-	-	-	0%
TOTAL	137,088,879	48,088,915	205,955,281	197,357,015	8,598,266	96%

*Narok East Constituency
National Government Constituencies Development Fund (NGCDF)
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	8,598,266
Less undisbursed funds receivable from the Board as at 30 th June 2022	0
Add Accounts payable	8,598,266
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	8,598,266

The Constituency financial statements were approved on 24/04/2022 and signed by:


Fund Account Manager

National Sub-County Accountant

Name: JOHN K. NDUNGU
ICPAK M/No: 14351




Chairperson NG-CDF Committee

Name: TAPAIYA PUNYUA

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

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and ALA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	3,476,220	6	-	3,476,226	3,476,218	8	100
1.2 Committee allowances	2,000,000	600	-	2,000,600	3,045,000	(1,044,400)	99
1.3 Use of goods and services	2,749,112	9,252	-	2,758,364	2,822,801	(64,437)	100
Total	8,225,332	9,858	-	8,235,190	9,344,019	(1,108,829)	100
2.0 Monitoring and evaluation							
2.1 Capacity building	1,612,667	34,359	-	1,647,026	1,784,800	(137,774.0)	97
2.2 Committee allowances	1,500,000	3,000	-	1,503,000	2,797,600	(1,294,600.0)	100
2.3 Use of goods and services	1,000,000	99	1,699,758	2,699,857	3,147,703	(447,846.0)	100
Total	4,112,667	37,458	1,699,758	5,849,883	7,730,103	(1,880,220)	99
3.0 Emergency							
3.1 Primary Schools	-	-	-	-	-	-	-
3.2 Secondary schools	-	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-	-
3.5 Unutilised	7,192,207	3,676,207	-	10,868,414	8,100,000	2,768,414	-
Total	7,192,207	3,676,207	-	10,868,414	8,100,000	2,768,414	-
4.0 Bursary and Social Security							

**Narok East Constituency
National Government Constituencies Development Fund (NGCDF)
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4.1 Secondary Schools	18,600,000	2,667,250	-	21,267,250	34,814,200	(13,546,950)	100
4.2 Tertiary Institutions	18,500,000	4,832,121	-	23,332,121	17,939,178	5,392,943	100
4.3 Social Security	1,200,000	2,400,000	-	3,600,000	-	3,600,000	-
4.4 Special Needs	200,000	600,000	-	800,000	-	800,000	-
Total	38,500,000	10,499,371	-	48,999,371	52,753,378	(3,754,007)	100
5.0 Sports				-		-	-
5.1	158,673	1,369,273	0	1,527,946	1,540,600	(12,654)	98
Total	158,673	1,369,273	-	1,527,946	1,540,600	(12,654)	98
6.0 Environment							-
6.1	100,000	757,841	0	857,841	850,000	7,841	-
Total	100,000	757,841	-	857,841	850,000	7,841	-
7.0 Primary Schools Projects							
Oloolrot Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100
Ilkirimisho Primary School	2,300,000	-	-	2,300,000	1,000,000	1,300,000	43
Olenkomee Primary School	2,300,000	-	-	2,300,000	1,000,000	1,300,000	43
Oloso Primary School	2,000,000	-	-	2,000,000	1,000,000	1,000,000	50
Oloseneto Primary School	1,600,000	-	-	1,600,000	1,600,000	-	100
Olopikidongoi Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100
Saleita Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100
Oldoinyo Onyokie Primary School	2,300,000	-	-	2,300,000	2,300,000	-	100
Enkaroni Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100
Nailogilog Primary School	2,300,000	-	-	2,300,000	1,000,000	1,300,000	43
Enkushuai Primary School	2,300,000	-	-	2,300,000	2,300,000	-	100
Osupuko Primary School	2,000,000	-	-	2,000,000	-	2,000,000	-
Oltanki Primary School	2,300,000	-	-	2,300,000	2,300,000	-	100
Keru Primary School			2,300,000	2,300,000	2,300,000	-	100

