

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 25 JUL 2024	DAY: THURSDAY
TABLED BY: Hon. Samuel Chepkongei, CBS	OF
CLERK AT THE TABLE: Anne Shibuko	

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**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
MOYALE CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL  
UPPER EASTERN REGIONAL OFFICE - ISIOLO  
17 APR 2024  
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MOYALE CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> JUNE 2023

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

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*Moyale Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

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**I. Acronyms and Abbreviations**

*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

AIE-Authority to Incur Expenditure

ICT- Information Communication Technology

AIA- Appropriations In Aid

NHIF-National Health Insurance Fund

CATs-Continuous Assessment Tests

DCC- Deputy County Commissioner

ACC-Assistant County Commissioner

PSASB- Public Sector Accounting and Standards Board

IPSAS-International Public Sector Accounting Standards

BQs-Bill of Quantities

CSR- Community Social Responsibility

## **I. Key Constituency Information and Management**

### **(a) Background information**

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 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;

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- 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 Moyale 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)

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**Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	Bernard Konya
2.	Sub-County Accountant	Patrick Njeru
3.	Chairman NGCDFC	Shoba Gufu
4.	Member NGCDFC	Rukia Isack

**(c) Fiduciary Oversight Arrangements**

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

P.O. Box 24-60700  
Next to Moyale Police Line  
Moyale, KENYA

**(e) Moyale Constituency NGCDF Contacts**

Telephone: (254)720592929  
E-mail: [cdfmoyale@ngcdf.go.ke](mailto:cdfmoyale@ngcdf.go.ke)  
Website: [www.go.ke](http://www.go.ke)



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**(f) Moyale Constituency NGCDF Bankers**

Equity Bank (A/C No.1020298992601)  
Moyale Branch  
P.O.Box 10-60700  
Moyale

**(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

### III. NG-CDFC Chairman's Report



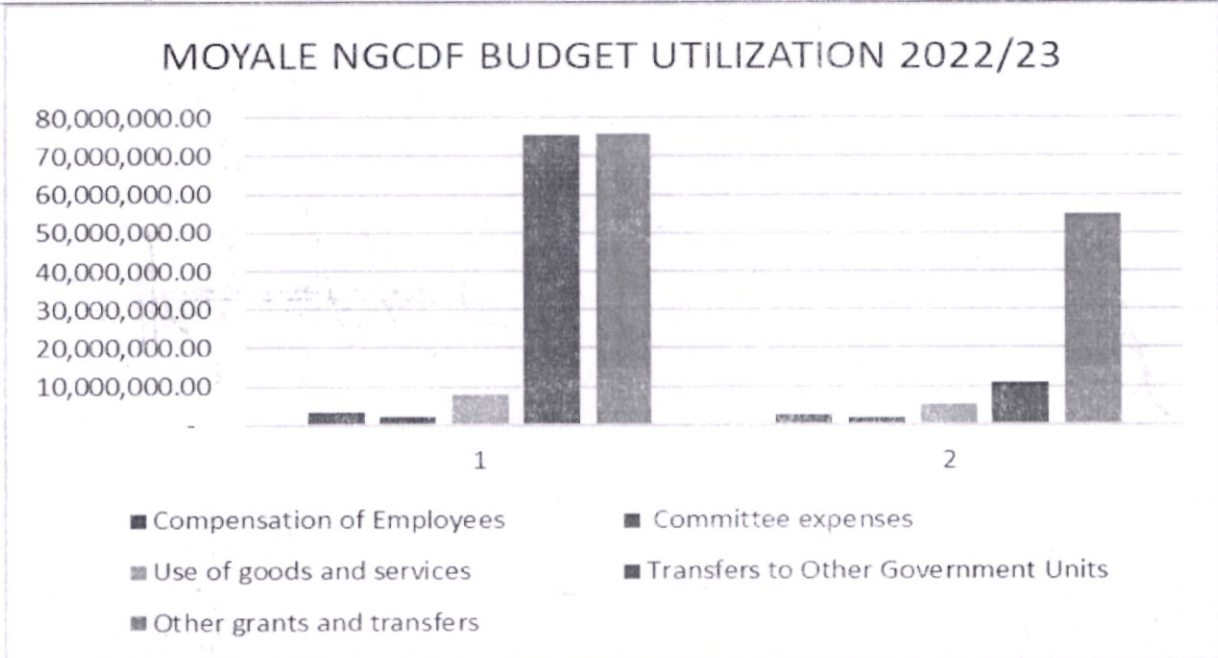
*Mr. Shoba Gufu, Chairperson  
Moyale constituency NG-CDFC*

On behalf of NGCDF Moyale, we wish to acknowledge the transformation brought within the constituency by the fund since its conception.

Although we appreciate the changes brought by the funds, we still have few challenges here and there like the ones below

- i. Funds disbursement delay by the Board hence low rate of absorption of funds and projects implementation
- ii. Delay in approving relocation of funds when request has been made to the Board by the committee.
- iii. Inadequate of training to CDFC to enhance the grasp ability on NGCDF Projects and activities
- iv. The fund is inadequate, and any serious project will take at least 3 financial years to be completed, like the one above
- v. Much litigation on the projects, this derailed the project cycle.
- vi. Inadequate National technical officers for supervisory work and doing BQ

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**Key Achievement**

The bursary award to need students was the most successful project implemented in 2022/23 financial year. All the applicants from secondary schools within the constituency were awarded Kshs 8,000 each totalling Kshs 32million of the total allocation of bursary of Kshs 55million

The stakeholders also awarded Kshs 100,000 each to all students pursuing medical related courses, Engineering at university level and between Kshs. 20,000-50,000 to KMTC and TTC students. The was done with the intention to bridge the professional gaps at the constituency which is considered as Arid area hence has to employ civil servant outsider Upper Eastern.

