

REPUBLIC OF KENYA



Enhancing Accountability



 THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	
DATE: 14 AUG 2024 DAY: WEDNESDAY	
TABLED BY:	HON. DWEN BAYARINO DEPUTY LEADER OF THE MAJORITY PARTY
CLERK-AT THE TABLE:	THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – LAIKIPIA WEST
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2023**



OFFICE OF THE AUDITOR GENERAL
UPPER EASTERN REGIONAL OFFICE- ISIOLO
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LAIKIPIA WEST CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED

30th JUNE 2023

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

Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

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I. Acronyms and Abbreviations

ARMC-Audit and Risk Management Committee

IPSAS-International Public Sector Accounting Standards.

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

NGCDF C- National Government Constituency Development Fund Committee

PMC- Project Management Committee

FY-Financial Year

II. 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 2022. 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

An Educated, Prosperous, Secure and Socially Cohesive Laikipia West Constituency

Mission

To be innovative equitable allocation and utilization of available resources for sustainable development across critical sectors for poverty reduction within Laikipia West Constituency:

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The Laikipia West 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)

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Samuel Mwangi
2.	Sub-County Accountant	Mary Nyakio
3.	Chairman NGCDFC	Daniel Wakanyi
4.	Member NGCDFC	Gladays Muthee

(c) Fiduciary Oversight Arrangements

(d)

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

P.O. Box 2084-20300,
NGCDF Building,
Nakuru- Nyahururu Road.
NYAHURURU, KENYA.

(f) Laikipia West Constituency NGCDF Contacts

Telephone: (254) 720900640

E-mail: cdflaikipiawest@ngcdf.go.ke

Website: www.ngcdflaikipiawest.go.ke

(g) Laikipia West Constituency NGCDF Bankers

Equity Bank
Nyahururu Branch
P.O. Box 1048-20300,
Nyahururu.

(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

III. NG-CDFC Chairman's Report



Mr. Daniel Wanjohi Wakanyi

Laikipia West NG-CDFC Chairman

1.0 NGCDF ALLOCATION FY 2022/2023

I am pleased to present the unaudited financial statements for Laikipia West Constituency for the financial year 2022/2023 as at 30th June 2023. During the year, the Constituency was allocated a total of Ksh151, 960,174. This is an increase of ksh 14,871,295 as compared to the F/Y 2021-2022. This was due to the amendment of the NGCDF Act 2022 which incorporated the number of wards. During the financial year 2022/2023 ksh 76,049,053 and ksh 12,088,879 for the F/Y 2020/2021 had not been received hence hampering projects implementation in that financial year. The total receipts from the Board amounted to ksh 88,000,000 against the projected budget of ksh 164,049,053. i.e 54 % of receipts.

2.0 CONSTITUENCY SECTOR PRIORITIES FY 2022/2023

Laikipia West NGCDF, during the FY 2022-2023 focussed on the security sector due to the rising security risks in the constituency allocating ksh 27,480,653.26. Transfers to other Government Units which consist of transfers to primary schools were allocated ksh 22,267,850. The committee will give priority to primary schools funding to improve on their infrastructure and make them learner friendly. The Committee also allocated Kshs 37,990,043 for Bursary which was instrumental in retaining learners in the levels of their learning. Other allocation during the period includes Kshs - 13,676,415 towards administrative costs as well as the NGCDFC monitoring and evaluation programmes.

3.0 SECTOR FUNDING ANALYSIS

This being our first year in office, Laikipia West Constituency has received a total of ksh 151, 960,170: Subsequently the funds were disbursed to projects in various sectors as approved by the NGCDF Board as tabulated below in the last five years by the leading sectors.

Sector	Number of Projects Per Year
	2022/2023
Primary Schools	29

Secondary Schools	22
Security	8
Total No Funded	59

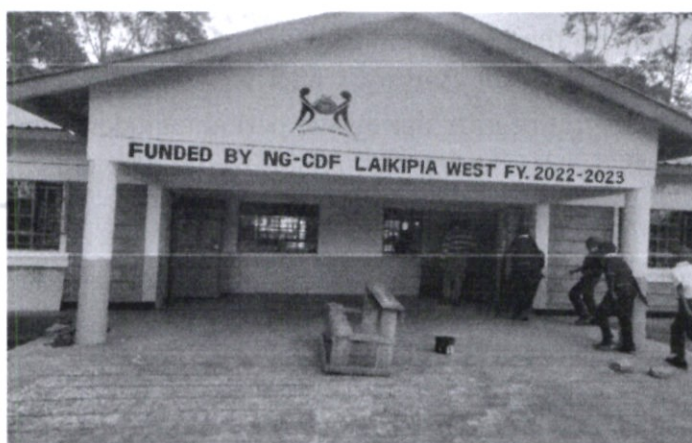
Source: Laikipia West NGCDF Records (2023)

4.0 FUNDS ABSORPTION

It is noteworthy that during the FY 2022/2023, the Committee undertook to expedite the disbursement of funds received from the NGCDF Board. These funds were released to earmarked projects in accordance with the provisions of the NGCDF Act, 2015 amended 2022, and the requirements of the Annual Performance Contract. As at the close of the fiscal year 2022/2023 on 30th June 2023, the overall funds utilization and absorption rate stood at 49 percent. The absorption rate of 100 percent was not realized due to factors beyond our controls among them the general election, formation of committees. These factors affected the preparations of proposals, hence delays in funding by the Board. Also ksh 12,088,879 for the financial year 2020/2021 has not been released by the Board.