*Narok East Constituency
National Government Constituencies Development Fund (NGCDF)
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Eluai Primary School			2,000,000	2,000,000	2,000,000	-	100
Oloika Primary School			2,300,000	2,300,000	2,300,000	-	100
Olekoonyo Primary School			2,300,000	2,300,000	2,300,000	-	100
Oloitip Primary School			2,300,000	2,300,000	2,300,000	-	100
Ntemel Primary School	-		2,300,000	2,300,000	2,300,000	-	100
Enoobarbali Primary School	-		2,300,000	2,300,000	2,300,000	-	100
Eor-esimu Primary School	-	2,127,479	172,521	2,300,000	1,300,000	1,000,000	100
Ole Kuntere Primary School	-	2,300,000	-	2,300,000	-	2,300,000	-
Rankai primary school	-		2,300,000	2,300,000	-	2,300,000	-
Kikuyian Primary School			3,000,000	3,000,000	-	3,000,000	-
DEB school	-		1,000,000	1,000,000	-	1,000,000	82
Total	27,400,000	4,427,479	22,272,521	54,100,000	37,600,000	16,500,000	
8.0 Secondary Schools Projects							100
Olamutiai Secondary School	3,450,000	-	-	3,450,000	2,000,000	1,450,000	100
Aramat Secondary School	3,000,000			3,000,000	3,000,000	-	100
Oletukat High School	10,750,000			10,750,000	10,750,000	-	100
Saleita Secondary School	2,000,000		5,000,000	7,000,000	7,000,000	-	100
Olorien Boys' Secondary School	29,900,000		1,800,000	31,700,000	40,300,000	(8,600,000)	100
Olesharo Girls Sec School	2,300,000	-	4,300,000	6,600,000	14,388,879	(7,788,879)	100
ST. Anthony Secondary School	-	-	2,000,000	2,000,000	2,000,000	-	100
Nturumeti secondary school	-	-	5,000,000	5,000,000	-	5,000,000	99
Suswa girls	-	-	6,000,000	6,000,000	0	6,000,000	100
Total	51,400,000	-	24,100,000	75,500,000	79,438,879	(3,938,879)	100
9.0 Tertiary institutions Projects							100
							-
							-
Total	-	-	-	-	-	-	-
10.0 Security Projects							-
			0	-	-	-	-
Total	-	-	-	-	-	-	-

XI. Significant Accounting Policies

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

1. Statement of Compliance and basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Narok East 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 recognizes all receipts from the various sources when the event occurs, and the related cash has actually been received by the Entity.

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognized 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 recognizes all payments when the event occurs and the related cash has actually been paid out by the entity.

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

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.

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 1st June 2020 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.

14. Errors

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

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

15. Related Party Transactions

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

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

	Description	2021-2022	2020-2021
		Kshs	Kshs
	NGCDF Board AIEs		
1	B096989	-	15,000,000
2	B104655	-	21,000,000
3	A823698	-	30,367,724
4	B124632	-	9,000,000
5	B119601	-	10,000,000
6	B119991	-	13,000,000
7	B128232	-	6,900,000
8	B129194	-	6,000,000
9	B132288	-	6,000,000
10	B138957	-	13,000,000
11	B126249	-	6,100,000
12	B105044		10,000,000
13	B140687		12,000,000
1	B105239	33,000,000	-
2	B105532	44,000,000	-
3	B105894	22,000,000	-
4	B105897.	5,000,000	-
5	B105910.	12,000,000	-
6	B105916.	12,000,000	-
7	B105591.	18,000,000	-
10	B155537	24,088,879	-
11	B155639.	12,088,879	-
12	B155547.	3,000,000	-
	TOTAL	185,177,758	158,367,724

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Notes to the Financial Statements (Continued)

2. Proceeds from Sale of Assets

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

3. Other Receipts

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

4. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,446,258	2,446,254
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	822,600	822,600
Employer Contributions Compulsory national social security schemes	207,360	207,360
Total	3,476,218	3,476,214

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Notes to the Financial Statements (Continued)

