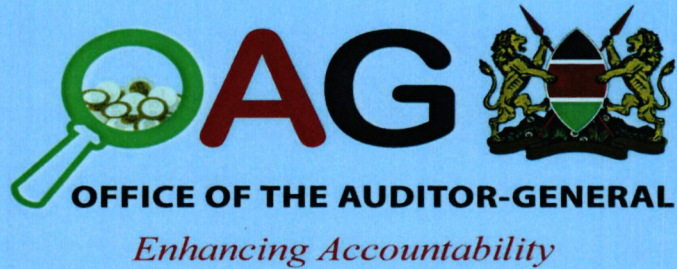
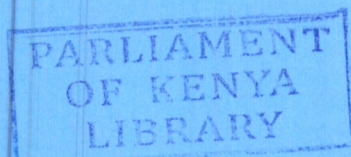


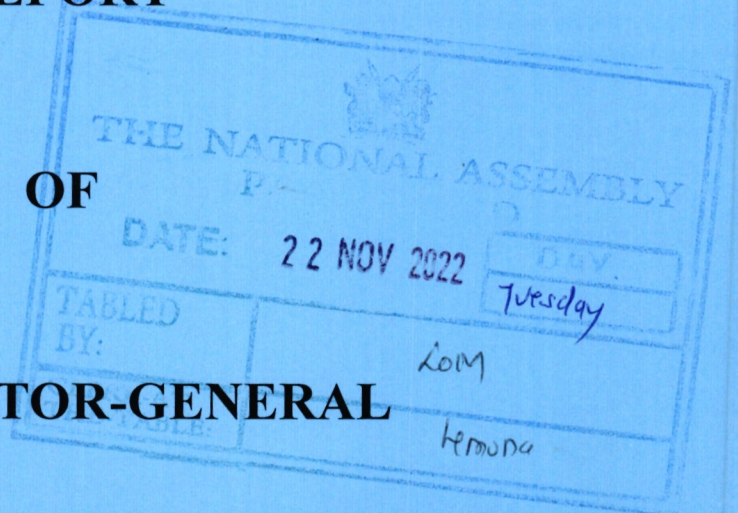
REPUBLIC OF KENYA



REPORT



OF



THE AUDITOR-GENERAL

ON

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

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





NAROK SOUTH 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)

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

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*NAROK SOUTH Constituency
National Government Constituencies Development Fund (NGCDF)
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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.

*NAROK SOUTH Constituency
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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 SOUTH 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	Mr. William Saitoti
2.	Sub-County Accountant	Njeru Patrick
3.	Chairman NGCDFC	Mr. Talala Barta
4.	Member NGCDFC	Mr Stanley Maletu

(d) Fiduciary Oversight Arrangements

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

P.O. Box 124-20503
Ololulunga CDF Complex
Narok-Bomet Highway
Ololulunga, Kenya.

***NAROK SOUTH Constituency
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(f) NAROK SOUTH Constituency NGCDF Contacts

Telephone: (254)-721814169
E-mail: cdfnarokSOUTH Constituency @ngcdf.go.ke
Website: www.ngcdfnarokSOUTH Constituency .go.ke

(g) NAROK SOUTH Constituency NGCDF Bankers

National Bank
Narok Branch
A/C No.01001041832100
P O Box 1023-20500
Narok Kenya.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II.. NG-CDFC CHAIRMAN'S REPORT



Mr. Talala Barta

On behalf of NAROK SOUTH NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2020/2021 annual report and financial statements for the fund.

NAROK SOUTH NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposal as proposed by the residents of NAROK SOUTH constituency and ensure that all approved projects meet the requirements of sec 24 of the Act, Capacity building of the project management committees (PMCs), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (PMC), projects monitoring and regular NGCDF committee meetings.

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

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

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

A total of 40 classrooms, 4dormitories, 1 Dining Hall, 1 administration blocks 3 teacher houses, and 5 toilet blocks were constructed and or renovated through the allocation to the fund.

The fund's contribution towards education infrastructure across the constituency supported the 100% government transition policy. NAROK SOUTH NG-CDF committee also funded the construction of 1 security facilities amounting to ksh.10, 000,000 in the year which have enhanced security in the constituency.

In addition the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of ksh.42, 000,000 was awarded as bursary to needy students in the constituency.

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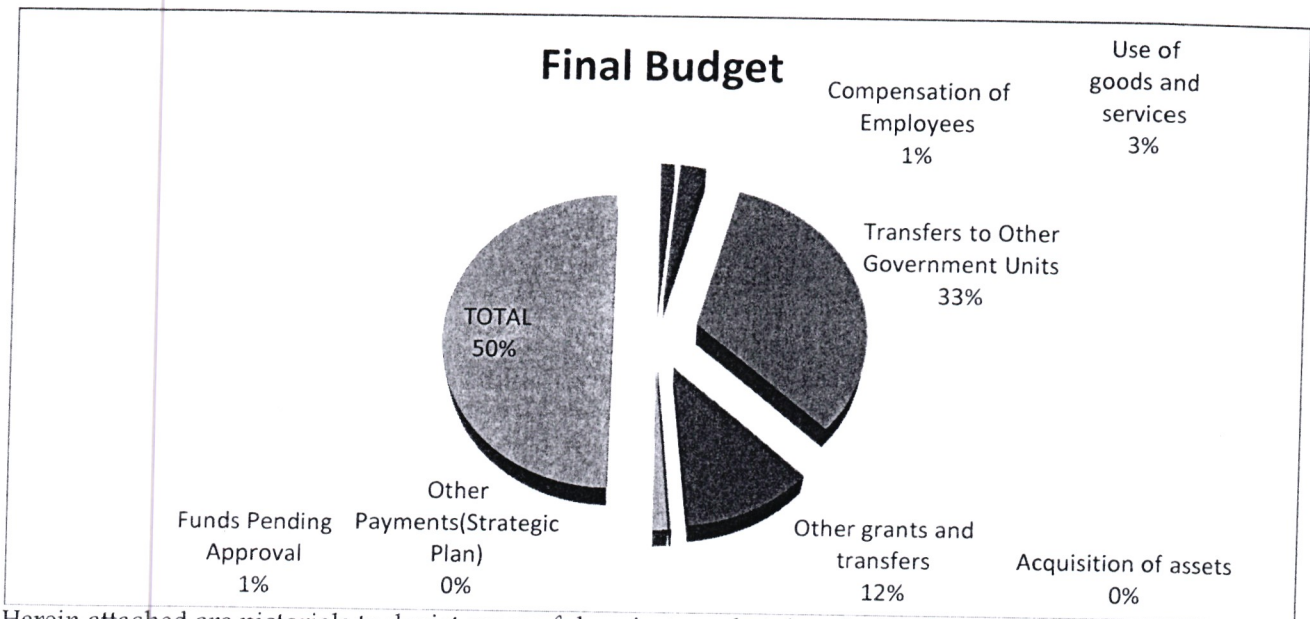
NAROK SOUTHNG-CDF committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

A). Budget Performance

In the financial year 2020/2021 NAROK SOUTHNG-CDF budget performance against actual amounts for current year based on economic classification and programmes, was derailed by untimely and unpredictable disbursement of funds to the constituency by the NG-CDF BOARD,

