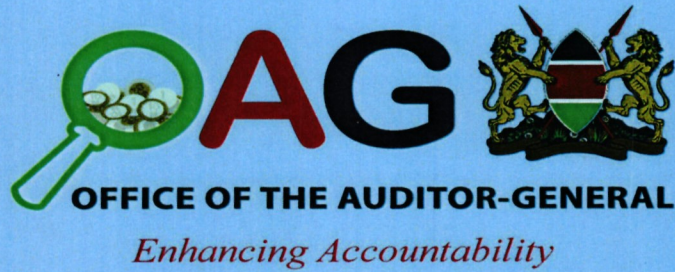


REPUBLIC OF KENYA



REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

DATE: 22 NOV 2022

Tuesday

TABLED
BY:

LOM

CLERK AT

Hemuna

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2021**





AINABKOI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

	Page
Table of Content	
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	2
II. NG-CDFC CHAIRMAN’S REPORT	5
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETRMINED OBJECTIVES	8
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	9
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES	12
VI. REPORT OF THE AUDITOR GENERAL ON THE <i>NGCDF- KESSES CONSTITUENCY</i>	13
VII. STATEMENT OF RECEIPTS AND PAYMENTS.....	14
VIII. STATEMENT OF ASSETS AND LIABILITIES	15
IX. SUMMARY STATEMENT OF APPROPRIATION	17
X BUDGET EXECUTION BY SECTORS AND PROJECTS	19
XI. SIGNIFICANT ACCOUNTING POLICIES	24
XII. NOTES TO THE FINANCIAL STATEMENTS.....	28

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Purity W. Wangechi
2.	Sub-County Accountant	Benjamin Muchina
3.	Chairman NGCDFC	Patrick Kalya
4.	Member NGCDFC	Isaac Kotut

(d) Fiduciary Oversight Arrangements

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

P.O. Box 9882 - 30100
Eldoret East Sub County DCC's Office Compound
Along Eldoret – Kaptagat Highway
Eldoret, KENYA

(f) Ainabkoi Constituency NGCDF Contacts

Telephone: (254) 710771170
E-mail: cdfainabkoi@ngcdf.go.ke
Website: www.ainabkoi.go.ke

(g) Ainabkoi Constituency NGCDF Bankers

Equity Bank of Kenya
Eldoret Branch
P.O. Box 2201
Eldoret, 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



NG-CDF fund has and continues to touch, change and transform lives of common citizen down at the grass root level. That has been achieved through bursary fund to needy but bright school going students who would have dropped out if not for NG-CDF bursary fund intervention. Notably also there is no clear structure to administer the social security program in the constituency. It is upon the NG-CDF board to expedite issuance of a policy guidelines towards social security programmes.

The slow implementation of projects was due to delayed disbursement of funds from NG-CDF Board. There is need for bursary/social security allocation to be reviewed upwards to match increasing needs of school fees.

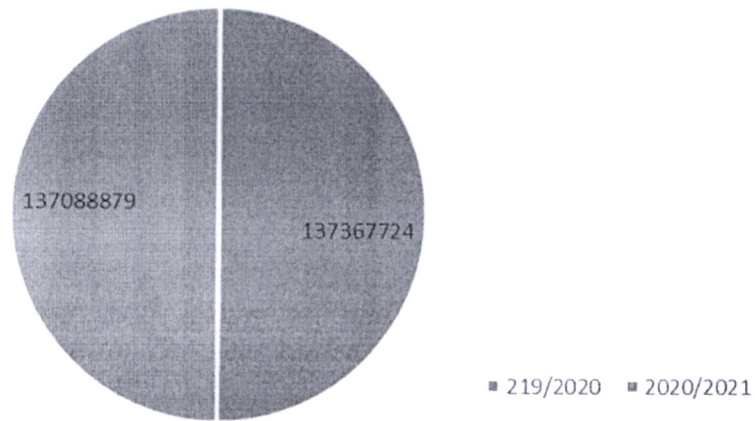
There are quite a number of challenges facing constituents in Ainabkoi constituency ranging from poor road networks, power outages, communication/network problems, insecurity, landslides, thunder and lightning strikes. With collaboration, networking and partnering with stakeholders, the above challenges could be solved. The constituency launched constituency strategic plan in September 2019 which aims at giving strategic direction, focus and concentration of funds to ensure maximum benefit to all in an effective and efficient manner.

I would like to thank all stakeholders of NG CDF projects in Ainabkoi including the project management committees, development partners, and government line ministries.

Budget allocation for the two years compared on a pie chart.

