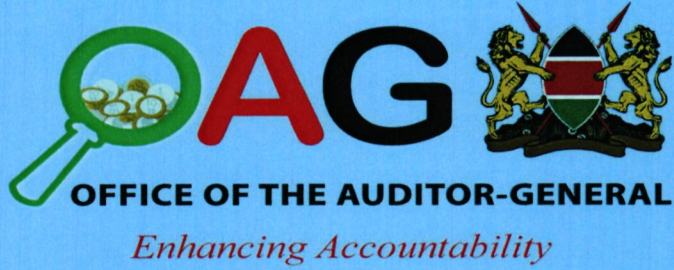



REPUBLIC OF KENYA



REPORT

 THE NATIONAL ASSEMBLY PARLIAMENT BUILDING	
DATE: 08 FEB 2022	DAY: Tues
TABLED BY:	LOM
CLERK-AT THE-TABLE:	B. Mzofu

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
TURKANA EAST CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2020**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -TURKANA
EAST CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TURKANA EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA
EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

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For the year ended June 30, 2020

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.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Kwena Stephen
2.	Sub-County Accountant	Michael Odhiambo
3.	Chairman NGCDFC	Michael Aparo
4.	Member NGCDFC	Everlyne Ekaudu

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF TURKANA EAST Constituency Headquarters

P.O. Box 267
EBUKUT AREA
LOKORI MARKET
LODWAR, KENYA



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA
EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

(f) NGCDF TURKANA EAST Constituency Contacts

Telephone: (254) 794582532
E-mail: Turkana east Constituency @ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF TURKANA EAST Constituency Bankers

1. Kenya Commercial Bank
Lodwar Branch
P.O BOX 135-30500
Lodwar , Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

Turkana East Constituency had a final budget for year ended 30 June 2020 amounting to Kshs.195,886,960 comprising of approved budget for the F/Y 2019/20 amounting to Kshs 137,367,724, budgeted funding for 2018/2019 F/Y received during the year amounting to Kshs.58,519,236 . At the end of the financial year June 2020 the constituency had received Kshs 126,519,236 from the board representing 65% of the allocation in the year, Which the Management used to construct 4classrooms and equipping with 50 desks for primary schools, Construct a fence at the TVET, and a hostel and a masonry perimeter wall at Lomelo Primary school , Library etc

The actual budget of the year was 65% for the funds that were received, however the overall performance was 98% was utilized , bursary 37% of the funds receive, 16% was spend on Tertiary and 20 % was spend on the primary and Secondary schools due to delays in procurement however 40% of the overall budget was on education as depicted below in the table,

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	% of Utilisation
RECEIPTS			
Transfers from NG-CDF Board	195,886,960.00	126,519,236.00	64.59
Proceeds from Sale of Assets		-	-
Other Receipts	46,000.00	46,000.00	100
TOTAL RECEIPTS	196,002,960.00	126,565,236.00	64.57
PAYMENTS			
Compensation of Employees	10,678,590.00	2,499,725.00	23.41
Use of goods and services	5,636,543.50	7,609,565.00	135.00
Transfers to Other Government Units	112,145,122.00	56,734,115.00	49.49
Other grants and transfers	64,772,704.00	54,276,101.00	83.79
Acquisition of Assets	2,700,000.00	2,900,000.00	107.00
Other Payments	-	-	-
TOTAL	195,932,960.00	124,019,506.00	63.30

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

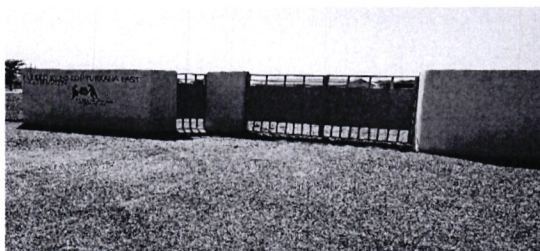
NGCDF PROJECTS FUNDED IN THE FINANCIAL YEAR



AIC KANGITIT LIBRARY



KATILIA GIRLS PIT LATRINES



KATILIA GIRLS GATE AND FENCE



Challenges

1. Delayed funding leads to delayed implementation of projects
2. Covid 19 pandemic delayed and slowed the normal working
3. Delayed board approval by the board due to additional information that is requested but not communicated in time
4. Vastness of the constituency leaves thinly spread projects
5. The establishment of new schools gives a challenge to who should be funded fast as all school are in need

Michael Aparo

Sign-----*Michael Aparo*

CHAIRMAN NGCDF COMMITTEE

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

Turkana East is a constituency whose growth is promising. The constituency has a high potential capable young constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

In cognizance of the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the Education activities with special focus. It was anticipated that this will help in achieving improved quality of education, security, and environmental conservation among others.

The key development objectives of NGCDF Turkana East Constituency's *2018-2023 Strategic* plan included

Strategic Area One: Education

Objective: Improving access to quality education

Initiative: Expansion of schools through rehabilitation, Renovation and construction of classrooms in various primary school and secondary schools in the constituency

Initiative: To improve on retention rates of students in secondary schools through bursary to assist needy students

Strategic Area Two: Environment

Objective: Promoting environment in Turkana East through organizing tree initiatives

Strategic Area Three: Security

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Objective: Enhancing security in the constituency by equipping DCCs ACCs Chiefs/Sub chiefs offices police /AP housing units

Strategic Area Four: Youths and Sports

Objective: Harnessing youth talent by funding youth sporting initiatives

Initiative: creating awareness on the establishment of youth groups and seeking development and promoting youth talent.

