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REPORT

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DATE: 01 MAR 2023	DAY: Wednesday
TABLED BY: Majority Party Whip	
THE-TABLE: Anlays Muriuki	

THE AUDITOR-GENERAL

ON

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

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



**NAROK NORTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NAROK NORTH Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	David Muriithi Githinji
2.	Sub-County Accountant	CPA Joseph Mwangi
3.	Chairman NGCDFC	James Leparan Naimodu
4.	Member NGCDFC	Naorro Ene Esho

(d) Fiduciary Oversight Arrangements

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

(e) NAROK NORTH Constituency NGCDF Headquarters

NG-CDF Building Narok North
Narok-Nakuru Road
P.O. Box 664-20500
Narok, Kenya.

(f) NAROK NORTH Constituency NGCDF Contacts

Telephone: (254) 0724925786
E-mail: cdfnaroknorthconstituency@gmail.com
Website: www.ngcdfnaroknorthconstituency.go.ke

(g) NAROK NORTH Constituency NGCDF Bankers

Equity Bank Kenya Limited
Narok Branch
A/C No. 0360263540325
P O Box 1023-20500
Narok, Kenya.

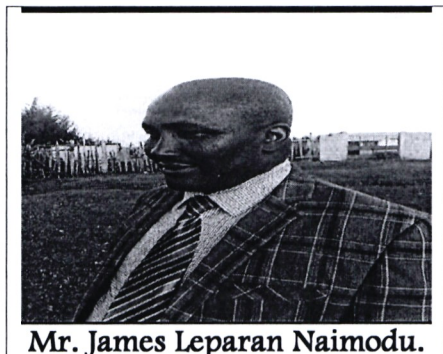
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDF CHAIRMAN'S REPORT



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

Narok North NG-CDF committee continued to discharge its core mandate in prudent and accountable management of the fund, formulating projects proposal in consultation with the residents

of Narok North constituency, Capacity building of the project management committees (Pmcs), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (Pmc), projects monitoring and regular ngcdf committee meetings.

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

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

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

A total of 51 classrooms, 9 dormitories, 2 laboratories, 1 water borehole, 2 administration blocks 3 teacher houses, 2 dining halls and 6 Pit latrines were constructed through the allocation to the fund.

The fund's contribution towards education infrastructure across the constituency supported the 100% government transition policy. Narok North NG-CDF committee also allocated funds for construction of 2 security facilities amounting to ksh.4, 600,000 in the year which when fully implemented will enhance security in the constituency.

In addition, the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of ksh.35, 672,749 was allocated as bursary for needy students in the constituency. Narok North NG-CDF committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

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A). Budget Performance

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

In the financial year ended June 30th 2021, Narok North NG-CDF had a cumulative approved budget of Kshs 212,171,694 out of which Kshs 167,082,815 was received from the NG-CDF Board while a balance of Kshs 45,088,879 is yet to be received. Out of which Kshs 696,260 being funds pending approval.

NG-CDF Narok North disbursed the received funds as follows;

Kes 111,077,120 was disbursed to various schools and other government agencies for implementation of the approved projects during the financial year.

Kes 24,703,885 was issued as bursaries to needy students in the constituency.

Kes 11,149,456 was used in payment of NG-CDF committee allowances, monitoring, evaluation, use of goods and services and other administration expenses.

Kes 2,098,271 was used in payment of NG-CDFC staff salaries and gratuity.

Kes 798,241 was used to fund emergency occurrences in the constituency and

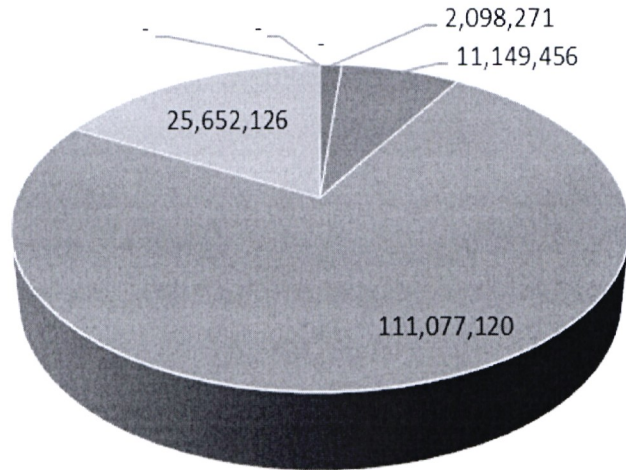
Kes 150,000 was used to fund security projects in the constituency during the financial year.

The performance during the year is summarised as follows;

PAYMENTS	Final Budget	Total Expenditure	Budget utilization difference	% of utilization
Compensation of Employees	3,059,350	2,098,271	961,079	68.6%
Use of goods and services	14,807,594	11,149,456	3,658,138	75.3%
Transfers to Other Government Units	128,895,293	111,077,120	17,818,173	86.2%
Other grants and transfers	54,713,197	25,652,126	29,061,071	46.9%
Acquisition of assets(motor vehicle)	10,000,000	-	10,000,000	0.0%
Other Payments(Strategic Plan)	-	-	-	0.0%
Funds Pending Approval**	696,260	-	696,260	0.0%
TOTAL	212,171,694	149,976,973	62,194,721	70.7%