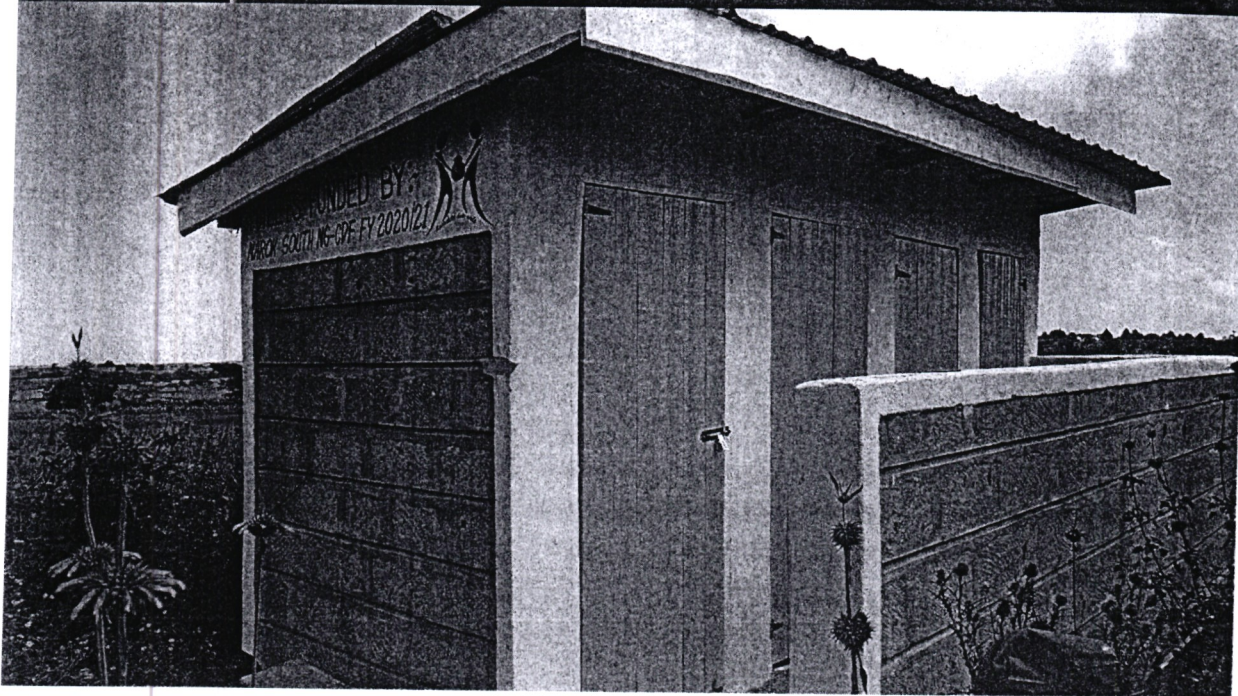
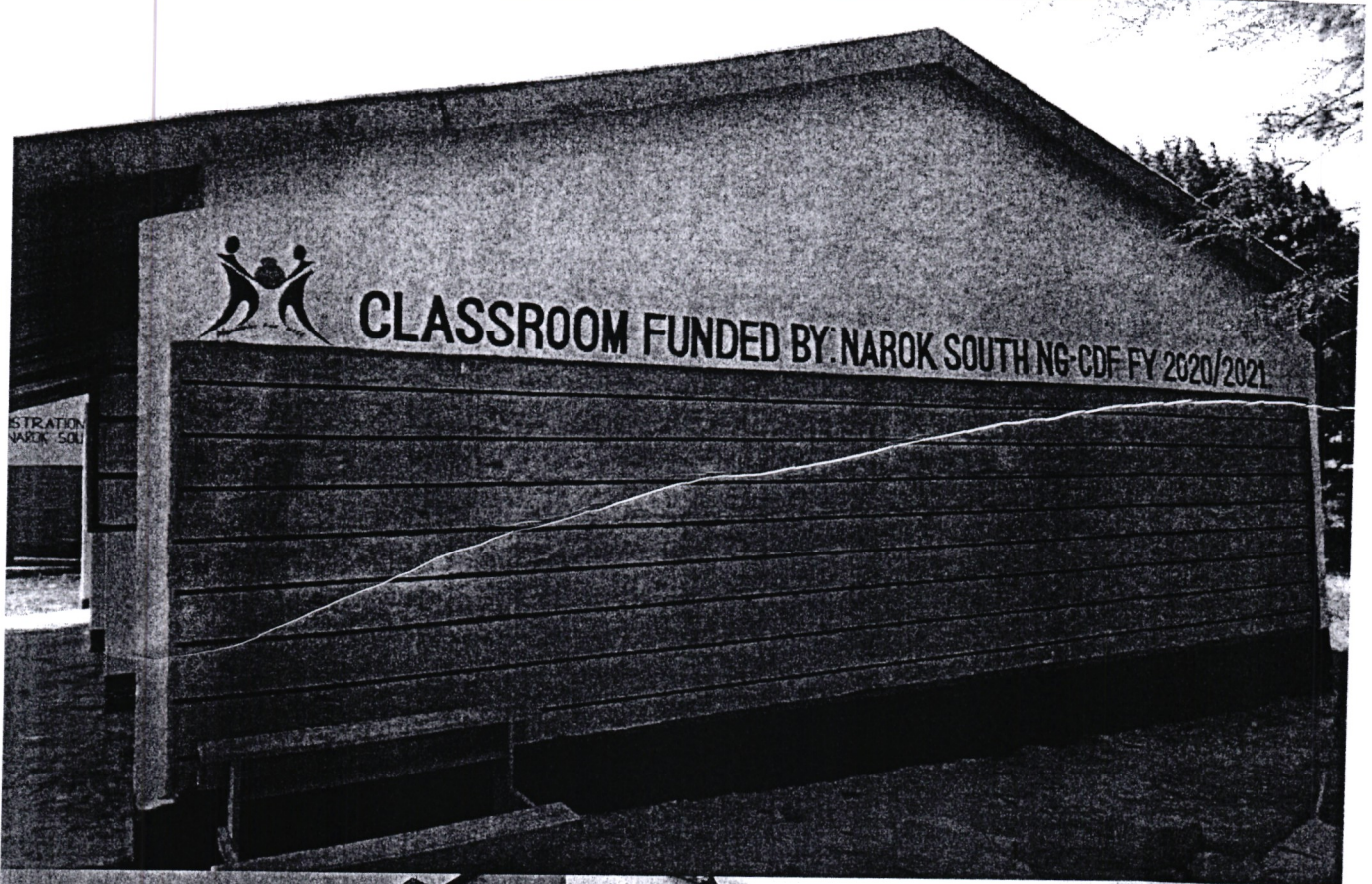
In the financial year ended June 30th, 2021, NAROK SOUTHNG-CDF had a cumulative approved budget of Kshs 137,088,871 out of which Kshs 90,088,879 was received as at June 30, 2021.

NG-CDF NAROK SOUTH disbursed the received funds as follows;