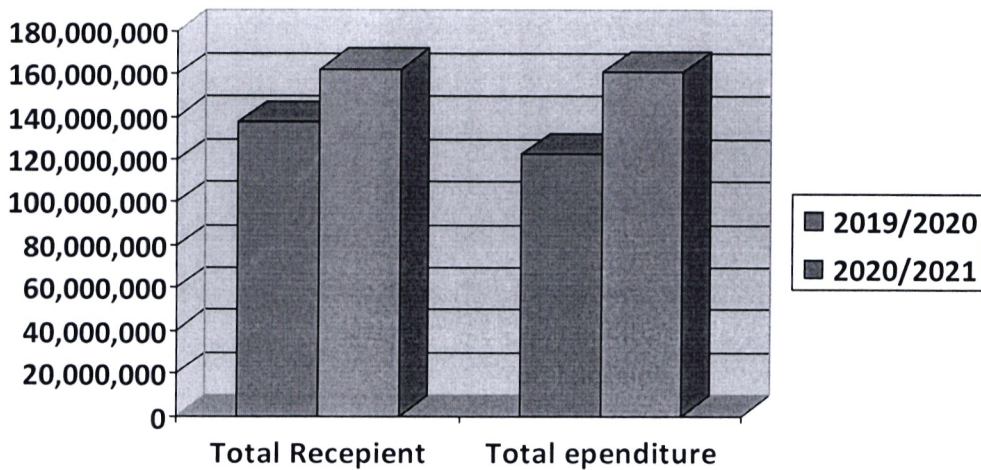
Financial Years	Amount Allocated in Kes
2019/2020	137,367,724
2020/2021	137,088,879

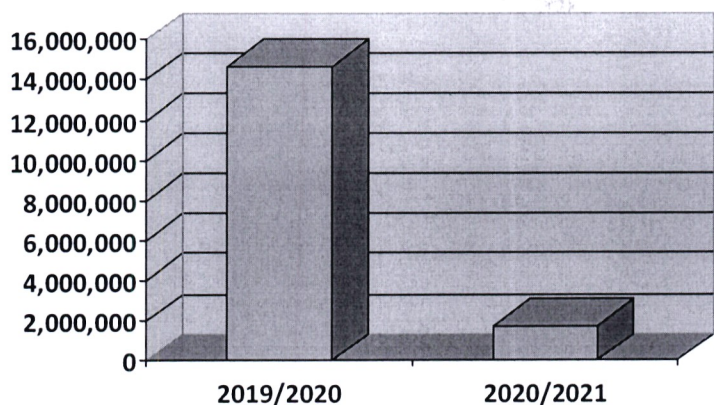
budget allocation for the two years compared



Total receipts Vs Expenditure

Financial Years	Total Receipts	Total Expenditures
2019/2020	137,367,724	122,410,856
2020/2021	162,519,724	160,789,346





RCEA Biwott Ngelel Tarit Secondary School- Administration Block Complex

Sign 

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

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

- a) Education- To improve student outcomes and enabling environment for quality learning
- b) Security- To create peaceful, secure and enabling environment through support of infrastructure in the ministry of interior at the constituency.
- c) Sports- To create opportunities for young people and marginalized group to harness their potential and capabilities through sports.
- d) Environment- To strengthen environmental conservation and protection through supporting community environmental initiatives.
- e) Emergency- To respond effectively and efficiently to unforeseen occurrences hampering lives of the constituents of Ainabkoi Constituency.

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 20/21 -we increased number of classrooms, dormitories, laboratories etc from ... to... in the following schools/institutions -Bursary beneficiaries at all levels were as per the attached schedules
Security	To have all locations have chiefs and assistant chiefs offices	Increased in government services accessible to the constituents	Number of suable physical infrastructure built in chiefs and police post	In FY 2020/2021 we built 2 chief offices

Environment	To have all schools get levelled playing field and rained water harvested	Increased sporting and improve sanitation activities in our children	Number of school playing field and number of water tanks	In FY 2020/2021 31 schools were issued with water tanks and water base constructed
Sports	To have all schools get levelled playing field	Increased sporting activities in our children	Number of tournaments	In FY 2020/2021 bought football/volleyball balls,football/volleyball nets and severall teams jerseys and shorts
Emergency	To have our institution be disaster free and protect our users	Improved in workmanship by our contractors implementing our projects	Number of sanitation facilities rescued	In FY 2020/2021 allocation for school toilets done

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

NG CDF Ainabkoi, has in the past witnessed shortage of water in our schools thus putting our children in sanitation dilemma. The constituency, rolled out a campaign towards ensuring that each school accessed rain harvested water, the aim is to ensure that each school stores water for use during dry period. For major projects we have refrain from roofing our projects using timber, this will minimize strain on our tree cover in our schools. Our tree planting and restoration strategies has bore fruits with many schools in our sub county having trees in their school compounds.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. NG CDFC 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 NG CDFC constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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-

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Ainabkoi NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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

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.

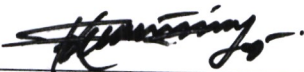
The Accounting Officer in charge of the NGCDF-Ainabkoi, Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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-Ainabkoi, 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, 2021, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-Ainabkoi, 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 Ainabkoi, 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- Ainabkoi Constituency financial statements were approved and signed by the Accounting Officer on 27/6/2021.