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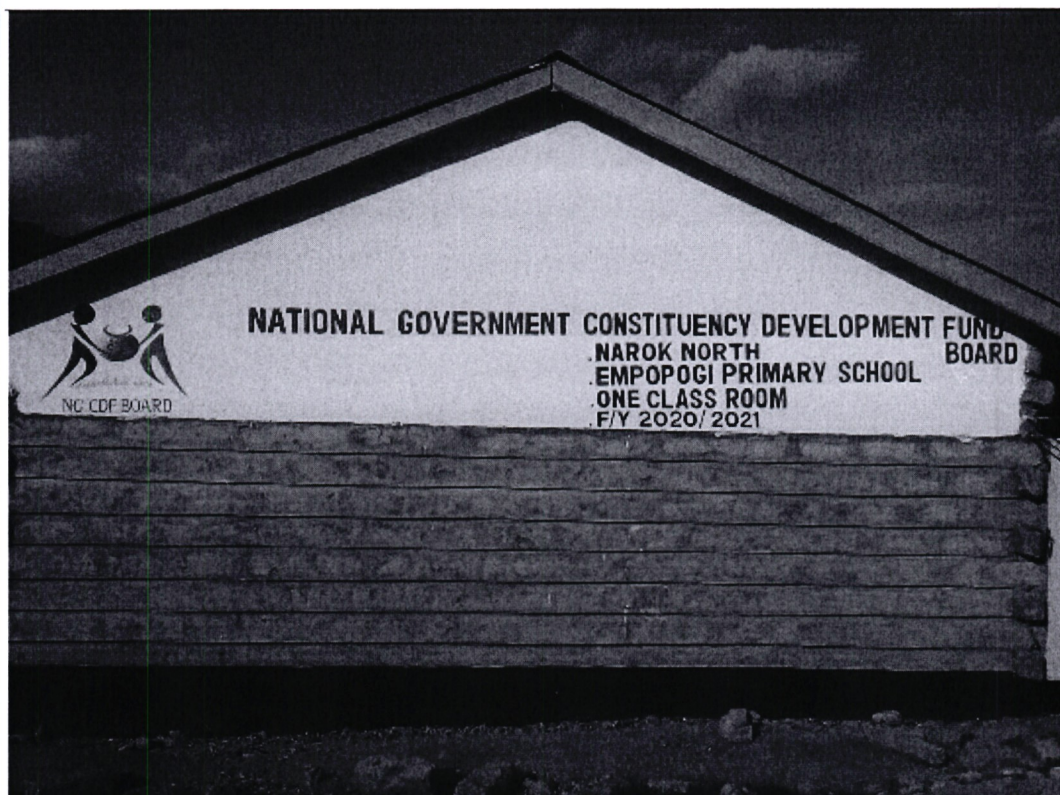
Chart showing actual performance per sector for the financial year ended June 30th 2021



- Compensation of Employees
- Use of goods and services
- Transfers to Other Government Units
- Other grants and transfers
- Acquisition of Assets
- Other Payments(Strategic)
- Funds Pending Approval*

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





B). Emerging issues related to NG-CDF in Narok North Constituency are;

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

C). NG-CDF Implementation challenges in Narok North Constituency are;

- ❖ Overdependence of the fund by the public and National government functions on all development related issues.
To overcome this, Narok North NG-CDF Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency.
- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets and delays in the implementation of approved projects.
However, Narok North NG-CDF committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC`s) as soon as it receives.
- ❖ Many projects are allocated funds- leading to projects receiving insufficient funds

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To address this, Narok North NG-CDF is focusing on allocating enough funds to complete the project within at most 2 years.

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

Signature



**Mr. James Leparan Naimodu,
Chairman NGCDF Committee**

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of *NAROK NORTH Constituency 2018-2022* plan are to:

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

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 20/21 -among others, we increased number of classrooms, dormitories, laboratories, school buses etc from 44 to 69 in the following schools/institutions -Kimelok secondary school -Empopongi primary school. -Purko Secondary school. - Bursary beneficiaries at all levels were approximately 9,000 across all

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				levels
Security	To have a safe and secure environment for business, learning and where the residents go about their lives without fearing for their lives and property.	-Decrease in the number of insecurity related incidents. -Improved security and a more secure business environment	-Numbers of usable physical infrastructure build in Police stations. Chief's offices and county Commissioners security facilities. -	In FY 20/21 We built two (2) police stations one each in Sakutiek and Olpusimoru respectively.
Environment	To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.	Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of climate change.	Number of tree seedlings planted in public land. -sustainable environmental management activities.	In FY 20/21 -we increased number of trees planted where hundreds of tree seedlings were purchased, distributed and planted in various schools
Sports	To Nurture sporting talent, This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.	Increased engagement and persons earning a decent living from exploiting their sporting talent. -reduced unemployment rate among the youth.	Number of youth, women and persons living with disabilities taking up sporting activities. -Number of usable physical sporting infrastructure build.	In FY 20/21 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in every ward in the constituency.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.	In FY 20/21 -we constructed a 6 door pit latrine block at Katakala Primary school When the school was facing immediate closure by the county department of health.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 2020/2021 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e,g planting trees once in an academic calendar
- Sensitization of youth/ community on the impact of drugs abuse by construction of police stations supported NG-CDF.
- NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.

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- NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

3. Employee welfare

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

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

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

4. Market place practices-

NAROK NORTH NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

NAROK NORTH 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.

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

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V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

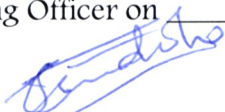
The Accounting Officer in charge of the NGCDF-NAROK NORTH Constituency is responsible for the preparation and presentation of the NGCDF NAROK NORTH's financial statements, which give a true and fair view of the state of affairs of the NGCDF NAROK NORTH for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NGCDF NAROK NORTH; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NGCDF NAROK NORTH; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

The Accounting Officer in charge of the NGCDF NAROK NORTH Constituency confirms that the NGCDF NAROK NORTH's has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF NAROK NORTH'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 NGCDF NAROK NORTH's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- NAROK NORTH Constituency financial statements were approved and signed by the Accounting Officer on _____ 2021.



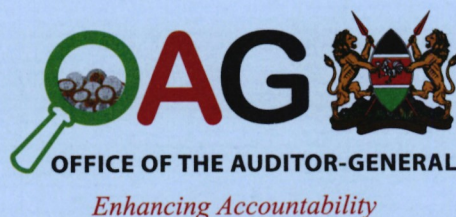
Chairman NGCDF Committee
Name: James L. Naimodu



Fund Account Manager
Name: David M. Githinji.