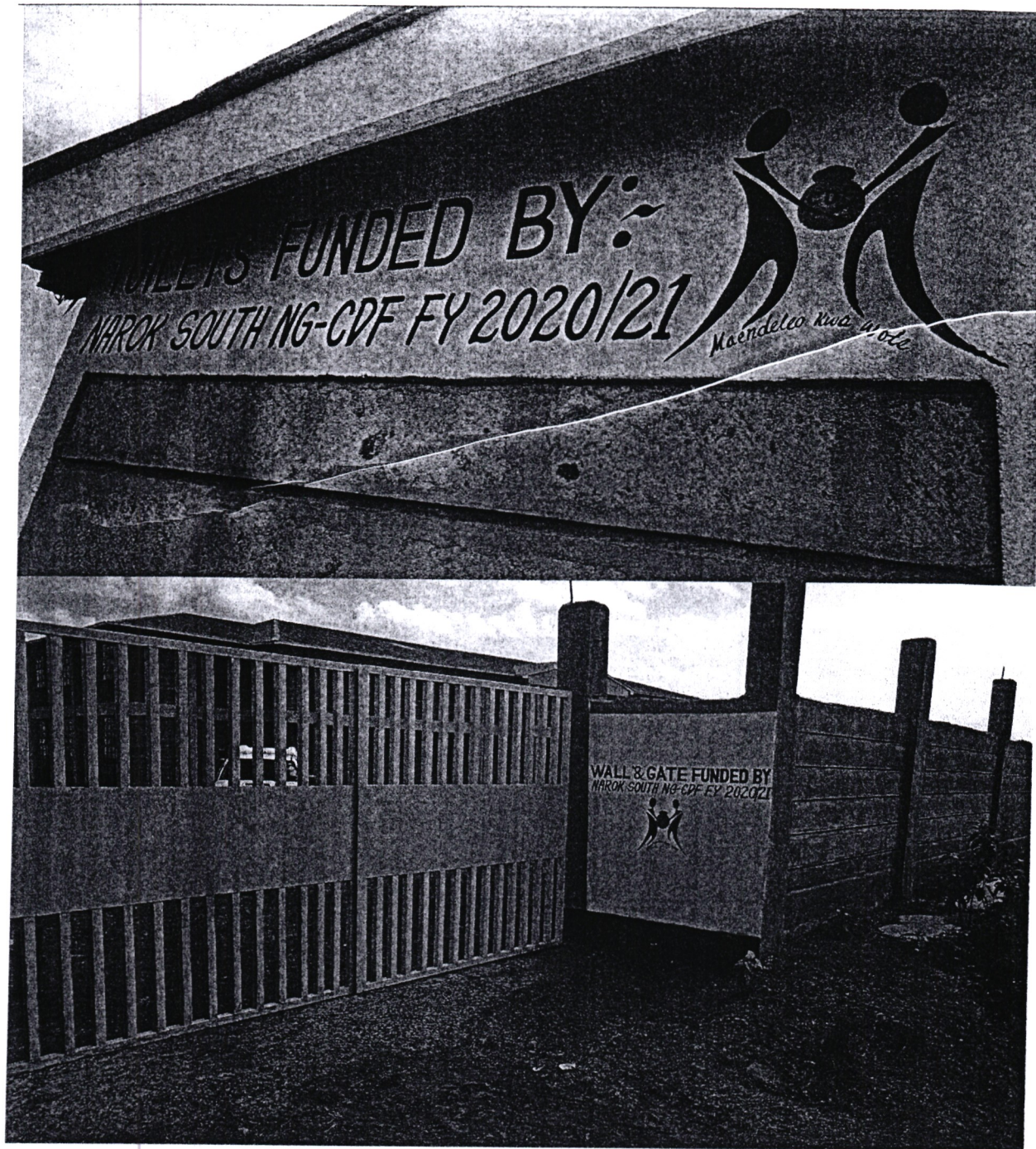


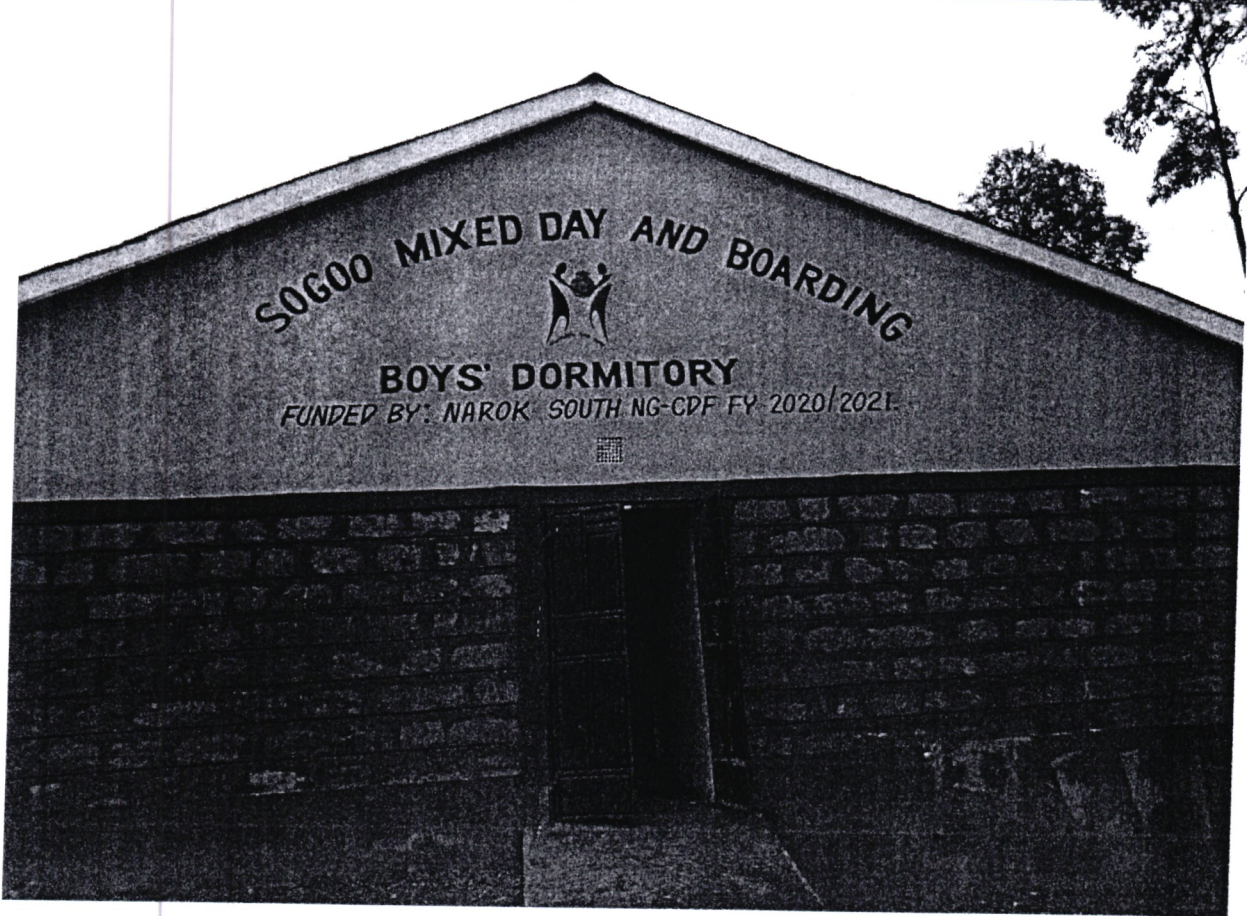
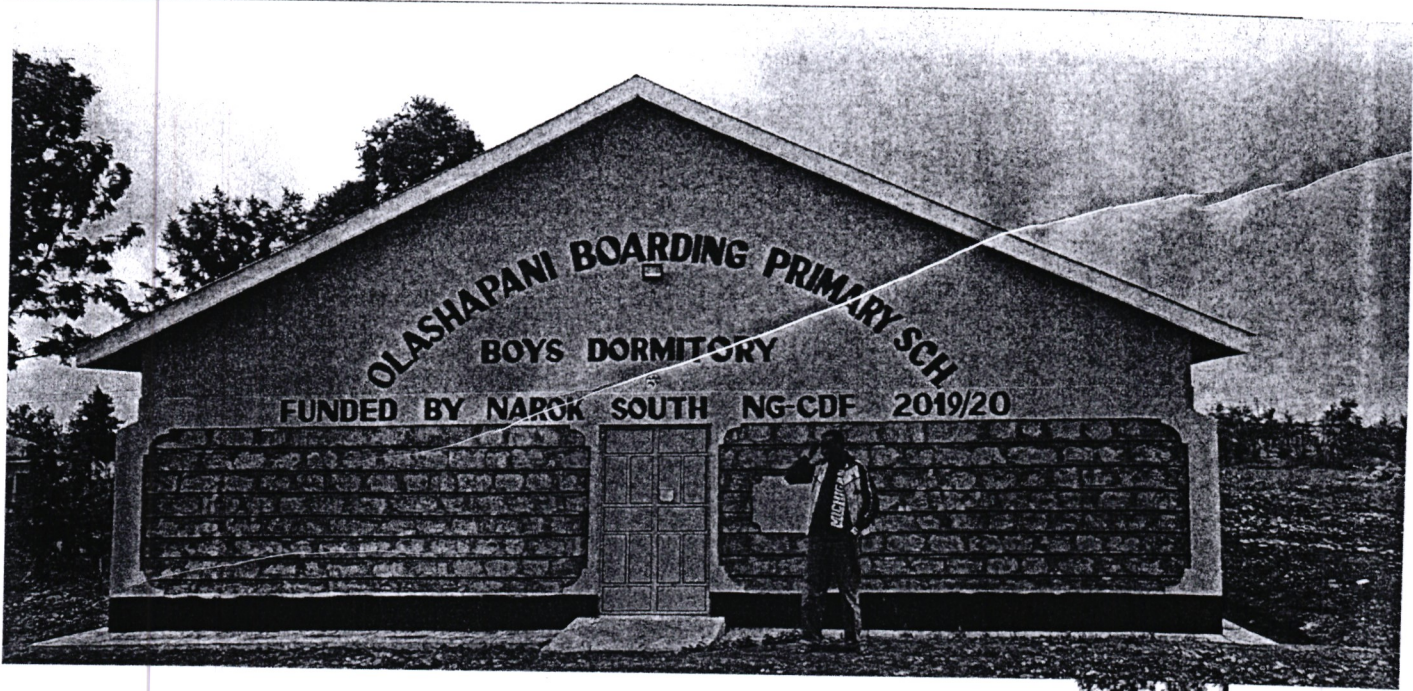
Herein attached are pictorials to depict successful projects undertaken during the year.