4.0 ACHIEVEMENTS FY 2022/2023

NGCDF Committee disbursed funds that were utilized to construct various infrastructural facilities such as classrooms, administration blocks and toilets amongst other critical infrastructure. Bursary carried the day disbursing over ksh 30 million. The continued funding towards the education sector in the Constituency has contributed to increased access to education, improved transition, enrolment, and retention and completion rates in the Constituency hence also affecting the overall literacy levels. I wish to indicate that the NGCDF Committee in conjunction with the NGCDF Board was trained on the most critical areas of project implementations which enhanced their skills in management of the funds at the constituency level. The Project Management Committees (PMCs) were trained and issued with guidelines on effective management of funds and this assisted greatly in ensuring efficiency and effectiveness in project implementation. The staffs were also trained on key issues to improve on the issues of reporting and other related issues on project implementation.



Murichu Pry school Admin Block



Rumuruti Police Station

5.0 Development Planning

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is developing its five year strategic plan which is a formalized road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

6.0 CHALLENGES DURING THE PERIOD UNDER REVIEW

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2022/2023. These among many include:

1. Inadequate record keeping by project management committees,
2. Failure by some project management committees to comply with the public procurement procedures and regulations.
3. Delayed submission of the required returns for funds disbursed.
4. Limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management.
5. Many schools in dire need of infrastructure development and improvements.

To minimize the risks, the committee:

- Scaled up its capacity building programmes for NGCDF Committee.
- Project Management Committees and staff on various aspects of NGCDF projects management.
- These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees monitoring and evaluation.

I wish to sincerely thank the Member of National Assembly Hon Dr, Wachira Karani, NGCDF Committee, NG-CDFC staff, Project Management Committees, the Sub County Accountant, Sub County Internal Auditor and other stakeholders for the cooperation. Without them we could not achieve our mandate to the people of Laikipia West Constituency.

7.0 RECOMMENDATIONS:

Virtually all the citizens have heard about NGCDF. However the citizens should be enlightened more on the areas the NGCDF fund is used in. Public participation should be carried out thoroughly to avoid complaints about the projects. Local committees should be involved in bursary vetting since they know the students in dire need of the bursary. The NGCDF committee should employ staff in line with the NGCDF staff guidelines and their capacity enhanced together with that of the committee.



Name: Daniel Wakanyi

Chairman – NGCDF Committee

***Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023***

IV. Statement of Performance against Predetermined Objectives for FY2022/2023

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 *Laikipia West Constituency 2023-2027* plan are to:

- Improving education outcome
- Addressing health hazards through community driven sanitation programmes
- Facilitating entrepreneurship and addressing market inefficiencies
- Harvesting the potential of Youth in combating unemployment in Laikipia West
- Empowering special interest groups and providing safety nets for the vulnerable
- Encouraging social cohesion through cultural programming
- Advocating for proper infrastructural development in Laikipia West
- Enhancing security for residents through multi-stakeholder pronged approaches

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:

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's	In FY 2022/2023 -we have constructed 10 classrooms, 2 admin block s one dormitories, one laboratory. - Bursary beneficiaries at all levels were as per the attached

Laikipia West Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2023

			beneficiaries at all levels	schedules
Security	To curb insecurity within the constituency and bring government services closer to the community.	Construct police and chiefs offices.	-number of usable physical infrastructure built.	In FY 22/23 we are constructing 9 police stations and a chief's office. They are at various stages of procurement.
Environment	Addressing health hazards through community driven sanitation programs	Improved health and friendly environment	-number of usable physical infrastructure	In FY 22/23 - we have done 6 latrines in education and security sectors.
Sports	To have a sporting community,	Increase in youth involvement in sports, environment	No of sports gear distributed No of sports team benefited	In FY 22/23 the NGCDFC allocated ksh 2.5m towards sports. Ksh 700,000 was utilized to purchase sports equipments
Emergency	To cater for unforeseen emergency cases in the constituency.	Mitigation and improving on the emergency reported	-number of usable physical infrastructure built.	In FY 22/23 we allocated ksh 7,636,190. Ksh 600,000 was utilized by Karai Pry Sch to construct five door latrines which had collapsed.

V. Statement of Governance

V.I PROCESS OF APPOINTMENT

Section 43 of the National Government Constituency Development Fund Committee Act 2015 amended 2022 states that, there is established a National Government Constituency Development Fund Committee for every constituency.

The seven persons shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe. The names of the persons selected shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board. The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board. Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days. The first meeting of the Constituency Committee shall be convened within sixty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency by the Board. The quorum of the Constituency Committee shall be one half of the total membership.

V. II REMOVAL OF NGCDFC MEMBERS,

A member of the Constituency Committee may be removed from office on any one or more of the following grounds— (a) lack of integrity; (b) gross misconduct; (c) embezzlement of public funds; (d) bringing the committee into disrepute through unbecoming personal public conduct; (e) promoting unethical practises; (f) causing disharmony within the committee; (g) physical or mental infirmity. A decision to remove a member shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of the removal of a member under subsection shall be filled in the manner set and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

V. III ROLES AND FUNCTIONS OF THE COMMITTEE

1. Capacity builds Project Management Committees.
2. Consider all project proposals from all wards.
3. Ensure that all projects proposed and approved for funding meets the requirements of Section 24 of the Act.
4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans
5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic
6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board;
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
8. Ensure labelling of projects as per guidelines issued by the Board;
9. Recruit staff as per Section 45 of the Act.

V. IV INDUCTION, AND TRAINING OF MEMBERS.

In consultation with the NGCDF Board and the performance contract signed for the F/Y 2022/2023, the Board came up with a comprehensive training program which covered various topics of importance in the daily management of the funds at the constituency level.

V. V NO OF MEETINGS HELD & MEMBERS REMUNERATION,

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings. The members are remunerated as per the issued guidelines by the SRC and board circular. They are remunerated as follows: chairperson ksh 7,000 per sitting and members' ksh 5,000 per sitting.

V. VI DISCLOSE POLICY ON CONFLICT OF INTEREST

At the start of every meeting and having the agendas of the meeting circulated before, the members sign the conflict of interest disclosure. This will prevent the member to discuss the agenda or made any contribution towards it.