REPUBLIC OF KENYA

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Narok North Constituency set out on pages 16 to 56,

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

which comprise of the statement of financial assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Narok North Constituency as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Variances Between Financial Statements and Trial Balance Amounts

Review of the financial statements amounts and those in the trial balance revealed variances as shown below:

Description	Financial Statement Amounts (Kshs.)	Trial Balance Amounts (Kshs.)	Variances (Kshs.)
Bank Balances	17,105,842	16,083,206	1,022,636
Use of Goods and Services	11,149,456	7,350,501	3,798,955
Other Grants and Transfers	25,652,126	26,223,741	(571,615)
Prior Year Adjustment	0	-3,798,956	3,798,956

However, the variances were not explained or reconciled.

In the circumstances, the accuracy and completeness of the balances reflected in the financial statements could not be confirmed.

2. Unsupported Bursary Expenditure

The statement of receipts and payments reflects other grants and transfers totalling Kshs.25,625,126 which, as disclosed in Note 7 to the financial statements includes bursary to secondary schools and tertiary institutions of Kshs.16,691,000 and of Kshs.8,012,885 respectively, all totalling to Kshs.24,703,885. However, the bursaries awarded and disbursed were not acknowledged through official receipts or

acknowledgement letters from beneficiary institutions. Further, the bursary to secondary schools amounting to Kshs.8,012,885 varies with the ledger balance of Kshs.8,584,500 resulting to an unexplained and unreconciled variance of Kshs.571,615.

In the circumstances, the propriety and accuracy of bursary expenditure amounting to Kshs.24,703,885 for the year ended 30 June, 2021 could not be confirmed.

3. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalent balance of Ksh.17,105,842 and as disclosed in Note10 to the financial statements. Review of the bank reconciliation statement revealed bank amounting to Kshs.22,620 have not been recorded in the cash book and disclosed as an expenditure.

In the circumstances, the accuracy and completeness of the cash and cash equivalent balance of Ksh.17,105,842 as at 30 June, 2021 could not be confirmed.

4. Project Management Committee (PMC) Account Balances

Note 17.4 under other important disclosures reflects PMC account balances of Kshs.8,834,269 as further disclosed in Annex 5. However, the PMC Bank accounts cash books, bank statements and bank reconciliation statements were not provided for audit

In the circumstances, the accuracy and completeness of PMC account balances of Kshs.8,834,269 as at 30 June, 2021 could not be confirmed.

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

Key Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing

else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Unsupported Training Expenses

The statement of receipts and payments reflects a balance of Kshs.11,149,455 in respect of use of goods and services which, as disclosed in Note 5 to the financial statements includes training expenses of Kshs.755,000. However, the expenses were not supported with training needs assessment as required by Section H.3(1) of the Public Service Commission Human Resource Manual of May, 2016.

In the circumstances Management was in breach of the law.

2. Use of Incomplete Projects

The statement of receipts and payments reflects transfers to other government entities balance of Kshs.111,077,120 which, as disclosed in Note 6 to the financial statements includes transfers to different primary schools amounting to Kshs.77,897,949 for various projects. Physical inspection revealed that three (3) projects were put into use before they were completed and officially handed over to the schools. However, inspection reports and completion certificates from the engineer were not provided for audit.

In the circumstances, the public may not have received value for money on the incomplete projects.

3. Project Implementation Status

Physical inspection of project implementation status undertaken in the month of April, 2022 revealed the following anomalies: -

(i) Delayed Completion of Project

As previously reported, project inspection done on 25 April, 2022 revealed that the construction of ninety six (96) beds capacity dormitory block was still incomplete, although painting and decoration, plastering of the floor, ceiling works, windows, doors, were done. Further, the contractor was not on site and electric works and mechanical works were not done, Engineers, certificates of payment and invoices were not provided for the Kshs.3,900,000 transferred to a contractor.

(ii) Naituyupaki Primary School-Construction of Two Classroom

Physical inspection conducted on the above project revealed damaged floor with hollow cracks and missing window inches and stoppers. Interim and completion certificate for Kshs.2,400,000 transferred to the project was not provided for audit.

(iii) Anaibor Ajjik Primary School- Construction of a School Dormitory

Physical inspection conducted on the project revealed that the dormitory was incomplete. The ceiling, floor, painting, electrical works, toilet plastering and painting had not been done. In addition, Interim and completion certificates for Kshs.4,000,000 transferred to the project was not provided for audit.

(iv) Olturoto Primary School-Construction of Two Classes

Physical inspection conducted on the project revealed that the two (2) classrooms were incomplete. The contractor was not on site, the floor was damaged and window panes were poorly fixed. Further, interim and completion certificate for Kshs.2,400,000 transferred to the project was not provided for audit.

In the circumstances, the public may not have received value for money on the incompleting classes.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

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

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

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

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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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



CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

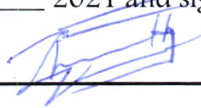
30 September, 2022

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

VI. STATEMENT OF RECEIPTS AND PAYMENTS

	Not e	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	68,000,000
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		161,367,724	68,000,000
PAYMENTS			
Compensation of employees	4	2,098,271	3,635,210
Use of goods and services	5	11,149,455	7,005,000
Transfers to Other Government Units	6	111,077,120	49,801,000
Other grants and transfers	7	25,652,126	10,549,760
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		149,976,972	70,990,970
SURPLUS/(DEFICIT)		11,390,752	(2,990,970)

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



Fund Account Manager

Name: David M. Githinji



National Sub-County Accountant

**Name: CPA Joseph Mwangi
ICPAK M/No:7896**

DISTRICT ACCOUNTANT
NAROK DISTRICT



Chairman NG-CDF Committee

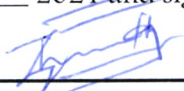
Name: James L. Naimodu


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

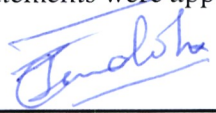
VII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	17,105,842	1,592,091
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		17,105,842	1,592,091
Accounts Receivable			
Outstanding Imprests	11	-	4,123,000
TOTAL FINANCIAL ASSETS		17,105,842	5,715,091
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		17,105,842	5,715,091
REPRESENTED BY			
Fund balance b/fwd		5,715,090	8,706,060
Prior year adjustments	14		
Surplus/Deficit for the year		11,390,752	(2,990,970)
NET FINANCIAL POSITION		17,105,842	5,715,090