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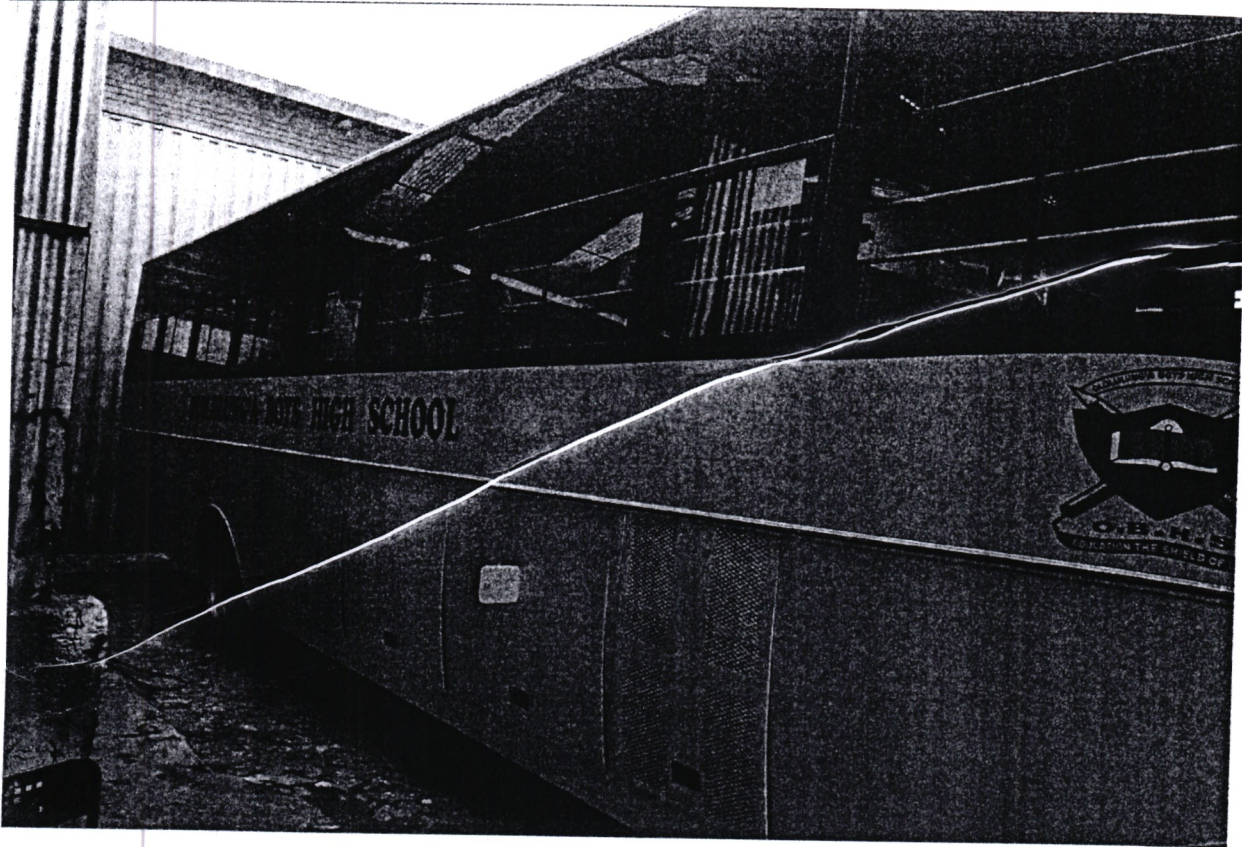


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Annual Constituency Allocation

I am pleased to present the unaudited financial statements for Narok SOUTH Constituency for the financial year ended 30th June 2020. During the year, the Constituency was allocated a total of Kshs 137,367,724.14.

Sectoral Analysis of Funding

Over the past 19 years, the Constituency has received a total of Kshs 137,088,879 which were subsequently been disbursed to various projects in such sectors as education, water, health, roads and bridges, energy, agriculture, security etc

In addition to the statutory bursary, emergency, sports, environment, administration and monitoring and evaluation votes. The funding has benefitted over 600 projects and the breakdown in terms of the number of projects funded in these leading sectors over the last five years is as hereunder provided;

NO	Financial Year	Amount (Ksh)	Remarks
1	2003/2004	6,000,000	Disbursed
2	2004/2005	29,785,128	Disbursed
3	2005/2006	38,521,771	Disbursed
4	2006/2007	53,364,827	Disbursed
5	2007/2008/	53,364,826	Disbursed
6	2008/2009	53,694,437	Disbursed
7	2009/2010	65,546,022	Disbursed
8	2010/2011	67,505,334	Disbursed
9	2011/2012	81,777,364	Disbursed
10	2011/2012	17,442,857	Conditional Grant Disbursed
11	2012/2013	50,805,618	Disbursed

NAROK SOUTH Constituency
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12	2013/2014	82,149,661	Disbursed
13	2014/2015	118,505,322	Disbursed
14	2015/2016	125,672,486	Disbursed
15	2016/2017	81,896,552	Disbursed
16	2017/18	98,189,654	Disbursed
17	2018/2019	109,040,876	Disbursed
18	2019/2020	137,367,724	Disbursed
19	2020/2021	137,088,879	Partially Disbursed
TOTAL DISBURSEMENTS		1,407,719,338	

B). Emerging issues related to NG-CDF in NAROK SOUTH Constituency are;

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

C). NG-CDF Implementation challenges in NAROK SOUTH constituency are;

- ❖ Overdependence of the fund by the public and National government functions on all development related needs.
 (To overcome this, NAROK SOUTH NG-CDF Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency).
- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets occasioning unnecessary budgetary adjustments and delays in the implementation of approved projects.
 (NAROK SOUTH NG-CDF committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC's) as soon as it receives).
- ❖ Many projects are allocated funds- leading to projects receiving insufficient funds
 (To overcome this challenge, NAROK SOUTH NG-CDF is focusing on allocating enough funds to complete the project within at most 2 years).

Moving forward NAROK SOUTH NG-CDF Committee remain steadfast in delivering on our mandate of transforming lives (maendeleo Kwa wote) thus creating a better society for all.

BT

Signature

Mr. Talala Barta

Chairman NGCDF Committee

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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED 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 *NAROK SOUTH Constituency 2018-2022* plan are to:

- a) Improve Education Standards.
- b) Improve Security.
- c) Conserve the environment.
- d) Nurture talent through sporting activities and art
- e) Increase youth, women and persons with disability participation in development objectives.
- f) Supplementing infrastructure development at the constituency level in matters falling within the functions of the national government in accordance with the Constitution.

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels	In FY 20/21 among others, we increased number of classrooms, dormitories, laboratories, school buses approximately 7,000 across all levels of Education
Security	To have a safe and secure environment for business, learning and where the residents go about their lives without fearing for their lives and property.	-Decrease in the number of insecurity related incidents. -Improved security and a more secure business environment	-Numbers of usable physical infrastructure build in Police stations, Chief's offices, DCI and county Commissioners security facilities.	In FY 20/21 We built one (1) police station in Ololulunga Administration Police Camp.
Environment	To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.	Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of	Number of tree seedlings planted in public land. -sustainable environmental management activities.	In FY 20/21 we increased number of trees planted where hundreds of tree seedlings were purchased, distributed and

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			climate change.		planted in various schools approximately 4,000 in number
Sports	To Nurture sporting talent, This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.	Increased engagement and persons earning a decent living from exploiting their sporting talent. -reduced unemployment rate among the youth.	Number of youth, women and persons living with disabilities taking up sporting activities. -Number of usable physical sporting infrastructure build.		In FY 20/21 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in every ward in the constituency.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.		In FY 20/21 -we constructed Pit latrine blocks and re-roofing of classrooms in various schools When the schools were facing immediate closure by the county department of health.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** NAROK SOUTH 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 NAROK SOUTH 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 NAROK SOUTH 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 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

9. Environmental performance

Environment Policy and Action Plan Protection of the environment in which we live and operate is part of Narok South NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations. Our Environmental Policy In this policy statement Narok South NG-CDF commits to:

1. Developing our management processes to ensure that environmental factors are considered during planning and implementation
2. Monitoring and continuously improving our environmental performance.
3. Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance Our Environmental Action Plan Narok South NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts. These four areas together with our approach and targets for each are: Capacity Building, Conservation of Energy and Resources, Environmental Protection and Conservation, Pollution Control and Waste Management
4. Comply with all relevant environmental legislation, regulations and approved codes of practice
5. Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
6. Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources

7. Managing and disposing of all wastage in a responsible manner;
8. Providing training for our CD/FC and staff so that we all work in accordance with this and within an environmentally aware culture
9. Regularly communicating our environmental performance to our employees and other significant stakeholders

10. Employee welfare

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

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

11. Market place practices-

NAROK SOUTH 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

12. Community Engagements-

NAROK SOUTH 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.

