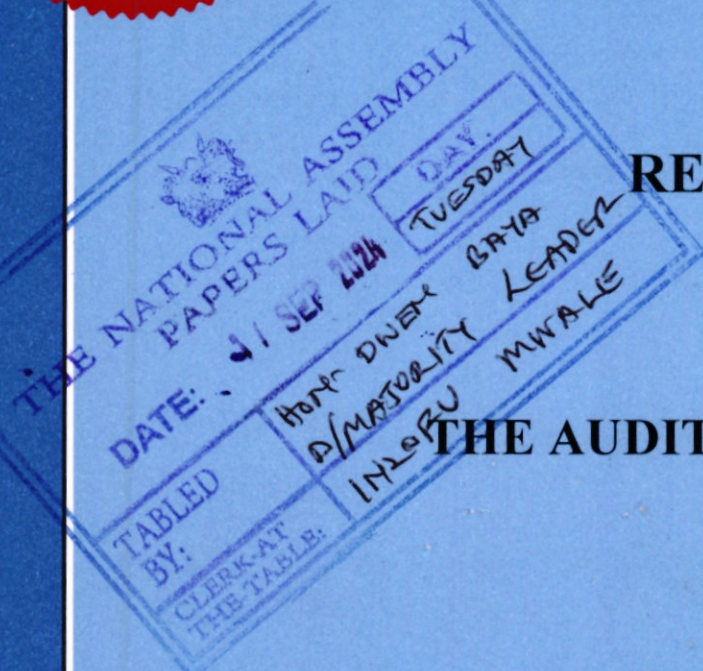
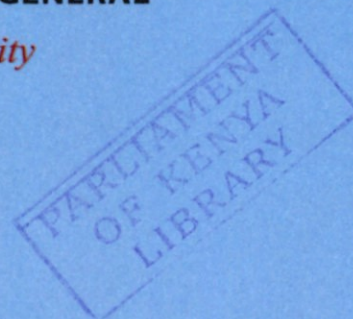


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

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

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



BELGUT CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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Belgut Constituency

National Government Constituencies Development Fund (NGCDF)

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

1. Acronyms and Abbreviations

Provide a list of all applicable acronyms and abbreviation e.g.

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2022. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

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

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Sharon Kapto
2.	Sub-County Accountant	Kipkirui Sigei
3.	Chairman NGCDFC	Ngenoh H Kipsang
4.	Member NGCDFC	Tecler Chepkemioi

(c) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Belgut 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.

(d) Belgut Constituency NGCDF Headquarters

P.O. BOX 1 20205
BELGUT NG CDF BUILDING
Next to the DC's office
SOSIOT, KERICHO

(e) Belgut Constituency NGCDF Contacts

Telephone: (254) 720 094558
E-mail: cdfbelgut@ngcdf.go.ke
Website: www.ngcdf.go.ke

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

(f) Belgut Constituency NGCDF Bankers

Co-Operative Bank
Kericho Branch
A/c No 01136077827600

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report



CHAIRMAN'S REMARKS

There was a huge decrease in receipt of funds this financial year as compared to last financial year. This can be related to elections since the term of NGCDFCs came to an end after a new parliament term.

1. Performance

The two main categories in the statement of receipts and payments i.e. total amount received and payments made, where the two performed fairly well since the totals received were Ksh. 87,177,000 and total payments were Ksh. 90,318,946 but there was a balance brought forward of Ksh. 3,975,725 as at 1st Jul 2022 leading to a closing balance of Ksh. 2,233,779 as at 30th June 2023.



2. Achievement

The main achievement for the financial year 2022/2023 was the ability to purchase school buses, complete classrooms, pit latrines through emergency kitty and dormitories to assist the government on the 100% transition. The flagship project of close to Ksh.11.9 m at Chepkoton Girls Secondary

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

School is 90% complete. Another flagship project of Belgut Sub County Head Quarters & Police Station of Ksh 10.3m commenced is now complete and just awaiting furnishing. Also the bursary distribution exercise was termed the best ever since the methods used ensured that the neediest have been reached, without forgetting over 180 students at Starehe schools that are fully sponsored by Belgut NGCDF.



3. Emerging issues

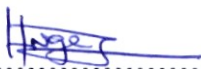
The poverty index in rural constituencies is increasing day by day which has an impact on the fund since the constituents cannot supplement the Fund whose main purpose is to alleviate poverty. The people become over dependent on the fund which is already stretched and cannot meet all the needs.

4. Challenges.

There was delayed funding of funds for FY2020/2021 and FY 2022/2023. An amount of Ksh. 70,176,482 has not been disbursed from the board. This has affected other operations in the office and commencement/ completion of projects meant for the said allocation. Land projects is also another issue with schools, since most of the land projects proposed by schools have not been succeeded from the owners who passed on.

5. Recommendations.

The board should ensure timely disbursement of funds, to enable constituencies implement projects on time and allow realization of value for money.



.....
**Name; NGENOH HENRY KIPSANG
CHAIRMAN NGCDF COMMITTEE**

4. Statement of Performance Against Predetermined Objectives for FY2022/23

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 **Belgut Constituency** 2018-2023 plan are to:

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:

s	Objective	Outcome	Indicator	Performance
Education	-To increase basic and secondary school completion cycles by liaising with schools administration to improving institutions physical infrastructure	Increased enrolment in primary and secondary schools and better performance in the schools	-Number of physical infrastructure constructed both in primary, secondary institutions	<i>In FY 2022/23 we constructed 6 classrooms, @Chepnagai pry, Kiletien Pry, Cheribo Sec, Chemoson Pry, Itembe Pry & Kiptenden pry and purchased 2 schools buses for Kapamso & Chepkosilen Sec school - Bursary</i>

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

				<i>beneficiaries at all levels were as per the attached schedules</i>
Security	-To support security agencies for better service delivery through infrastructure development	-reduced number of crime rates in the constituency - improved physical security infrastructure i.e. National Police Service and National Government Administration offices (ACC, Chiefs)	-Number of security infrastructure constructed	In the FY 2022/2023 the NG-CDFC completed a 1 police station
Environment	-To enhance sustainable environmental management	-enhanced litter free institutions	-Number of schools with dustbins installed Number of schools with harvested water Number of schools with energy saving jikos Number of schools with incinerators	In FY 22/23 66 primary schools got metallic dustbins installed in their compounds
Sports	-To support youths/schools on sport activities to promote talent,	Improved talents in sport activities	-Number of clubs with sporting equipment and kits -Number of persons registered for the	Nil

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

	and to purchase sporting equipment & kits for schools and clubs in the constituency		marathon	
Emergency	To cater for unseen circumstances in schools and security sectors	Minimize risk caused by uncertainties on the infrastructures of schools and security	Number of physical infrastructure constructed both in primary, secondary institutions Number of security infrastructure constructed	In FY 22/23 we Constructed pit latrines in 13 schools that had sunk and repaired 1 roof blown by the wind