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


Fund Account Manager
Name: David M. Githinji


National Sub-County
Accountant
Name: CPA Joseph Mwangi
ICPAK M/No:7896


Chairman NG-CDF Committee
Name: James L. Naimodu

DISTRICT ACCOUNTANT
 NAROK DISTRICT

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

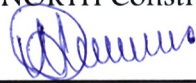
STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	68,000,000
Other Receipts	3	-	-
Total receipts		161,367,724	68,000,000.00
Payments for operating activities			
Compensation of Employees	4	2,098,271	3,635,210
Use of goods and services	5	11,149,456	7,005,000
Transfers to Other Government Units	6	111,077,120	49,801,000
Other grants and transfers	7	25,652,126	10,549,760
Other Payments	9	-	-
Total payments		149,976,972	70,990,970
Total Receipts Less Total Payments		11,390,752	(2,990,970)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	4,123,000	(324,045.00)
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		15,513,752	(3,315,015)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		15,513,752	(3,315,015)
Cash and cash equivalent at BEGINNING of the year		1,592,090	4,907,105
Cash and cash equivalent at END of the year		17,105,842	1,592,090

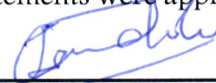
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-NAROK NORTH Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
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National Sub-County
Accountant
Name: CPA Joseph Mwangi
ICPAK M/No:7896



Chairman NG-CDF Committee

Name: James L. Naimodu

DISTRICT ACCOUNTANT
 NAROK DISTRICT

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

VIII. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	b	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
RECEIPTS	2020/2021		Kshs	Kshs	2020/2021	30/06/2021	Kshs	
Transfers from NGCDF Board	137,088,879	5,715,090	5,715,090	69,367,724	212,171,693	167,082,815	45,088,878	78.7%
Proceeds from Sale of Assets	-	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-	-
TOTALS	137,088,879	5,715,090	5,715,090	69,367,724	212,171,693	167,082,815	45,088,878	78.7%
PAYMENTS								
Compensation of Employees	2,509,200	550,150	550,150	-	3,059,350	2,098,271	961,079	68.6%
Use of goods and services	9,828,799	4,529,431.86	4,529,431.86	449,363	14,807,594	11,149,456	3,658,138	75.3%
Transfers to Other Government Units	66,589,665	485,508	485,508	61,820,120	128,895,293	111,077,120	17,818,173	86.2%
Other grants and transfers	47,464,956	150,000	150,000	7,098,241	54,713,197	25,652,126	29,061,071	46.9%
Acquisition of Assets	10,000,000	-	-	-	10,000,000	-	10,000,000	0.0%
Other Payments	-	-	-	-	-	-	-	0.0%
Funds pending approval**	696,260	-	-	-	696,260	-	696,260	0.0%
TOTALS	137,088,880	5,715,090	5,715,090	69,367,724	212,171,694	149,976,972	62,194,722	70.7%

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

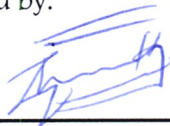
- i. Compensation of Employees is under-utilized due to delay in disbursement of funds by the NG-CDF Board
- ii. Use of goods and Services is underutilized due to delay in disbursement of funds by the NG-CDF Board
- iii. Transfers to other government units are underutilized due to delay in disbursement of funds by NG-CDF Board.
- iv. Other grants and transfers are underutilized due to delay in disbursement of funds by the NG-CDF Board.

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

- ❖ Kes 5,715,090 is the unutilized funds brought forward from FY 2019/2020(refer to cashbook/bank closing balance as at 30th June 2020.
- ❖ Kes 69,367,724.10 is the unutilized funds for FY 2019/2020 which was disbursed to the constituency by the NGCDF BOARD in FY 2020/2021, and reallocations within the budget.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	62,194,722
Less undisbursed funds receivable from the Board as at 30 th June 2021	(45,088,878)
	17,105,844
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	17,105,844

The NGCDF-NAROK NORTH Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
Name: David M. Githinji



National Sub-County
Accountant
Name: CPA Joseph Mwangi
ICPAK M/No:7896



Chairman NG-CDF Committee

Name: James L. Naimodu

DISTRICT ACCOUNTANT
NAROK DISTRICT

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

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs		Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,509,200		550,150		3,059,350	2,098,271	961,079
1.2 Committee allowances	3,316,133		400,000		3,716,133	3,690,000	26,133
1.3 Use of goods and services	2,400,000		1,098,955		3,498,955	2,232,455	1,266,500
2.0 Monitoring and evaluation							
2.1 Capacity building	1,479,635		730,477	449,363	2,659,475	755,000	1,904,475
2.2 Committee allowances	2,232,000		2,000,000		4,232,000	3,787,000	445,000
2.3 Use of goods and services	401,032		300,000		701,032	685,000	16,032
3.0 Emergency							
3.1 Primary Schools	7,192,207			798,241	7,990,448	798,241	7,192,207
3.2 Secondary schools	-						
3.3 Tertiary institutions	-						
3.4 Security projects	-						
4.0 Bursary and Social Security							
4.1 Primary Schools							
4.2 Secondary Schools	15,000,000			6,300,000	21,300,000	8,012,885	13,287,115
4.3 Tertiary Institutions	20,672,749			-	20,672,749	16,691,000	3,981,749
4.4 Universities	-						
4.5 Social Security	-						