Chairman NGCDF Committee

Name: DAVID KIMANI

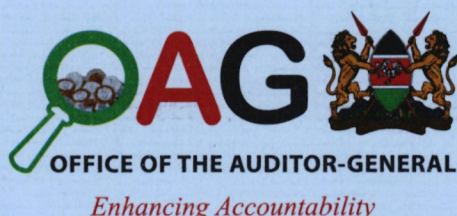


Ag Fund Account Manager

Name: GLORIA MWANGI

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - AINABKOI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 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 - Ainabkoi Constituency set out on pages 14 to 44, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows, summary statement of

Report of the Auditor-General on National Government Constituencies Development Fund - Ainabkoi Constituency for the year ended 30 June, 2021

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 - Ainabkoi Constituency as at 30 June, 2021, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Inaccuracies in the Statement of Cash Flows

Review of the financial statements reflected variances between the comparative amounts in the statement of cash flows and the previous year's financial statements as indicated in the tabled below;

Item	Amounts as per 2020/2021 Financial Statements (Kshs.)	Amounts as per Audited 2019 /2020 Financial Statements (Kshs.)	Variance (Kshs.)
Receipts from Operating Activities	108,784,483	122,410,876	(13,626,393)
Compensation of Employees	1,989,905	1,488,306	501,599
Use of Goods and Services	7,787,842	8,619,831	(831,989)
Transfers to Other Government Units	35,504,662	71,226,697	(35,722,035)
Other Grants and Transfers	47,650,335	26,193,864	21,456,471
Other Payments	7,845,603	191,500	7,654,103

In the circumstances, the accuracy of the statement of cash flows could not be confirmed.

2. Unconfirmed Purchase of Land

The statement of receipts and payments reflects transfers to other Government entities amount of Kshs.71,550,924 as disclosed in Note 6 to the financial statements which includes transfers to primary schools' amount of Kshs.35,659,999. Examination of the documents provided for audit reflects an amount of Kshs.1,200,000 transferred to Lamaon Primary School project management committee as an addition to the Kshs.2,400,000 transferred in the financial year 2019/2020 for purchase of land. However, the valuation report, search certificates from land office and title deed were not provided for audit.

In the circumstances, the valuation and ownership of the land with an accumulated funding of Kshs.3,600,000 could not be confirmed.

3. Cash and Cash Equivalents

3.1 Undisclosed Bank Account

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.30,615,180 as disclosed in Note 10 to the financial statements. However, during the financial year, the Fund operated and maintained an account with a bank balance totalling to Kshs.1,725,502 which was not disclosed in the financial statements.

3.2 Stale Cheques

Examination of the bank reconciliation statement for the month of June, 2021 reflects cheques amounting to Kshs.2,295,043 which are stale. These stale cheques have remained unrepresented since 2019. No explanation has been provided as to why they have not been reversed.

In the circumstances, the validity, accuracy and completeness of cash and cash equivalents balance of Kshs.30,615,180 could not be confirmed.

4. Unsupported Project Management Committee (PMC) Account Balances

Note 17.4 to the financial statements reflects Project Management Committee (PMC) account balance of Kshs.12,833,591 held in thirty-one (31) bank accounts. However, Management did not provide supporting cashbooks, bank statements, bank reconciliations and certificates of bank balances to support the balances.

In the circumstance, the accuracy, completeness and existence of the Project Management Committee bank balances totalling to Kshs.12,833,591 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 - Ainabkoi 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 statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable of Kshs.236,223,406 and Kshs.191,404,526 respectively, resulting to an under-funding amounting to Kshs.44,818,879 or 19% of the budget. Similarly, the Fund expended Kshs.160,789,346 against approved budget of

Kshs.236,223,406, resulting to an under expenditure amounting to Kshs.75,434,059 or 32% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

2. Unresolved Prior Year Matters

In the audit report of the previous year, a number of paragraphs were raised under the Report on Financial Statements. However, Management has not resolved the issues nor disclosed all the prior year matter as provided by the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Stalled Project

During the audit, twenty-three (23) projects with total disbursements amounting to Kshs.64,218,572 were verified in the month of April, 2022. However, it was noted that one project (construction of Chiefs Office) awarded to a local contractor on 30/10/2019 with a disbursement of Kshs.3,500,000 and actual payment to the contractor of Kshs.973,716, had stalled and the contractor was not on site.

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, except for the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

1. Compensation of Employees

1.1 High Staff Turnover

During the year under review, the Fund had three (3) Fund Account Managers. Based on this high rate of turnover, the objectives and goals of the Fund may not be implemented accordingly due to lack of institutional memory and smooth running of Fund affairs.

In the circumstances, I am unable to confirm existence of effective internal controls that would reduce staff turnover.

1.2 Annual leave

During the year under review, it was noted that no officer of Ainabkoi - NGCDF proceeded for annual leave and no expenditure on leave allowance was incurred during the year under review contrary to Human Resource Policies and Procedures Manual, 2016 Section C.11(1) which states that all officers shall be eligible for leave allowance payable once a year.