Strategic Area Five: Tracking results and institutional results

Objective: improving the tracking of implementation NG-CDF programs Through monitoring and evaluations of ongoing projects , capacity building of various operatives

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Improve performance, reduce dropout rates and increase primary, secondary and higher education transition rates	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	Number of classrooms in primary school increased from 62 to 82 Number of laboratories increased from 0 to 1 in secondary schools Number of dormitories increased from 2 to 3 in secondary school Number of administration blocks increased from 2 to 3 Number of Libraries increased from 0 to 1

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA
EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

Constituency Program	Objective	Outcome	Indicator	Performance
Environment and sanitation	Improve sanitation in the schools and the general public	Open defecation in schools is reduced to help reduce cholera outbreak	No of Toilets constructed	Number of pit latrines constructed increased from 17 to 28
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations And ACCs offices	Number of renovated chiefs' offices increased from to 1 Number of Armories constructed 5 Number of ACCs offices constructed 1 Number of police camps constructed 6
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through Sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased from 15 to 28

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – TURKANA EAST Constituency 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

The Turkana East NG-CDF Committee has remained focused to working within the existing policy guidelines that help in focusing on the service delivery and drive to better performance with the involvement of both internal and external stakeholders on matters development. The relevance of this was attributed to our vision, mission and core values as provided for in our strategic plan.

Model	Definition	Relevance to sustainable strategy
Vision	A leader in the provision of quality education and security services	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place
Mission	To prudently manage Turkana East NGCDF funds in the provision of quality education and security services for socio- economic development of residents	This communicates what the office does to attain sustainable developments
Core Values	Patriotism, team work, integrity, responsiveness and innovations and customer focus	These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring



2. ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of Turkana East NG-CDF initiatives

Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

Our Environmental Policy

In this policy statement Turkana East NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our Environmental Action Plan

Turkana East NG-CDF has identified three areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These three areas together with our approach and targets for each are shown below:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Impact Area	Approach
Conservation of Renewable Energy and Resources	<ul style="list-style-type: none">• To maximize use of available technologies to remove the need to use paper• To encourage our clients to engage with us using electronic means where possible• To make energy efficiency a key factor in the selection of any new energy device being purchased• To invest in available energy saving technologies and devices within our existing premises
Environmental Protection and Conservation	<ul style="list-style-type: none">• To encourage tree planting in the constituency to improve the forest cover.• To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires
Water Pollution Control and Waste Management	<ul style="list-style-type: none">• To ensure that all school have water storage• To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

3. EMPLOYEES WELFARE

TERMS AND CONDITIONS OF SERVICE

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters.

Categories of Employment

Turkana East NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.

Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this.

Induction and orientation is done within the first three months of employment.

HEALTH, SAFETY AND WELL BEING

This provides guidelines on the health, safety and well-being of the office staff

Guidelines to General Safety

The office has maintained healthy and safe working conditions for its employees to ensure there is no personal injury caused by accidents.

All the staff must always consider safety to themselves and others when performing their duties. They should not compromise on quality, cause injury, ill health, loss or environmental damage.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA
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Reports and Financial Statements

For the year ended June 30, 2020

Every Department depending on the nature of work and services shall plan for foreseeable incidents such as accidents, explosions, fire, floods etc. and prepare and outline procedures to be followed in such events.

Fire precautions

The fire protection facilities have been provided both inside and outside the building and they are adequate and maintained annually

General information on fire precautions and fire equipment is contained in stickers on the wall next to the fire extinguishers

Provision of protective equipment and clothing

The Fund Account Manager ensures that officers who are employed in any process involving exposure to wet or to any injurious or offensive substances are provided with adequate, effective and suitable protective clothing and appliances.

Reporting of an Accident

Immediately an accident or development of an occupational disease resulting in death or injury to an officer comes to the notice of the officer under whom he/she is directly deployed, the supervisor should make a claim for compensation in accordance with the procedure set out in the Occupational Safety and Health Act 2007 and Work Injury Benefits act 2007.

Guidance and Counselling

The current challenges in the workplace and family environment affects the performance and wellbeing of an officer. To address these challenges, the office undertakes guidance and counselling of the affected staff however, consultation with family members or support system may be sought when deemed necessary.

Health Care Services

The staff, including spouses and children, are eligible to affordable health care services and to benefit from the NHIF medical scheme as statutory deductions are done and remitted on a monthly basis

HIV/AIDS

HIV and AIDS is a major challenge facing officers in and out of the Institute. It poses a big threat to the individual, the family and the public Service. It is in cognizance of this that the Institute has put in place care and support programs for the infected and affected officers to enable them remain productive.

4. MARKET PLACE PRACTICES

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

Responsible competition practice.

During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects.

How the organisation ensures responsible competition practices with issues like anti- corruption, responsible political involvement, fair competition and respect for competitors

Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents

Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices

Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

Product stewardship

In order to safeguard consumer rights and interests, the Turkana East NG-CDF came up with a service charter and the complaints handling Mechanism , . The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling mechanism, shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible

Covid-19 Mitigation Measures

Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures.