5. Statement of Governance

5.1 Appointment of NGCDF Members

- i. The formation of the NG-CDFC Members is guided by the NG-CDF Act Section 43(1) (2) (3) & (4).
 - a. This procedure shall start upon receipt of the guidelines on formation of NG CDFC from the NG CDF Board,
 - b. The FAM shall write a letter to the DCC and Constituency Office Manager requesting for the nomination of members of the selection panel as per the guidelines and maintain a record confirming receipt
 - c. The DCC shall nominate in writing an officer or his/her representative who will be the chairperson to the NG CDFC selection panel.
 - d. The Constituency Office Manager shall nominate in writing two persons of either gender to be members of the selection panel.
 - e. The chair shall then convene the first selection panel meeting to document criteria for selection of the four members to the NG-CDFC (Male and female adults, male and female youth) and advertise (the applicants shall be given two weeks to submit their applications).
 - f. The FAM shall then write to the Constituency Office Manager requesting for the nomination of two persons of either gender as per the guidelines issued by the NG-CDF Board to be members of the NG-CDFC maintain a record confirming receipt
 - g. The Constituency Office Manager shall then nominate in writing the two members to the NG-CDFC.
 - h. The FAM shall write to a registered group representing people with disabilities in the constituency as per the guidelines as issued by the NG-CDF Board requesting for nomination of one person with disability to sit in the NG-CDF committee and maintain a record confirming receipt
 - i. The PWD organization shall nominate in writing a member to the NG-CDFC.
 - j. Applications are received at the NG-CDF office and recorded in the application register.
 - k. Within one week after the closure of the advertisement, the Selection panel shall convene to shortlist the suitable candidates as per the criteria in the advert. The successful candidates shall then be called for interviews within seven days.
 - l. The Selection panel shall hold the interviews of the invited candidates and come up with the final list of qualified nominees to the NG-CDFC.

- m. The FAM shall then submit to the NG-CDF Board the report of the selection panel which includes seven nominees and the Nominee of the Board to the NG-CDFC as per the guidelines within seven days.
- n. The FAM shall ensure that the timelines set out in the regulations are adhered to during the process of selection and appointment of NGCDF Committees
- ii. The selected members are forwarded to parliament through CEO of the board for purpose of gazzement
- iii. Upon gazzement the DCC or the FAM shall for the first meeting where the chairperson and secretary are elected

V.2 NG-CDFC Handing Over Processes

Paragraph 24(1) of the NG-CDF Regulations 2016 states that the officer of the board seconded to the constituency shall preside over the handover from one Constituency committee to another and shall submit a report on the hand over within fourteen days from the date of the hand over.

V.3 Removal of members is as in the act 2015 section 13, a, b, c, d, e, f and g

'A member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- a) Lack of integrity;
- b) Gross misconduct;
- c) Embezzlement of public funds;
- d) Bringing the committee into disrepute through unbecoming personal public conduct;
- e) Promoting unethical practises;
- f) Causing disharmony within the committee;
- g) Physical or mental infirmity.

V.4 Roles and function of the committee

- a) Build the capacity of PMCs and sensitise the community on operations of the fund
- b) Consider project proposals from all wards in the constituency
- c) Ensure that all proposed projects that are approved for funding meet the sec 24 of the Act
- d) Consult with relevant line ministries in the implementing the projects
- e) Ensure adequate funding of the proposed projects
- f) Ensure project reports are prepared and forwarded to the board
- g) Submit financial reports to the board within stipulated time

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V.5 Induction and Training

The committee on being inaugurated are taken for induction by the Board and subsequent training are done the constituency as per there training plan

V.6 Meetings

The committee is to have a maximum of 24 meetings and a minimum of 12 in a financial year as per the 2015 Act

The committee members declare conflict of interest in any matter as the procurement and disposal Act by a standard form at the time of the matter

The committee members are remunerated from the fund at Kshs 5,000 for members and 7000 for the chairman.

V.7 Ethics and Conduct

The Anticorruption sub committee was formed on the first meeting and members have been trained on the same, the conduct of members is also the act as some of the reasons for removing a member from the committee

V.8 Risk Management

Risk management is a tool by the board to gauge on the risks that the constituency goes though which is attested on monthly basis by the staff. The report is discussed at the meeting by the committee

6. Environmental and Sustainability Reporting

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

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

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

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

2. Environmental performance

The NGCDFC carried out environmental activities of purchasing dust bins for 66 primary schools amounting to Ksh. 1,050,000

3. Employee welfare

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

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

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

4. Market place practices-

Belgut NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Belgut 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.

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



.....
Name; Sharon Kapto
Fund Account Manager.

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

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

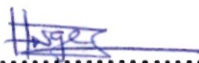
The Accounting Officer in charge of the NGCDF Belgut Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the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

Belgut Constituency
National Government Constituencies Development Fund (NGCDF)
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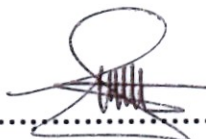
form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Belgut Constituency financial statements were approved and signed by the Accounting Officer on 13/09 2023.



.....
Name: Ngenoh Kipsang
Chairman – NGCDF Committee



.....
Name: Sharon Kapto
Fund Account Manager

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

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

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal 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 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 the National Government Constituencies Development Fund - Belgut Constituency set out on pages 1 to 49, which comprise of the statement of assets and liabilities as at 30 June, 2023, statement of

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

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 - Belgut Constituency as at 30 June, 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in the Cash and Cash Equivalents Balance

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.2,233,779 as disclosed in Note 12A to the financial statements. However, review of the bank reconciliation statement for the month of June, 2023 reflects unrepresented cheques totalling to Kshs.13,268,651 which includes stale cheques of Kshs.298,383 which had not been reversed in the cash book as at 30 June, 2023.

In the circumstances, the accuracy and completeness of cash and cash equivalent balance of Kshs.2,233,779 could not be confirmed.

2. Unsupported Prior Year Adjustments

The statement of assets and liabilities reflects prior year adjustment of Kshs.1,400,000 and as disclosed in Note 16 to the financial statements. However, the details and the supporting documents including journals were not provided for audit. This was contrary to the IPSAS 3 which requires that the amount of correction of an error that relates to a prior period should be reported by adjusting the opening balance of accumulated surplus or deficit or restating the opening balance of assets and liabilities and net assets/equity for the earliest prior period.

In the circumstances, accuracy and completeness of the prior year adjustment of Kshs.1,400,000 could not be confirmed.

3. Use of Goods and Services

The statement of receipts and payments reflects expenditure on use of goods and services amount of Kshs.3,692,949 as disclosed in Note 6 to the financial statements. However, the following unsatisfactory matters were noted.