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

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 controls 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 the Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 controls 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 Fund's 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 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


05 September, 2022

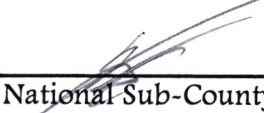
*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*


VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	162,267,724	122,410,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	252,000	-
TOTAL RECEIPTS		162,519,724	122,410,876
PAYMENTS			
Compensation of employees	4	2,999,656	1,488,306
Use of goods and services	5	13,035,491	8,619,831
Transfers to Other Government Units	6	71,550,924	71,226,697
Other grants and transfers	7	73,203,275	26,193,864
Acquisition of Assets	8	-	191,500
Other Payments	9	-	-
TOTAL PAYMENTS		160,789,346	107,720,198
SURPLUS/DEFICIT		1,730,378	14,690,678

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Ainabkoi Constituency financial statements were approved on 27/6/2021 and signed by:


 Ag. Fund Account Manager
 Name: GLORIA MWASI



 National Sub-County
 Accountant
 Name: BENJAMIN MUCHINA
 ICPAK M/No: 28513


 Chairman NG-CDF Committee
 Name: DAVID KIMANI


VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	30,615,180	28,884,802
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		30,615,180	28,884,802
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		30,615,180	28,884,802
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		30,615,180	28,884,802
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	28,884,802	14,194,124
Prior year adjustments	14	-	-
Surplus/Deficit for the year		1,730,378	14,690,678
NET FINANCIAL POSITION		30,615,180	28,884,802


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-AAinabkoi Constituency financial statements were approved on 27/6/2021 and signed by:



Ag Fund Account Manager
Name: GLORIA MWAJJI



National Sub-County
Accountant
Name: BENJAMIN MUCHINA
ICPAK M/No: 26513



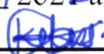
Chairman NG-CDF Committee
Name: DAVID KIMANI

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	162,267,724	108,784,483
Other Receipts	3	252,000	-
Total receipts		162,519,724	108,784,483
Payments for operating activities			
Compensation of Employees	4	2,999,656	1,989,905
Use of goods and services	5	13,035,491	7,787,842
Transfers to Other Government Units	6	71,550,924	35,504,662
Other grants and transfers	7	73,203,275	47,650,335
Other Payments	9	-	7,845,603
Total payments		160,789,346	100,778,347
Total Receipts Less Total Payments			
Adjusted for:	15	-	
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	16	-	-
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	14	-	468,465
Prior year adjustments		-	468,465
Net cash flow from operating activities		1,730,378	8,474,601
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		1,730,378	8,474,601
Cash and cash equivalent at BEGINNING of the year	10	28,884,802	14,194,124
Cash and cash equivalent at END of the year		30,615,180	108,784,483

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Ainabkoi Constituency financial statements were approved on 27/6/2021 and signed by:



Ag. Fund Account Manager
 Name: GLORIA MWASI



National Sub-County
 Accountant
 Name: BENJAMIN MUCHINA
 ICPAK M/No: 26513



Chairman NG-CDF Committee
 Name: DAVID KIMANI

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget a	Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
RECEIPTS	2020/2021			2020/2021	30/06/2021		
	Kshs			Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	28,884,802	69,997,724	235,971,406	191,152,526	44,818,879	81.0%
Proceeds from Sale of Assets				0	-	-	0.0%
Other Receipts		252,000.00		252,000	252,000	-	100.0%
TOTALS	137,088,879	29,136,802	69,997,724	236,223,406	191,404,526	44,818,879	81.0%
PAYMENTS							
Compensation of Employees	2,516,052	257,403	500,000	3,273,455	2,999,656	273,799	91.6%
Use of goods and services	9,821,947	1,828,695	3,521,969	15,172,611	13,035,491	2,137,120	85.9%
Transfers to Other Government Units	60,653,848	11,292,650	43,630,000	115,576,498	71,550,924	44,025,574	61.9%
Other grants and transfers	64,097,032	15,506,054	22,345,755	101,948,841	73,203,275	28,745,566	71.8%
Acquisition of Assets	0	0	0	0	-	-	0.0%
Other Payments	0	0	0	0	-	-	0.0%
Funds pending approval**		252,000.00		252,000			
TOTALS	137,088,879	29,136,802	69,997,724	236,223,405	160,789,346	75,434,059	68.1%

(a) For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021


(a) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]


- i. General dismal performance by the Constituency during the year ended was majorly the pandemic, Managements scaling down and changes of Fund account manager.
- ii. Transfers to School was hampered by limitation in access of all Public and Private institutions by the President thus affecting the activities.
- iii. Use of goods and services too was affected since there was a time lapse in transition from old committee to new one. Further, NG CDFC's activity was scaled down during the Covid 19 Pandemic through the Ministry of Health directives

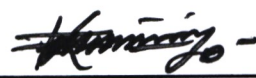
(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	75,434,059
Less undisbursed funds receivable from the Board as at 30 th June 2021	44,818,879
	30,615,180
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	30,615,180

The NGCDF-Ainabkoi Constituency financial statements were approved on 27/6/2021 and signed by:


 Fund Account Manager
 Name: GLORIA MWASI


 National Sub-County
 Accountant
 Name: BENJAMIN MOCHINA
 ICPAK M/No: 26513


 Chairman NG-CDF Committee
 Name: DAVIS KIMAYO

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,516,052	257,403	500,000	3,273,455	2,999,656	273,799
1.2 Committee allowances	2,400,000	2,003,142	635,519	5,038,661	4,973,860	64,801
1.3 Use of goods and services	3,309,280	609,072	466,884	4,385,236	3,140,411	1,244,825
	8,225,333	2,869,617	1,602,403	12,697,353	11,113,927	1,583,426
2.0 Monitoring and evaluation						
2.1 Capacity building	1,400,000	1,141,500	1,200,000	3,741,500	442,500	3,299,000
2.2 Committee allowances	2,500,000	125,317	577,053	3,202,370	2,007,000	1,195,370
2.3 Use of goods and services	212,666.37	1,715,443	2,259,054	4,187,163	2,471,720	1,715,443
	4,112,666	2,982,260	4,036,107	11,131,033	4,921,220	6,209,813
3.0 Emergency						
3.1 Primary Schools						
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
Unutilised						
total	7,192,207	2,935,199	6,198,241	16,325,646.90	-	16,325,647
4.0 Bursary and Social Security						
4.1 Secondary Schools	30,006,131	2,701,495		32,707,626	29,875,239	2,832,387

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.2 Tertiary Institutions	15,150,761		18,745,447	33,896,208	30,334,060	3,562,148
4.3 Social Security		366,416		366,416		366,416
4.4 mocks				-	-	
5.0 Sports	45,156,892	3,067,911	18,745,447	66,970,249	60,209,299	6,760,950
Sports balances	2,597,933	1,879,815	2,318,659			
	2,597,933	1,879,815	2,318,659	6,796,407.45	2,281,326	4,515,081
6.0 Environment						
6.1	-	3,100,000		-		
total	-	3,100,000	-	3,100,000	3,100,000	-
7.0 Primary Schools Projects (List all the Projects)						
koibarak Primary School	150,000		500,000.00	650,000	650,000	-
Tingwa Primary School	150,000		300,000.00	450,000	450,000	-
Kewapmoi Primary school	150,000		600,000.00	750,000	750,000	-
Kipkoryony Primary School	150,000			150,000	150,000	-
Munyaka Primary School	10,079,000		2,000,000.00	12,079,000	12,075,000	4,000
Eldoret School for the hearing impaired	4,599,000	1,000,000		5,599,000	5,599,000	-
Chelugui Primary School	1,518,999			1,518,999	1,518,999	-

**Ainabkoi Constituency
Municipal Government Constituencies Development Fund (MCD),
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Chepkurumum Primary School	2,173,000			2,173,000	2,173,000	-
Brockley Primary School	1,036,997	1,000,000	1,036,007.04	3,073,004	900,000	2,173,004
Olare Primary School	1,894,000.00		1,200,000.00	3,094,000	3,094,000	-
Lamaon Primary School		1,200,000		1,200,000	1,200,000	-
Chepkongony Primary School			1,500,000.00	1,500,000		1,500,000
Kapsoya Primary School			500,000.00	500,000	500,000	-
Ndanai Primary School			400,000.00	400,000	400,000	-
Songich Primary School			600,000.00	600,000	600,000	-
Tendwo Primary School			1,200,000.00	1,200,000	1,200,000	-
koilel Primary School			1,000,000.00	1,000,000	1,000,000	-
Brockley Primary School			800,000.00	800,000	800,000	-
Uhuru primary school		200,000		200,000	200,000	-
Skyline primary school		200,000		200,000	200,000	-
Wounifor primary school		300,000		300,000	300,000	-
Kimuruk primary		400,000		400,000	400,000	-
Koitoroch primary school		200,000		200,000	200,000	-
Arnesens primary school		200,000		200,000	200,000	-
Kiluka primary school		350,000		350,000	350,000	-

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK and AIA	Previous Years' Outstanding Disbursements			
AIC kaptagat childrens home		750,000		750,000	750,000	-
Total	21,900,996.14	5,800,000	11,636,007	39,337,003.18	35,659,999	3,677,004
8.0 Secondary Schools Projects (List all the Projects)						
Tendwo Secondary School	4,291,272.18	4,972,653		9,263,925	9,263,925	-
Chepiggor secondary School	2,220,860		3,420,860	5,641,720	1,200,000	4,441,720
RCEA Ngelel Tarit Secondary School	4,937,000			4,937,000	4,937,000	-
Kiluka Secondary School	7,200,000		1,200,000	8,400,000	1,200,000	7,200,000
Ainabkoi Secondary School	7,200,000			7,200,000		7,200,000
Kapsoya Secondary School	7,200,000		1,500,000	8,700,000		8,700,000
Kapsunde Secondary School		827,347	1,200,000	2,027,347	1,150,000	877,347
St. Peter Waunfor Secondary School			8,000,000	8,000,000	8,000,000	-
Chesogor Girls Secondary School			1,200,000	1,200,000	1,200,000	-
St. Gregory Nalberi Secondary School			1,470,000	1,470,000	1,470,000	-
Olare Secondary School			7,200,000	7,200,000	7,200,000	-
Koiharak secondary school			270,000	270,000	270,000	-
Total	33,049,132	5,800,000	25,460,860	64,309,992.18	35,890,925	28,419,067