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Committee Expenses	-	-
Utilities, supplies and services	980,000	212,400
Electricity	30,000	-
Water & sewerage charges	30,000	-
Office Rent	-	-
Communication, supplies and services	210,000	90,000
Domestic travel and subsistence	120,000	160,000
Printing, advertising and information supplies & services	127,000	519,000
Rentals of produced assets	-	-
Training expenses	1,784,800	677,200
Hospitality supplies and services	-	-
Other committee expenses	2,797,600	3,137,400
Committee allowance	3,045,000	2,185,200
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	735,110	830,300
Fuel , oil & lubricants	3,300,000	1,550,000
Other operating expenses	-	-
Bank service commission and charges	64,440	49,053
Security operations	-	-
Routine maintenance – vehicles and other transport equipment	373,954	214,164
Routine maintenance – other assets	-	-
Total	13,597,904	9,624,717

Notes to The Financial Statements (Continued)

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to Primary Schools (See Attached List)	37,600,000	21,400,000
Transfers to Secondary Schools (See Attached List)	79,438,879	61,000,000
Transfers to Tertiary Institutions (See Attached List)	-	-
Total	117,038,879	82,400,000

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	34,814,200	22,882,800
Bursary – tertiary institutions (see attached list)	17,939,178	20,700,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	-	-
Sports projects (see attached list)	1,540,600	1,396,000
Environment projects (see attached list)	850,000	140,000
Emergency projects (see attached list)	8,100,000	6,016,000
Total	63,243,978	51,134,800

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	-	-
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 Bank, Narok Branch, A/C no.0360261237642</i>	8,598,266	20,777,487
Total	8,598,266	20,777,487

11: Outstanding Imprests

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

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	-	-

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12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	822,600.00	-
Gratuity paid during the Year (C)	822,600.00	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. Balances Brought Forward

	2021-2022 (1st July 2021)	2020-2021 (1st July 2020)
	Kshs	Kshs
Bank accounts	20,777,487	9,045,494
Cash in hand	-	-
Imprest	-	-
Total	20,777,487	9,045,494

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	-	-	-

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

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

Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Others	-	-
Total	-	-

17.3: Unutilized Funds (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	8	6
Use of goods and services	(2,989,021)	47,310
Amounts due to other Government entities (see attached list)	12,561,121	49,799,795
Amounts due to other grants and other transfers (see attached list)	(990,442)	19,002,655
Acquisition of assets	-	-
Strategic Plan	16,600	16,600
Funds pending approval	-	-
Total	8,598,266	68,866,366

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	7,952,783	13,412,628
Total	7,952,783	13,412,628

Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		8	6	
Use of goods & services		(2,989,021)	47,310	
Amounts due to other Government entities				
Ilkirimisho Primary School	2 No. Classrooms Construction	1,300,000		
Olenkomeei Primary School	2 No. Classrooms Construction	1,300,000		
Olosiro Primary School	2 No. Staff Houses Construction	1,000,000		
Nailogilog Primary School	2 No. Classrooms Construction	1,300,000		
Osupuko Primary School	2 No. Staff Houses Construction	2,000,000		
Olekuntere Primary School	2 No. Classrooms Construction	2,300,000		
Eor Esimu school	2 No. Classrooms Construction	1,000,000		
Olamutiai Secondary School	3 No. Classrooms Construction	1,450,000		
Rankai primary school	2 No. Classrooms Construction	2,300,000		
Kikyian Primary School	3 No. Classrooms Construction	3,000,000		
DEB school		1,000,000		
Olorien Boys' Secondary School		(8,600,000)		
Olesharo Girls Sec School		(7,788,879)		
Nturumeti secondary school	Construction of 1No. single laboratory to completion	5,000,000		
Suswa girls	Construction of Girls' Dormitory to completion	6,000,000		Reallocated to Olesharo Girls Sec
Sub-Total		12,561,121	52,499,794	
Amounts due to other grants and other transfers				
Social security		3,600,000		
Environment	Gutters NG CDF Office	7,841		
Emergency	Various emergency projects	2,768,414		
Secondary Schools	Secondary school bursary	(13,546,950)		
Tertiary Institutions	Tertiary institution bursary	5,392,943		
Special Needs	Bursary for special need students	800,000		
Sports	Sport activities	(12,690)		
Sub-Total		(990,442)	16,302,656	
Acquisition of assets		-		
Others (ICT HUBS)		16,600	-	
Sub-Total		8,598,266	68,866,366	
Funds pending approval		-		
Grand Total		8,598,266	68,866,366	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	-	-	-	-
Buildings and structures	20,000,000	-	-	20,000,000
Transport equipment	6,200,000	-	-	6,200,000
Office equipment, furniture and fittings	3,643,002	-	-	3,643,002
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	29,843,002	-	-	29,843,002