3.1 Unsupported Routine Maintenance of Vehicles

The expenditure includes an amount of Kshs.408,927 in respect of routine maintenance-vehicles and other transport equipment which was not supported with requisitions by pre and post inspection reports and work tickets. Further, a payment voucher of an amount of Kshs.146,000 was not provided for review.

3.2 Unsupported Fuel, Oil and Lubricants Expenses

The expenditure includes an amount of Kshs.703,330 in respect of fuel, oil and lubricants whose supporting documents including detail orders, fuel register, work tickets, fuel statements and Local Purchase Orders were not provided for review.

In the circumstances, the accuracy and completeness of the expenditure amounting to Kshs.3,692,949 could not be confirmed.

4. Unsupported Transfers to Other Government Units

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.31,970,000 which includes transfers to primary schools balance of Kshs.7,365,000, as disclosed in Note 7 to the financial statements. The amount includes an amount of Kshs.440,000 spent on purchase of a parcel of land for Sinonin Primary School through a sale agreement dated 13 December, 2022. However, verification done in March, 2024 revealed that despite full payment, the school has not acquired the title deed to the land. Further, the school could not take possession of the land due to additional demands from the vendor who requested for additional compensation for tea plantations and other structures on the land.

In the circumstances, the accuracy and completeness of transfers to other Government units of Kshs.440,000 for purchase of land could not be confirmed.

5. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amount of Kshs.46,813,444 which, as disclosed in Note 8 to the financial statements, includes amounts of Kshs.9,550,000 and Kshs.28,009,370 in respect of bursary – secondary schools and bursary-tertiary institutions, respectively. However, review of supporting documents including schedules of approved bursary schedules by the National Government Constituencies Development Fund - Belgut Bursary Sub-Committee revealed that a bursary allocation amount of Kshs.388,000 was issued to private colleges. However, the bursary issued to the private colleges were not supported with application forms, acknowledgment of receipts from the colleges and enrolment admission letters confirming that the students had bona fide registration to the colleges.

In the circumstances, the accuracy and completeness of the bursary disbursements for the private colleges of Kshs.388,000 could not be confirmed.

6. Unsupported Project Management Committee Accounts

Note 18.4 to the financial statements reflects Project Management Committee (PMC) account balance of Kshs.9,132,939 as disclosed in Annex 5 to the financial statements at 30 June, 2023. However, supporting documents including certificates of bank balance and bank reconciliation statements was not provided for audit review.

In the circumstances, the accuracy and completeness of the PMC bank accounts balance of Kshs.9,132,939 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 - Belgut 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.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.161,329,207 and Kshs.87,177,000 respectively, resulting in under-funding of Kshs.74,152,207 or 44% of the budget. However, the Fund spent Kshs.90,318,946 against actual receipts of Kshs.87,177,000 resulting to over-utilization of Kshs.3,141,946 or 4% of the actual receipts.

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

My report is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

Review of the progress on follow up of auditor recommendations revealed that Management has not resolved several issues raised in previous years' audit reports contrary to the requirement of Section 31(1) of Public Audit Act, 2015 which states that within three months after Parliament or the County Assembly has debated and considered the final report of the Auditor-General and made recommendations, a state organ or a

public entity that had been audited shall, as a preliminary step, submit a report on how it has addressed the recommendations and findings of the previous year's audit.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Failure to Return Unutilized Funds

Annex 5 to the financial statements for the year ended 30 June, 2023 reflects fifty-two (52) PMC bank accounts holding a total bank balance of Kshs.9,132,939 as at 30 June, 2023 out of which Susumwet Primary School PMC held a balance of Kshs.567,494 in respect of unutilized funds. However, review of the expenditure returns revealed that the project was complete, but the unutilized balance was not transferred to the CDF account. This was contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that, all unutilized funds of the Project Management Committee shall be returned to the constituency account.

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

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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

report. However, future events or conditions may cause the Fundy to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

19 June, 2024

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

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

	Note	2022-2023	2021-2022
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	87,000,000	170,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	177,000	-
TOTAL RECEIPTS		87,177,000	170,088,879
PAYMENTS			
Compensation of employees	4	2,947,164	3,247,407
Committee expenses	5	4,620,389	4,325,853
Use of goods and services	6	3,692,949	6,051,600
Transfers to Other Government Units	7	31,970,000	106,430,000
Other grants and transfers	8	46,813,444	49,845,692
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	275,000	-
Other Payments	11	-	-
TOTAL PAYMENTS		90,318,946	169,900,552
SURPLUS/DEFICIT		(3,141,946)	188,328

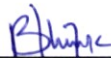
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on 13/09/2023 and signed by:



Fund Account Manager

Name: Sharon Kapto



National Sub-County Accountant

Name: Kipkirui Sigei
ICPAK M/No: 11884



Chairman NG-CDF Committee

Name: Ngenoh Kipsang

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

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

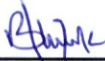
	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	2,233,779	3,975,725
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		2,233,779	3,975,725
Accounts Receivable			
Outstanding Imprest	13	-	-
TOTAL FINANCIAL ASSETS		2,233,779	3,975,725
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	273,894	-
NET FINANCIAL ASSETS		1,959,885	3,975,725
REPRESENTED BY			
Fund balance b/fwd. 1st July...	15	3,975,725	2,728,397
Prior year adjustments	16	1,400,000	1,059,000
Surplus/Deficit for the year		(3,141,946)	188,328
NET FINANCIAL POSITION		2,233,779	3,975,725

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


The Constituency financial statements were approved by NG CDFC on 13/09/2023 and signed by:


Fund Account Manager

Name: Sharon Kapto


**National Sub-County
Accountant**

**Name: Kipkirui Sigei
ICPAK M/No: 11884**


**Chairman NG-CDF
Committee**

Name: Ngenoh Kipsang

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

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

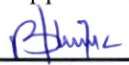
		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	87,000,000	170,088,879
Other Receipts	3	177,000	-
		87,177,000	170,088,879
Payments for operating activities			
Compensation of Employees	4	2,947,164	3,247,407
Committee expenses	5	4,620,389	4,325,853
Use of goods and services	6	3,692,949	6,051,600
Transfers to Other Government Units	7	31,970,000	106,430,000
Other grants and transfers	8	46,813,444	49,845,692
Oversight Committee Expenses	10	275,000	-
Other Payments	11	-	-
		90,318,946	169,900,552
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	(197,500)
Prior year Adjustments	16	1,400,000	1,059,000
Net Adjustments		1,400,000	861,500
Net cash flow from operating activities		(1,741,946)	1,049,828
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(1,741,946)	1,049,828
Cash and cash equivalent at BEGINNING of the year	12	3,975,725	2,925,897
Cash and cash equivalent at END of the year		2,233,779	3,975,725

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

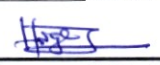
The Constituency financial statements were approved by NG CDFC on 31/09/2023 and signed by:


Fund Account Manager

Name: Sharon Kapto


National Sub-County Accountant

Name: Kipkirui Sigei
ICPAK M/No: 11884


Chairman NG-CDF Committee

Name: Ngenoh Kipsang

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

12. Summary Statement of Appropriation for the Year Ended 30th June 2023

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
Transfers from NG-CDF Board	145,087,603	3,975,725	12,088,879	87,000,000	74,152,207	
Proceeds from Sale of Assets			0	-	-	0.0%
Other Receipts		177,000	177,000	177,000	-	100.0%
TOTAL RECEIPTS	145,087,603	4,152,725	12,088,879	87,177,000	74,152,207	56.5%
PAYMENTS						
Compensation of Employees	2,806,101	1,002,055	1,991,073	2,947,164	2,852,065	50.8%
Committee expenses	4,851,395	562,968	1,668,591	4,620,389	2,462,565	65.2%
Use of goods and services	5,227,016	1,108,229		3,692,949	2,642,296	58.3%
Transfers to Other Government Units	79,095,000	151,427	3,000,000	31,970,000	50,276,427	38.9%
Other grants and transfers	52,308,091	103,830	5,429,215	46,813,444	11,027,693	80.9%
Acquisition of Assets		799,216		-	799,216	0.0%
Oversight Committee Expenses	800,000			275,000	525,000	34.4%
AIA		177,000		-	177,000	
Other Payments	0	248,000		-	248,000	0.0%
TOTAL	145,087,603	4,152,725	12,088,879	90,318,946	71,010,262	56.0%

Explanatory Notes.

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

- i. Overall Utilization of funds was poor or rather just above 50%, i.e.; compensation of employees 50.8% use of goods 58.3% transfers to government units 38.9% other grants and transfer 80.9%, and 0% for acquisition of asset. This was brought about by the pending allocation that is still held at the NGCDFB as 30th June 2023 amounting to Ksh. 70,176,482. At least the performance of all the vote heads was over 50% except that of acquisition of assets since no asset was acquired during the period and that of other grants and transfers & oversight committee which had low performance due to delay of funds at the NGCDFB.
- ii. The adjustment column includes; cash book opening balance of Kshs 3,975,725, Kshs 12,088,879 for 2020/2021 F/Y to be received in 2023/24 FY, and Ksh. 248,000 & Ksh. 177,000 received as AIA.
- iii. Column D is actually as it is on the statement of receipts and payments without any alterations.
- iv. The adjustment column on the payments side include unallocated expenditure of Ksh.248, 000 and Ksh. 177,000 which was AIA in FY 19/20, 20/21 & 22/23 and has not been allocated to any vote.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	71,010,262
Less undisbursed funds receivable from the Board as at 30 th June 2023	70,176,482
	833,780
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	1,400,000
Cash and Cash Equivalents at the end of the 30 th June 2023	2,233,780

The Constituency financial statements were approved by NG CDFC on 13/09/2023 and signed by:



Fund Account Manager

Name: Sharon Kapto



National Sub-County Accountant

Name: Kipkirui Sigei
ICPAK M/No:11884



Chairman NG-CDF Committee

Name: Ngenoh Kipsang

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

13. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,806,101	1,002,055	1,991,073	5,799,229	2,947,164	2,852,065
1.2 Committee allowances	2,341,395	562,968		2,904,363	2,292,185	612,178
1.3 Use of goods and services	3,487,945	514,951		4,002,896	2,396,079	1,606,817
Sub-total	8,635,441	2,079,974	1,991,073	12,706,488		5,071,060
2.0 Monitoring and evaluation						
2.1 Capacity building	1,430,000	577,284		2,007,284	1,225,600	781,684
2.2 Committee allowances	2,510,000		1,668,591	4,178,591	2,328,204	1,850,387
2.3 Use of goods and services	309,071	15,994		325,065	71,270	253,795
Sub-total	4,249,071	593,278	1,668,591	6,510,940	3,625,074	2,885,866
3.0 Emergency						
3.1 Primary Schools						
Seretut Primary School	650,000			650,000	650,000	-
Kapriro Primary School	600,000			600,000	600,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Chebaraa Primary School	600,000			600,000	600,000	-
Kiptome Primary School	750,000			750,000	750,000	-
Kaplutiet Primary School	600,000			600,000	600,000	-
Kaptebeswet Primary School	200,000			200,000	200,000	-
Kapmaso Milimani Primary Sch	406,190		173,810	580,000	580,000	-
Chepkoin Primary School	400,000			400,000	400,000	-
Cheronget Primary School	900,000			900,000	900,000	-
Kiptaldal Primary School	500,000			500,000	500,000	-
3.2 Secondary schools						
Kaborok Girls Sec School	600,000			600,000	600,000	-
Cheribo Sec School	600,000			600,000	600,000	-
Sosiot Girls Sec School	600,000			600,000	600,000	-
Cheptenye Boys Sec School	230,000			230,000	230,000	-
3.3 Tertiary institutions						
3.4 Security projects			394,074	394,074	394,074	
3.5 Unutilised			224,730	224,730		224,730