VI. Environmental and Sustainability Reporting

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

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

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

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

2. Environmental performance

- The committee set aside ksh 3,022,810 toward construction of pit latrines to address the sanitation issues affecting various institutions.

3. Employee welfare

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

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

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

4. Market place practices-

Laikipia West NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

1. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

.....


Name: Samuel Mwangi
Fund Account Manager

VII. 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- Laikipia West Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF- Laikipia West Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Laikipia West Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

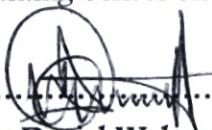
The Accounting Officer in charge of the NGCDF Laikipia West Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial statements have been

*Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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- Laikipia West Constituency financial statements were approved and signed by the Accounting Officer on _____ 2023.



.....
Name: Daniel Wakanyi
Chairman – NGCDF Committee



.....
Name: Samuel Mwangi
Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LAIKIPIA WEST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Control, 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 - Laikipia West Constituency, set out on pages 1 to 38, which comprise of the statement of assets and liabilities as at 30 June, 2023, and

Report of the Auditor-General on National Government Constituencies Development Fund - Laikipia West Constituency for the year ended 30 June, 2023

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

In my opinion, except for the effects of the matter 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 - Laikipia West Constituency as at 30 June, 2023, 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

Basis for Qualified Opinion

Unsupported Bursary Payments

The statement of assets and liabilities reflects cash and cash equivalents balance of Ksh.9,784,595 as disclosed in Note 12 to the financial statements. However, review of the cash book revealed that Management reversed several bursary cheques amounting to Kshs.986,000 which had either been erroneously raised or unrepresented. These funds were then reallocated to other beneficiaries whose details, criteria used to award and approval by the requisite committees were not provided for audit.

In the circumstances, the accuracy and completeness of the bursary payments of Kshs.986,000 could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Laikipia West Constituency Management in accordance with ISSAI 130 on the 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final budget and actual on comparable basis of Kshs.169,565,513 and Kshs.93,516,460 respectively

resulting to an under-funding of Kshs.76,049,053 or 45% of the budget. However, the Fund spent Kshs.83,731,865 against actual receipts of Kshs.93,516,460 resulting to under-Utilization of Kshs.9,784,595 or 10% of the actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Other Matter

Prior Year Unresolved Issues

In the previous year, one issue was raised under Basis for Qualified Opinion, three on Other Matter and another three on Report on Lawfulness and Effectiveness in Use of Public Resources. However, although Management has indicated as having resolved the prior year audit issues, no evidence was provided to support that status.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Project Implementation Status

Note 7 and 8 to the financial statements reflects Kshs.27,254,062 and Kshs.46,629,166 in respect to transfers to other government units and other grants and other transfers respectively, all totalling Kshs.73,883,228 which was spent on project implementation during the year under review.

The project implementation status report as at 30 June, 2023 reflected that the Constituency budgeted for forty-five (45) projects worth Kshs.129,960,174 to be undertaken during the year under review. However, six (6) projects worth Kshs.56,115,843 were not completed while sixteen (16) projects worth Kshs.34,156,808 had not started.

In the circumstances, the public did not obtain the benefits which would have accrued from the project.

2. Delay in Completion of an Administration Block

Note 7 to the financial statements reflects Kshs.27,254,062 being transfers to other government units which further includes Kshs.7,686,212 in respect to transfers to

secondary schools. Included in this amount is Kshs.3,500,000 transferred to a Secondary School Project Management Committee for the construction of an administration block. The contract was signed on 27 October, 2023 to be completed on 22 December, 2023 within a duration of eight (8) weeks. However, by 14 March, 2024 the project had not been completed and was, therefore, twelve (12) weeks behind schedule contrary to the contract agreement between the Project Management Committee and the contractor.

In the circumstances, the School may not have obtained value for the Kshs.3,500,000 budgeted and spent on the project.

3. Unconfirmed Project Returns on Secondary Schools Projects

Note 7 to the financial statements reflects Kshs.27,254,062 being transfers to other government units which includes Kshs.7,686,212 in respect to transfers to secondary schools out of which an amount of Kshs.509,003 was transferred to a Secondary School for completion of a hall. However, Management did not provide for audit the Project Management Committee returns contrary to Section 15 of the National Government – Constituencies Development Fund Regulations, 2016 which provides that there shall be appointed a project management committee for each project in a Constituency which shall maintain proper records of all minutes, accounting documents and other records in relation to projects being implemented and to prepare returns and file them with a Constituency Committee.

In the circumstances, the regularity and value for money on the expenditure of Kshs.509,003 transferred could not be confirmed.

4. Project Verification Report

Note 7 and 8 to the financial statements reflects an amount of Kshs.16,867,850, Kshs.7,686,212 and Kshs.8,423,056 in respect to transfers to primary schools, secondary schools and security projects, respectively, all totalling Kshs.32,977,118. This amount further includes Kshs.28,368,115 transferred to various primary schools, secondary schools, assistant chief's office and a police station for various constructions, repairs and renovations. However, physical inspection carried out in the month of March, 2024 pointed to poor workmanship in the projects done. Poor implementation of projects may result into projects that do not last over their intended economic lives.

In the circumstances, the public may have not achieved value for money on the expenditure spent on the projects.

The audit was conducted in accordance with ISSAIs 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 CONTROL, 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 control, risk management and governance were not effective.