- Through Kenya Pipeline Corporation distributed 1,000 Jerricans of 20 liters sanitizers to the community free of charge.

V. STATEMENT OF ENTITY 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.

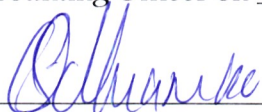
The Accounting Officer in charge of the NGCDF-TURKANA EAST Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year ended on June 30, 2020 This 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-TURKANA EAST 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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TURKANA EAST Constituency further confirms the completeness of the accounting records maintained for the *entity*, 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.

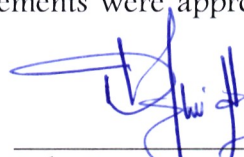
The Accounting Officer in charge of the NGCDF-TURKANA EAST Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the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

Approval of the financial statements

The NGCDF-TURKANA EAST Constituency financial statements were approved and signed by the Accounting Officer on _____ 2020.



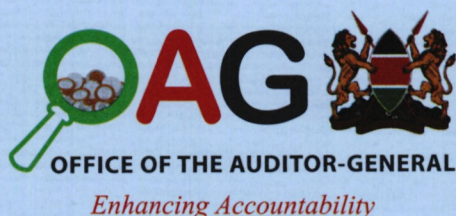
Fund Account Manager
Kwena Stephen



Sub-County Accountant
Michael Odhiambo:

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TURKANA EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Turkana East Constituency set out on pages 16 to 45, which comprise of the statement of assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Turkana East Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies in Summary Statement of Appropriation

The summary statement of appropriation - recurrent and development combined reflects under original budget column, payments totalling to Kshs.137,367,724. However, a recast of the payments resulted in a total of Kshs.137,867,720 resulting to an unreconciled and unexplained variance amounting to Kshs.499,996.

Similarly, the statement reflects final budget column, payments totalling to Kshs.195,932,960 while a recast of the same resulted in a total of Kshs.195,886,961 resulting to an unexplained and unreconciled variance amounting to Kshs.45,999.

Further, the statement reflects budget utilization difference totalling to Kshs.71,913,454 whereas the budget execution by programmes and sub-programmes reflects an amount of Kshs.71,867,454 on comparable basis, resulting to an unexplained and unreconciled variance amounting to Kshs.46,000.

Consequently, the accuracy, completeness and validity of balances reflected in the summary statement of appropriation - recurrent and development combined for the year ended 30 June, 2020 could not be confirmed.

2. Inaccuracies in Comparative Balances

The statement of receipts and payments and disclosure Note 17.3 to the financial statements reflect comparative balances, which differ, with the closing balances in the audited financial statements for 2018/2019 as detailed below;

	Opening Balance as per 2019/2020 Financial Statements (Kshs)	Closing Balance as per 2018/2019 Audited Financial Statements (Kshs)	Variance (Kshs)
Statement of Receipt and Payments			
Other Payments	3,165,088	3,165,988	900
Note 17.3, Unutilized Fund			
Compensation of Employees	0	817,912	817,912
Use of Goods and Services	0	867,415	867,415
Amounts Due to Other Government Entities	0	33,481,694	33,481,694
Amounts Due to Other Grants and Other Transfers	0	17,931,108	17,931,108
Acquisition of Assets	0	440,000	440,000
Others	0	4,951,106	4,951,106
Total			58,490,135

The variances amounting to Kshs.58,490,135 were not reconciled.

Consequently, the accuracy, completeness and validity of the above comparative balances for the year ended 30 June, 2020 could not be confirmed.

3. Unsupported Use of Goods and Services

As disclosed in Note 5 to the financial statements, the statement of receipts and payments reflects use of goods and services totalling to Kshs.7,609,565. The balance includes nil balance for printing, advertising and information supplies and services. However, review of records revealed printing, advertising and information supplies and services payments

totalling to Kshs.326,640, resulting to an unreconciled and unexplained variance amounting to Kshs.326,640.

Further, the balance includes other Committee expenses amount of Kshs.2,600,000, that was not supported by an approved work plan, budget, procurement plan, motor vehicle work ticket and a monitoring and evaluation report.

Consequently, the accuracy, completeness and validity of use of goods and services balance totalling to Kshs.7,609,565 for the year ended 30 June, 2020 could not be confirmed.

4. Unsupported Bursaries

As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers amount of Kshs.54,276,101. The balance includes bursary to secondary schools amount of Kshs.25,931,672 and bursary to tertiary institutions amount of Kshs.20,896,081 all totalling to Kshs.46,827,753. However, the Management did not provide; evidence in form of official receipts from respective institutions acknowledging receipt of the funds and evidence that vetting, identification and categorizing of needy students was done by the Bursary Sub-committee that included area Education Officer or his representative and formal criteria used in identifying, vetting, awarding of the bursaries.

Consequently, the accuracy, completeness and validity of other grants and transfers amount of Kshs.54,276,101 reflected in the statement of receipts and payments for the year ended 30 June, 2020 could not be confirmed.

5. Unsupported Committee Account Balances

Note 17.4 and as disclosed in Annex 5 to the financial statements reflects Project Management Committee bank balances amounting to Kshs.8,564,905 as at 30 June, 2020 in respect to fourteen (14) bank accounts at a commercial bank. However, cashbooks and bank reconciliation statements for the bank accounts were not provided.