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Sub-total	7,636,190	-	792,614	8,428,804 8,428,804	8,204,074	224,730
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	28,700,000		2,633,850	31,333,850	28,009,370	3,324,480
4.3 Tertiary Institutions	10,971,901		7,486	10,979,387	9,550,000	1,429,387
4.4 Universities						
4.5 Social Security						
Sub-total	39,671,901	-	2,641,336	42,313,237	37,559,370	4,753,867
5.0 Sports						
5.1	2,000,000		44,550	2,044,550		2,044,550
Sub-total	2,000,000		44,550	2,044,550		2,044,550
6.0 Environment						
6.1 Kabianga Primary School	200,000			200,000		200,000
6.2 Kaplemeiywet Primary School	400,000			400,000		400,000
6.3 Kapchebet B Primary School	200,000			200,000		200,000
6.4 Constituency Dustbins			1,050,000	1,050,000	1,050,000	-
Sub-total	800,000	-	1,050,000	1,850,000	1,050,000	800,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.0 Primary Schools Projects (List all the Projects)						
7.1 Proposed Kaboson Primary school	2,400,000			2,400,000		2,400,000
7.2 Proposed Sanga Primary School	1,000,000			1,000,000		1,000,000
7.3 Simotwo Primary School	1,300,000			1,300,000		1,300,000
7.4 Chebaraa Primary School	1,200,000			1,200,000		1,200,000
7.5 Mobego Primary School	3,000,000			3,000,000		3,000,000
7.6 Kiplalmat Primary School	1,300,000			1,300,000		1,300,000
7.7 Kapleiyemet Primary School	300,000			300,000		300,000
7.8 Kapchebet B Primary School	300,000			300,000		300,000
7.9 Chepnagai Primary School	1,200,000			1,200,000	1,200,000	-
7.10 Kiletien Primary School	1,200,000			1,200,000	1,200,000	-
7.11 Kiptenden Primary School	1,200,000			1,200,000	1,200,000	-
7.12 Sinonin Primary School	170,000			170,000	170,000	-
7.13Chemoson Primary School	1,395,000			1,395,000	1,395,000	-
7.14 Itembe primary School	1,200,000			1,200,000	1,200,000	-
7.15 Susumwet Primary school					1,000,000	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	1,000,000			1,000,000		
7.16 Sinonin Primary School	1,200,000			1,200,000		1,200,000
7.17 Chepkutbei Primary School	1,150,000			1,150,000		1,150,000
7.18 Kesagetiet Primary School	3,900,000		800,000	4,700,000		4,700,000
7.19 Itanda Primary School	1,000,000			1,000,000		1,000,000
7.20 Keben Primary School	900,000			900,000		900,000
7.21 Kaborok Primary School	500,000			500,000		500,000
7.22 Itondo Primary School	1,000,000			1,000,000		1,000,000
7.23 Kabungungwo Primary School	1,000,000			1,000,000		1,000,000
7.24 Mereonik Primary School	200,000			200,000		200,000
7.25 KLB Books		950.00		950		950
Sub-total	29,015,000	950	800,000	29,815,950	7,365,000	22,450,950
8.0 Secondary Schools Projects (List all the Projects)						
8.1 Proposed Cheptembe Day Secondary School	3,100,000			3,100,000		3,100,000
8.2 Proposed Chemamul Girls Secondary School	3,000,000			3,000,000		3,000,000
8.3 Proposed MasutSotet Day Secondary School	1,200,000			1,200,000		1,200,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
8.4 Chepkutung Secondary School	2,800,000			2,800,000		2,800,000
8.5 Chepkoton Girls Secondary School	3,575,000			3,575,000		3,575,000
8.6 Cheptenye Boys Secondary School	2,500,000			2,500,000		2,500,000
8.7 Kibingei Girls Secondary School	800,000			800,000		800,000
8.8 Kamaas Secondary School	1,200,000			1,200,000		1,200,000
8.9 Teldet Secondary School	2,700,000			2,700,000		2,700,000
8.10 Cheptorriet Secondary School	1,300,000			1,300,000		1,300,000
8.11 Kabianga Girls Secondary School	2,000,000			2,000,000		2,000,000
8.12 Kapkitony Secondary School	1,000,000			1,000,000		1,000,000
8.13 Belgut Taptugen Starehe Centre	1,800,000			1,800,000		1,800,000
8.14 Getumbe Secondary School			350,000	350,000		350,000
8.15 Borboorwet Secondary School			350,000	350,000		350,000
8.16 Kaborok Day Secondary School	3,200,000			3,200,000	3,200,000	-
8.17 Kapmaso Secondary School	8,902,500			8,902,500	8,902,500	-
8.18 Chepkosilen Secondary School	8,902,500			8,902,500	8,902,500	-
8.19 Cheribo Secondary School					1,600,000	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	1,600,000			1,600,000		
8.20 Cheronget Secondary School	500,000			500,000	500,000	-
8.21 Kapchebet Girls Secondary School			1,500,000.	1,500,000	1,500,000	-
Sub-total	50,080,000	-	2,200,000	52,280,000	24,605,000	27,675,000
9.0 Tertiary institutions Projects						
9.1 Belgut TTI		150,477.00		150,477		150,477
Sub-total	-	150,477.00	-	150,477	-	150,477
10.0 Security Projects						
10.1 Belgut Sub county Police HQ and Station	1,700,000		750,715	2,450,715		2,450,715
10.2 Seretut Chiefs Office	300,000			300,000		300,000
10.3 Kipkoian Chiefs Office	200,000			200,000		200,000
10.4 DCC Residence			150,000.00	150,000		150,000
Sub-total	2,200,000	-	900,715	3,100,715	-	3,100,715
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	-	370,000		370,000		370,000
11.2 Construction of CDF office	-	20,862		20,862		20,862
11.3 Purchase of furniture and		407,354				407,354

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
equipment				407,354		
11.4 Purchase of computers	-	-		-		-
11.5 construction of Notice Board		1,000	-	1,000	-	1,000
Sub-total	-	799,216	-	799,216		799,216
12.0 Oversight Committee Expenses						
Travel Costs	60,000			60,000		60,000
Advertising, Awareness and Publicity Campaigns	40,000		-	40,000	-	40,000
COC Members Allowance	500,000		-	500,000	275,000	225,000
Other COC expenses	100,000		-	100,000		100,000
Refined Fuels and Lubricants for Transport	100,000			100,000		100,000
Sub-total	800,000		-	800,000	275,000	525,000
13.0 Others						
13.1 Road and Bridges		102,099.00		102,099.00		102,099
13.2 Road and Bridges		935.00		935.00		935.00
13.2 Belgut Resource Centre		796.00		796.00		796.00
Sub-total		103,830	-	103,830	-	103,830

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Funds pending approval** AIA		425,000	-	425,000	-	425,000
Total	145,087,603	4,152,725	12,088,879	161,329,208	90,318,946	71,010,262

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

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30 June 2023 for the period 1st July 2022 to 30th June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

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Significant Accounting Policies Continued

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2023.

14. Errors

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

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

15. Related Party Transactions

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

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15. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
B-185012	7,000,000.00	-
B-185561	15,000,000.00	-
B-185311	6,000,000.00	-
B-185844	5,000,000.00	-
B-205684	12,000,000.00	-
B-206295	12,000,000.00	-
B-205526	15,000,000.00	-
B-207765	15,000,000.00	-
B140839		33,000,000
B105413		44,000,000
B105731		22,000,000
B105999		5,000,000
B128462		12,000,000
B154365		12,000,000
B154260		18,000,000
B140783		24,088,879
TOTAL	87,000,000.00	170,088,879

2. Proceeds From Sale of Assets

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

3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		

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Rents		
Receipts from sale of tender documents	177,000	
Hire of plant/equipment/facilities		
Other Receipts Not Classified Elsewhere		
Total	177,000	0

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Notes To the Financial Statements (Continued)

4. Compensation of Employees

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,421,077.00	2,066,712
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	526,087.00	1,180,695
Employer Contributions Compulsory national social security schemes	-	-
Total	2,947,164.00	3,247,407

5. Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	3,184,960.00	776,553
Other committee expenses	1,435,429.00	3,549,300
Total	4,620,389.00	4,325,853

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6. Use of Goods and services