Basis for Conclusion

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal control, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1) (a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal 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 non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that control may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

I communicate with 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.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

23 May, 2024

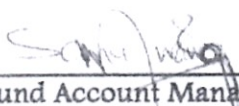
Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

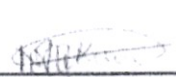
	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	88,000,000	170,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	109,000	-
TOTAL RECEIPTS		88,109,000	170,088,879
PAYMENTS			
Compensation of employees	4	3,153,222	4,528,193
Committee expenses	5	2,976,600	3,996,500
Use of goods and services	6	3,718,815	4,242,904
Transfers to Other Government Units	7	27,254,062	93,178,673
Other grants and transfers	8	46,629,166	60,728,640
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	-	-
Other Payments	11	-	450,000
TOTAL PAYMENTS		83,731,865	167,124,909
SURPLUS/DEFICIT		4,377,135	2,963,970

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

The Constituency financial statements were approved by the NGCDFC on _____ 2023 and signed by:


 Fund Account Manager

Name: Samuel Mwangi


 National Sub-County
 Accountant

Name: Mary Nyakio
 ICPAK M/No: 26997


 Chairman NG-CDF
 Committee

Name: Daniel Wakanyi

Laikipia West Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2023

X. Statement Of Assets and Liabilities As At 30th June, 2023

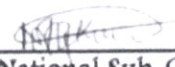
	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	9,784,595	5,407,460
Cash Balances (cash at hand)	12 B	-	-
Total Cash and Cash Equivalents		9,784,595	5,407,460
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		9,784,595	5,407,460
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)		-	-
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL SSETS		9,784,595	5,407,460
REPRESENTED BY			
Fund balance b/fwd 1st July 2022	15	5,407,460	2,443,490
Prior year adjustments	16		
Surplus/Deficit for the year		4,377,135	2,963,970
NET FINANCIAL POSITION		9,784,595	5,407,460

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

The Constituency financial statements were approved by NG CDFC on 20/8/2023 and signed by:


Fund Account Manager

Name: Samuel Mwangi


National Sub-County
Accountant

Name: Mary Nyakio
ICPAK M/No: 26997


Chairman NG-CDF
Committee

Name: Daniel Wakanyi

Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

XI. Statement Of Cash Flows for The Year Ended 30th June 2023

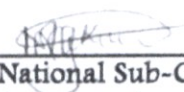
		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	88,000,000	170,088,879
Other Receipts	3	109,000	-
		88,109,000	170,088,879
Payments for operating activities			
Compensation of Employees	4	3,153,222	4,528,193
Committee expenses	5	2,976,600	3,996,500
Use of goods and services	6	3,718,815	4,242,904
Transfers to Other Government Units	7	27,254,062	93,178,673
Other grants and transfers	8	46,629,166	60,728,640
Oversight Committee Expenses	10	-	-
Other Payments	11	-	450,000
		83,731,865	167,124,910
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments		-	-
Net cash flow from operating activities		4,377,135	2,963,970
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		4,377,135	2,963,970
Cash and cash equivalent at BEGINNING of the year	11	5,407,460	2,443,490
Cash and cash equivalent at END of the year		9,784,595	5,407,460

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


The Constituency financial statements were approved by NG CDFC on 20/07 2023 and signed by:


 Fund Account Manager

Name: Samuel Mwangi


 National Sub-County Accountant

Name: Mary Nyakio
 ICPAK M/No: 26997


 Chairman NG-CDF Committee

Name: Daniel Wakanyi

*Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
RECEIPTS							
Transfers from NG-CDF Board	151,960,174	5,407,460	12,088,879	169,456,513	93,407,460	76,049,053	55 %
Proceeds from Sale of Assets	-	-	-	-	-	-	0%
Other Receipts	-	109,000	-	109,000	109,000	-	100%
TOTAL RECEIPTS	151,960,174	5,516,460	12,088,879	169,565,513	93,516,460	76,049,053	55%
PAYMENTS							
Compensation of Employees	3,946,032	1,756,863		5,702,895	3,153,222	2,549,673	55%
Committee expenses	3,779,000	2,022,279		5,801,279	2,976,600	2,824,679	51%
Use of goods and services	6,951,383	928,318		7,879,701	3,718,815	4,160,886	47%
Transfers to Other Government Units	32,654,062	-	6,000,879	38,654,941	27,254,062	11,400,879	71%
Other grants and transfers	77,629,697	500,000	5,938,000	84,067,697	46,629,166	37,438,531	55%
Acquisition of Assets	-	200,000	150,000	350,000	-	350,000	0%
Oversight Committee Expenses	1,000,000	-	-	1,000,000	-	1,000,000	0%
Other Payments	4,000,000	-	-	4,000,000	-	4,000,000	0%
Funds Pending Approval**	22,000,000	109,000	-	22,109,000	-	22,109,000	0%
TOTAL	151,960,174	5,516,460	12,088,879	169,565,513	83,731,865	85,833,648	49%

**Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023**

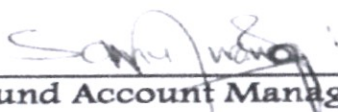
****Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.**

Explanatory Notes.

- i. **Compensation of Employees:** The utilization was 55 %. The budget for the year was ksh 3,946,032. There was an opening balance of ksh 1,756,863 hence a total of ksh 5,702,895. Actual expenditure was ksh 3,153,222, hence a balance of ksh 2,549,673. Hence the utilization was below the 90 %.
- ii. **Committee Expenses:** The utilization was 51 %. The budget for the year was ksh 3,779,000. There was an opening balance of ksh 2,022,279 hence a total of ksh 5,801,279. Actual expenditure was ksh 2,976,600, hence a balance of ksh 2,824,679. Hence the utilization was below the 90 %.
- iii. **Use of Goods and Services:** The utilization was 47 %. The budget for the year was ksh 6,951,383. There was an opening balance of ksh 928,318 hence a total of ksh 7,879,701. Actual expenditure was ksh 3,718,815, hence a balance of ksh 4,160,886. Hence the utilization was below the 90 %.
- iv. **Transfer to other government units:** The utilization was 71 %. The budget for the year was ksh 32,654,062. There was an opening balance of ksh Nil and previous years outstanding disbursement of Kshs. 6,000,879 hence a total of ksh 38,654,941. Actual expenditure was ksh. 27,254,062, hence a balance of ksh 11,400,879 Hence the utilization was below the 90 %.
- v. **Other Grants and Transfers:** The utilization was 55 %. The budget for the year was ksh 77,629,697. There was an opening balance of ksh 500,000 and previous years outstanding disbursement of 5,938,000 hence a total of 84,067,697. Actual expenditure was ksh 46,629,166; hence a balance of ksh 37,438,531 hence the utilization was below the 90 %.