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
5.0 Sports						
5.1	-					
6.0 Environment						
6.1	-					
7.0 Primary Schools Projects (List all the Projects)						
Empatipat Primary			7,000,000	7,000,000	7,000,000	-
Enaibor Ajjik Primary			6,000,000	6,000,000	6,000,000	-
Ole Polos Primary			3,000,000	3,000,000	3,000,000	-
Maasai Mara model Pry Sch			590,000	590,000	590,000	-
Naisoya Primary			2,000,000	2,000,000	2,000,000	-
Nchura Yeabori Primary			1,500,000	1,500,000	1,500,000	-
Murua Primary		(14,730)	-	(14,730)	-	(14,730)
Sonkoro primary		(131)	-	(131)	-	(131)
Osonkoro Primary School			100,000	100,000	100,000	-
Olpusimoru Primary School	REALLOCATION		1,200,000	1,200,000	1,200,000	-
Olorropil Primary School	REALLOCATION		2,700,000	2,700,000	2,700,000	-
Olturoto Primary School	REALLOCATION		2,400,000	2,400,000	2,400,000	-
Ilkinyie Primary School	REALLOCATION		1,400,000	1,400,000	1,400,000	-
Lenana Primary School	REALLOCATION		1,400,000	1,400,000	1,400,000	-
Erusiai Primary School	REALLOCATION		1,400,000	1,400,000	1,400,000	-
Ntorobo Primary School	REALLOCATION		2,400,000	2,400,000	2,400,000	-
Naituyupaki Primary School	REALLOCATION		2,400,000	2,400,000	2,400,000	-
Iltareto Primary School	REALLOCATION		2,400,000	2,400,000	2,400,000	-
Olokirikirai Primary School	REALLOCATION		1,100,000	1,100,000	1,100,000	-

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Olomayiana Primary School	REALLOCATION		1,200,000	1,200,000	1,200,000	-
Ole Kingara Primary School	REALLOCATION		1,303,974	1,303,974	1,303,974	-
Eoro Entepesi Primary School	REALLOCATION		1,100,000	1,100,000	1,100,000	-
Ilkerin Primary School	REALLOCATION		703,974	703,974	703,974	-
Ole Sikoye Primary School	REALLOCATION		1,200,000	1,200,000	1,200,000	-
Oyarata Primary School	REALLOCATION		1,300,000	1,300,000	1,300,000	-
Emayian Primary School	2,200,000			2,200,000	2,200,000	-
Empatipat Boarding primary school	5,500,000			5,500,000	-	5,500,000
Empopongi primary school	1,100,000			1,100,000	1,100,000	-
Enabelibel Primary school	1,200,000			1,200,000	1,200,000	-
Enesampulai primary school	2,400,000			2,400,000	2,400,000	-
Enesonkoyo primary school	2,400,000			2,400,000	2,400,000	-
Enkusero primary school	1,200,000			1,200,000	1,200,000	-
Eoro Entepesi primary school	1,100,000			1,100,000	-	1,100,000
Iltareto primary school	2,200,000			2,200,000	2,200,000	-
Iretet primary school	1,200,000			1,200,000	1,200,000	-
Irkarampuni primary school	2,400,000			2,400,000	2,400,000	-
Miti Mbili primary school	2,400,000			2,400,000	2,400,000	-
Nkokolani primary school	2,400,000			2,400,000	2,400,000	-
Olchorro primary school	2,400,000			2,400,000	2,400,000	-
Ole meisi primary school	6,401,549			6,401,549	-	6,401,549
Ole Kentia primary school	1,200,000			1,200,000	1,200,000	-
Ololepo primary school	688,115			688,115	-	688,115
Oloolongoi primary school	1,200,000			1,200,000	1,200,000	-

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Olooltualan primary school	1,200,000			1,200,000	1,200,000	-
Oltetia primary school	1,200,000			1,200,000	1,200,000	-
Osegele primary school	1,600,000			1,600,000	1,600,000	-
Osonkoroi primary school	2,200,000			2,200,000	2,200,000	-
Pulunga primary school	2,100,000			2,100,000	-	2,100,000
8.0 Secondary Schools Projects (List all the Projects)						
Entiyani secondary school			3,200,000	3,200,000	3,200,000	-
Katakala day sec school		500,000	7,730,000	8,230,000	8,187,000	43,000
Entontol secondary school		369	-	369	-	369
Olpusimoru secondary school	0.00		2,600,000	2,600,000	2,600,000	-
Entiyani secondary school	0.00		1,400,000	1,400,000	1,400,000	-
Katakala day sec school	0.00		1,092,171	1,092,171	1,092,171	-
Kimelok Secondary school	5,000,000			5,000,000	5,000,000	-
Nkareta Secondary school	2,000,000			2,000,000	-	2,000,000
Purko secondary school	5,000,000			5,000,000	5,000,000	-
Olokirikirai Secondary school	1,200,000			1,200,000	1,200,000	-
Senchura secondary school	5,500,000			5,500,000	5,500,000	-
9.0 Tertiary institutions Projects (List all the Projects)						
9.1						
10.0 Security Projects						
Entiyani Chiefs Office		150,000	-	150,000	150,000	-
Olpusimoru Police Post	2,000,000			2,000,000	-	2,000,000
Sakutiek Police Post	2,600,000			2,600,000	-	2,600,000

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	10,000,000			10,000,000	-	10,000,000
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub						
Funds pending approval**	696,260	-	-	696,260	-	696,260
Total	137,088,879	5,715,090	69,367,724	212,171,693	149,976,972	62,194,721

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting NGCDF NAROK NORTH

The financial statements are for the NGCDF-NAROK NORTH Constituency. The financial statements encompass the reporting Entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the NGCDF NAROK NORTH 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 30 June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