Once again on behalf of Moyale, we appreciate the impact of the Funds to the citizens of Kenya and more particular to Moyale people



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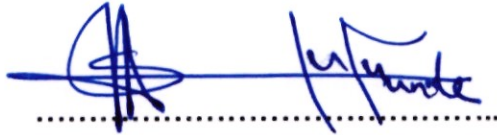
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Recommendations

- i. The Board should ensure funds are disbursed at the right time to allow implementation of projects within the financial year
- ii. The Board should find a solution to the inadequacy of technical officers of the national Government since the county Government are not cooperative
- iii. More training is needed for the PMCs, NGCDFC and staff



**Name Shoba Gufu**  
**CHAIRMAN NGCDF COMMITTEE**

**V. 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 *Moyale Constituency 2022-2027* 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:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels	In FY 22/23 - 3 classrooms in 1 school were constructed, 2 laboratories completed in 2 schools - 2,700 university students were awarded bursaries
Security	All chiefs within the constituency shall have offices and latrine constructed by NGCDF Moyale	Conducive environment for the chiefs to conduct their duties	Number of chiefs offices completed	2 chiefs offices completed in 2 wards
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	Number of usable physical infrastructure built in primary, secondary, and tertiary institutions	<b>In 2022/223,</b> 3 classrooms constructed in 1 school 2 laboratories constructed in 2 schools
	secondary and	conducive	tertiary institutions	2 dormitories

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	higher education transition rates	learning environment for children learning		constructed in 2 schools
	higher education transition rates	environment for children	Number of bursaries beneficiaries at all levels beneficiaries at all levels	4,8047 students were given bursary
Water and	Improve access to clean water	promote access to clean and safe water		
	environment through natural resources conservation initiatives	Equip schools and public facilities with sanitation		8 Number of sanitations facilities (latrines) constructed in 8 schools
		Facilities Provide tree seedlings to schools to improve the forest cover	planted	Number of trees planted increased from 0 to 10
Security	Equip, facilitate and enhance capacity of provincial administration and other	Develop and Enhance Provincial administration and other security organs	Number of usable physical infrastructure built in locations, sub locations and police stations	2 chiefs offices completed 4 more are under construction and will be completed in the next financial year

**V. Statement of Governance**

**Appointment of National Government Constituency Development Fund Committee**

(1) There is established a National Government Constituency Development Fund Committee for every constituency.

(2) Each Constituency Committee shall comprise of—

(a) the national government official responsible for co-ordination of national government functions;

(b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment;

(c) Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment;

(d) one persons with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);

(e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;

(f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.

(g) One member co-opted by the Board in accordance with Regulations made by the Board.

(3) The seven persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

(4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.

(5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.

(6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.

(7) The quorum of the Constituency Committee shall be one half of the total membership.

(8) The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.



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(9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

(11) The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

In accordance with the National Government Constituencies Development Fund act Moyale NG-CDF advertised for the post of NGCDFC. Those who had interest were given 2 weeks from the date of advert before been shortlisted by the selection panel. The selection panel was headed by ACC, who was nominated by DCC.

Those who were short listed were notified and an interview was done for 2 days. The selection Panel eventual selected 2 adults (male and Female), 2 youths (male and Female) and one person with disability nominate by the disability group.

The constituency office through constituency manager nominated 2 adults (Male and female)

The names of the successfully selected individuals were forwarded to the board together with the names forwarded by the DCC and the constituency manager. The names were forwarded to the board for gazettelement. The board submitted to the national assembly for approval and the new committee were gazetted on 9<sup>th</sup> December 2022, Serial No. Vol. CXXIV- No.266. The first meeting was held on 9/12/2022.

### **Removal Of NG-CDFC Members**

The removal of National Government Constituencies Development Fund Committee (NG-CDFC) members in Kenya can occur under certain circumstances and is as outlined in section 43 (13) of the National Government Constituencies Development Fund Act, 2015. A member of constituency committee may be removed from office on any one or more of the following grounds:

- Serious violation of the constitution or any other law a contravention of chapter six.
- Lack of integrity.
- Gross Misconduct or Incompetence.
- Embezzlement of public funds.
- Bringing the committee into disrepute through un becoming personal public conduct.
- Promoting unethical practices.

- Causing disharmony withing the committee.
- Physical or mental infirmity.
- Bankruptcy.

A decision to remove a member shall be made through a resolution of at least 5 members of the committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of removal of a member shall be filled in the manner set out in section 10 and minutes of the meeting shall indicate the fact of the removal or appointment of a member. In Moyale NG-CDF members had to leave office due to end of term and not of misconduct.

### **Roles And Functions of NG-CDFC**

The functions of a Constituency Committee shall be to;-

1. build the capacity of project management committees and Committee and sensitize the Community on the operations of the Fund;
2. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
3. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
4. Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans in approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
5. Consult with relevant government departments to ensure that cost estimates for projects are realistic in considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects
6. Rank projects proposals in order of priority while ensuring that on-going projects take precedence
7. Ensure that all projects receive adequate funding and are completed within three years
8. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board
9. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the board
10. Ensure that project reports are prepared and submitted to the board

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11. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects.

#### **Induction And Training of NG-CDFC Members**

The training of members of a National Government Constituency Development Fund Committee (NG-CDFC) typically involves a combination of orientation, capacity building, and ongoing support. The NG-CDFC is responsible for overseeing the allocation and utilisation of funds allocated to constituencies for development projects, and their members need to have a good understanding of their roles and responsibilities. Moyale NG-CDFC members were inducted on 28<sup>th</sup> April to 2<sup>nd</sup> May 2023 at Mountain view, Embu by NG-CDF Board on the following issues; -Orientation, Legal and Regulatory Framework, Financial Management, Project Management Community Engagement Ethics and Integrity Conflict Resolution Monitoring and Evaluation Communication Skills.

#### **Number Of Meeting in A Year**

NG-CDF Act stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings. In the financial year 2022-2023, Moyale NG-CDFC held seventeen meeting.

#### **Policy On Conflict of Interest**

NG-CDF Act specifies clearly that any member with an interest in the fund shall not participate in a meeting deliberation and shall withdraw from such a meeting. NG-CDF Moyale did not have any occurrence on conflict of interest

#### **Remuneration of members**

NG-CDFC members do not earn a salary but are allowed to be paid a sitting allowance when they conduct meetings. The chairman is paid Ksh 7,000 and the other members Ksh 5,000 per sitting as per guiding circular issued by the NG-CDF board.

#### **Risk Management**

The constituency has a risk policy which they observe and are required to maintain a risk register. The committee has the following responsibilities

- Set the organization's risk appetite and tolerance levels. This means determining how much risk the organization is willing to take in order to achieve its goals.

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- Review and approve the organization's risk management framework and policies. This framework should define how the organization identifies, assesses, and manages risks.
- Oversee the implementation and effectiveness of the organization's risk management process. This includes monitoring the risks that the organization faces, assessing the effectiveness of the controls in place to manage those risks, and making recommendations for improvement.
- Report to the board of directors on the organization's risk management activities. This includes providing information on the organization's risk profile, the effectiveness of its risk management process, and any significant risks that the organization is facing.

**Ethics and code of conduct**

The NG-CDFC members shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record. Members shall not indulge in any act in contravention the act and other law, policy regulations that govern operations of NG-CDF.