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	85,833,648
Less undisbursed funds receivable from the Board as at 30th June 2023	76,049,053
	9,784,595
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2022/2023	9,784,595

The Constituency financial statements were approved by NG CDFC on 20/8/2023 2023 and signed by:




Fund Account Manager

Name: Samuel Mwangi



National Sub-County Accountant

Name: Mary Nyakio
ICPAK M/No: 26997



Chairman NG-CDF Committee

Name: Daniel Wakanyi

*Laikipia West Constituency
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XIII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,916,032	1,756,863	-	5,672,895	3,153,222	2,611,373
1.2 Committee allowances	1,128,000	1,095,359	-	2,223,359	2,044,600	178,759
1.3 Use of goods and services	4,073,578	624,053.46	-	4,697,631	1,306,978	3,390,653
Total	9,117,610	3,476,276	-	12,593,886	6,413,100	6,180,786
2.0 Monitoring and evaluation						-
2.1 Capacity building	1,802,000	241,984.00	-	2,043,984	1,905,951	138,033
2.2 Committee allowances	1,760,000	740,199.69	-	2,500,200	932,000	1,568,200
2.3 Use of goods and services	996,805	249,000.00	-	1,245,805	505,885	739,920
Total	4,558,805	1,231,184	-	5,789,989	3,343,836	2,446,153
3.0 Emergency						
3.1 Primary Schools	600,000	-	-	600,000	600,000	-
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilised	7,036,190	-	3,692,207	10,728,397	-	10,728,397
Total	7,636,190	-	3,692,207	11,328,397	600,000	10,728,397

*Laikipia West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.0 Bursary and Social Security				-		
4.1 Secondary Schools	23,990,043	1	1,946,672	25,936,716	22,298,500	3,638,216
4.2 Tertiary Institutions	12,000,000	-	-	12,000,000	10,426,300	1,573,700
4.3 Social Security	-	-	-	-	-	-
4.4 Special Needs	2,000,000	-	-	2,000,000	1,858,500	141,500
Total	37,990,043	1	1,946,672	39,936,716	34,675,000	5,261,716
5.0 Sports				-		-
5.1	2,500,000	500,000.00	500,000	3,500,000	700,000	2,800,000
Total	2,500,000	500,000	500,000	3,500,000	700,000	2,800,000
6.0 Environment						
Kiriko Police Post	372,404		-	372,404	372,404	-
Ayam Primary School	600,000		-	600,000	600,000	-
91 Municipality Primary School	750,000		-	750,000	750,000	-
Matwiku Patrol Base	300,000		-	300,000	-	300,000
Mahianyu Police post	400,000		-	400,000	-	400,000
Silale Primary School	600,406		-	600,406	600,406	0.26
Mahianyu Pry School	-	-	200,000	200,000	-	200,000
Nganoini Pry School	-	-	200,000	200,000	-	200,000
Muruku Sec School	-	-	200,000	200,000	-	200,000
Shamanei Pry Sch	-	-	200,000	200,000	-	200,000.00

Laikipia West Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2023

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Total	3,022,810	-	800,000	3,822,810	2,322,810	1,500,000
7.0 Primary Schools Projects						
Murichu Primary School	998,845		-	998,845	998,845	-
Ngarachi Primary School	2,169,005	-	1,150,000	3,319,005	2,169,005	1,150,000
Kiheo Primary School	2,700,000	-	-	2,700,000	-	2,700,000
Muthengera Primary School	1,300,000	-	-	1,300,000	1,300,000	-
karangi Primary School	2,500,000	-	-	2,500,000	2,500,000	-
Lelematesho Primary School	2,500,000	-	-	2,500,000	2,500,000	-
Kisima Primary School	1,350,000	-	-	1,350,000	1,350,000	-
G.G Kinamba Primary School	2,000,000	-	1,150,000	3,150,000	2,000,000	1,150,000
Ol- Larabel Primary School	1,350,000	-	-	1,350,000	-	1,350,000
Bondeni Primary School	1,350,000	-	-	1,350,000	1,350,000	-
Ol Arinyiro Primary School	1,350,000	-	-	1,350,000	1,350,000	-
Keben Primary School	1,350,000		-	1,350,000	-	1,350,000
Kabati Primary School	1,350,000	-	-	1,350,000	1,350,000	-
Total	22,267,850	-	2,300,000	24,567,850	16,867,850	7,700,000
8.0 Secondary Schools Projects			-			-
Pesi Secondary School	509,003		-	509,003	509,003.00	-
Ngarachi Secondary School	449,209		-	449,209	449,209	-
Limunga Secondary School	3,228,000		1,150,000	4,378,000	3,228,000	1,150,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Munyaka Secondary School	-	-	1,150,000	1,150,000	-	1,150,000
Pesi Secondary School	3,500,000	-	-	3,500,000	3,500,000	-
Total	7,686,212	-	2,300,000	9,986,212	7,686,212	2,300,000
9.0 Tertiary institutions Projects				-		-
Laikipia West technical Training Institute	2,700,000	-	-	2,700,000	2,700,000	-
Total	2,700,000		-	2,700,000	2,700,000	-
10.0 Security Projects			-	-		-
Karandi Police Station	5,000,000.00	-	-	5,000,000	-	5,000,000
Rumuruti police station	4,234,419	-	-	4,234,419	4,234,419	-
Ndurumo Police Post	1,557,597	-	-	1,557,597	-	1,557,597
Mbogoini Police Post	1,350,000	-	-	1,350,000	1350000	-
Wangaci Police Station	5,000,000.00	-	-	5,000,000	-	5,000,000
Kamwenje Police Station	1,500,000	-	-	1,500,000	1500000	-
Pesi Asst. Chiefs Office	1,338,638	-	-	1,338,638	1,338,638	(0.44)
Sipili police	3,500,000	-	-	3,500,000	-	3,500,000
Salama Police Station	4,000,000	-	-	4,000,000	-	4,000,000
Kinamba Chief Office	-	-	400,000	400,000	-	400,000
Total	27,480,654	-	400,000	27,880,654	8,423,057	19,457,597
11.0 Acquisition of assets				-		-
	-					