14. Errors

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

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

15. Related Party Transactions

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

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
NGCDF Board		
AIE NO.B041166		4,000,000
AIE NO.B047631		20,000,000
AIE NO.B047995		6,000,000
AIE NO.B104057		14,000,000
AIE NO.B104436		24,000,000
AIE NO.B096990	18,000,000	
AIE NO.B104656	23,000,000	
AIE NO.A823699	27,367,724	
AIE NO.B104905	1,000,000	
AIE NO.B124633	9,000,000	
AIE NO.B119602	10,000,000	
AIE NO.B119992	13,000,000	
AIE NO.B128233	6,900,000	
AIE NO.B129195	6,000,000	
AIE NO.B132289	6,000,000	
AIE NO.B138958	13,000,000	
AIE NO.B126250	6,100,000	
AIE NO.B105045	10,000,000	
AIE NO.B140688	12,000,000	
TOTAL	161,367,724	68,000,000

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

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

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,076,671	2,070,294
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	--	1,543,316
Employer Contributions Compulsory national social security schemes	21,600	21,600
Total	2,098,271	3,635,210

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	7,477,000	4,638,000
Utilities, supplies and services	1,016,523	306,320
Communication, supplies and services	48,002	32,902
Domestic travel and subsistence	437,000	262,000
Printing, advertising and information supplies & services	105,146	64,550
Rentals of produced assets	-	-
Training expenses	755,000	459,500
Hospitality supplies and services	292,560	801,823
Insurance costs	-	-
Specialized materials and services		
Office and general supplies and services	325,318	81,800
Other operating expenses	84,167	8,605
Routine maintenance – vehicles and other transport equipment	588,240	305,150
Routine maintenance – other assets	20,500	44,350
Total	11,149,455	7,005,000

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	77,897,949	33,911,000
Transfers to secondary schools (see attached list)	33,179,171	15,890,000
Transfers to tertiary institutions (see attached list)	-	-
TOTAL	111,077,120	49,801,000

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,012,885	2,044,760
Bursary – tertiary institutions (see attached list)	16,691,000	2,105,000
Bursary – special schools (see attached list)	-	-

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Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	150,000	-
Sports projects (see attached list)	-	-
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	798,241	6,400,000
Total	25,652,126	10,549,760

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	-

9. OTHER PAYMENTS

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

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>EQUITY BANK NAROK 0360263540325</i>	17,105,842	1,592,091
Total	17,105,842	1,592,091
10B: CASH IN HAND		
Location 1	-	-
	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

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

12B. GRATUITY

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

[Gratuity outstanding is payable on expiry of staff contracts.]

13. BALANCES BROUGHT FORWARD

	2020-2021	2019-2020
	(1st July 2020)	(1st July 2019)
	Kshs	Kshs
Bank accounts	1,592,091	4,907,105
Cash in hand	-	-
Imprest	4,123,000	3,798,955
Total	5,715,091	8,706,060

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

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

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	4,123,000	3,798,955
Imprest issued during the year (B)	6,997,500	324,045
Imprest surrendered during the Year (C)	(11,120,500)	
closing accounts in account receivables D= A+B-C	-	4,123,000

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account receivables D= A+B-C	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	961,079	550,150
Use of goods and services	3,658,139	4,978,795
Amounts due to other Government entities (see attached list)	17,818,173	31,605,508
Amounts due to other grants and other transfers (see attached list)	29,061,071	37,948,361
Acquisition of assets	10,000,000	-
Others (<i>specify</i>)	-	-
Funds pending approval	696,260	-
	62,194,722	75,082,814

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	8,834,269	5,794,198
	8,834,269	5,794,198

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
	Sub-Total			
	Grand Total			

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		961,079	550,150	
Use of goods & services		3,658,139	4,978,795	
Sub-total		4,619,218	5,528,945	
Amounts due to other Government entities				
Murua Primary School		(14,730)	(14,730)	
Sonkoro primary School		(131)	(131)	
Empatipat Primary School		5,500,000	7,000,000	
Enaibor ajijik Primary school		-	6,000,000	
Ole polos Primary school		-	3,000,000	
Naisoya Primary school		-	2,000,000	
Nchurra Yiabori Primary school		-	1,500,000	
Maasai Mara University Model Primary school		-	590,000	
Osonkoroi Primary school		-	100,000	
Katakala day Secondary School		43,000	8,230,000	
Entontol Secondary School		369	369	
Entiyani Secondary School		-	3,200,000	
Eoro Entepesi primary school		1,100,000	-	
Ole Meisi primary school		6,401,549	-	
Ololepo primary school		688,115	-	
Pulunga primary school		2,100,000	-	
Nkareta Secondary School		2,000,000	-	

NAROK NORTH Constituency

National Government Constituencies Development Fund (NGCDF)

Reports and Financial Statements for The Year Ended June 30, 2021

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Sub-Total		17,818,173	31,605,508	
Amounts due to other grants and other transfers				
Bursary Secondary School		13,287,115	(44,760)	
Bursary Tertiary Institutions		3,981,749	30,236,931	
Social Security(NHIF)		-	2,000,000	
Constituency Sports Project		-	2,403,974	
Constituency Environment Project		-	2,403,974	
Security Projects		4,600,000	150,000	
Emergency		7,192,207	798,241	
Sub-Total		29,061,071	37,948,361	
Acquisition of assets				
Purchase of Vehicles and Other Transport Equipment		10,000,000	-	
Others (<i>specify</i>)				
Sub-Total		10,000,000	-	
Funds pending approval		696,260	-	
Grand Total		62,194,722	75,082,814	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	6,133,133.00	-	-	6,133,133.00
Transport equipment	4,535,000.00	-	-	4,535,000.00
Office equipment, furniture and fittings	3,055,913.00	-	-	3,055,913.00
ICT Equipment, Software and Other ICT Assets	795,000.00	-	-	795,000.00
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	14,519,046.00	-	-	14,519,046.00