## **VI. Environmental and Sustainability Reporting**

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

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

intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 2022-2023 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

- On the environmental performance, Moyale concentrate on Improvement vegetation cover. Each financial year, the constituency ensures at least over 3000 seedlings are planted during long rain season
- We also participate on community Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF at least twice a year, The youth are also engaged on annual constituency sports Tournament sponsored by Moyale Constituency. And the winners are normally given trophies and sports kits

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Moyale 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. Moyale 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

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disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

**4. Market place practices-**

Moyale 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-**

Moyale 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.

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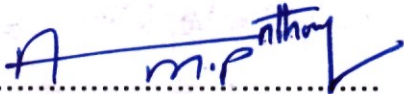
**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



Name

Fund Account Manager.



## **VII. Statement Of Management Responsibilities**

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

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

**Moyale Constituency**

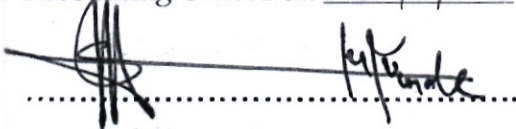
**National Government Constituencies Development Fund (NGCDF)**

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

properly accounted for. Further the Accounting Officer confirms that the constituency 's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

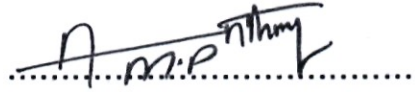
**Approval of the financial statements**

The NGCDF- Moyale Constituency financial statements were approved and signed by the Accounting Officer on 29/9 2023.



Name: Shoba Gufu

Chairman – NGCDF Committee



Name: Bernard Konya

Fund Account Manager

# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
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Website: www.oagkenya.go.ke



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

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Moyale Constituency set out on pages 1 to 38, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the

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

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Moyale 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 Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The statement receipts and payments reflect comparative use of goods and services amount of Kshs.7,158,192 while the prior year audited financial statements reflects Kshs.9,956,192 resulting to an unexplained variance of Kshs.2,798,000. Further, Note 6 reflects training expenses, hire of motor vehicles, utilities, supplies and services and other operating expenses totalling Kshs.834,509 while supporting ledger reflects Kshs.557,382 resulting to an unexplained variance of Kshs.277,127.

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

#### **2. Unsupported Committee Expenses**

The statement of receipts and payments reflects committee expenses amount of Kshs.3,264,000 as disclosed in Note 5 to the financial statements. The amount includes Kshs.2,328,000 spent on other committee allowances on monitoring and evaluation exercises. However, evidence of travel to the projects, schedule of the projects inspected and minutes of constituency committee inspection meetings were not provided for audit.

In the circumstances, the accuracy and completeness of other committee allowances amount of Kshs.2,328,000 could not be confirmed.

#### **3. Unsupported Project Management Committee Bank Balances**

Note 19.4 to the financial statements reflects Project Management Committee (PMC) bank balances of Kshs.40,007,770. However, the cash books, bank reconciliation statements and certificates of bank balance for the PMC bank accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the Project Management Committee (PMC) bank balances of Kshs.40,007,770 could not be confirmed.

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

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on comparable basis amounts of Kshs.173,727,196 and Kshs.109,894,451 respectively resulting to an under-funding of Kshs.63,232,745 or 36% of budget. Similarly, the Fund spent Kshs.75,325,141 against actual receipts of Kshs.109,894,451 resulting to an under-utilization of Kshs.Kshs.34,569,310 or 31% of the actual receipts.

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

My opinion is not modified in respect of this matter.

### **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**

In the previous year's audit report, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, although the Management has indicated that the issues have been responded to, the matters have remained unresolved as the relevant parliamentary committee has not met to deliberate on the same.

### **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. Failure to Report Emergency Expenditures to the Board**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.54,860,678 as disclosed in Note 8 to the financial statements out of which Kshs.6,081,878 was incurred on emergency projects. However, there was no evidence to confirm that Management reported the emergency expenditure to the Board. This was contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which requires that the utilization of emergency reserves be reported to the Board within thirty (30) days of the occurrence of the emergency.

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

### **2. Lack of a Bursary Committee**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.54,860,678 as disclosed in Note 8 to the financial statements. The amount includes bursaries to secondary schools and tertiary institutions totalling Kshs.46,903,800. However, as reported in the previous year, there was no evidence of the existence of duly constituted bursary committees at the ward level contrary to the CDF Board Circular dated 13 September, 2020 which states that a bursary committee shall exist to vet, identify, and categorize needy students using established criteria.

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

### **3. Irregular Procurement of a School Bus**

The statement of receipts and payments reflects transfers to other government entities amount of Kshs.11,007,218 as disclosed in Note 7 to the financial statements out of which Kshs.9,507,218 was transferred to Dr. Guracha Memorial Girls Secondary School for Purchase of a 49-Seater School Bus. However, tender documents were not provided for audit and there was no evidence that the Project Management Committee opened a bank account for the project. This was contrary to Regulation 29(3) of National Government Constituencies Developments Regulations, 2016 which states that a Constituency Committee shall ensure that the project management committee opens a bank account in an approved bank for each approved project.

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

### **4. Lack of Approved Work Plan**

The statement of receipts and payments reflects other grants and transfers balance of Kshs.54,860,678 as disclosed in Note 8 to the financial statements. The amount includes a payment of Kshs.1,875,000 towards the construction of a three-roomed staff

house at the Elle Dimtu AP Camp which was not supported by approved work plan. This was contrary to Regulation 15(4)(b) of the National Government Constituencies Developments Regulations, 2016 which requires the project management committee to prepare work plans for approval by the Constituency Committee before the funds are released.

In addition, there was no evidence of opening a separate bank account for the project contrary to Regulation 29(3) of National Government Constituencies Development Regulations, 2016 which states that a Constituency Committee shall ensure that the Project Management Committee opens a bank account in an approved bank for each approved project.

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

### **5. Irregular Procurement of Drinking Water**

The statement of receipts and payments reflects other grants and transfers balance of Kshs.54,860,678 as disclosed in Note 8 to the financial statements out of which Kshs.2,635,000 was incurred on the supply and delivery of fresh drinking water to various primary schools. The procurement was undertaken by the Constituency Committee contrary to Regulation 15(6) of the National Government Constituencies Development Fund Regulations, 2016 which states that a Constituency Committee shall not convert itself into a Project Management Committee unless in the procurement of equipment, including motor vehicles, for the exclusive use of a Constituency Committee. Further, there was no evidence to confirm that the suppliers were identified competitively.