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
9.0 Tertiary institutions Projects (List all the Projects)						
Ainabkoi KMITC	5,703,720					-
Total	5,703,720	-	-	5,703,720	-	5,703,720
10.0 Security Projects						
Kaplagat Chiefs Office	3,500,000		-	3,500,000	3,500,000	-
Kipkorgot Social Hall	5,650,000			5,650,000	3,662,650	1,987,350
Chepihgit Chiefs Office		450,000		450,000	450,000	-
Total	9,150,000	450,000	-	9,600,000	7,612,650	1,987,350
11.0 Acquisition of assets						
	-	-	-	-	-	-
12.0 Others						
	-	-	-	-	-	-
Funds pending approval** (AIA)		252,000		252,000		252,000
Total	137,088,879	29,136,802	69,997,724	236,223,405	160,789,346	75,434,059

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Ainabkoi 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.

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the entity.

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.

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 authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

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 20th June 2020 for the period 1st July 2020 to 30th June 2021 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 2021.

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 OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board	AIE NO. 2018/2019: B 047242		50,748,225
	AIE NO. 2019/2020: B 047354		4,000,000
	AIE NO. 2019/2020: B 041434		20,000,000
	AIE NO. 2019/2020: B 047848		7,000,000
	AIE NO. 2019/2020: B 104231		23,000,000
	AIE NO. 2019/2020: B 104123		3,662,650
	AIE NO. 2019/2020: B 049219		14,000,000
	AIE NO. B 124713	9,000,000	
	AIE NO. B104700	25,000,000	
	AIE NO. B104784	44,367,724	
	AIE NO. B 132083	6,000,000	
	AIE NO. B 128338	7,000,000	
	AIE NO. B 119688	13,000,000	
	AIE NO. B 119728	6,900,000	
	AIE NO. B 124882	10,000,000	
	AIE NO. B 126047	6,000,000	
	AIE NO. B 105181	12,000,000	
	AIE NO. B 126047	10,000,000	
	AIE NO. B 138751	13,000,000	
TOTAL		162,267,724	122,410,876

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	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	-	-
	-	-
Total	-	-

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	252,000	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	252,000	-

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,999,656	1,488,306
Personal allowances paid as part of salary		
House Allowance		
Transport Allowance		
Leave allowance		
Other personnel payments- NHIF		
Gratuity-contractual employees		
Employer Contributions Compulsory national social security schemes		
Total	2,999,656	1,488,306

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	9,659,982	6,317,000
Utilities, supplies and services	0	36,500
Communication, supplies and services	0	41,600
Domestic travel and subsistence	0	173,880
Printing, advertising and information supplies & services	0	
Rentals of produced assets	0	
electricity	27,500	
Water and sewerage charges	31,120	
Training expenses	442,500	616,000
Hospitality supplies and services		65,835
Insurance costs	190,895	
Specialized materials and services	512,391	
Office and general supplies and services	703,600	587,280
Fuel , oil & lubricants	650,000	293,188
Other operating expenses		25,500
Routine maintenance – vehicles and other transport equipment	817,503	293,223
Routine maintenance – other assets		358,718
Total	13,035,491	8,619,831

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

	2020-2021	2019-2020
Description	Kshs	Kshs
Transfers to primary schools (see attached list)	35,659,999	21,500,000
Transfers to secondary schools (see attached list)	35,890,925	35,777,618
Transfers to tertiary institutions (see attached list)		13,949,079
TOTAL	71,550,924	71,226,697

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary - Secondary (see attached list)	29,875,239	15,339,712
Bursary -Tertiary (see attached list)	30,334,060	695,000
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Electricity	-	-
Security Projects (see attached list)	7,612,650	2,209,152
Sports Projects (see attached list)	2,281,326	-
Environment Projects (see attached list)	3,100,000	400,000
Emergency Projects (see attached list)	-	7,750,000
TOTAL	73,203,275	26,193,864

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment		162,000
Purchase of ICT Equipment, Software and Other ICT Assets		29,500
Purchase of Specialized Plant, Equipment and Machinery		-
Acquisition of Land		-
Acquisition of Intangible Assets		-
Total		191,500

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Equity Bank, Eldoret Branch . Ainabkoi NG-CDF/A/C no.0300278493051</i>		
<i>Name of Bank, Account No.</i>	30,615,180	28,884,802
<i>Name of Bank, Account No.</i>	-	-
Total	30,615,180	28,884,802
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-
<i>[Provide cash count certificates for each]</i>		

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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>				-

12A. RETENTION

	2020-2021	2019-2020
	<i>KShs</i>	<i>KShs</i>
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