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

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Naisoya Primary School	EQUITY	0360269100301	1,060.00	
Empatipat Primary School	EQUITY	0360279791511	548,567.90	
Enaibor Ajijik Primary School	EQUITY	0360279027260	101,000.00	
Maasai Mara University Model Pry Sch	EQUITY	0360271951298	1,580.00	
Osonkoroi Primary School	EQUITY	0360266085221	580.00	
Olepolos Primary School	EQUITY	0360269217390	835.00	
Olpusimoru Primary School	EQUITY	0360268504219	61,371.00	
Olorropil Primary School	EQUITY	0360270322453	215.00	
Olturoto Primary School	EQUITY	0360280270478	400.00	
Ilkinye Primary School	EQUITY	0360265858527	928.00	
Erusiai Primary School	EQUITY	0360277197076	260.00	
Ntorobo Primary School	EQUITY	0360280276400	400.00	
Naituyupaki Primary School	EQUITY	0360280280687	1,000.00	
Iltareto Primary School	EQUITY	0360277503850	323,881.00	
Olokirikirai Primary School	EQUITY	0360280325184	260.00	
Olomayiana Primary School	EQUITY	0360280641006	40.00	
Ole Kingara Primary School	EQUITY	0360280643548	4,254.00	
Eoro Entepesi Primary School	EQUITY	0360280645314	920.00	
Ilkerin Primary School	EQUITY	0360279593700	934.00	
Ole Sikoye Primary School	EQUITY	0360277440837	780.00	
Oyarata Primary School	EQUITY	0360268470702	910.00	
Enabelibel Primary School	EQUITY	0360278753785	120,820.00	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Emayian Primary School	EQUITY	0360266393722	1,245.90	
Ilkarampuni Primary School	EQUITY	0360280821746	176,450.00	
Iretet Primary School	EQUITY	0360280786591	149,310.00	
Olchoro Primary School	EQUITY	0360280825946	239,550.00	
Empopongi Primary School	EQUITY	0360277585005	90.00	
Enesampulai Primary School	EQUITY	0360280801541	60.00	
Oltetia Primary School	EQUITY	0360271935998	169,880.00	
Oloolong`Oi Primary School	EQUITY	0360280896271	119,249.00	
Nkokolani Primary School	EQUITY	0360280872931	352,209.00	
Olooltualan Primary School	EQUITY	0360271939403	159,440.00	
Enesonkoyo Primary School	EQUITY	0360268551483	240,160.00	
Enkusero Primary School	EQUITY	0360268504467	123,177.50	
Miti Mbili Primary School	EQUITY	0360280879360	238,680.00	
Ole Kenta Primary School	EQUITY	0360269017357	156,046.20	
Osegel Primary School	EQUITY	0360281008630	576,690.00	
Entiyani Secondary School	EQUITY	0360278993085	3,500.00	
Katakala Day Sec School	EQUITY	0360277622328	1,155,388.34	
Olpusimoru Secondary School	EQUITY	0360268905035	1,775.00	
Kimelok Secondary School	EQUITY	0360266339932	623,227.25	
Purko Secondary School	EQUITY	0360280775640	499,640.00	
Olokirikirai Secondary School	EQUITY	0360280902125	175,850.00	
Senchura Secondary School	EQUITY	0360279612659	2,501,655.00	
Narok North Environment Pmc account	Equity	0360271575652		400,392.00

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Naisoya Primary School	EQUITY	0360269100301		1,548,687.90
Empatipat Primary School	EQUITY	0360279791511		1,000.00
Enaibor Ajjik Primary School	EQUITY	0360279027260		767,817
Maasai Mara University Model Pry Sch	EQUITY	0360271951298		3,000.
Osonkoroi Primary School	EQUITY	0360266085221		180.00
Olepolos Primary School	EQUITY	0360269217390		3,000,835
Olpusimoru Primary School	EQUITY	0360268504219		365.90
Olorropil Primary School	EQUITY	0360270322453		380.00
Olturoto Primary School	EQUITY	0360280270478		16,222
Ilkinye Primary School	EQUITY	0360265858527		200.00
Erusiai Primary School	EQUITY	0360277197076		52,060
Ntorobo Primary School	EQUITY	0360280276400		540.00
Naituyupaki Primary School	EQUITY	0360280280687		25.00
Iltareto Primary School	EQUITY	0360277503850		500.00
Olokirikirai Primary School	EQUITY	0360280325184		800.00
Olomayiana Primary School	EQUITY	0360280641006		873.00
Ole Kingara Primary School	EQUITY	0360280643548		200.00
Eoro Entepesi Primary School	EQUITY	0360280645314		120.00
Total			8,834,269.09	5,794,197.80

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>4.1</p>	<p>Inaccurate Cash and Cash Equivalent balance Criteria</p> <p>Public Finance Management Act, Legal Notice number 35 of 2015 section 42. (1) States that an Accounting Officer shall sign financial statements thereby making himself or herself responsible for their correctness.</p> <p>Observation</p> <p>The statement of assets and liabilities reflect a cash and cash equivalent balance of Ksh.1, 592,091.00 as at 30th June 2020. However, the board of survey report on cash and cash balances (F.O. 51) dated 1st July, 2020 indicate that cash on hand was Ksh.1, 492, 800. 00 while cash at bank was Ksh.2, 314,917.97.</p>	<p>The variances in the cash and cash equivalent figures as at 30 June 2020 is as a result of the cash book expenses under cast as at the close of the financial year, an adjustment has since been effected in the cashbook and the cash and cash equivalent figures are now reconciling with the figures disclosed in the financial statements.</p>	<p>Resolved</p>	<p>01/07/2020</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>However, the statement of assets and liabilities discloses a cash imprests balance of Kshs. 4,123,000 and the cash at bank figure of Ksh.1, 592, 091.24.</p> <p>Risks/Effects/Implications The cash and cash equivalent may be materially misstated</p> <p>Recommendation Please explain the variances in the cash and cash equivalent figures as at 30 June, 2020</p>			
4.2	<p>Unpresented/Stale Cheques - Kshs. 881,536.00</p> <p>Criteria Regulation 90(3) of the Public financial management (National Governments) Regulations, 2015 states that “Accounting Officers shall ensure any discrepancies noted during bank reconciliation exercise, are investigated immediately and appropriate action taken including updating the relevant cash books.”</p> <p>Observation</p>	<p>Narok North ngcdf appreciates the audit observation and has since reversed the stale bursary cheques in the cashbook and is making arrangements to re-issue the same to needy students in the constituency. An ngcdf meeting minute approving this adjustment is hereby attached for audit verification and review.</p>	Resolved	01/07/2020