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

### **6. Irregular Procurement of Stationery**

The statement of receipts and payments reflects use of goods and services amount of Kshs.3,538,359 as disclosed in Note 6 to the financial statements. The amount includes office and general supplies and services amount of Kshs.875,930 out of which Kshs.245,800 was spent on general office stationery purchased using request for quotation method of procurement. However, the list of registered suppliers was not provided for audit and there was no evidence of an inspection and acceptance committee. This was contrary to Section 48 (1) of Public Procurement and Asset Disposal Act, 2015 which requires an accounting officer to establish an inspection and acceptance committee to inspect and where necessary test the goods received in order to ensure compliance with the terms and specifications of the contract. In addition, there was no evidence that the goods were taken on charge and recorded in the stores records.

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### **Basis for Conclusion**

#### **Double Payment of Bursaries**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.54,860,678 as disclosed in Note 8 to the financial statements which includes an amount of Kshs.30,000,000 in respect to disbursement of bursaries to secondary schools. However, review of supporting documentation revealed that fifteen (15) students from various secondary schools were each awarded two (2) bursaries totalling Kshs.240,000 without justification.

In the circumstance, the effectiveness of internal controls on the bursary award process could not be confirmed.

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 controls, 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 controls 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 intentions to terminate the Fund or to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence and 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

17 May, 2024

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

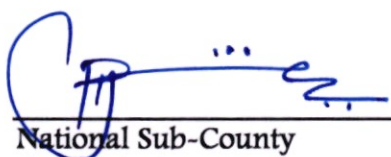
	Note	2022/23	2021/22
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	95,000,000	182,177,758
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>95,000,000</b>	<b>182,177,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,654,886	5,533,781
Committee expenses	5	3,264,000	2,798,000
Use Of Goods and Services	6	3,538,359	7,158,192
Transfers To Other Government Units	7	11,007,218	82,052,050
Other Grants and Transfers	8	54,860,678	83,420,383
Acquisition Of Assets	9	-	-
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>75,325,141</b>	<b>180,962,406</b>
<b>Surplus/(Deficit)</b>		<b>19,674,859</b>	<b>1,215,352</b>

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

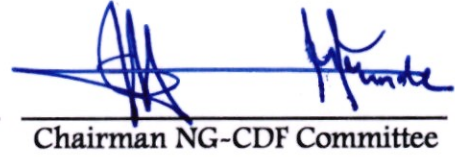
The Constituency financial statements were approved by the NGCDFC on 29/9 2023 and signed by:

  
Fund Account Manager

Name: Benard Konya

  
National Sub-County Accountant

Name: Patrick Njeru  
ICPAK M/No:

  
Chairman NG-CDF Committee

Name: Shoba Gufu

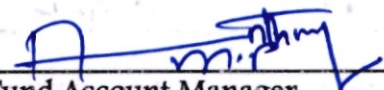
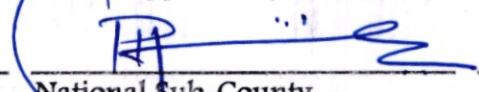
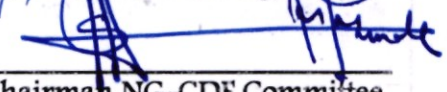
*Moyale Constituency*  
*National Government Constituencies Development Fund (NGCDF)*  
*Annual Report and Financial Statements for The Year Ended June 30, 2023*

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

	Note	2022/23	2021/22
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances (As Per the Cash Book)	12A	34,569,310	14,894,451
Cash Balances (Cash at Hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>34,569,310</b>	<b>14,894,451</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>Total Financial Assets</b>		<b>34,569,310</b>	<b>14,894,451</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets</b>		<b>34,569,310</b>	<b>14,894,451</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	14,894,451	13,679,099
Prior Year Adjustments	16	-	-
Surplus/Deficit for The Year		19,674,859	1,215,352
<b>Net Financial Position</b>		<b>34,569,310</b>	<b>14,894,451</b>

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 29/9 2023 and signed by:

		
Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: Bernard Konya	Name: Patrick Njeru ICPAK M/No:	Name: Shoba Gufu

**Moyale Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****XI. Statement Of Cash Flows for The Year Ended 30th June 2023**

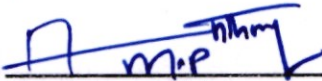
	Notes	2022/23	2021/22
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	95,000,000	182,177,758
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>95,000,000</b>	<b>182,177,758</b>
<b>Payments</b>			
Compensation Of Employees	4	2,654,886	5,533,781
Committee Expenses	5	3,264,000	2,798,000
Use Of Goods and Services	6	3,538,359	27,158,192
Transfers To Other Government Units	7	11,007,218	83,420,383
Other Grants and Transfers	8	54,860,878	83,420,383
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>Total Payments</b>		<b>75,325,141</b>	<b>180,962,406</b>
<b>Total Receipts Less Total Payments</b>		<b>-</b>	<b>-</b>
Adjusted For:			
Prior Year Adjustments	16	-	-
Decrease/(Increase) In Accounts Receivable	17	-	-
Increase/(Decrease) In Accounts Payable	18	-	-
<b>Net Cash Flow from Operating Activities</b>		<b>19,674,859</b>	<b>1,215,352</b>
<b>Cashflow From Investing Activities</b>			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	9	-	-
<b>Net Cash Flows from Investing Activities</b>		<b>19,674,859</b>	<b>1,215,352</b>
Net Increase In Cash And Cash Equivalent		19,674,859	1,215,352
<b>Cash &amp; Cash Equivalent At Start Of The Year</b>	<b>12</b>	<b>14,894,451</b>	<b>13,679,099</b>
<b>Cash &amp; Cash Equivalent At End Of The Year</b>	<b>12</b>	<b>34,569,310</b>	<b>14,894,451</b>

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

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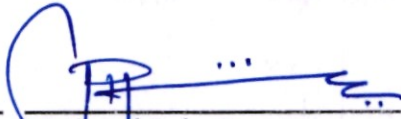
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 29/9 2023 and signed by:



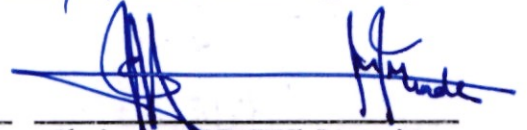
Fund Account Manager

Name: Bernard Konya



National Sub-County  
Accountant

Name: Patrick Njeru  
ICFAK M/No:



Chairman NG-CDF Committee

Name: Shoba Gufu

XII. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2023

Receipts/Payments	Original Budget		Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b			c=a+b	d	e=c-d	f=d/c %
	2022/23	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements		2022/23	2022/23		
	Kshs	Kshs	Kshs		Kshs	Kshs	Kshs	
Receipts								
Transfers From NGCDF Board	158,832,745	14,894,451	-		173,727,196	95,000,000	63,832,745	63%
Proceeds From Sale of Assets	-	-	-		-	-	-	
Other Receipts	-	-	-		-	-	-	
BALANCE B/F						14,894,451		
<b>Totals</b>	<b>158,832,745</b>	<b>14,894,451</b>	<b>-</b>		<b>173,727,196</b>	<b>109,894,451</b>	<b>63,832,745</b>	<b>63.3%</b>
Payments								
Compensation Of Employees	3,049,648	29,613	-		3,079,261	2,654,886	424,375	86%
Committee Expenses	2,696,000	-	-		2,696,000	3,264,000	-568,000	121%
Use Of Goods and Services	8,560,454	236,947	-		8,797,401	3,538,359	5,259,052	40%
Transfers To Other Government Units	63,464,953	10,507,217	-		73,972,170	11,007,218	62,964,952	15%
Other Grants and Transfers	69,568,190	4,120,674	-		73,688,864	54,860,678	18,828,186	74%
Acquisition of Assets	-	-	-		-	-	-	0%
Oversight Committee Expenses	793,500	-	-		793,500	-	793,500	0%
Other Payments	1,670,000	-	-		1,670,000	-	1,670,000	0%
Funds Pending Approval**	9,030,000	-	-		9,030,000	-	9,030,000	0%
<b>Totals</b>	<b>158,832,745</b>	<b>14,894,451</b>	<b>-</b>		<b>173,727,196</b>	<b>75,325,141</b>	<b>98,402,055</b>	<b>43%</b>



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

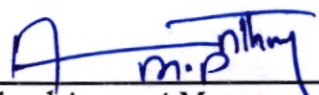
**Explanatory Notes.**

- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]  
 (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

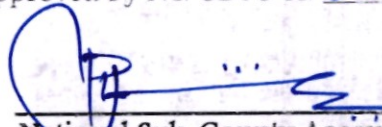
*(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.*

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	98,402,055
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2023	(63,832,745)
	34,569,310
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2023	34,569,310

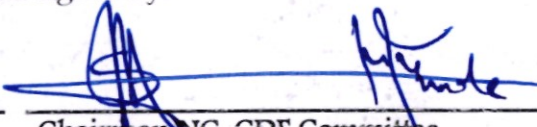
The Constituency financial statements were approved by NG CDFC on 29/9 2023 and signed by:

  
 Fund Account Manager

Name: Bernard Konya

  
 National Sub-County Accountant

Name: Patrick Njeru  
 ICPAK M/No:

  
 Chairman NG-CDF Committee

Name: Shoba Gufu

XIII. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2023

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,049,648	29,613.00		3,079,261	2,580,126	499,135
1.2 Committee allowances	2,072,000			2,072,000	1,100,600	971,400
1.3 Use of goods and services	4,408,317	236,947.00		4,645,264	2,255,319	2,389,945
Total	9,529,965	266,560	-	9,796,525	5,936,045	3,860,480
2.0 Monitoring and evaluation						
2.1 Capacity building	1,935,000	-	-	1,935,000	1,700,000	235,000
2.2 Committee allowances	624,000	-	-	624,000	569,200	54,800
2.3 Use of goods and services	2,217,137	-	-	2,217,137	1,252,000	965,137
Total	4,776,137	-	-	4,776,137	3,521,200	1,254,937
<b>3.03.0 Emergency</b>						
3.1 Primary Schools	-	-	-	-	-	-
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilised	7,636,190			7,636,190	6,081,878	1,554,312
Total	7,636,190	-	-	7,636,190	6,081,878	1,554,312

*Moyale Constituency  
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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			
4.0 Bursary and Social Security		-	-			
4.1 Secondary Schools	30,000,000	-	-	30,000,000	30,000,000	-
4.2 Tertiary Institutions	24,500,000	-	-	24,500,000	16,903,800	7,596,200
4.3 Social Security		-	-	-	-	-
4.4 Special Needs	500,000	-	-	500,000	-	500,000
Total	55,000,000	-	-	55,000,000	46,903,800	8,096,200
5.0 Sports						
Constituency Sport Tournament	738,000	-	-	738,000		738,000
Purchase of Sports Kit	954,000	-	-	954,000		954,000
Regional Tournament	300,000	-	-	300,000		300,000
5.1		-	-	-	-	-
Total	1,992,000	-	-	1,992,000	-	1,992,000
6.0 Environment						
Betiye Primary School	2,030,000			4,275,674	-	4,275,674
		2,245,674.00				
Total	2,030,000	2,245,674	-	4,275,674	-	4,275,674
7.0 Primary Schools Projects						
Sololo primary	2,838,922			2,838,922		2,838,922
Gola Primary	2,923,200			2,923,200		2,923,200

**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			
Uran Primary	3,188,000	-	-	3,188,000	-	3,188,000
Uran Primary	3,188,000	-	-	3,188,000	-	3,188,000
Godoma Pri	2,923,200	-	-	2,923,200	-	2,923,200
Gadha Korma Rero Pri	1,461,600	-	-	1,461,600	-	1,461,600
Sololo Makutano Pri	2,725,000	-	-	2,725,000	-	2,725,000
Antut Pri	1,461,600	-	-	1,461,600	-	1,461,600
Qilta Gogha	1,400,000	-	-	1,400,000	-	1,400,000
Sessi Pri	930,000	-	-	930,000	-	930,000
Somare Makutano	2,923,200	-	-	2,923,200	-	2,923,200
Hadesa Korma	1,200,000	-	-	1,200,000	-	1,200,000
Badhan Rero Primary	1,400,000	-	-	1,400,000	-	1,400,000
Heilu Primary	1,706,889	-	-	1,706,889	-	1,706,889
Funyatta Primary	2,725,000	-	-	2,725,000	-	2,725,000
Uran Godha Primary	500,000	1,000,000	-	1,500,000	1,500,000	-
Hawecha Primary	1,800,000	-	-	1,800,000	-	1,800,000
Ramole Primary	2,923,200	-	-	2,923,200	-	2,923,200
Total	35,029,809	1,000,000	--	36,029,809	1,500,000-	34,529,809
8.0 Secondary Schools Projects						
Dabel Mixed	1,443,144	-	-	1,443,144	-	1,443,144
Township mixed	3,547,500	-	-	3,547,500	-	3,547,500
Odda Mixed	4,075,000	-	--	4,075,000	-	4,075,000