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

Public Awareness

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

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

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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-NAROK SOUTH Constituency is responsible for the preparation and presentation of the NGCDF NAROK SOUTH's financial statements, which give a true and fair view of the state of affairs of the NGCDF NAROK SOUTH 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 NGCDF NAROK SOUTH; (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 NGCDF NAROK SOUTH; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-NAROK SOUTH Constituency accepts responsibility for the NGCDF NAROK SOUTH'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 NGCDF NAROK SOUTH's transactions during the financial year ended June 30, 2021, and of the NGCDF NAROK SOUTH's financial position as at that date. The Accounting Officer charge of the NGCDF- NAROK SOUTH Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the NGCDF NAROK SOUTH's financial statements as well as the adequacy of the systems of internal financial control.

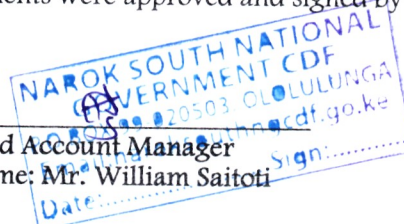
The Accounting Officer in charge of the NGCDF NAROK SOUTH Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF NAROK SOUTH's funds received during the year under audit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

Approval of the financial statements

The NGCDF- NAROK SOUTH Constituency financial statements were approved and signed by the Accounting Officer on 18-08-2021.

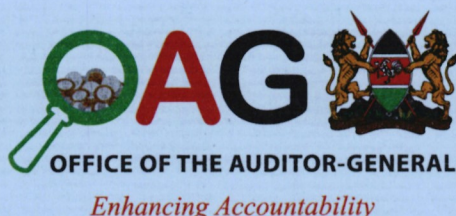

Chairman NGCDF Committee
Name: Talala Barta


Fund Account Manager
Name: Mr. William Saitoti



REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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HEADQUARTERS
Anniversary Towers
Monrovia Street
P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NAROK SOUTH 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 - Narok South Constituency set out on pages 18 to 52, which comprise of the statement of financial assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and summary

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

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

Basis for Qualified Opinion

1. Unsupported Use of Goods and Services

1.1 Communication, Supplies and Services

The statement of receipts and payments and as disclosed in Note 5 reflects use of goods and services amounts of Kshs.7,708,484 which includes Kshs.647,100 on communication, supplies and services relating to purchase of stationeries. However, supporting documents including requisitions, request for quotations, quotations evaluation, letters of offer, acceptance of offer, inspection and acceptance committee reports, and store records were not provided for audit.

1.2 Other Committee Allowances

The statement of receipts and payments and as disclosed in Note 5 reflects use of goods and services amounts of Kshs.7,708,484 which includes Kshs.5,602,871 on other Committee expenses which further includes Kshs.4,952,524 relating to allowances paid to Constituency Committee Members. However, supporting documents including meeting invitations, signed attendance register and minutes of the meetings were not provided for audit.

1.3 Fuel, Oil and Lubricants

The statement of receipts and payments and as disclosed in Note 5 reflects use of goods and services amounts of Kshs.7,708,484 which includes Kshs.1,315,763 on fuel, oil and lubricants relating purchase of fuel and service of motor vehicle. However, supporting documents including requisitions, advertisement, motor vehicle inspection reports, request for quotations, tender evaluation, letters of offer, acceptance of offer, inspection and acceptance committee reports, fuel register, detail orders, supplier statements and motor vehicle work tickets were not provided for audit .

In the circumstances, the propriety of expenditure on use of goods and services of Kshs.647,100; Kshs.4,952,425 and Kshs.1,315,763 all totalling Kshs.6,915,288 could not be confirmed.

2. Unsupported Bursaries

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects bursaries to secondary schools and tertiary institutions of Kshs.17,603,000 and Kshs.24,800,000 respectively both totalling Kshs.42,403,000. However, supporting documents including minutes to confirm vetting of beneficiaries was done and acknowledgement of receipts of bursaries by students and respective institutions were not provided for audit.

In the circumstances, the validity, accuracy and propriety of bursaries expenditure of Kshs.42,403,000 could not be confirmed.

3. Cash and Cash Equivalents

The statement of assets and liabilities and as disclosed in Note 10A reflects cash and cash equivalents balance of Kshs.84,501. However, the bank reconciliation statement for the month of June, 2021 reflects un-presented cheques totalling to Kshs.11,132,318 which included stale cheques totalling to Kshs.2,706,698 which had not been reversed in the cashbook. Further, the bank reconciliation statement reflected receipts in cash book not in bank statement of Kshs.4,990,000 and payments in bank statement but not in cash book of Kshs.856,470 which included cash withdraws of Kshs.504,850.

In the circumstances, the accuracy of cash and cash equivalents balance of Kshs.84,501 could not be confirmed.

4. Project Management Committee (PMC) Bank Balances

Note 17.4 to the financial statements and as detailed in Annex 5 of the financial statements reflects PMC account balances of Kshs.866,372. However, most of the projects had been completed but respective bank accounts had not been closed and balances transferred to the Constituency account. This is contrary to Section 7(1) of the National Government Constituencies Development Fund Act, 2015. Further, the PMC balances were not supported with cash books, bank statements, bank reconciliations statements, certificate of bank balances and quarterly reports to a Constituency Committee on the status of the Project Management Committee accounts. In addition, the movement of PMC account balances from previous years of Kshs.3,599,557 has not been supported.

In the circumstances, the accuracy and existence of PMC accounts balances of Kshs.866,372 could not be confirmed.

5. Incomplete Fixed Assets Register

Annex 4 to the financial statements on summary of fixed assets register reflects historical cost balance of Kshs.16,186,359. However, a detailed assets register indicating the description of the assets, purchase date, serial number, purchase cost, physical location and condition was not provided for audit.

In the circumstances, the accuracy and completeness of assets' balance of Kshs.16,186,359 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 South 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.

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, I confirm that, nothing 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

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 comply, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash

Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue 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 follow the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in

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


Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of noncompliance. 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 control that are identified during the audit.

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


CPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi

05 September, 2022

NAROK SOUTH 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	166,367,724	74,700,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		166,367,724	74,700,000
PAYMENTS			
Compensation of employees	4	3,758,963	3,735,672
Use of goods and services	5	7,708,484	6,987,112
Transfers to Other Government Units	6	88,100,000	59,450,000
Other grants and transfers	7	67,516,880	35,088,826
Acquisition of Assets	8	-	9,700,000
Other Payments	9		
TOTAL PAYMENTS		167,084,327	113,286,445
SURPLUS/(DEFICIT)		(716,603)	(38,586,445)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK SOUTH Constituency financial statements were approved on August 18, 2021 and signed by:

**NAROK SOUTH NATIONAL
 GOVERNMENT CDF**
 P.O. BOX 20503 OLOLULUNGA
 Email: naroksouthngcdf.go.ke
 Sign:

Fund Account Manager
 Name: Mr. William Saitoti



National Sub-County Accountant

Name: Njeru Patrick
 ICPAK M/No:



Chairman NG-CDF Committee

Name: Mr. Talala Barta

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

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	84,501	801,104
Cash Balances (cash at hand)	10B	-	
Total Cash and Cash Equivalents		84,501	801,104
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		84,501	801,104
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		0	0
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance b/fwd	13	801,104	39,489,507
Prior year adjustments	14	-	
Surplus/Deficit for the year		(716,603)	(38,688,403)
NET FINANCIAL POSITION		84,501	801,104

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK SOUTH Constituency financial statements were approved on August 18, 2021 and signed by:

NAROK SOUTH NATIONAL GOVERNMENT CDF
GOVERNMENT CDF
 P.O. BOX 99-078103, OLOLULUNG'A
 Email: narok_southngcdf.go.ke