Consequently, the accuracy, validity, and completeness of the Project Management Committee bank balances amount of Kshs.8,564,905 as at 30 June, 2020 could not be confirmed.

6. Inaccuracy in Unutilized Fund

As previously reported, Note 17.3 to the financial statements reflects Unutilized Fund balance totalling to Kshs.72,632,911 which is at variance with Annex 3 - Unutilized Fund totalling to Kshs.71,913,454 resulting in an unexplained and unreconciled variance totalling to Kshs.719,457.

Consequently, the accuracy, completeness and validity of the Unutilized Fund balance totalling to Kshs.72,632,911 as at 30 June, 2020 could not be confirmed.

7. Unsupported Projects

7.1. Lomelo Primary School

The Management disbursed an amount of Kshs.8,000,000 to Lomelo Primary School for construction of perimeter masonry wall around eighteen (18) acres with a gate. However, tender documents such as tender advertisement, tender opening, evaluation and award committee minutes, project file, expenditure returns, project bank statement, inspection reports, CDFC monitoring and evaluation report, valid National Construction Authority Certificate, certified drawings and design were not provided.

In addition, the contract agreement with the Contractor showed contract sum of Kshs.7,600,000. No documentary evidence and explanation has been provided to show how the excess disbursement totalling to Kshs.400,000 was authorized and utilized.

7.2. Katilia Girls Secondary Schools

The Management disbursed an amount of Kshs.18,000,000 to Katilia Girls Secondary Schools for fencing, construction of pit latrines, showers, construction of classrooms, construction of a dormitory, drilling of water borehole and equipping with submersible water pump, steel water, solar panels and water tank. However, tender documents such as tender advertisement, tender opening, evaluation and award committee minutes, project file, expenditure returns, project bank statement, inspection reports, monitoring and evaluation report, certified drawings and design were not provided.

Physical verification of the project, established that the bore-hole was drilled but not working, the submersible pump, the solar panels and the water tank were not installed.

7.3. Security and Emergency Projects

The Management disbursed an amount of Kshs.4,500,000 towards construction of bathrooms and fencing at Kamuge RDU Camp and completion of water installation works at Lomomung GSU Camp. However, procurement records such as tender opening, evaluation and award minutes, expenditure returns, and reports were not provided.

Consequently, the accuracy, completeness and validity of the above expenditure on projects totalling to Kshs.30,500,000 as at 30 June, 2020 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 - Turkana East Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis totalling to Kshs.195,932,960 and Kshs.126,565,236 respectively, resulting to an underfunding amounting to Kshs.69,367,724 or 35% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.195,932,960 and Kshs.124,019,506 respectively, resulting to an under expenditure amounting to Kshs.71,913,455 or 37% of the budget.

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

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury and Planning Circular reference No. AG.4/16/3 Vol.1(9) dated 24 June, 2020.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-compliance with the Public Sector Accounting Standards Board Requirements

The statement of management responsibilities, statement of receipts and payments, the statement of assets and liabilities and the statement of cash flows did not include the sub-county accountant Institute of Certified Public Accountants of Kenya (ICPAK) registration number. This is contrary to provisions of the Public Sector Accounting Standards Board

templates and The National Treasury and Planning Circular reference No. AG.4/16/3 Vol.1(9) dated 24 June, 2020.

In the circumstances, the presentation of the financial statements for the year under review is not in accordance with the prescribed PSASB format.

2. Delay in Project Implementation

The Project Implementation Status Report indicated that the Fund had an approved budget totalling to Kshs.125,004,630 to finance thirty-two (32) projects. Three (3) projects with a budget total of Kshs.11,747,354 were completed, five (5) projects with a budget total of Kshs.62,557,276 were on going and twenty four (24) projects with a budget total of Kshs.60,700,000 were not started during the year ended 30 June, 2020.

Further, nine (9) projects were physically verified in the month of February, 2021, out of which eight (8) projects with an allocation total of Kshs.52,837,234 were completed and were in use while one (1) project amounting to Kshs.10,000,000 was still ongoing.

In the circumstances, I am unable to confirm whether the public obtained value for money for the delayed projects during the year ended 30 June, 2020.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Those charged with Governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Fund 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 the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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 the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

22 December, 2021

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TURKANA EAST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

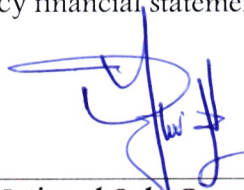
VII. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED JUNE 30,2020

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	68,000,000	165,825,359
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	46,000.00	30,000
TOTAL RECEIPTS		68,046,000	165,855,359
PAYMENTS			
Compensation of employees	4	2,499,725	2,343,336
Use of goods and services	5	7,609,565	7,563,377
Transfers to Other Government Units	6	56,734,115	45,758,638
Other grants and transfers	7	54,276,101	36,608,662
Acquisition of Assets	8	2,900,000	14,060,000
Other Payments	9		3,165,088
TOTAL PAYMENTS		124,019,506	109,499,101
SURPLUS/(DEFICIT)		(55,973,506)	56,355,358

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TURKANA EAST Constituency financial statements were approved on _____ 2020 and signed by:



Fund Account Manager
Kwena Stephen



National Sub-County Accountant
Michael Odhiambo




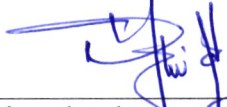
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TURKANA EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 JUNE 2020