Moyale Constituency  
 National Government Constituencies Development Fund (NGCDF)  
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Programme/Sub-programme	Original Budget	Opening Balance (C/Bk) and AIA	Previous Year's Outstanding Disbursements	Final Budget	Actual on comparable basis	Budget utilization difference
Kinisa Mixed	3,795,000	-	--	3,795,000	-	3,795,000
Bori Junction Mixed	3,795,000	-	--	3,795,000	-	3,795,000
St.Marys Mixed Day	1,075,000	-	--	1,075,000	-	1,075,000
St.Marys Mixed Day	3,547,500	-	-	3,547,500	-	3,547,500
Bori Junction Mixed	4,075,000	-	-	4,075,000	-	4,075,000
Sololo Boys Sec	2,176,000	-	-	2,176,000	-	2,176,000
Dr.Guracha Memorial	2,306,000	-	-	11,813,217	9,507,218	2,305,999
Total	29,835,144	9,507,217	0	39,342,361	9,507,218	29,835,143
9.0 Tertiary institutions Projects						
Total	-	-	-	-	-	-
10.0 Security Projects						
Moyale DCI office	1,050,000	1,875,000		1,050,000	1,050,000	1,050,000
Edel Dentus-AF Camp	4,711,185	1,875,000		6,586,185	4,711,185	1,875,000
Total	5,273,001	1,875,000	-	7,148,001	5,273,001	1,875,000
11.0 Acquisition of assets						
Total	-	-	-	-	-	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	-		-	-	-	-
	-		-	-	-	-
Total	-		-	-	-	-
<b>Oversight Committee</b>	278,500			278,500		278,500
catering services						
allowances	165,000	-		165,000		165,000
Training material	95,000	-	-	95,000	-	95,000
Traveling costs	205,000	-	-	205,000	-	205,000
daily subsistence's allowances	150,000	-	-	150,000		150,000
Total	893,500	-	-	893,500		893,500
13.0 Other payments				-		-
Motor vehicle	7,630,000	-		7,630,000		7,630,000
				-		-
<b>GRAND TOTAL</b>	<b>158,832,745</b>	<b>14,894,451</b>	<b>-</b>	<b>173,727,196</b>	<b>75,325,141</b>	<b>98,402,055</b>

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

#### **XIV. Significant Accounting Policies**

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

##### **1. Statement of Compliance and Basis of Preparation**

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

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

##### **2. Reporting Entity**

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

##### **3. Reporting Currency**

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

##### **4. Significant Accounting Policies**

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

###### **a) Recognition of Receipts**

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

*Significant Accounting Policies continued*

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

*Unutilized Funds from PMCs.*

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

**External Assistance**

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

**b) Recognition of payments**

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



*Significant Accounting Policies continued*

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

*Significant Accounting Policies continued*

**6. Cash and Cash Equivalent.**

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

*Significant Accounting Policies continued*

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

*Significant Accounting Policies continued*

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

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

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

**12. Comparative Figures**

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

*Significant Accounting Policies Continued*

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> 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.

*Moyale Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**XV. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

Description	2022/23	2021/22
	Kshs	Kshs
NGCDF Board		
AIE NO. B 005108		44,000,000
AIE NO. B 030184		22,000,000
AIE NO. B 030428		5,000,000
AIE NO. B 006370		12,000,000
AIE NO. B 042761		12,000,000
AIE NO. B 047007		18,000,000
AIE NO. B 041083		24,088,879
AIE NO. B185187	7,000,000	33,000,000
AIE NO. B185723	15,000,000	12,088,879
AIE NO. B185463	6,000,000	
AIE NO. B206039	5,000,000	
AIE NO. B206397	19,000,000	
AIE NO. B205832	12,000,000	
AIE NO. B207593	16,000,000	
AIE NO. B207959	15,000,000	
<b>TOTAL</b>	<b>95,000,000</b>	<b>182,177,758</b>

**2. Proceeds From Sale of Assets**

	2022/23	2021/22
	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)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*Moyale Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

*Notes To the Financial Statements (Continued)*

**3. Other Receipts**

	<i>2022/23</i>	<i>2021/22</i>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**4. Compensation Of Employees**

	<i>2022/23</i>	<i>2021/22</i>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	1,765,550	3,634,673
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	97,000	134,600
Leave allowance	-	67,280
Gratuity to contractual employees	759,936	1,624,428
Employer Contributions Compulsory national social security schemes	32,400	72,800
<b>Total</b>	<b>2,654,886</b>	<b>5,533,781</b>

**5. Committee Expenses**

	<i>2022/23</i>	<i>2021/22</i>
	<b>Kshs</b>	<b>Kshs</b>
Sitting allowance	936,000	-
Other committee expenses	2,328,000	2,798,000
<b>Total</b>	<b>3,264,000</b>	<b>2,798,000</b>

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*Notes To the Financial Statements (Continued)*

**6. Use of Goods and services**

	2022/23	2021/22
	Kshs	Kshs
Utilities, supplies and services	25,799	9,450
Communication, supplies and services	-	-
Domestic travel and subsistence	767,000	392,000
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	629,800.00	1,580,000
Hospitality supplies and services	-	-
Water and sewerage charges	170,883	1,718,850
Specialised materials and services	-	-
Office and general supplies and services	875,930	959,830
Fuel, oil & lubricants	409,474	1,702,584
Other operating expenses	178,910	317,293
Bank Charges	56,063	130,933
Other committee expenses	-	2,798,000
Routine maintenance - vehicles and other transport equipment	424,500	347,250
Routine maintenance- other assets	-	-
<b>Total</b>	<b>3,538,359.00</b>	<b>9,956,192</b>

**7. Transfer To Other Government Units**

Description	2022/23	2021/22
	Kshs	Kshs
Transfers To Primary Schools	1,500,000	39,634,300
Transfers To Secondary Schools	9,507,218	42,417,750
Transfers To Tertiary Institutions	-	-
<b>Total</b>	<b>11,007,218</b>	<b>82,052,050</b>

*Moyale Constituency*

*National Government Constituencies Development Fund (NGCDF)*

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

*Notes To the Financial Statements (Continued)*

**8. Other Grants and Other transfers**

	<i>2022/23</i>	<i>2021/22</i>
	<b>Kshs</b>	<b>Kshs</b>
Bursary – secondary schools	30,000,000	20,340,000
Bursary – tertiary institutions	16,903,800	22,592,950
Bursary – special schools	-	-
Mock & CATs	-	-
Social Security programmes (NHIF)	-	-
Security projects	1,875,000	27,387,655
Sports projects	-	2,531,000
Environment projects	-	3,228,778
Emergency projects	6,081,878	7,340,000
Roads projects	-	-
<b>Total</b>	<b>54,860,678</b>	<b>83,420,383</b>