Laikipia West Constituency

National Government Constituencies Development Fund (NGCDF)

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Motor Cycle	-	200,000	150,000	350,000	-	350,000
Total	-	200,000	150,000	350,000	-	350,000
12.0 Oversight Committee Expenses (itemize)	1,000,000			1,000,000		1,000,000
Total	1,000,000			1,000,000		1,000,000
13.0 Other payments	-			-		-
strategic Plan	4,000,000			4,000,000		4,000,000
ICT Hubs	-			-		-
	-			-		-
Total	4,000,000			4,000,000		4,000,000
14.0 unallocated fund	-			-		-
Unapproved projects	22,000,000			22,000,000		22,000,000
AIA		109,000.00		109,000		109,000
PMC savings	-					-
Total	22,000,000	109,000.00		22,109,000		22,109,000
	151,960,174	5,516,460	12,088,879	169,565,514	83,731,865	85,833,649

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

XIV. 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-Laikipia West Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

The financial statements are presented in Kenya Shillings (Kshs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. Significant Accounting Policies

The accounting policies set out in this section have been consistently applied by the entity for all the years presented.

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the entity at the end of the financial year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 2022 for the period 1st July 2022 to 30th June 2023 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.

Significant Accounting Policies Continued

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 2023.

14. Errors

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

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

15. Related Party Transactions

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

Laikipia West Constituency

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
AIE NO. B 185141	7,000,000	
AIE NO. B 185543	6,000,000	
AIE NO. B 185677	15,000,000	
AIE NO. B 206176	5,000,000	
AIE NO. B 206442	12,000,000	
AIE NO. B 203952	12,000,000	
AIE NO. B 207672	16,000,000	
AIE NO. B 207832	15,000,000	
AIE NO. B140974		33,000,000
AIE NO. B105491		44,000,000
AIE NO. B 105838		22,000,000
AIE NO. B 128585		5,000,000
AIE NO. B 128897		12,000,000
AIE NO. B 154094		12,000,000
AIE NO. B 164430		18,000,000
AIE NO. B 155866		24,088,879
TOTAL	88,000,000	170,088,879

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2. Proceeds From Sale of Assets

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

3. Other Receipts

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Description		
Interest Received	-	-
Rents	-	-
Receipts Sale of Tender Documents	107,000	-
Receipts Sale of Tender Documents	2,000	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere (specify)	-	-
Total	109,000	-

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,513,360	2,176,600
Personal allowances paid as part of salary		-
House allowance	167,800	258,200
Transport allowance	192,000	304,000
Leave allowance	321,500	505,600
Gratuity-contractual employees	900,242	1,198,473
Employer Contributions Compulsory national social security schemes	58,320	85,320
Total	3,153,222	4,528,193

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	2,044,600	1,395,000
Other committee expenses	932,000	2,601,500
Total	2,976,600	3,996,500

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6. Use of Goods and services

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Utilities, supplies and services	85,228	493,043
Communication, supplies and services	97,950	974,444
Domestic travel and subsistence	404,200	245,500
Printing, advertising and information supplies & services	461,960	60,000
Rentals of produced assets	-	-
Training expenses	1,905,886	1,230,400
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialised materials and services	-	28,000
Office and general supplies and services	600,000	703,200
Fuel , oil & lubricants	50,000	300,000
Other operating expenses	69,600	150,000
Bank Charges	43,991	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	58,316
TOTAL	3,718,815	4,242,903

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	16,867,850	54,677,923
Transfers to Secondary Schools	7,686,212	38,500,750
Transfers to Tertiary Institutions	2,700,000	-
TOTAL	27,254,062	93,178,673

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	22,298,500	23,076,800
Bursary -Tertiary (see attached list)	10,426,300	12,383,870
Bursary- Special Schools	1,858,500	1,500,000
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	8,423,056	12,570,000
Sports Projects (see attached list)	700,000	1,178,900
Environment Projects (see attached list)	2,322,810	2,826,863
Emergency Projects (see attached list)	600,000	7,192,207
Roads Projects	-	-
TOTAL	46,629,166	60,728,640

Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	-	-

10. Oversight Committee Expenses

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
COC Members allowance	-	-
Other COC expenses	-	-
	-	-

11. Other Payments

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity , 0160261729259 Nyahururu Branch</i>	9,784,595	5,407,460
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	9,784,595	5,407,460
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprests

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

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

14 A. Retention	2022-2023	2021-2022
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

14 B. Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)		-
Gratuity held during the year (B)	900,242	-
Gratuity paid during the Year (C)	900,242	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

15. Fund Balance B/F

	(1st July 2023	(1st July 2022
	Kshs	Kshs
Bank accounts	5,407,460	2,443,490
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	-	-
	5,407,460	2,443,490

[Provide short appropriate explanations as necessary]

Laikipia West Constituency

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16. Prior Year Adjustments

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

** The adjusted balances are not carried down on the face of the financial statement.
(Entity to provide disclosure on the adjusted amounts)