	2020-2021	2019-2020
	<i>KShs</i>	<i>KShs</i>
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	<i>Kshs</i>	<i>Kshs</i>
Bank accounts	14,194,124	-
Cash in hand		
Imprest		
Total	14,194,124	-

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	-	-	-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables (retention due to contractor reversed)	-	-	-
Others (bursary stale cheques reversed)	-	-	-
Total	-	-	-

*** 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 – OUTSTADING IMPREST

	2020-2021	2019-2020
	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

	2020 – 2019	2018 - 2019
	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	-	-

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	1,196,263	-
Others (<i>Gratuity</i>)		-
	1,196,263	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	273,799	2,594,932
Use of goods and services	2,137,120	5,561,535
Amounts due to other Government entities (see attached list)	44,025,574	51,262,649
Amounts due to other grants and other transfers (see attached list)	28,745,566	31,332,650
Acquisition of assets	-	175,459
Others (<i>specify</i>)	-	3,662,650
	75,434,059	94,589,875

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	12,833,591	32,360,830
	12,833,591	32,360,830

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	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.					
11.					
12.					
Sub-Total					
Grand Total					

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
sheila cherono yator	account assistant	Nov-16	301,320	Unpaid gratuity
nathan kibiwott cheruiyot	clerk of work	Nov-16	301,320	Unpaid gratuity
andrew kimaiyo tarus	driver	Nov-16	230,922.72	Unpaid gratuity
irene chepkosgei rono	clerk of work	Nov-16	212,040	Unpaid gratuity
rosemary jepkorir saina	custodian	Nov-16	150,660	Unpaid gratuity
Sub-Total			1,196,262.72	Sub-Total
Grand Total			1,196,262.72	Grand Total

AINABKOI CONSTITUENCY
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		273,799	2,594,932	
Use of goods & services		2,137,120.00	5,561,534	
Sub total			4,021,968	
Amounts due to other Government entities				
Kapsoya Secondary School	Purchase of a 51 seater bus	7,200,000		
Kiluka Secondary School	Purchase of a 51 seater bus	7,200,000		
Ainabkoi Secondary School	Purchase of a 51 seater bus for construction of a drainage and a ramp	5,703,720		
KMTC Burnt forest	three classrooms	2,400,000		
chepkurumum secondary school	two classrooms	1,300,000		
ngati secondary school	completion of 1 classroom	900,000		
chelachabei east secondary school	lavelling school ground	500,000		
chelachabei east secondary school	administration block	1,200,000		
rurigi secondary school	drainage construction	500,000		
plateau secondary school	renovation of 6 classrooms	1,900,000		
koilel primary school	construction of a dining hall	5,084,857		
eldoret school for the hearing impaired	renovation of 6 classrooms	1,900,000		
chepkongony primary school		1,036,997		
brookley primary school			19,000,000	
Education Primary Schools			32,262,650	
Education Secondary schools		44,025,574	0	
Sub-Total				
Amounts due to other grants and other transfers				
Emergency	To cater for unseen occurrences	11,214,090.00	3,687,231	
Bursary secondary	to cater for needy students school fees	5,532,778.00		
Bursary Tertiially	to cater for needy students school fees	6,348,698.00		
Kipkorgot Social Hall	Completion of a social hall	5,650,000		
Bursary fund security environment			20,414,600	
			450,000	
			3,300,000	

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	sports			
	Sub-Total	28,745,566.00	348,818	
Acquisition of assets				
Others (<i>specify</i>)			3,662,650	
	Sub-Total			
Funds pending approval		252,000		
	Grand Total	75,434,059.04	94,589,877	

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	0	0	0	0
Buildings and structures	6,634,430	0	0	6,634,430
Transport equipment	6,161,095	0	0	6,161,095
Office equipment, furniture and fittings	391,828	0	0	391,828
ICT Equipment, Software and Other ICT Assets	576,745	0	0	576,745
Other Machinery and Equipment	3000	0	0	3000
Intangible assets	0	0	0	0
Total	13,767,098	0	0	13,767,098

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Baharini primary school	Cooperative Eldoret	01141685630800	2,002	2003
berur primary school	Cooperative Eldoret	01141598818000	50,335	38385
brockley primary school	Cooperative Eldoret	01141685445700	515,177	933212
drys farm primary school	Cooperative Eldoret	01140598818400	159,773	2974
Eldoret border primary school	Cooperative Eldoret	01141685633300	117,946	9954
illula primary school	Cooperative Eldoret	01141686207400	3,740	53240
kewapmoi primary school	Cooperative Eldoret	01141685263800	258,099	6278
kewet primary school	Cooperative Eldoret	01139086901900	66,920	278,340
kiburur primary school	Cooperative Eldoret	01141598818000	502,335	2335
kiluka primary school	Cooperative Eldoret	01141685213300	169,170	16887
koibarak primary school	Cooperative Eldoret	01141598778300	171,234	12088
koilel primary school	Cooperative Eldoret	01141685638000	169,084	29943
koilonget primary school	Cooperative Eldoret	01141598820300	350,331	332
lelek primary school	Cooperative Eldoret	01141685432600	1,815	1816
olare primary school	Cooperative Eldoret	01141685481800	2,126,673	125924
Plateau primary school	Cooperative Eldoret	01141685912700	512	512
sky line primary school	Cooperative Eldoret	01141685657600	481,512	281513
Chelelek Secondary School	Cooperative Eldoret	01141685575600	121,683	121684
chepngoror sec school	Cooperative Eldoret	01141685655900	10,707	3822473
Dry's girls secondary school	Cooperative Eldoret	01141685936200	531,182	531182
kapsoya secondary school	Cooperative Eldoret	01141598952600	11,862	182297

**Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

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)
4.3	<p>time of audit the cheques were cleared.</p> <p>Transfers to other government entities amounting to kshs.21,600,000 which includes an amount of kshs. 3,400,000 incurred in purchase of two school lands.</p> <p>(1) Lamaon Primary School- It was funded with kshs. 2,400,000 to purchase land , however the valuation report, search certificates from lands office was not provided during audit.</p> <p>(11) Ndanai Primary School It was awarded kshs. 1,000,000 for the purchase of 1.5 acre of land. However, no valuation report, search certificate and title deed was availed.</p>	<p>was issued to have all schools closed.The amounts were issued in the month of November 2020.</p> <p>Attached are the valuation report, search certificates from lands office for Lamaon Primary School. The Ndanai Primary School piece of land has not been purchased to date since the family selling the land was not in agreement. The Project Management will be advised to change the activity.</p>		
4.4	<p>The statement of receipts and payments reflects other grants and transfers amount of Kshs.26,820,400 for the year ended 30th June 2020 which includes bursary to secondary schools and bursary to tertiary amounting to kshs. 16,166,248 and kshs 695,000. No evidence was availed to show that during awarding vetting, identification</p>	<p>The statement of receipts and payments reflects other grants and transfers amount of Kshs.26,820,400 for the year ended 30th June 2020 which includes bursary to secondary schools and bursary to tertiary amounting to kshs. 16,166,248 and kshs 695,000 Attached is</p>		

Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Reference No. on the external audit Report	Issue / Observations from Auditor and criteria of identification.	Management comments	Status: (Resolve d / Not Resolve d)	Timeframe: (Put a date when you expect the issue to be resolved)
4.5	The statement of receipts and payments for the year ended 30 June 2020 reflects transfers from National Government Constituency Development Fund Board totalling to ksh 122,410,876 Delay in fund disbursement results in delay in implementing projects or activities in approved budget and therefore denies the residents of Ainabkoi Constituency the services and benefits accruing from completed projects	The statement of receipts and payments for the year ended 30 June 2020 reflects transfers from National Government Constituency Development Fund Board totalling to ksh 122,410,876 The COVID 19 pandemic affected the operations of the board and governt at large.		

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
koibarak secondary school	Cooperative Eldoret	01141685579600	95,238	400930
ainabkoi kmtc	Cooperative Eldoret	01141685525100	5,405,810	9,468,807
ainabkoi chiefs office	Cooperative Eldoret	01141685620400	114,043	158,237
waunifor primary school	Cooperative Eldoret	01141685956000	300,482	63648
Tinga primary school	Cooperative Eldoret	01141686503300	998,650	50999
Cheseret primary school	Cooperative Eldoret	01116686535500	29,905	29905
Wounifour police station project	Cooperative Eldoret	1141685655600	4,048	4048
arnesens primary school	Cooperative Eldoret	01139046538901	3,321	3281
kipkabus upper primary school	Cooperative Eldoret	01139441385600	51,455	49455
katuiyo secondary school	Cooperative Eldoret	01139442861600	8,547	8547
			12,833,591	

*Ainabkoi Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

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)
4.1	Included in the transfer to other entities figure of kshs. 71,426,697 reflected in note 6 to the financial statements is kshs.13,949,079 disbursed to the KMTC Burt forest for the construction of ultra modern tuition block. However, as previously reported, management did not provide a signed memorandum of understanding Mou with the Kenya medical training college specifying the obligations and responsibilities of each party including how the college would be run after it is established. The project is stalled and the contractor was not on site and its not known when the construction work shall resume and be completed. The title deed was also not availed, contract agreement, advertisement, tender evaluation report, project expenditure returns, project submission forms and reports on how funds were utilised should be availed.	Included in the transfer to other government entities figure of kshs. 71,426,697 reflected in note 6 to the financial statements is kshs.13,949,079 disbursed to the KMTC Burnt forest for the construction of ultra modern tuition block. Attached is the title deed, contract agreement, advertisement, tender evaluation report, project expenditure returns, project submission forms and reports on how funds were utilised should be availed.The project management committee is in the process of finding an MOU.		
4.2	Unpresented cheques amounting to kshs.37,740,650. It was not clear as to why payments would be made while the payees fail to correct the cheques. Its not clear if by the	The unpresented cheques amounting to kshs. 37,740,650 was bursary issued in feb 2020 however the government directive due to COVID19 pandemic		