**9. Acquisition Of Assets**

	<i>2022/23</i>	<i>2021/22</i>
	<b>Kshs</b>	<b>Kshs</b>
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	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



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**10. Oversight Committee Expenses**

	2022-2023	2021/22
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

**11. Other Payments**

	2022-2023	2021/22
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

**12. Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2022/23	2021/22
	Kshs	Kshs
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank, Account No. 1020298992601</i>	34,569,310	14,894,451
<i>Name of Bank, account No. (Deposits account)</i>	-	-
<b>Total</b>	<b>34,569,310</b>	<b>14,894,451</b>
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**13. Outstanding Imprests**

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>	-	-	-	-
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>

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*Notes to the Financial Statement Continued*  
**14. Retention and Gratuity**

<b>14 A. Retention</b>	<i>2022/23</i>	<i>2021/22</i>
	<b>KShs</b>	<b>KShs</b>
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-

<b>14 B. Gratuity</b>	<i>2022/23</i>	<i>2021/22</i>
	<b>KShs</b>	<b>KShs</b>
Gratuity as at 1 <sup>st</sup> July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	-	-

**15. Fund Balance B/F**

	<i>(1<sup>st</sup> July 2022)</i>	<i>(1<sup>st</sup> July 2021)</i>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	14,894,451	13,679,099
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less		
Payables: - Retention	-	-
Payables - Gratuity	-	-
Fund Balance Brought Forward	<b>14,894,451</b>	<b>13,679,099</b>

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**16. Prior Year Adjustments**

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

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

**17. Changes In Accounts Receivable – Outstanding Imprests**

	2022/23	2021/22
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D - A	-	-

**18. Changes In Accounts Payable – Deposits and Retentions**

	2022/23	2021/22
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

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**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

	2022/23	2021/22
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**19.2: Pending Staff Payables (See Annex 2)**

	2022/23	2021/22
	Kshs	Kshs
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**19.3: Unutilized Fund (See Annex 3)**

	2022/23	2021/22
	Kshs	Kshs
Compensation of employees	499,135	29,613
Committee expense	1,026,200	-
Use of goods and services	3,590,082	-
Amounts due to other Government entities (see attached list)	62,964,952	236,9447
Amounts due to other grants and other transfers (see attached list)	18,828,186	10,507,218
Acquisition of assets	-	4,120,673
Oversight Committee Expenses	793,500	-
Other Payments ( <i>specify</i> )	1,670,000	-
Funds pending approval	9,030,000	-
<b>Total</b>	<b>98,402,055</b>	<b>14,894,451</b>

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**19.4: PMC account balances (See Annex 5)**

	<i>2022/23</i>	<i>2021/22</i>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	40,007,770	170,563
<b>Total</b>	<b>40,007,770</b>	<b>170,563</b>

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 20xx	Comments
<b>NG-CDFC Staff</b>				
1.	-	-	-	
2.	-	-	-	
3.	-	-	-	
<b>Sub-Total</b>	-	-	-	
<b>Grand Total</b>	-	-	-	

## Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Compensation of employees		499,135	29,613	
Use of goods & services	-	1,026,200	236,947	-
Committee expenses		3,590,082	-	
<b>Amounts due to other Government entities</b>	-	-	--	
<b>Primary School Project</b>				
Sololo primary	Construction of Renovation of 4 classrooms	2,838,922	-	Late disbursement of funds by the Board
Gola Primary	Construction of 2 classrooms	2,923,200	-	Late disbursement of funds by the Board
Uran Primary	Construction of Renovation of 6 classrooms	3,188,000	-	Late disbursement of funds by the Board
Godoma Primary	Construction of 2 classrooms	2,923,200	-	Late disbursement of funds by the Board
Gadha Korma Rero Pri	Construction of 1 classroom	1,461,600	-	Late disbursement of funds by the Board
Sololo Makutano Pri	Construction Administration Block	2,725,000	-	Late disbursement of funds by the Board
Antut Primary	Construction of 1 classroom	1,461,600	-	Late disbursement of funds by the Board
Sessi Primary	Construction of 1 classroom	930,000	-	Late disbursement of funds by the Board
Somare MaKutano	Construction of 4 doors latrine	2,923,200	-	Late disbursement of funds by the Board
Hadesa Korma	Construction of 2 classrooms	1,200,000	-	Late disbursement of funds by the Board
Badhan Rero Primary	Construction of Kitchen and Store	1,400,000	-	Late disbursement of funds by the Board
Heilu Primary	Construction of 1 classroom	1,706,887	-	Late disbursement of funds by the Board
Funyatta Primary	Renovation of 3 classrooms	2,725,000	-	Late disbursement of funds by the Board
Uran Godha Primary	Construction Administration Block-	-	1,000,000	Late disbursement of funds by the



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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Hawecha Primary	Fencing of school	1,800,000	-	Late disbursement of funds by the Board
Ramole Primary	Renovation of 3 classrooms	2,923,200	-	Late disbursement of funds by the Board
Sub Total		<b>33,129,809</b>	<b>1,000,000</b>	
<b>Secondary School</b>				
Dabel Mixed	Renovation of 2 classrooms	1,443,144	-	Late disbursement of funds by the Board
Township mixed	Construction of laboratory	3,547,500	-	Late disbursement of funds by the Board
Odda Mixed	Construction of administration	4,075,000	-	Late disbursement of funds by the Board
Kinisa Mixed	Construction of administration	3,795,000	-	Late disbursement of funds by the Board
Bori Junction Mixed	Construction of ramp	3,795,000	-	Late disbursement of funds by the Board
St.Marys Mixed Day	Construction of laboratory	1,075,000	-	Late disbursement of funds by the Board
St.Marys Mixed Day	Construction of dining hall	3,547,500	-	Late disbursement of funds by the Board
Bori Junction Mixed	Construction of administration block	4,075,000	-	Late disbursement of funds by the Board
Sololo Boys Sec	Construction of dining hall	2,176,000	-	Late disbursement of funds by the Board
Dr.Guracha Memorial	Construction 5 doors staff house and purchase of a Bus	2,305,999	10,507,218.00	Late disbursement of funds by the Board
Sub-Total		<b>29,835,143</b>	<b>10,507,218.00</b>	
Amounts due to other grants and other transfers				
Bursary-Tertiary-tertiary	Bursary to bright Financial needy	7,596,200	-	Late disbursement of funds by the Board
Special schools Bursary		500,000		
Sub Total		<b>8,096,200</b>		