	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	80,188.00	179,272
Communication, supplies and services	198,500.00	210,000
Domestic travel and subsistence	759,600.00	1,416,500
Printing, advertising and information supplies & services	46,500.00	-
Rentals of produced assets	-	-
Training expenses	926,800.00	2,191,400
Hospitality supplies and services	184,505.00	293,881
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	357,955.00	601,678
Fuel , oil & lubricants	703,330.00	850,000
Other operating expenses	-	-
Bank Charges	26,644.00	49,150
Security operations		-
Routine maintenance - vehicles and other transport equipment	408,927.00	259,719
Routine maintenance- other assets		-
Total	3,692,949.00	6,051,600

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Notes to The Financial Statements (Continued)

7. Transfer to Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	7,365,000.00	48,180,000
Transfers To Secondary Schools (See Attached List)	24,605,000.00	58,250,000
Transfers To Tertiary Institutions (See Attached List)	-	
Total	31,970,000.00	106,430,000

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	9,550,000.00	27,975,300
Bursary – tertiary institutions (see attached list)	28,009,370.00	8,174,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security projects (see attached list)	-	5,942,492
Sports projects (see attached list)	-	1,566,500
Environment projects (see attached list)	1,050,000.00	
Emergency projects (see attached list)	8,204,073.50	6,187,400
Roads projects (see attached list)	-	-
Total	46,813,443.50	49,845,692

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Notes To the Financial Statements (Continued)

9. Acquisition of Assets

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

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	275,000.00	
Other COC expenses	-	
TOTAL	275,000.00	

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan		
ICT Hub		

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Cooperative Bank, Kericho, A/C no.A/c no.01136077827600, Branch. (main account)</i>	2,233,779	3,975,725
<i>Deposit Account</i>	-	-
Total	2,233,779	3,975,725
12 B: Cash on Hand		
Location 1		
Location 2		
Location 3		
Other Locations (<i>Specify</i>)		
Total		
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprest

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

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

14 A. Retention	2022-2023	2021-2022
	Kshs	Kshs
Retention as at 1 st July (A)		197,500
Retention held during the year (B)		
Retention paid during the Year (C)		197,500
Closing Retention as at 30 th June D= A+B-C	-	-

14 B. Gratuity	2022-2023	2021-2022
	Kshs	Kshs
Gratuity as at 1 st July (A)	526,087.00	1,180,695
Gratuity held during the year (B)	273,894.00	526,087
Gratuity paid during the Year (C)	526,087.00	1,180,695
Closing Gratuity as at 30 th June D= A+B-C	273,894.00	526,087

15. Fund Balance B/F

	Kshs (1/7/2022)	Kshs (1/7/2021)
	Kshs	Kshs
Bank accounts	3,975,724.75	2,925,897
Cash in hand		
Imprest		
Total		
Less		
Payables: - Retention		
Payables – Gratuity		
Fund Balance Brought Forward	3,975,724	2,925,897

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16. Prior Year Adjustments

	Balance b/f FY 2021/2022 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2022/2023
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	3,975,725	1,400,000	5,375,725
Cash in hand			
Accounts Payables			
Receivables			
Others (<i>specify</i>)			
Total	3,975,725	1,400,000	5,375,725

****** The adjusted balances are not carried down on the face of the financial statement.
The Ksh. 1,400,000 were project cheques that had gone stale as they were paid in the previous FY i.e
Chebirirbei Primary School Ksh. 1,200,000 and Kipkoiyan Chiefs office Ksh. 200,000

17. Changes In Accounts Receivable – Outstanding imprest

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 st July (A)		
Imprest issued during the year (B)		7,587,220
Imprest surrendered during the Year (C)		7,587,220
closing accounts in account receivables D= A+B-C		-
Net changes in accounts Receivables D - A		

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 st July (A)		197,500
Deposit and Retentions held during the year (B)		
Deposit and Retentions paid during the Year (C)		197,500
closing account payables D= A+B-C		-
Net changes in accounts payables D-A		(197,500)

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

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

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	273,894	526,087
Others (<i>specify</i>)	-	-
Total	273,894	526,087

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	2,852,065	2,993,128
Use of goods and services	5,104,861	3,330,729
Amounts due to other Government entities (see attached list)	50,276,427	3,151,427
Amounts due to other grants and other transfers (see attached list)	11,027,693	5,533,043
Acquisition of assets	799,216	799,216
Oversight Committee Expenses	525,000	
Funds pending approval	425,000	248,000
Totals	71,010,263	16,055,544

18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	9,132,939.02	16,978,041
Total	9,132,939.02	16,978,040.73

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16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2023	Outstanding Balance 30th June 2022
NG-CDFC Staff				
1. Dennis Kemboi	Clerk of Works	17th Jan 2023	41,320	21,298
2. Getrude Chepkorir	Accounts Assistant	17th Jan 2023	38,284	20,016
3. Florence Chepngetich	Records Officer	17th Jan 2023	31,394	15,744
4. Wilfridah Chemutai	Clerical Officer	17th Jan 2023	31,394	15,744
5. Josphat Langat	Driver	17th Jan 2023	31,394	15,744
6. Ledisha Chepkoech	Support Staff	17th Jan 2023	18,960	8,035
7. Vincent Kibet	Support Staff	17th Jan 2023	18,960	8,035
8. Geoffrey Kibet	Support Staff	17th Jan 2023	13,000	
Grand Total			224,706	105,216

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY 22/23	Outstanding Balance Previous FY 21/22	Comments
Compensation of employees		2,852,065	2,993,128	
Use of goods & services		5,104,861	3,330,729	
Amounts due to other Government entities				
Proposed Kaboson Primary school		2,400,000		
Proposed Sanga Primary School		1,000,000		
Simotwo Primary School		1,300,000		
Chebaraa Primary School		1,200,000		
Mobego Primary School		3,000,000		
Kiplalmat Primary School		1,300,000		
Kapleiyet Primary School		300,000		
Kapchebet B Primary School		300,000		
Sinonin Primary School		1,200,000		
Chepkutbei Primary School		1,150,000		
Kesagetiet Primary School		4,700,000	800,000	
Itanda Primary School		1,000,000		
Keben Primary School		900,000		
Kaborok Primary School				

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Name	Brief Transaction Description	Outstanding Balance Current FY 22/23	Outstanding Balance Previous FY 21/22	Comments
		500,000		
Itondo Primary School		1,000,000		
Kabungungwo Primary School		1,000,000		
Mereonik Primary School		200,000		
KLB Books		950	950	
Proposed Cheptembe Day Secondary School		3,100,000		
Proposed Chemamul Girls Secondary School		3,000,000		
Proposed MasutSotet Day Secondary School		1,200,000		
Chepkutung Secondary School		2,800,000		
Chepkoton Girls Secondary School		3,575,000		
Cheptenye Boys Secondary School		2,500,000		
Kibingei Girls Secondary School		800,000		
Kamaas Secondary School		1,200,000		
Teldet Secondary School		2,700,000		
Cheptorriet Secondary School		1,300,000		
Kabianga Girls Secondary School		2,000,000		
Kapkitony Secondary School		1,000,000		
Belgut Taptugen Starehe Centre		1,800,000		