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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)
	<p>The statement of assets and liabilities reflect a cash and cash equivalent balance of Ksh.1, 592,091.00 as at 30th June 2020. Examination of bank reconciliation statement for Recurrent A/c NO: 0360263540325 held at Equity Bank of Kenya Limited for the year ended 30 June, 2020 revealed unrepresented/stale cheques totalling Kshs.881, 536.00. No reason has been provided as to why the stale cheques have not been reversed in the cash book. The details are as indicated in the appendix I attached.</p> <p>Risks/Effects/Implications The cash and cash equivalent may be understated by the amount of unrepresented/stale cheques.</p> <p>Recommendation The stale cheques should be reversed in the cash book.</p> <p>Allocation of Bursaries Criteria</p>			
4.3		<ul style="list-style-type: none"> Updated bursary registers as at March 2020 has since been 	Resolved	01/07/2020

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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)
	<p>Section 104(1) of The Public Finance Management Regulations 2015 states that all receipts and payment vouchers of public monies shall be properly supported by pre-numbered receipts and payment vouchers and shall be supported by the appropriated authority and documentations.</p> <p>Observations The statement of Receipts and payment reported a total payment on other grants and transfers for the year ended 30th June 2020 as Ksh.10, 549,760 out of which Ksh.4, 149,760 was spent on bursaries. The following anomalies were noted; Students from the constituency applied for bursaries but the applications were not stamped received, the authorized member of Narok North CDPC representative did not authorize and stamp the application indicating that the applications are not checked by the CDPC officials, amount received or rejected application is not indicated on the</p>	<p>provided for audit verification.</p> <ul style="list-style-type: none"> Signed and Stamped Vetting minutes and application forms have been availed for audit. 		

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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)
	<p>application forms. The Bursary register was last updated on 26 August 2019.</p> <p>Risks/Effects/Implications Irregular award of bursaries.</p> <p>Recommendation Narok North NG-CDF should ensure that the bursary register is properly updated and thorough scrutiny of application of bursaries by the members of CDFC to ensure needy students benefit as is intended.</p>			
4.4	<p>Project Implementation Status</p> <p>Criteria The Mandate of NGCDF is to 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. The NGCDF Regulations, 2016. Section 26 requires that a Constituency Committee shall put in place measures to ensure</p>	<p>Response;</p> <ul style="list-style-type: none"> The works were delayed by rains and were ongoing at the time of audit. Kindly note that the project is still ongoing Certificates for payment and invoices have been filed for your verification. <p>Inspection reports from the</p>	Resolved	01/02/2021

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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)
	<p>sustainability of projects funded under the NG CDF Act 2015. Section 27. (1) Requires that the public procurement and disposal laws shall apply with respect to any procurement by a Constituency Committee or Project Management Committee. Constituency Committees shall, in undertaking procurement activities, ensure that the process is fair, equitable, transparent, competitive and cost effective.</p> <p>Observations. Physical verification of project implementation undertaken revealed the following observations:</p> <p>a.) Olepolos Primary School – Construction of 96 Beds Capacity Dormitory Block</p> <p>Audit inspection done on December 26 January 2021 revealed that the Dormitory was incomplete, contractor was not on site and also the following shortcomings on the building:</p> <ul style="list-style-type: none"> • Painting and 	<p>engineers were misplaced at the time of audit but now have been attached</p> <ul style="list-style-type: none"> • The project was in use pending over which was necessitated by COVID-19 related issues. We are however planning a handing over ceremony to ensure we comply with the usual practices. <p>Inspection reports has since been provided and filed ready for your verification.</p> <p>Management Response;</p> <ul style="list-style-type: none"> • Ksh 997,500 was budgeted for Supply of Desks and Office Furniture in Katakala Day School. There was delayed delivery of 40 desks at the time 		

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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)
	<p>decoration work not done</p> <ul style="list-style-type: none"> • Plastering of the floor not done • Ceiling works not done • Windows not done • Doors not done • Electric works not done • Mechanical works not done • No inspection reports from the engineers • Certificates of payment were not provided as Kshs 3,900,000 had been transferred to 	<p>of audit because the merchant had been hospitalized in Kijabe hospital for a while. He has however delivered the balance of 60 desks and labelled.</p> <ul style="list-style-type: none"> • Delivery paperwork and photos are herewith attached for your verification. 		

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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)
	<p>Towfiq Building Construction Limited.</p> <ul style="list-style-type: none"> An invoice from Towfiq Building Construction limited was not also availed for audit. <p>b.) Naituyupaki Primary School-Construction of two Classroom</p> <p>Audit inspection done on January 26th, 2021 revealed the following;</p> <ul style="list-style-type: none"> The project was already in use with no handover from Narok North NGCDF Inspection reports from the engineers were not availed for project verification. <p>(c) Katakala Secondary School-Purchase Office Furniture, Chairs and 100 desks.</p> <p>Audit inspection done on January</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>27th, 2021 revealed the following;</p> <ul style="list-style-type: none"> • Batimo limited was paid Kshs 1,000,000 for supply of 100 desks. • No evidence to show the delivery of the 100 desks was provided. • No desks were branded 2019/2020 in the school as evidence of the said 100 desks. • Consequently, value for money has not been achieved due to poor record keeping of Narok North NG-CDF and Katakala Sec School and possible short supply of desks. <p>Risks/Effects/Implications The Fund may not have obtained best value for money</p> <p>Recommendation The Fund manager together with the project Implementing</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	committee should ensure adherence with Regulation 27 (1) of NG CDF (Regulations), 2016 and account for all the 100 desks paid for but not supplied.			