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	2,545,730	58,519,236
Cash Balances (cash at hand)	10B	0.00	0.00
Total Cash and Cash Equivalents		2,545,730	58,519,236
Accounts Receivable			
Outstanding Imprests	11	0.00	0.00
TOTAL FINANCIAL ASSETS		0.00	58,519,236
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	0.00	0.00
Deposits (Gratuity)	12B	0.00	0.00
TOTAL FINANCIAL LIABILITES		0.00	0.00
NET FINANCIAL ASSETS		2,545,730	58,519,236
REPRESENTED BY			
Fund balance b/fwd	13	58,519,236	2,163,876
Prior year adjustments	14	0.00	0.00
Surplus/Defict for the year		(55,973,506)	56,355,360
NET FINANCIAL POSITION		2,545,730	58,519,236

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TURKANA EAST Constituency financial statements were approved on _____ 2020 and signed by:


 Fund Account Manager
 Kwena Stephen


 National Sub-County Accountant
 Michael Odhiambo



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TURKANA EAST CONSTITUENCY**

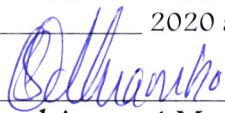
Reports and Financial Statements

For the year ended June 30, 2020

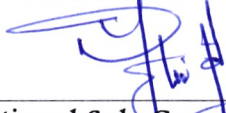
IX. STATEMENT OF CASHFLOW FOR THE YEAR ENDED JUNE 30,2020

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	68,000,000	165,825,359
Other Receipts	3	46,000	30,000
Total receipts		68,046,000	165,855,359
Payments for operating expenses			
Compensation of Employees	4	2,499,725	2,343,336
Use of goods and services	5	7,609,565	7,563,375
Transfers to Other Government Units	6	56,734,115	45,758,638
Other grants and transfers	7	54,276,101	36,608,662
Other Payments	9	-	3,165,988
Total payments		121,119,506	95,439,999
Total Receipts Less Total Payments			
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	-	
Prior year adjustments	14	-	
		(53,073,506)	70,415,360
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	2,900,000	14,060,000
Net cash flows from Investing Activities		(2,900,000)	(14,060,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(55,973,506)	56,355,360
Cash and cash equivalent at BEGINNING of the year	13	58,519,236	2,163,876
Cash and cash equivalent at END of the year		2,545,730	58,519,236

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TURKANA EAST Constituency financial statements were approved on _____ 2020 and signed by:



Fund Account Manager
Kwena Stephen



National Sub-County Accountant
Michael Odhiambo

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	58,519,236	195,886,960	126,519,236	69,367,724	64.6%
Proceeds from Sale of Assets						0.0%
Other Receipts		46,000	46,000	46,000		100.0%
TOTAL RECEIPTS	137,367,724	58,565,236	195,932,960	126,565,236	69,367,724	64.6%
PAYMENTS						
Compensation of Employees	4,616,770	1,242,544	5,859,224	2,499,725	3,359,499	42.7%
Use of goods and services	7,746,320	2,313,587	10,059,911	7,609,565	2,450,346	75.6%
Transfers to Other Government Units	77,500,000	37,095,122	114,095,122	56,734,115	57,361,007	49.7%
Other grants and transfers	47,304,630	15,468,074	62,772,704	54,276,101	8,496,603	86.7%
Acquisition of Assets	700,000	2,400,000	3,100,000	2,900,000	2,00,000	93.5.0%
Other Payments	0		0			
Unallocated funds		46,000	46,000		46,000	
TOTALS	137,367,724	58,565,236	195,932,960	124,019,506	71,913,454	63.3%

(a) There was Kshs 46,000 (AIA) For the revenue

(b) Most of the underperformances are due to delayed disbursements to the constituency

(c) The funds that had been received were directed at paying the bursaries hence the 93%

The NGCDF-TURKANA EAST Constituency financial statements were approved on _____ 2020 and signed by:


Kwena Stephen

Fund Account Manager
Kwena Stephen


Sub-County Accountant
Michael Odhiambo

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA EAST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,858,330	1,242,454	4,100,784	2,370,126	1,730,658
1.2 Committee allowances	1,040,000		1,040,000	1,040,000	-
1.3 Use of goods and services	2,585,293	1,194,074	3,779,367	2,805,472	973,895
1.4 NSSF Deductions	259,200		259,200	129,600	129,600
1.5. NHIF Deductions	190,000		190,000	190,000	-
1.5 Gratuity	1,309,240		1,309,240		1,309,240
Sub-Total	8,242,063	2,436,528	10,678,591	6,535,198	4,143,393
2.0 Monitoring and evaluation					
2.1 Capacity building	2,000,000		2,000,000	675,800	1,324,200
2.2 Committee allowances	2,121,031	121,226	2,242,257	3,000,000	(757,743)
2.3 Use of goods and services	-	998,287	998,287	998,287	-
Sub-Total	4,121,031	1,119,513	5,240,544	4,674,087	566,457
3.0 Emergency					
3.1 others	7,198,241	2,738,993	9,937,234	4,238,993	5,698,241
Sub-Total	7,198,241	2,738,993	9,937,234	4,238,993	5,698,241
4.0 Bursary and Social Security					
4.1 Secondary Schools	20,000,000	12,128,081	32,128,081	31,000,000	1,128,081
4.2 Universities/Tertiary	15,359,035	600,000	15,959,035	15,827,753	131,282
Sub-Total	35,359,035	12,728,081	48,087,116	46,827,753	1,259,363
5.0 Sports					
5.1 bal b/f	2,747,354	1,000	2,748,354	2,748,354	-