Fund Account Manager
 Name: Mr. William Saitoti



National Sub-County Accountant

Name: Njeru Patrick
 ICPAK M/No:



Chairman NG-CDF Committee

Name: Mr. Talala Barta

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

STATEMENT OF CASHFLOW


		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	166,367,724	74,700,000
Other Receipts	3	-	
Total receipts		166,367,724	74,700,000
Payments for operating activities			
Compensation of Employees	4	3,758,963	3,735,672
Use of goods and services	5	7,708,484	6,987,112
Transfers to Other Government Units	6	88,100,000	59,450,000
Other grants and transfers	7	67,516,880	31,213,660
Other Payments	9		9,700,000
Total payments		167,084,327	113,286,444
Total Receipts Less Total Payments			
Adjusted for:			
Decrease/ (Increase) in Accounts receivable: (outstanding imprest)	15		
Increase/ (Decrease) in Accounts Payable: (deposits/gratuity and retention)	16		
Prior year adjustments	14		
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES		(716,603)	(38,586,445)
Proceeds from Sale of Assets	2		
Acquisition of Assets	9		
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(716,603)	(38,586,445)
Cash and cash equivalent at BEGINNING of the year	10	801,104	39,489,507
Cash and cash equivalent at END of the year		84,501	801,104

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK SOUTH Constituency financial statements were approved on August 18, 2021 and signed by:

NAROK SOUTH
GOVERNMENT
P.O. BOX 99-020503, OLOLULU
Email: narok_southngcdf.go.ke
Date: Sign:


National Sub-County Accountant

Name: Njeru Patrick


Chairman NG-CDF Committee

Name: Mr. Talala Barta

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

VIII. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget		Actual on comparable basis	Budget utilization difference	% of Utilization
	a	2020/2021	b	2020/2021	c=a+b	d			
RECEIPTS		2020/2021	Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021			
Transfers from NGCDF Board		Kshs	Kshs		Kshs	Kshs		Kshs	
Proceeds from Sale of Assets		137,088,879	801,104	74,367,724	212,257,707	167,168,828	45,173,380	79%	
Other Receipts		-	-	0	0	-	-	0.0%	
TOTALS		137,088,879	801,104	74,367,724	212,257,707	167,168,828	45,173,380	77.8%	
PAYMENTS									
Compensation of Employees		5,250,000	151,104	1,460,681	6,861,785	3,758,963	3,102,822	55%	
Use of goods and services		7,087,999	0	1,049,166	8,137,165	7,708,484	428,681	95%	
Transfers to Other Government Units		70,050,000	0	49,750,000	119,800,000	88,100,000	31,700,000	74%	
Other grants and transfers		54,700,880	650,000	22,107,877	77,458,757	67,516,880	9,941,877	87%	
Acquisition of Assets		-	0	0	0	-	-	0%	
Other Payments		-	0	0	0	-	-	0%	
TOTALS		137,088,879	801,104	74,367,724	212,257,707	167,084,327	45,173,380	79%	

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

- i. Compensation of Employees is underutilized due to non payment of staff gratuity as at the end of the financial year.
- ii. Use of goods and services is underutilized due to delay in disbursement of funds by the NG-CDF Board
- iii. Transfers to other government units is underutilized due to delay in disbursement of funds by the NG-CDF Board
- iv. Other grants and transfers are underutilized due to delay in disbursement of funds by the NG-CDF Board.

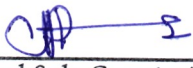
Explanation on the changes between the original and final budget as per IPSAS 1.9.23.;

- ❖ Kes 74,367,724.00 is the unutilized funds brought forward from FY 2019/2020(refer to cashbook/bank closing balance as at 30th June 2020.
- ❖ The unutilized funds for FY 2019/2020 which was disbursed to the constituency by the NGCDF BOARD in FY 2020/2021 and reallocations within the budget.
- ❖ Kes 1,800,000 is the unutilized funds for FY 2019/2020 which is pending Approval by the NGCDF BOARD.


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	45,173,380
Less undisbursed funds receivable from the Board as at 30 th June 2021	(45,088,879)
	0
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	
Cash and Cash Equivalents at the end of the FY 2020/2021	84,501

The NGCDF-NAROK SOUTH Constituency financial statements were approved on 18-08 2021 and signed by:

**NAROK SOUTH NATIONAL
 GOVERNMENT CDF
 P.O. BOX 99135 00103 OLOLULUNGA
 Email: naroksouthn@gdf.go.ke**
 Sign:.....
Fund Account Manager
 Name: Mr. William Saitoti



 National Sub-County Accountant
 Name: Njeru Patrick



 Chairman NG-CDF Committee
 Name: Mr. Talala Barta

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

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget		Actual on comparable basis		Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	Kshs	30/06/2021	Kshs	
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	Kshs	30/06/2021	Kshs	
1.0 Administration and Recurrent		Kshs		Kshs		Kshs		Kshs	
1.1 Compensation of employees	5,250,000		151,104	1,460,681	6,861,785		3,758,963	3,092,475	
1.2 Committee allowances	2,975,333		-	-	2,975,333		2,975,333	-	
1.3 Use of goods and services									
Total	8,225,333		151,104	1,460,681	9,837,118		6,734,296	3,092,475	
2.0 Monitoring and evaluation									
2.1 Capacity building	-		-	-	-		-	-	
2.2 Committee allowances	3,526,116		-	468,565	3,994,681		2,617,192	1,377,489	
2.3 Use of goods and services	586,550		-	580,601	1,167,151		2,095,265	(938,461)	
Total	4,112,666		-	1,049,166	5,161,832		4,712,457	439,027	
3.0 Emergency									
GRAVITY ENT LTD	-		-	486,900	486,900		486,900	-	
SAGAMIAN SEC SCHOOL	-		-	500,000	500,000		500,000	-	
NAROOSURA ACC OFFICE	-		-	600,000	600,000		600,000	-	
NAISUDORI SEC SCHOOL	-		-	560,000	560,000		560,000	-	
OLASHAPANI PRIMARY SCHOOL	-		-	816,000	816,000		816,000	-	
OLASHAPANI PRIMARY SCHOOL	-		-	1,200,000	1,200,000		1,200,000	-	
KONE PRIMARY SCHOOL	-		-	300,000	300,000		300,000	-	
OLPUSARE PRIMARY SCHOOL	-		-	1,250,000	1,250,000		1,250,000	-	

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

Programme/Sub-programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021			
MAUSA PRIMARY SCHOOL	-	-	750,000	-	750,000	750,000	-
OLFUKOTI SEC SCHOOL	700,000	-	-	-	700,000	700,000	-
OLASHAPANI PRIMARY SCHOOL	350,000	-	-	-	350,000	350,000	-
OLBIBI PRIMARY SCHOOL	1,100,000	-	-	-	1,100,000	1,100,000	-
OLOOGILA PRIMARY SCHOOL	650,000	-	-	-	650,000	650,000	-
OLOONGILA PRIMARY SCHOOL	700,000	-	-	-	700,000	700,000	-
NADUPOI PRIMARY SCHOOL	400,000	-	-	-	400,000	400,000	-
OLE NKANAE PRIMARY SCHOOL	400,000	-	-	-	400,000	400,000	-
ALFA DEVELOPERS LTD	200,000	-	-	-	200,000	200,000	-
UNUTILIZED	2,692,206	-	122,025	-	2,814,231	-	2,814,231
Total	7,192,206	-	6,584,925	-	13,777,131	10,962,900	2,814,231
4.0 Bursary and Social Security							
4.1 Secondary Schools	17,603,000	650,000	12,507,056	-	30,760,056	30,760,056	-
4.2 Tertiary Institutions	12,322,118	-	-	-	12,322,118	11,642,944	679,174
4.3 Social Security	-	-	-	-	-	-	-
4.4 Special Needs	-	-	-	-	-	-	-
Total	29,925,118	650,000	12,507,056	-	48,082,174	42,403,000	679,174
5.0 Sports	1,041,778	-	548,474	-	1,590,252	1,039,830	550,422
5.1	-	-	-	-	-	-	-
Total	1,041,778	-	548,474	-	1,590,252	1,039,830	550,422
6.0 Environment							
6.1	1,041,778	-	2,467,422	-	3,509,200	3,111,150	398,050
Total	1,041,778	-	2,467,422	-	3,509,200	3,111,150	398,050
7.0 Primary Schools Projects							