17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

	Insert current FY	Insert previous FY
	2022-2023	2021-2022
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	2,611,373	1,628,276
Use of goods and services	6,015,566	3,694,423
Amounts due to other Government entities (see attached list)	10,000,000	4,600,000
Amounts due to other grants and other transfers (see attached list)	39,747,710	7,223,640
Acquisition of assets	350,000	350,000
Oversight Committee Expenses	1,000,000	-
Others (<i>specify</i>)	4,000,000	-
Funds pending approval	22,109,000	
Total	85,833,649	17,496,339

18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	20,023,095	33,287,243
Total	20,023,095	33,287,243

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	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 2022-2023	Outstanding Balance 2021-2022	Comments
Compensation of employees	Payment of staff salaries	2,611,373	1,628,276	
Use of goods & services	payments of committee allowances and office expenses	6,015,566	3,694,423	
Amounts due to other Government entities	funds due to primary and secondary schools	10,000,000	4,600,000	
Sub-Total		18,626,939	9,922,699	
Amounts due to other grants and other transfers	Funds due to bursary, environment, sports, emergency and security.	39,747,710	7,223,640	
Sub-Total		39,747,710	7,223,640	
Acquisition of assets	Purchase of motor bike	350,000	350,000	
Sub-Total		350,000	350,000	
Oversight Committee Expenses(itemize)	Payment of COC expenses	1,000,000	-	
Sub-Total		1,000,000	-	
Others Strategic Plan		4,000,000	-	
Funds pending approval		22,109,000		
Grand Total		85,833,649	17,496,339	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-			-
Buildings and structures	12,000,000	-	-	12,000,000
Transport equipment	5,000,000	-	-	5,000,000
Office equipment, furniture and fittings	1,003,150	-	-	1,003,150
ICT Equipment, Software and Other ICT Assets	781,400	-	-	781,400
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	18,784,550	-	-	18,784,550

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Annex 5 –PMC Bank Balances As At 30th June 2023

PMC	Bank	Account number	2022-2023	2021-2022
91 Municipality Primary Sch	Equity	0160284326457	750,000	-
BUSTANI primary school	Equity	0160280338551	1,636	600,056
CHERETA DAY secondary SCHOOL	Equity	0160282609515	37,945	96,945
DCC RUMURUTI	Equity	1830182759535	400	280,000
DEB RUMURUTI PRIMARY SCHOOL	Equity	0160166134211	387	60,008
EMGWEN secondary School	Equity	0160276550315	-	271,122
G.G. KINAMBA PRIMARY School	Equity	0160278841642	-	428,560
GATAMI PRIMARY School	Equity	0160277488011	1,247	166,847
Gatero Day secondary School	Equity	0160279479078	-	1,204,280
Gatirima Chief office	Equity	0160279858170	1,115	16,082
Gatirima Primary School	Equity	0160276556958	-	61,087
Gituamba Chief Office	Equity	0160281224564	336	336
Gituamba Secondary school	Equity	0160276556938	-	224,074
Igwamiti Sec Sch	Equity	0160279559281	-	73,102
HUHOINI secondary School	Equity	0160276634110	57,086	116,986
Kabati secondary school	Equity	0160195391187	684	111,685
KAGAA PRIMARY SCHOOL	Equity	0160163392326	3,620	303,543
Kaharati Pry Sch	Equity	0160262805811	-	225,679
Kamwenje Police Post	Equity	0160284334877	1,500,000	-

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PMC	Bank	Account number	2022-2023	2021-2022
Karangi Pry Sch	Equity	0160284326577	2,500,000	-
KIAMARIGA primary school	Equity	0160190750011	1,492	1,492
Kiheo Pry Sch	Equity	0160282080023	-	210,196
Kinamba Chiefs Office	Equity	0160282699741	200,000	250,000
Kinguka Pry Sch	Equity	0160299681090	-	120,120
Kiriko Pry Sch	Equity	0160276633645	-	159,256
KINAMBA CHIEF OFFICE	Equity	0160282699741	50,000	250,000
KIWANJA DAY secondary SCHOOL	Equity	0160163392734	4,397	570,592
KUNDARILLA PRIMARY School	Equity	0160168696012	339	251,440
Laikipia West TTI	Equity	0160284327058	2,700,000	-
LARIAK secondary school SCH	Equity	0160276634934	1,202,722	1,202,722
Limunga Sec Sch	Equity	0160299684357	3,228,011	-
LOSOGWA primary school	Equity	0160293851056	10,395	68,755
MAHIANYU POLICE POST	Equity	0160282789773	555	555
Mahiga Pry Sch	Equity	0160262810542	-	69,810
Maina Pry Sch	Equity	0160279360212	-	88,978
MAIRO PRIMARY School	Equity	0160171245574	377	115,977
MAKUTANO PRIMARY School	Equity	0160166058313	5,463	122,128
MANYATTA PRIMARY School	Equity	0160163699786	47,960	105,442
Marmaret chief Office	Equity	0160281264773	339	339

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PMC	Bank	Account number	2022-2023	2021-2022
MARURA primary school	Equity	0160168217658	626	750,334
MATIGARI primary school	Equity	1830282572265	9,905	66,593
Matwiku Assistant Chief Office	Equity	0160282047389	966	65,566
Mbogoini Police Post	Equity	0160284291423	1,350,000	-
MILIMANI PRIMARY School	Equity	0160168577784	86	87
Milimani Day Secondary School	Equity	0160197981372	432	117,327
Miteta Pry Sch	Equity	0160163362691	-	60,080
Mithiga Chief Office	Equity	0160282114807	814	151,880
MOE Rumuruti	Equity	1830280155502	1,187	1,187
MUHOTETU GIRLS secondary School	Equity	0160295657991	70,588	214,437
Munanda primary school	Equity	0160262635749	831	187,831
Mungetho Pry Sch	Equity	0160262635749	831	115,760
Munyaka Day School	Equity	0160163699426	1,500	269,227
Munyu Pry Sch	Equity	0160299684641	-	58,754
MURICHU primary school	Equity	0160276633480	7,978	2,756,350
Muruku secondary School	Equity	0160279068958	7,788	7,788
Mutara Pry Sch	Equity	0160282244006	-	115,880
Naibrom Day secondary school	Equity	0160282236531	4	59,194
Ndaragwiti Pry Sch	Equity	0160276633535	-	117,254
Ndindika Day Sec Sch	Equity	0160294041380	-	2,013