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA EAST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Sub-Total	2,747,354	1,000	2,748,354	2,748,354	-
6.0 Environment					
6.1 Nakwasinyon primary school	500,000	-	500,000	-	500,000
6.2 Elelea primary school	500,000	-	500,000	-	500,000
6.3 Kauruko Primary school	500,000	-	500,000	-	500,000
6.4 Nadotopriary school	500,000	-	500,000	-	500,000
Sub-Total	2,000,000	-	2,000,000	-	2,000,000
7.0 Primary Schools Projects					
7.1 LOKICHADA PRIMARY SCHOOL	6,000,000	545,122	6,545,122	545,122	6,000,000
7.2 LOKWI PRIMARY SCHOOL	5,000,000		5,000,000		5,000,000
7.3 EMAN MAN PRIMARY SCHOOL	3,000,000		3,000,000		3,000,000
7.4 AIC LOKWI PRIMARY SCHOOL	3,000,000		3,000,000		3,000,000
7.5 LOTTIMAN PRIMARY SCHOOL	3,000,000		3,000,000		3,000,000
7.6 NADOTO PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.7 KIDEWA PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.8 KAMUGE PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.9 LOPEDURU PRIMARY SCHOOL	3,000,000		3,000,000		3,000,000
7.10 SILALE PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.11 LOMELO PRIMARY SCHOOL		8,000,000	8,000,000	8,000,000	-
7.12 NAPEITOM PRIMARY SCHOOL	2,000,000		2,000,000		2,000,000
7.13 ECHOKE PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.14 NAYANAKATON PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.15.LOKAMUSIO PRIMARY SCHOOL	1,500,000		1,500,000	1,500,000	-
7.16 NAMALTENY PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.17.LOMUNYENAKWAN PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000
7.18 KAARUKO PRIMARY SCHOOL	1,500,000		1,500,000		1,500,000



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA EAST CONSTITUENCY
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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.19 NAKATONGWA PRIMARY SCHOOL	1,500,000		1,500,000	-	1,500,000
7.20 NAMORUTTUNGA PRIMARY SCHOOL		550,000	550,000	550,000	-
Sub-Total	41,500,000	9,095,122	50,595,122	10,595,122	40,000,000
8.0 Secondary Schools Projects			-		-
8.1 NGAMIA ONE SECONDARY SCHOOL	8,000,000	-	8,000,000	-	8,000,000
8.2 AIC KANGITTT GIRLS SECONDARY SCHOOL	-	7,000,000	7,000,000	7,000,000	-
8.3 NAMORUTTUNGA BOYS SECONDARY SCHOOL		500,000	500,000	500,000	-
8.4 Proposed KATILIA GIRLS SECONDARY SCHOOL	7,500,000	10,500,000	18,000,000	18,000,000	-
Sub-Total	15,500,000	18,000,000	33,500,000	25,500,000	8,000,000
9.0 Tertiary					
	10,000,000	10,000,000	20,000,000	20,000,000	-
Sub-Total	10,000,000	10,000,000	20,000,000	20,000,000	-
10.0 Security Projects					
10.1 LOKORI POLICE STATION	10,000,000		10,000,000		10,000,000
Sub-Total	10,000,000	-	10,000,000	-	10,000,000
11.0 Acquisition of assets					
11.1 Motor Vehicles/Motor Cycles	200,000		200,000	-	200,000
11.2 Construction of CDF office	500,000	2,400,000	2,900,000	2,900,000	-
11.3 Purchase of furniture and equipment	-		-		-
11.4 Purchase of computers					
Sub-Total	700,000	2,400,000	3,100,000	2,900,000	200,000
GRAND TOTALS	137,367,724	58,565,236	195,886,960	124,019,506	71,867,454

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA EAST CONSTITUENCY

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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TURKANA EAST CONSTITUENCY**

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XII. 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 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-TURKANA EAST 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.

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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



SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the Entity 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 Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, deposits 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. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they 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 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 and deposits, which are 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 June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

Material prior period errors shall be 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

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TURKANA EAST CONSTITUENCY
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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO B041231	1	4,000,000	
AIE NO :B041237	2	18,000,000	
AIE NO:B047673	3	5,000,000	
AIE NO:B049193	4	6,000,000	
AIE NO:B104193	5	14,000,000	
AIE NO:B096506	6	21,000,000	
AIE NO:B005136	1		42,348,276
AIE NO:B005144	2		2,000,000
AIE NO:B030314	3		5,936,207
AIE NO:B030218	4		10,000,000
AIE NO : B005493	5		12,000,000
AIE NO :B 007496	6		8,000,000
AIE NO: B042634	7		11,000,000
AIE NO B040853	8		13,000,000
AIE NO B047077	9		6,500,000
AIE NO: B041004	10		55,040,876
TOTAL		68,000,000	165,825,359

2. PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
	-	-
Total	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	46,000	30,000
Other Receipts Not Classified Elsewhere	-	-
Total	46,000	30,000

4. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	2,370,125	2,218,056
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	-	-
Employer Contributions Compulsory national social security schemes	129,600	125,280
Total	2,499,725	2,343,336.00

5. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	400,000.00	939,950
Utilities, supplies and services	633,840.00	647,581
Communication, supplies and services	0.00	0.00
Other Committee expenses	4,063,481.00	3,778,392
Printing, advertising and information supplies & services	0.00	54,736
Office Rent	160,000.00	260,000
Electricity	4,556.00	0,00
Water and sewage	4,400.00	.00
Insurance costs	0.00	0.00
Fuel, Oil and Lubricants	1,529,258.00	903,936
Office and general supplies and services	0.00	0.00
Bank Service Commission and charges	56,170.00	36,536
Other operating expenses	222,000.00	297,232
Routine maintenance – vehicles and other transport equipment	535,860.00	625,014
Routine maintenance – other assets	0.00	20,000
Total	7,609,565.00	7,563,377



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
TURKANA EAST CONSTITUENCY**

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	10,595,122	27,258,638
Transfers to secondary schools (see attached list)	25,500,000	18,500,000
Transfers to tertiary institutions (see attached list)	20,638,993	-
Transfers to health institutions (see attached list)	-	-
TOTAL	56,734,115	45,758,638

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	25,931,672	19,235,463.00
Bursary – tertiary institutions (see attached list)	20,896,081	2,754,704
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Security projects (see attached list)	3,200,000	5,667,094
Sports projects (see attached list)	2,748,348	3,913,667
Environment projects (see attached list)	-	2,400,000
Emergency projects (see attached list)	1,500,000	2,637,931
Total	54,276,101	36,608,662

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	2,900,000	7,600,000
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	6,460,000
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	2,900,000	14,060,000

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	3,165,988
ICT Hub	-	-
	-	3,165,988

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Kenya Commercial Bank, Account No. 1147030472</i>	2,545,730.	58,519,236
<i>Name of Bank, Account No.</i>	-	-
<i>Name of Bank, Account No.</i>	-	-
Total	2,545,730.00	58,519,236
10B: CASH IN HAND		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
	-	-
Total	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
<i>Name of Officer or Institution</i>	dd/mm/yy	0.00	0.00	0.00
Total				0.00

12A. RETENTION

	2019 - 2020	2018-2019
	Kshs	Kshs
Supplier 1: Kangisaja contractors	0.00	0.00
Supplier 2: Kangisaja contractors	0.00	0.00
Supplier 3: Kangisaja contractors	0.00	0.00
	0.00	0.00
Total	0.00	0.00

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	Kshs	Kshs
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
	0.00	0.00
Add as appropriate	0.00	0.00
Total	0.00	0.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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13. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	58,519,236	2,163,877
Cash in hand	-	-
Imprest	-	-
Total	58,519,236	2,163,877

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Net changes in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2019 (A)	724,158.00	724,158.00
Deposit and Retentions held during the year (B)	846,000.00	0.00
Deposit and Retentions paid during the Year (C)	724,158.00	0.00
Net changes in account receivables D= A+B-C	846,000.00	724,158.00



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	-	400,000.00
Construction of civil works	-	-
Supply of goods	275,180.00	200,000.00
Supply of services	-	-
	275,180.00	600,000.00

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	264,714.75	-
Others	-	-
	264,714.75	-

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	3,359,499	1,242,454
Use of goods and services	2,450,346	2,313,587
Amounts due to other Government entities	57,361,007	37,095,122
Amounts due to other grants and other transfers	8,496,603	15,468,074
Acquisition of assets	200,000	2,400,000
Gratuity	719,456.76-	656,270.00-
Unallocated	46,000	-
	72,632,911.00	59,175,507.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	8,564,905	79,222,870
	8,564,905	79,222,870

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

**Reports and Financial Statements
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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
		Sub-Total				
Middle Management						
4.						
5.						
6.						
		Sub-Total				
Unionisable Employees						
7.						
8.						
9.						
		Sub-Total				
Others (specify)						
10.						
11.						
12.						
		Sub-Total				
		Grand Total				

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees		2,507,448	1,242,454	
Use of goods & services		1,648,730	2,313,587	
Sub-Total		4,156,178	3,556,040	
Amounts due to other Government entities				
LOKICHADA PRIMARY SCHOOL		6,000,000	-	Funds had not been released
LOKWI PRIMARY SCHOOL		5,000,000	-	Funds had not been released
EMAN MAN PRIMARY SCHOOL		3,000,000	-	Funds had not been released
AIC LOKWI PRIMARY SCHOOL		3,000,000	-	Funds had not been released
LOTTIMAN PRIMARY SCHOOL		3,000,000	-	Funds had not been released
NADOTO PRIMARY SCHOOL		1,500,000	-	Funds had not been released
KIDEWA PRIMARY SCHOOL		1,500,000	-	Funds had not been released
KAMUGE PRIMARY SCHOOL		1,500,000	-	Funds had not been released
LOPEDURU PRIMARY SCHOOL		3,000,000	-	Funds had not been released
SILALE PRIMARY SCHOOL		1,500,000	-	Funds had not been released
NAPEITOM PRIMARY SCHOOL		2,000,000	-	Funds had not been released
ECHOKE PRIMARY SCHOOL		1,500,000	-	Funds had not been released
NAYANAKATON PRIMARY SCHOOL		1,500,000	-	Funds had not been released
NAMALTENY PRIMARY SCHOOL		1,500,000	-	Funds had not been released
LOMUNYENAKWAN PRIMARY SCHOOL		1,500,000	-	Funds had not been released
KAARUKO PRIMARY SCHOOL		1,500,000	-	Funds had not been released
NAKATONGWA PRIMARY SCHOOL		1,500,000	-	Funds had not been released
NGAMIA ONE SECONDARY SCHOOL		8,000,000	-	Funds had not been released
LOKORI POLICE STATION		10,000,000	-	Funds had not been released
Sub-Total		58,000,000	37,095,122	
Amounts due to other grants and other transfers				
EMERGENCY		5,698,241	-	Funds had not been released
ENVIRONMENT		2,000,000	-	Funds had not been released
BURSARY		1,859,035	-	Funds had not been released