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

Programme/Sub-programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021			
Ilkimpa primary school	1,100,000	-	-	-	1,100,000	1,100,000	-
Empoor Narok primary school	1,100,000	-	-	-	1,100,000	-	1,100,000
Kapsinante primary school	1,100,000	-	-	-	1,100,000	-	1,100,000
Cheronok primary school	1,100,000	-	-	-	1,100,000	1,100,000	-
Emitik Primary school	1,100,000	-	-	-	1,100,000	1,100,000	-
Baragorwet Primary School	2,200,000	-	-	-	2,200,000	2,200,000	-
Sogoo Primary School	5,000,000	-	-	-	5,000,000	-	5,000,000
Letaari Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Ole Kuseroi Primary School	1,400,000	-	-	-	1,400,000	1,400,000	-
Leleshwani Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Chepares Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Olooretet Primary School	2,500,000	-	-	-	2,500,000	1,100,000	-
Enoosagami Primary School	500,000	-	-	-	500,000	500,000	-
Oloolaiser Primary School	400,000	-	-	-	400,000	400,000	-
Masaantare Primary School	3,500,000	-	-	-	3,500,000	2,800,000	700,000
Kimelok Nkisiwani Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Olmusaakwa Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Naserian Ntasati Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Olemegili Primary School	1,100,000	-	-	-	1,100,000	1,100,000	-
Olkiriaine Primary School	2,500,000	-	-	-	2,500,000	2,500,000	-
Entasekera boarding Primary School	7,000,000	-	-	-	7,000,000	-	7,000,000
Entasekera Primary School	-	-	5,000,000	-	5,000,000	5,000,000	-
Kuntai Primary School	-	-	5,000,000	-	5,000,000	5,000,000	-
Olentutu Arid Zone Primary School	-	-	1,800,000	-	1,800,000	1,800,000	-
Nadupoi Primary School	-	-	1,100,000	-	1,100,000	1,100,000	-

*National Government Constituencies Development Fund (NGCDF)
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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			
Ongata Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Letaari Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Ole Sulunye Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Sitotwet Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Botoret Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Kapkatet Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Menet Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Kichaba Primary School	-	-	1,100,000	1,100,000	1,100,000	-
Kimelok Nkisiwani Primary School	-	-	150,000	150,000	150,000	-
Total	38,200,000	-	21,850,000	60,050,000	42,650,000	17,400,000
8.0 Secondary Schools Projects						
Enakishomi Sec School	450,000	-	-	450,000	450,000	-
Olpukoti Sec School	500,000	-	-	500,000	500,000	-
Morijo Loita Sec School	2,500,000	-	-	2,500,000	2,500,000	-
Ilkerin Secondary school	2,200,000	-	-	2,200,000	-	2,200,000
Lower Sagamian Mixed Day Sec School	1,100,000	-	-	1,100,000	1,100,000	-
Saire Sec School	2,500,000	-	-	2,500,000	-	2,500,000
Kotolian Sec School	5,000,000	-	-	5,000,000	5,000,000	-
Olmesutie Sec School	-	-	-	-	2,500,000	(2,500,000)
Oltarakwai Sec School	-	-	-	-	1,100,000	(1,100,000)
Elangata Enterit Sec School	3,500,000	-	-	3,500,000	3,500,000	-
Ololulunga Secondary School	-	-	12,500,000	12,500,000	11,900,000	600,000
Olpukoti Secondary School	-	-	3,000,000	3,000,000	3,000,000	-
Olenkanae Secondary School	-	-	2,100,000	2,100,000	2,100,000	-
Ilubi Secondary School	-	-	1,100,000	1,100,000	1,100,000	-

**National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements	2020/2021			
Saire Secondary School	-	-	1,100,000	-	1,100,000	1,100,000	-
Kapkatet Secondary School	-	-	1,100,000	-	1,100,000	1,100,000	-
Olashapani Sec School	-	-	5,000,000	-	5,000,000	5,000,000	-
Total	17,750,000	-	25,900,000	-	43,650,000	41,950,000	1,700,000
9.0 Tertiary institutions Projects							
Narok South TTI	1,500,000	-	-	-	1,500,000	1,500,000	-
Narok South TTI	-	-	2,000,000	-	2,000,000	2,000,000	-
Narok South KMTC	12,600,000	-	-	-	12,600,000	12,600,000	-
Total	14,100,000	-	2,000,000	-	16,100,000	3,500,000	12,600,000
10.0 Security Projects							
Narok South Sub County police Headquarters-Ololulunga	10,000,000	-	-	-	10,000,000	10,000,000	-
Narok South Sub county Law Courts	5,500,000	-	-	-	5,500,000	-	5,500,000
Total	15,500,000	-	-	-	15,500,000	10,000,000	5,500,000
11.0 Acquisition of assets							
11.1 Motor Vehicles	-	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
12.0 Other payments							

*National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements	2020/2021			
Total	-	-	-	-	-	-	-
13.0 unallocated fund	-	-	-	-	-	-	-
Unapproved projects	-	-	-	-	-	-	-
AIA	-	-	-	-	-	-	-
PMC savings	-	-	-	-	-	-	-
Total	137,088,879	801,104	74,367,724	212,257,707	167,084,327	45,173,380	

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 SOUTH 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 NGCDF NAROK SOUTH for all the years presented.

a) Recognition of Receipts

The NGCDF NAROK SOUTH recognises all receipts from the various sources when the event occurs, and the related cash has actually been received by the NGCDF NAROK SOUTH.

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

Transfers from the NG-CDF BOARD 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

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The NGCDF NAROK SOUTH recognises all payments when the event occurs and the related cash has actually been paid out by the NGCDF NAROK SOUTH.

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 NGCDF NAROK SOUTH 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.

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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 30 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 NGCDF NAROK SOUTH 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 NGCDF NAROK SOUTH, or vice versa.

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NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board 2019/2020	2020/2021		
AIE NO B041167	B096991	15,000,000	-
AIE NO B047632	B096893	5,000,000	4,000,000
AIE NO B047996	B104657	21,000,000	20,000,000
AIE NO B104058	A823700	31,567,724	6,000,000
AIE NO B049214	B124634	9,000,000	14,000,000
AIE NO B104437	B119603	10,000,000	6,700,000
	B119993	13,000,000	24,000,000
	B128234	6,900,000	-
	B129196	6,000,000	-
	B132290	6,000,000	-
	B138959	13,000,000	-
	B126251	6,100,000	-
	B105046	10,000,000	-
	B105561	1,800,000	-
	B140689	12,000,000	-
		166,367,724	74,700,000

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	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. OTHER RECEIPTS

	2020-2021	2019-2020
	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	-	-

3. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,722,963	3,663,672
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	36,000	72,000
Total	3,758,963	3,591,672

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	30,150	85,969
Utilities, supplies and services	-	-
Communication, supplies and services	647,100	106,800
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	112,600	-
Rentals of produced assets	-	-
Other Committee Expenses	5,602,871	-
Training expenses	-	-
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Fuel Oil & Lubricants	1,315,763	140,000
Office and general supplies and services	-	-
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	-	210,634
Routine maintenance – other assets	-	270,510
Total	7,708,484	813,913

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	42,650,000	39,650,00
Transfers to secondary schools (see attached list)	41,950,000	22,00,000
Transfers to tertiary institutions (see attached list)	3,500,000	-
TOTAL	88,100,000	58,950,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	17,603,000	16,884,500
Bursary – tertiary institutions (see attached list)	24,800,000	-
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	10,000,000	-
Sports projects (see attached list)	1,039,830	1,756,100
Environment projects (see attached list)	3,111,150	950,750
Emergency projects (see attached list)	10,962,900	5,622,310
Roads Projects (see attached list)	-	6,000,000
Total	67,516,880	31,213,660

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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	-	7,000,000
Overhaul 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	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total		7,000,000

9. OTHER PAYMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

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>National Bank Narok Branch. A/C no.01001041832100</i>	84,501	801,104
Total	84,501	801,104
10B: CASH IN HAND		
Location 1		
Total		

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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>
		-	-	-
Total				

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	801,104	39,489,507
Cash in hand	-	-
Imprest	-	-
Total	801,104	39,489,507