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Name	Brief Transaction Description	Outstanding Balance Current FY 22/23	Outstanding Balance Previous FY 21/22	Comments
Getumbe Secondary School		350,000	350,000	
Borboorwet Secondary School		350,000	350,000	
Kapchebet Girls Secondary School			1,500,000	
Belgut TTI		150,477	150,477	
Sub-Total		50,276,427	3,151,427	
Amounts due to other grants and other transfers				
Security				
Belgut Sub county Police HQ and Station		2,056,642	750,715	
Seretut Chiefs Office		300,000	150,000	
Kipkoiyan Chiefs Office		200,000		
DCC Residence		150,000		
Emergency		618,804	792,614	
Sports		2,044,550	44,550	
Roads and bridges		103,830	103,830	
Bursary				
Secondary		3,324,480	2,633,850	
Tertiary		1,429,388	7,486	
Environment				
Kabianga Primary School				

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Name	Brief Transaction Description	Outstanding Balance Current FY 22/23	Outstanding Balance Previous FY 21/22	Comments
		200,000	1,050,000	
Kaplemeiywet Primary School		400,000		
Kapchebet B Primary School		200,000		
Sub-Total		11,027,693	5,533,044	
Acquisition of assets				
Motor Vehicles		370,000	370,000	
Renovation of CDF office		20,862	20,862	
Purchase of furniture and equipment		407,354	407,354	
Purchase of computers		-	-	
Construction of Notice Board		1,000	1,000	
Sub total		799,216	799,216	
Oversight Committee Expenses (itemize)				
Travel Costs		60,000		
Advertising, Awareness and Publicity Campaigns		40,000		
COC Members Allowance		225,000		
Other COC expenses		100,000		
Refined Fuels and Lubricants for Transport		100,000		
Others (<i>specify</i>)				
Sub-Total		525,000		

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Name	Brief Transaction Description	Outstanding Balance Current FY 22/23	Outstanding Balance Previous FY 21/22	Comments
Funds pending approval				
AIA		177,000		
AIA		248,000	248,000	
Grand Total		71,010,263	16,055,545	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	900,000	-	-	900,000
Buildings and structures	17,934,101	-	-	17,934,101
Transport equipment	10,200,000	-	-	10,200,000
Office equipment, furniture and fittings	1,657,050	-	-	1,657,050
ICT Equipment, Software and Other ICT Assets	695,700	-	-	695,700
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	31,386,851		0	31,386,851

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

PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Cheronget Primary Sch	CO-OP	1139054301702	8,607	
Kaptebeswet Primary Sch	CO-OP	1139752316000	11,559	
Kiptaldal Primary Sch	CO-OP	1139603023400	1,998	
Chepkoin Primary Sch	CO-OP	1139603580400	863	
Kapmaso Milimani Primary Sch	CO-OP	1139603201200	34,858	
Chepnagai Primary Sch	CO-OP	1139604153600	797,535	
Kapriro Primary School	CO-OP	1139078065200	53,026	
Chemuson Primary Sch	CO-OP	1139604169400	895,719	
Kiptome Primary Sch	CO-OP	1139752074300	12,535	
Sinonin Primary Sch	CO-OP	1139752474100	1,503,705	
Cheronget Secondary Sch	CO-OP	1139753202701	501,520	
Kiletien Primary School	CO-OP	1141752475300	1,191,433	
Cheribo Secondary Sch	CO-OP	1139077935601	1,650,366	
Chepkosilen Secondary Sch	CO-OP	1141753173400	24,892	
Cheptenye Boys High School	CO-OP	1139753619300	86,499	
Kaborok Girls Secondary School	CO-OP	1139335219800	69,627	
Kapchebet Girls Secondary Sch	CO-OP	1139604141000	1,536	
Chemumbe Mixed Day Sec Sch	CO-OP	1100010902001	1,525,573	
Susumwet Primary Sch	CO-OP	1139752110500	567,494	

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PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Seretut Primary Sch	CO-OP	1139752234600	2,692	
Kaplutiet Primary Sch	CO-OP	1139753539100	2,790	
Sosiot Girls Sec Sch	KCB	1262685583	840	
Kiptenden B Primary Sch	KCB	1286169917	1,298	
Itembe Primary Sch	KCB	1286020018	3,431	
Kapmaso Secondary Sch	KCB	1212276655	145,607	
Kaborok Day Secondary Sch	KCB	1172102104	20,083	
Chebaraa Primary Sch	KCB	1183543395	16,856	
Borborwet Pry Sch	CO-OP Bank	CO-OP- 01139752207700		3,179
Chebiriabei Pry Sch	CO-OP Bank	CO-OP- 01139053890001		21,237
Chemamul A Pry Sch	CO-OP Bank	CO-OP-01139604189500		146,830
Chemaset Pry Sch	CO-OP Bank	CO-OP-01139604215300		1,274
Chemoson Pry Sch	CO-OP Bank	CO-OP-01139604169400		17,488
Chepkosilen Pry Sch	CO-OP Bank	CO-OP-01139752123900		44,982
Chepnagai Pry Sch	CO-OP Bank	CO-OP-01139604153600		1,031,459
Cheptenye Pry Sch	CO-OP Bank	CO-OP-01139053968100		55,145
Cheptigit Pry Sch	CO-OP Bank	CO-OP- 01139752082900		3,127
Cheribo Pry Sch	CO-OP Bank	CO-OP- 01139752286400		6,215
Kabianga Pry Sch	CO-OP Bank	CO-OP-01139054409701		58,060
Kaborok Pry Sch	CO-OP Bank	CO-OP- 01139752302000		2,429

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PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Kakiptui Pry Sch	CO-OP Bank	CO-OP-01141752353000		64,375
Kamaas Pry Sch	CO-OP Bank	CO-OP-01139603787100		32,783
Kapchebet A Pry Sch	CO-OP Bank	CO-OP-01139752205100		1,470
Kapchebet B Pry Sch	CO-OP Bank	CO-OP-01139752069000		321,555
Kapkures B Pry Sch	CO-OP Bank	CO-OP-01139752220600		71,517
Kapmaso Milimani Pry Sch	CO-OP Bank	CO-OP- 01139603201200		2,492
Kapriro Pry Sch	CO-OP Bank	CO-OP- 01139078065200		260
Kapsisiywo Pry Sch	CO-OP Bank	CO-OP- 01139752135800		12,135
Kapsuser Pry Sch	CO-OP Bank	CO-OP- 01139077509101		22,134
Kaptoboiti Pry Sch	CO-OP Bank	CO-OP-01139752279900		646
Keben Pry Sch	CO-OP Bank	CO-OP- 01139752217300		30,800
Kesagetiet Pry Sch	CO-OP Bank	CO-OP-01139474868700		771,323
Kesukyo Pry Sch	CO-OP Bank	CO-OP-01139645483400		101,020
Kiletien Pry Sch	CO-OP Bank	CO-OP-01141752475300		24,433
Kiplalmat Pry Sch	CO-OP Bank	CO-OP-01139604244200		1,002,951
Kiptome Pry Sch	CO-OP Bank	CO-OP-01139752074300		11,870
Koiwalelach Pry Sch	CO-OP Bank	CO-OP-01139752218600		43,087
Machorwa Pry Sch	CO-OP Bank	CO-OP- 01139752275300		24,912
Mereonik Pry Sch	CO-OP Bank	CO-OP-01139752145500		563
Ngariet Pry Sch	CO-OP Bank	CO-OP-01139053044100		80,651