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA EAST CONSTITUENCY

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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Sub-Total		9,557,276	15,468,074	
Sub-Total				
Acquisition of assets				
MOTOR CYCLES		200,000	2,400,000	Funds had not been released
Others (<i>specify</i>)				
Sub-Total		200,000		
Grand Total		71,913,454	58,519,236	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	-	-	-	-
Buildings and structures	11,600,000	2,900,000.00	-	14,500,000
Transport equipment	11,435,000	-	-	11,435,000
Office equipment, furniture and fittings	2,373,070	-	-	2,373,070
ICT Equipment, Software and Other ICT Assets	180,000	-	-	180,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	25,588,070	2,900,000.00	-	28,488,070

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
LOTUBAE GIRLS SECONDARY S CHOOOL	KCB	1234843633	4,701	2,090,158
AIC KANGITT GIRLS SECONDARY SCHOOL	KCB	1263303404	317,655	-
KATILIA GIRLS SECONDARY SCHOOL	KCB	1260909433	3,208,175	-
KAMUGE RDU PMC	KCB	1261541960	59,214	-
LOMOMUNG RESETTLEMENT	KCB	11232792896	28,170	22,431
NAMORUTUNGA PRIMARY SCHOOL	KCB	1165591308	1,497	3,746
LOKAMUSIO PRIMARY SCHOOL	KCB	1165591189	3,511	4,822,05
NAYANAKATON PRIMARY SCHOOL	KCB	1171209959	8,997	258,997
LOMELO PRIMARY SCHOOL	KCB	1263033008	735	-
NGAMIA ONE KOCHODIN SEC SCHOOL	KCB	1222824647	6,279	2.210,710.00
LOKICHADA PRIMARY SCHOOL	KCB	1158409109	21	99
TURKANA EAST TVET	KCB	1260820785	4,691,356	-
KAPEDO GIRLS PRIMARY SCHOOL	KCB	1255411899	233,439	2,436,730
LOTUBAE PRIMARY SCHOOL	KCB	1270274899	1,155	-
Total			8,564,905	3,130,829.00

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Draft Report	Project Management Committee Bank Balances	Annex 5 to the financial statements reflect Project Management committee (PMC) bank balances amounting to Kshs. 3,130,829 as at 2019 in respect to seventeen (17) bank accounts at Kenya Commercial Banks. Cash books and bank reconciliation for the seventeen (17) bank accounts were not availed for audit review. Further, during the year ended 30 June 2019, an amount of Kshs. 45,758,638 was disbursed to twenty-eight (28) primary and secondary schools out of which bank balances in respect of eleven (11) project management bank balances of Ksh. 3,130,829 as at 30 June 2019. Consequently, the existence, accuracy and completeness of the	Fund Account Manager	Un Resolved	6 months

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		project management committee bank balance amount of kshs. 3,130,829 as at 30 June 2019 could not be confirmed			
Draft Report	Unutilized Funds	Note 15.3 to the financial statements reflect unutilized fund balance of Kshs. 58,489,235 which is at variance with annex 3 – Unutilized fund balance of Kshs. 56,784,489 as at 30 June 2019 could not be ascertained	Fund Account Manager	Un Resolved	6 Months
Draft Report	Education bursary	The statement of receipts and payments reflects other grants and transfers amount of Kshs. 36,608,662 for the year ended 30 June 2019 which includes bursary to secondary schools amount of Kshs. 19,235,463 and bursary to tertiary institutions amount of Kshs. 2,754,507 all totaling to Kshs. 21,989,970 as disclosed in note 7 to the financial statements. However, the management has not availed for audit review; evidence to show that	Fund Account Manager	Un Resolved	6 Months



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (<i>Resolved / Not Resolved</i>)	Timeframe: (<i>Put a date when you expect the issue to be resolved</i>)
		<p>vetting, identification and categorizing of needy student was done by the bursary subcommittee that included area education officer or his representative and formal criteria used in identifying, vetting, awarding of the bursaries. Further, evidence in form of official receipts from respective institutions acknowledging receipt of bursary funds were also not availed for audit review.</p> <p>Consequently, the propriety of bursary payments amounting to Kshs. 36,608,662 for the year ended 30 June 2019 could not be confirmed.</p>			

OFFICE OF THE AUDITOR GENERAL
ELDORET HUB
03 MAR 2021
RECEIVED
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