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

PMC	Bank	Account number	Date Opened	Bank Balance 2021/22	Bank Balance 2020/21
Oletukat Primary School	Equity	0360279844279	1/1/2019		260
EnarupaOongila Primary School	Equity	0360263758884	1/7/2020		50,395.00
Ilooboti Primary School	Equity	0360263327746	1/6/2020		276,395.00
OlMunanda Primary School	Equity	0360280365839	1/7/2020		640
Naakurto Lukuny Primary School	Equity	0360266398193	1/7/2020		188
Enkaroni Primary School	Equity	0360263718255	1/1/2019		1,730.00
Kormoto Primary School	Equity	0360280365948	1/7/2020		99,760.00
Enooseyia Secondary School	Equity	0360268368835	1/6/2020		249,765.00
Oletukat Secondary School	Equity	0360268380655	1/1/2019		2,110,035.00
Nturumeti Secondary School	Equity	0360280368323	1/7/2020		149,760.00
Aramat Secondary School	Equity	0360276602500	1/1/2019		2,300,420.00
Olorien Boys Secondary School	Equity	0360279605328	1/1/2021		7,699,500.00
Keekonyokie Secondary School	Equity	0360277559443	1/6/2020		244,020.00
Sintakara Secondary School	Equity	0360277559312	1/1/2019		229,760.00
Enoobarbali Primary School	Equity	0360281134640	1/9/2018	380.00	
Ilkirimisho Primary School	Equity	0360266494996	1/9/2018	215.75	
Ntemel Primary School	Equity	0360281413087	1/9/2017	100.00	
Oldoinyo Onyokie Primary School	Equity	0360272729360	1/9/2017	52,450.00	
Oloolturot Primary School	Equity	0360282163321	1/9/2017	500.00	
Oltanki Primary School	Equity	0360264137638	1/9/2016	1,000.00	
ST. Anthonys Secondary School	Equity	0360281425080	1/9/2017	740,707.00	
Eor Esimu Primary School	Equity	0360272297183	1/9/2018	230,060.00	
Nailogilog Primary School	Equity	0360271461118	1/9/2018	170.00	

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

PMC	Bank	Account number	Date Opened	Bank Balance 2021/22	Bank Balance 2020/21
Oloitip Primary School	Equity	0360281776580	1/9/2017	900,000.00	
Olosiro Primary School	Equity	0360266294896	1/9/2017	10,088.00	
Saleita Primary School	Equity	0360279106453	1/1/2018	500.00	
Enkaroni Primary School	Equity	0360263718255	1/1/2019	51,730.00	
Olesharo Girls Secondary School	Equity	0360278752805	1/1/2019	300,683.00	
Olopikidongoe Primary School	Equity	0360279011643	1/1/2019	999,680.00	
Keru Primary School	Equity	0360277324180	1/1/2019	680.00	
Oletukat High School	Equity	0360268380655	1/1/2019	4,170,035.00	
Olorien Boys Secondary School	Equity	0360279605328	1/1/2021	494,500.00	
Total				7,952,783.00	13,412,628.00

Annex 6: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Unsupported Cash and Cash Equivalents	The error has been corrected	Resolved	
2	Irregular Compensation of Employees on Contract	The NGCDF committee have agreed to renew the contract	Resolved	
3	Irregular Use of Emergency Funds	The NGCDF committee agreed to complied with the act in near future	Resolved	
4	Irregular Procurement of Office and General Supplies	The NGCDF committee agreed to complied with the act in near future	Resolved	
5	Poor Workmanship in Implementation of Projects	The NGCDF has agreed to intensify monitoring and evaluation of projects to ensure eradicate such anomalies	Resolved	
6	Unsupported Project Management Committee (PMC) Account Balances	The NGCDF has assembled all PMC bank balance certificate and in its ready for audit review	Resolved	

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Andrew K. Kiptanui
Fund Account Manager.