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PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Nyabangi Pry Sch	CO-OP Bank	CO-OP-01139752139100		6,115
Samiytuk Pry Sch	CO-OP Bank	CO-OP-01139752311700		42,883
Seretut Pry Sch	CO-OP Bank	CO-OP-01139752234600		633
Simotwo Pry Sch	CO-OP Bank	CO-OP-01139603110100		55,373
Sinonin Pry Sch	CO-OP Bank	CO-OP-01139752474100		1,552,175
St Mark Chepngetuny Pry Sch	CO-OP Bank	CO-OP-01139474871300		2,142
Teldet Pry Sch	CO-OP Bank	CO-OP-01139752617700		68,399
Ainapko Sec Sch	CO-OP Bank	CO-OP-01139752277800		371,703
Belgut Starehe Girls Centre	CO-OP Bank	CO-OP-011345295426000		-
Belgut Taptugen Starehe Boys Centre	CO-OP Bank	CO-OP-01139603245000		3,127,435
Borborwet Sec Sch	CO-OP Bank	CO-OP- 01139053600400		1,014
Chepkosilen Sec Sch	CO-OP Bank	CO-OP- 01141753173400		25,492
Cheptenye Boys High Sch	CO-OP Bank	CO-OP-01139753619300		86,459
Cheptorriet Sec Sch	CO-OP Bank	CO-OP-01139335036901		89,332
Getumbe Sec Sch	CO-OP Bank	CO-OP-01120078138900		-
Kabianga Girls Sec Sch	CO-OP Bank	CO-OP-01139752124000		113,620
Kamaas Mixed Day Sec Sch	CO-OP Bank	CO-OP-01139603394300		465,911
Kapkitony Day Sec Sch	CO-OP Bank	CO-OP-01139752029500		11,130
Kaplutiet Sec Sch	CO-OP Bank	CO-OP-01139529102601		27,104
Keben Sec Sch	CO-OP Bank	CO-OP-01139077765900		3,783

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PMC	Bank	Account number	Bank Balance 2022-2023	Bank Balance 2021-2022
Kibingei Girls Sec Sch	CO-OP Bank	CO-OP-01139753218500		452,879
Teldet Sec Sch	CO-OP Bank	CO-OP-01139603255900		5,099
Itembe Pry Sch	KCB- Bank	Kcb-1293114413		32,510.00
Kapcheluch Pry Sch	KCB- Bank	Kcb-1273782380		660,911
Kapmaso Pry Sch	KCB- Bank	Kcb-1233858327		46,475
Kiptenden Pry Sch	KCB- Bank	Kcb-1286169917		3,055
Masarian Pry Sch	KCB- Bank	Kcb-1167628926		2,257
Chebungungon Sec Sch	KCB- Bank	Kcb-1271667940		387,101
Chepkoton Girls Sec Sch	KCB- Bank	Kcb-1136189696		4,877,993
Chepkutung Sec Sch	KCB- Bank	Kcb-1284329976		1,804
Kaborok Day Sec Sch	KCB- Bank	Kcb-1172102104		20,461
Kapmaso Sec Sch	KCB- Bank	Kcb-1115467786		157
Kapsoiyo Sec Sch	KCB- Bank	Kcb-1118184955		424,236
TOTALS			9,132,939	16,978,041

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
<p>Ref- OAG/NG-CDF/BELGUT/2021-2022(13</p>	<p>The statement of receipts and payments reflects an amount of Kshs. 106,430,000 in respect of transfers to other government units as disclosed in Note 6 to the financial statements which includes an amount of Kshs. 58,250,000 transfers to secondary schools.</p> <p>Kaborok Day Secondary School received Kshs. 2,900,000 for purchase of one (1) acre of land adjacent to the school LR No. Kericho/ Kabianga/3187. This land is registered in the name of Kipkoech Arap Kilel (deceased). However, without evidence of letters of grant of administration,</p>	<p>The school is in the process of acquiring the title as the application for the same has commenced. The school made a payment to an advocate for the purposes of succession and transfer of the title. The advocate to proceed to apply for succession and currently awaiting gazette notice to be issued.</p> <p>Attached are copies for applications for succession</p>	<p>Not Resolved</p>	<p>By Jan 2024</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>the school entered into a sale agreement on 11 March, 2022 with William Kibii Koech, Joseph Kiprono Koech and David Kipkorir Rono, sons of the deceased, and paid Kshs. 632,500, Kshs. 632,500 and Kshs. 1,695,000 respectively. In the circumstances, the ownership of the land could not be confirmed</p>			
<p>Ref- OAG/NG-CDF/BELGUT/2021-2022(13</p>	<p>The statement of receipts and payments and reflects an amount of Kshs.106,430,000 in respect of transfers to other government units which includes an amount of kshs.48,180,000 transfers to primary schools. Out of the balance, an amount of Kshs. 5,200,000 was transferred to Kesagetiat Primary School for classrooms' tiling and terrazzo, works that had been done by M/s</p>	<p>The documents are still with the EACC.</p>	<p>Not Resolved</p>	<p>Jan 2023</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>Korso Enterprises Limited, who built the entire two-storey building from scratch. Even though a certificate of practical completion had been issued on 21 April 2022 on erection to completion of a double storey classrooms and administration block, physical verification of the project on 17 March 2023 revealed that the building exhibited poor workmanship. All walls had major visible cracks on all the beams showing weakness, the toilet drainage was blocked, the corridor rails were detached from the pillars and plastered external wall surfaces had started peeling off. Further, as previously reported, an undisclosed amount transferred to Kesagetiet primary school. However, this expenditure was not</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>audited as Management indicated that the original supporting documents were taken away by Ethics and Anticorruption Commission (EACC) for investigation.</p> <p>In the circumstances, the accuracy and regularity of the expenditure on Kesagetiet primary school could not be confirmed.</p> <p>The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Belgut Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in</p>			

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



.....
**Name; Sharon Kapto
Fund Account Manager.**