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PMC	Bank	Account number	2022-2023	2021-2022
Ndurumo police post	Equity	1830282447714	9,464	30,694
Ndurumo primary school	Equity	0160163391170	1,041	138,162
Ndururi secondary school	Equity	0160178856138	304	130,427
Ng'arachi primary school	Equity	0160276556871	29,834	2,328,954
NGARACHI secondary school	Equity	0160278565798	113,059	4,842,902
Ngeresha primary school	Equity	0160277472548	3,355	3,355
Njorua secondary School	Equity	0160168577728	53,744	112,774
Nyahururu DEB Primary School	Equity	0160280341697	1,372	143,632
Nyakiambi Primary School	Equity	0160266117416	2,635	36,535
Ol Ngarua secondary school	Equity	0160294025510	60,649	1,201,847
OL Arinyiro secondary school	Equity	0160166058546	120,793	1,257,580
OL NGARUA SPECIAL pry school	Equity	0160282843647	1,531	60,131
Pesi Ass, chief	Equity	0160284327152	1,338,637	-
Pesi Day Secondary schol	Equity	0160163850606	3,500,000	178,326
Rumuruti Police Station	Equity	,0160163393106	211,639	6,900,059
Rumuruti special primary school	Equity	1830281356263	281	92,581
Shamanei Day secondary school	Equity	0160101249074	195,493	14,174
SHAMANEI Primary School	Equity	0160166787824	954	226,075
SILALE PATROL BASE	Equity	0160282790195	635	635
SIPILI CHIEF OFFICE	Equity	0160280989249	67	67,367

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PMC	Bank	Account number	2022-2023	2021-2022
Siron Chiefs office	Equity	0160171210898	807	807
St Louis	Equity	0160284326662	600,406	179,663
TANDARE secondary School	Equity	0160282745634	708	116,635
THAMA primary School	Equity	0160164736993	1,383	337,744
THIGIO Secondary School	Equity	0160295037585	10,008	821,218
Thiru secondary School	Equity	0160166067191	2,127	1,002,293
Uaso Narok Sec Sch	Equity	0160166067191	2,127	116,939
Total			20,023,095	33,287,243

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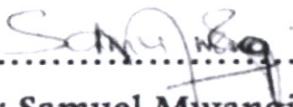
Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Un supported expenditure on security project	In the year under review, NG-CDF had transferred Kshs. 6,900,000 to the PMC account during the financial year 2021-2022. Project Management Committee file for Rumuruti police divisional headquarters availed for audit revealed that the PMC had not prepared monthly returns, work plans and budgets for projects administered.	Laikipia West NGCDF provided a project file without the above mentioned documents. However the missing documents have been availed for your further verification. (Annex 12)	Not Resolved.	-
Budget control and performance	The funds summary statement of appropriation reflects Kshs.184, 621,248 and ksh 172,532,369 in respect of budgeted and actual receipts respectively, resulting to underfunding of ksh 12,088,879 or 7% of the budget. Similarly, the fund expended Kshs.167, 124,910 against an approved budget of ksh 184,621,248 resulting to an under expenditure of 17,496,338 or 9% of the budget.	The main reason for not absorbing 100 % of the allocated fund was because the NGCDF Board did not disburse ksh 12,088,879 for the financial year 2020/2021. On the same ksh 5,407,460 was the cash book balance which could not be fully utilized as the funds were committed to payments of salaries and gratuity for the staff.	Not Resolved	
Project Implementation Status	Review of the project implementation status report as at 30 June 2022 revealed that the NGCDF Laikipia West Constituency budgeted for 78 projects worth Kshs. 139,193,087 to be undertaken during the year, However, Seventy-five (75) project worth Kshs. 133,293,087 were completed,	Projects amounting to ksh 700,000 during the year under review. The reason was because ksh 200,000 meant to purchase a motor bike was not released by the board and it is part of the ksh 12,088,879. The NGCDFC had set aside ksh 500,000 to purchase	Not Resolved	

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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)
	One (1) projects worth Kshs. 5,200,000 was on going and Two (2) projects worth Kshs. 700,000 had not been started.	some sports equipments. However the PMC could not agree on the activities to be undertaken hence non utilization of the funds.		
Transfer to primary schools	PMC constructed new classrooms and renovated the existing ones at Ndaragwiti and Ngarachi primary schools. However labelling was not done. Rumuruti DEB primary had roof leakages and cracks in the walls.	The labeling was done as per the attached photos and the repairs to DEB were done using the retention money.	Not Resolved	
Transfers to secondary schools.	Classrooms at Gituamba sec school had holes on the floor and erroneously labelled, Gatero and Emgwen sec schools were not labelled.	The labeling was done and the repairs to Gituamba sec were done using the retention money.	Not Resolved	
Security Projects	Gituamba Chiefs office not labelled despite being handed over same as Mithiga chiefs office	The labeling was done.	Not Resolved	
Emergency Funds	Reporting of emergencies to the Board within 30 days.	The minutes of authorization by the committee was provided as the requests by the PMCs. The reporting of emergency to the Board was also attached for verifications.	Not Resolved.	

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Name: Samuel Mwangi
Fund Account Manager



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