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements Kshs	Adjustments Kshs	Adjusted Balance** b/f FY 2019/2020 Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST'

	2020-2021 KShs	2019-2020 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 KShs	2018 - 2019 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 receivables D= A+B-C	-	-

NAROK SOUTH Constituency
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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	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of Employees	3,092,475	1,818,817
Use of goods and services	439,027	937,965
Transfers to Other Government Units	31,700,000	43,950,000
Other grants and transfers	9,941,878	29,107,877
Acquisition of Assets	-	-
Other Payments	-	-
TOTAL	45,173,380	74,367,724

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	866,372	3,599,557
	866,372	3,599,557

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To- Date c	Outstanding Balance 2020 d=a-c	Comments
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					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	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 2020/21	Outstanding Balance 2019/20	Comments
1.1 Compensation of employees	Payment of staff salaries	3,092,475		Awaiting Funds Disbursement From the Board
2.2 Committee allowances	Payment of committee allowances	1,377,489		Awaiting Funds Disbursement From the Board
2.3 Use of goods and services	Office recurrent expenditure	(938,462)		Awaiting Funds Disbursement From the Board
3.0 Emergency	To cater for unforeseen events	2,814,231.00		Awaiting Funds Disbursement From the Board
4.0 Bursary and Social Security	Bursaries	679,174		Awaiting Funds Disbursement From the Board
5.0 Sports	Sports activities	550,422		Awaiting Funds Disbursement From the Board
6.0 Environment	Environmental activities	398,050		Awaiting Funds Disbursement From the Board
Empoor Narok primary school	Construction of classroom	1,100,000		Awaiting Funds Disbursement From the Board
Kapsinanite primary school	Construction of classroom	1,100,000		Awaiting Funds Disbursement From the Board
Sogoo Primary School	Construction of Dormitory	5,000,000		Awaiting Funds Disbursement From the Board
Olooretet Primary School	Construction of Admin Block	2,500,000		Awaiting Funds Disbursement From the Board
Masaantare Primary School	Construction of classroom	700,000		Awaiting Funds Disbursement From the Board
Entasekera boarding Primary School	Construction of classroom	7,000,000		Awaiting Funds Disbursement From the Board
Menet Primary School	Construction of classroom	-		Awaiting Funds Disbursement From the Board
Ilkerin Secondary school	Construction of classroom	2,200,000		Awaiting Funds Disbursement From the Board
Saire Sec School	Construction of Admin Block	2,500,000		Awaiting Funds Disbursement From the Board

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			Awaiting Funds Disbursement From the Board
Olmesutic Sec School	Construction of 2 Classrooms	(2,500,000)	Awaiting Funds Disbursement From the Board
Oltarakwai Sec School	Construction of classroom	(1,100,000)	Awaiting Funds Disbursement From the Board
Ololulunga Secondary School	Construction of classroom	600,000	Awaiting Funds Disbursement From the Board
Narok South KMTC	Construction of KMTC	12,600,000	Awaiting Funds Disbursement From the Board
Narok South Sub county Law Courts	Construction of Lawcourts	5,500,000	Awaiting Funds Disbursement From the Board
Total		45,173,379.00	Awaiting Funds Disbursement From the Board

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	-	-	-	-
Buildings and structures				
Transport equipment	9,750,000			9,750,000
Office equipment, furniture and fittings	5,540,000			5,540,000
ICT Equipment, Software and Other ICT Assets	1,896,359			1,896,359
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				

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Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Total	16,186,359			16,186,359

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kotolian Sec School	National Bank	0102206445700	251,260	
Enakishomi Sec School	National Bank	01022215576500	2,550	
Lower Sagamian Mixed Sec School	National Bank	01022235798400	1,040	
Morijo Loita Sec School	National Bank	01022235853900	1,275	
Kapkatet Pri School	National Bank	0102227951500	798	
Ongata Primary School	National Bank	0102226589200	50	
Letaari Primary School	National Bank	01022208451100	4,660	
Ole Sulunye Primary School	National Bank	01022226404100	1,775	
Sitotwet Primary School	National Bank	01024041666702	1,010	
Kuntai Primary School	National Bank	01022226951400	2,775	
Naisudori Primary School	National Bank	0102226589200	3,275	
Kichaba Primary School	National Bank	01022208451100	1,013	
Kimelok Nkisiwani Primary School	National Bank	01022226404100	930	
Botoret Primary School	National Bank	01024041666702	1,475	
Olentutu Primary School	National Bank	0102226589200	503	
Oloogila Pri School	National Bank	0102226589200	3,275	
Menet Primary School	National Bank	0102227951500	250	
Entasekera Primary School	National Bank	0102226589200	300	
Olepariata Primary School	National Bank	01022226404100	275	
Olenkanae Primary School	National Bank	01024041666702	3,275	
Olkiriaine Primary School	National Bank	0102226589200	4,765	
Olmusaakwa Primary School	National Bank	0102226589200	1,350	
Enoosagami Primary School	National Bank	01022208451100	1,550	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Elangata E Nterit Sec School	National Bank	01022226404100	83,630	
Ilkimpa Primary School	National Bank	01024041666702	775	
Olemegili Primary School	National Bank	0102226589200	1,050	
Ole Kuseroi Primary School	National Bank	01022235853900	303,430	
Baragorwet Primary School	National Bank	0102227951500	1,680	
Choronok Primary School	National Bank	01022208451100	430	
Masaantare Primary School	National Bank	0102226589200	154,630	
Ilubi Sec School	National Bank	01024041666702	725	
Sagamian Sec School	National Bank	0102226589200	930	
Naroosura Acc Office	National Bank	0102226589200	25	
Naisudori Sec School	National Bank	0102227951500	3,275	
Olashapani Primary School	National Bank	0102226589200	3,090	
Kone Primary School	National Bank	01022226404100	2,550	
Olpusare Primary School	National Bank	01024041666702	470	
Mausa Primary School	National Bank	0102226589200	3,150	
Olpukoti Sec School	National Bank	01024041666702	2,530	
Olbibi Primary School	National Bank	0102226589200	650	
Oloolaiser Primary School	National Bank	0102226589200	1,170	
Kapkatet Sec School	National Bank	01024041666702	875	
Olenkanae Sec School	National Bank	0102226589200	3,275	
Saire Sec School	National Bank	0102226589200	3,953	
Olashapani Sec School	National Bank	0102227951500	2,775	
Oltarakwai Sec School	National Bank	0102226589200	550	
Olmesutie Sec School	National Bank	01022226404100	1,325	
Total			866,372	

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The comparative balances for 2017/2018 reflected in the financial statements for the year under review differ with the balances shown in the audited financial statements for 2017/2018 as tabulated in the Appendix 1.</p> <p>No disclosures and explanations have been provided for adjusting audited financial statement item balances.</p> <p>The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of in accordance with ISSAI 30 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</p>	<p>The balances for 2017/18 have been corrected in the amended financial statements</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	a basis for my qualified opinion.			
	<p>Budgetary Control and Performance Examination of the financial statements for Narok South NG-CDF revealed that the fund had an approved budget of Kshs.128,851,803 against actual expenditure of Kshs.77,016,465 resulting in budget under-utilization of Kshs.51,835,338 or 40% of the approved budget amount (Appendix 2).Consequently, planned and approved projects could not be fully implemented. Further, the summary statement of appropriation: recurrent and development combined for the year ended 30 June 2019 shows actual receipts of Kshs.117,151,804 against the statement of receipts and payments actual receipts of Kshs.110,220,186for the same period resulting in unreconciled and unexplained difference of Kshs.6,931,618. 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,</p>	<p>Management Response The under expenditure of Ksh 51,835,338 was due to unutilized funds resulting from delayed funds disbursements from the Board. The items were later paid after June 30th 2019 after the close of the financial year hence could not be reported as payments in 2018/19 financial statements. Attached is the copy of last IAE for FY 2018/19 received on 19th June 2019 AIE No. B047576 and list of the unutilized funds as at 30th June 2019. (Appendix 1) The un-reconciled figure of Ksh 6,931,618 was the cash book closing balance for financial year ending 30th June 2018. However, the figure was not included as receipts or transfers from the board in the statement of assets and receipts for FY 2018/19 but was included as adjustment in the summary statement of appropriation.</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	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.			