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Environment- Butiye Primary School	Fencing of school	2,030,000	2,245,674.00	Late disbursement of funds by the Board
<b>Sports</b>				
Expenditure during Tournament	Expenses incurred during launching and during sport tournament	738,000	-	Late disbursement of funds by the Board
Purchase of Sports Kit	Purchase of sports Kits for 14 teams	954,000		Late disbursement of funds by the Board
Regional Sports	To cater for expenses at regional games	300,000		Late disbursement of funds by the Board
Sub Total		1,992,000		
<b>security-</b>				
Elle Dimtu Admin Police Camp	Renovation of the office	1,700,000	1,875,000	Late disbursement of funds by the Board
Qate Police Post		160,000		Late disbursement of funds by the Board
Moyale Police Station	Construction 6 staff houses	1,050,000		Late disbursement of funds by the Board
Sub-Total		<b>2,910,000</b>	<b>1,875,000</b>	
Emergency	To cater for unforeseen occurrences	1,500,000	-	Late disbursement of funds by the Board
Acquisition of assets				
Oversight Committee Expenses(itemize)-catering services	Catering expenses during training	278,500	-	Late appointment of the committee
allowances	To cater for sitting allowances	165,000	-	Late appointment of the committee
Training material	Purchasing training materials	95,000	-	Late appointment of the committee
Traveling costs	Transport allowances to the committee	205,000	-	Late appointment of the committee
daily subsistence allowances	Cater for COC during normal duties	150,000	-	Late appointment of the committee

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Name	Brief Transaction Description	Outstanding Balance Current FY	Outstanding Balance Previous FY	Comments
Sub Total		893,500		
Others ( <i>specify</i> ) Strategic Plan		1,670,000		Late fund disbursement
	-	-	-	-
Sub-Total	-	-	-	-
Funds pending approval	Conditional approval for Motor vehicle purchase@7.63m and road opening@ 1.4m	9,030,000	-	Require more document to be submitted by FAM
Grand Total		98,402,055	14,894,451	

## 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	7,976,000	-	-	7,976,000
Buildings and structures	4,550,000	-	-	4,550,000
Transport equipment	1,753,150	-	-	1,753,150
Office equipment, furniture and fittings	1,377,000	-	-	1,377,000
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>15,656,150</b>	<b>-</b>	<b>-</b>	<b>15,656,150</b>

**Moyale Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2023****Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023**

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Anona primary school	1020264486704	EQUITY	460	460
Antut primary school	1020273252882	EQUITY	1,462,635	1,035
Badhan Rero police posts	1020282738654	EQUITY	650	650
Badhan Rero police posts	1020269413608	EQUITY	1,400,386	386
Bori junction mixed day secondary sch	1020279468056	EQUITY	7,760,282	397
Butiye chiefs office	1020269341049	EQUITY	290	290
Butiye mixed day secondary school	1020264436265	EQUITY	630	630
Dabel chiefs office	1020280630715	EQUITY	806	806
Dadach Elele primary school	1020270817314	EQUITY	10,049	10,049
Dambala Fachana primary school	1020270720468	EQUITY	2,330	2,330
Deputy CC Office	1020282020865	EQUITY	938	938
Dirdima primary school	1020264434128	EQUITY	400	400
Dr Guracha girls memorial secondary sch	1020264563144	EQUITY	2,771,304	304
Elle Borr primary school	1020299287124	EQUITY	2,700	2,700
Funan Idha Ap Camp	1020280631885	EQUITY	1,035	1,035
Funan Qumbi primary school	1020161588470	EQUITY	426	426
Godoma Didiqo primary school	1020276266395	EQUITY	1,496	1,496

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Godoma primary school	1020264472844	EQUITY	2,924,810	1,610
Golole chiefs office	1020277969173	EQUITY	747	747.
Golole police post	1020281283930	EQUITY	500	500
Goromuda chief office	1020276274330	EQUITY	-	-
Halo bula primary school	1020264295270	EQUITY	1,900	1,900
Harsako primary school	1020264298034	EQUITY	377	377
Hawecha primary school	1020271475903	EQUITY	1,823,550	23,550
Heilu mixed day secondary school	1020270648443	EQUITY	1,402.00	-
Karbururi primary school	1020162237548	EQUITY	40,50	40,500.
Kinisa chiefs' office	1020276284206	EQUITY	-	-
Kinisa mixed day secondary school	1020280918433	EQUITY	3,795,948	546
Lami chiefs' office	1020281201814	EQUITY	3,770	3,770
Madho Adhi chiefs' office	1020279999833	EQUITY	520	520
Madho Adhi primary school	1020272288002	EQUITY	1,937	1,937
Misa primary school	1020277690840	EQUITY	3,772.00	3,772
Moyale Law court	1020282109280	EQUITY	879	879
Moyale NGCDF Office	1020264295324	EQUITY	91	91
Moyale Prison	1020279647346	EQUITY	1,100	1,100

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Moyale special school	1020277690087	EQUITY	1,086	1,086
Moyale sport PMC	1020279983493	EQUITY	2,874	2,874
Odda Mixed Day and Boarding school	1020269350511	EQUITY	4,075,355	355
Odda primary school	1020264432880	EQUITY	-	-
Qalaliwe primary school	1020276266157	EQUITY	406	406
Qate primary school	1020282442946	EQUITY	1,156	1,156
Qonqoma Primary school	1020281198607	EQUITY	42,669	42,669
Qonqoma secondary School	1020282017455	EQUITY	200	200
Sessi mixed secondary school	1020299689955	EQUITY	360	360
Sololo Makutano Primary School	1020270722172	EQUITY	2,725,582	584
Sololo Mixed Secondary School	1020265622160	EQUITY	2,176,052	52
Sololo police post	1020280982919	EQUITY	815	815
Sololo primary School	1020272315364	EQUITY	2,839,041	119
Somare primary school	1020277693919	EQUITY	2,924,183	983
ST. Mary's Secondary School	1020281359928	EQUITY	1,200	1,200
Township Chief office	1020281268668	EQUITY	1,500	1,500
Township Mixed Day secondary School	1020272310135	EQUITY	867	867
Uran Chiefs Office	1020280028221	EQUITY	3,800	3,800

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Previous FY
Uran Godha primary School	1020277696299	EQUITY	852	852
Uran Lataka Chiefs Office	1020282742549	EQUITY	1,367	1,367
Uran Primary school	1020269366084	EQUITY	3,188,450	450
Walda Chiefs Office	1020276297099	EQUITY	-	-
Watiti Primary School	1020162565044	EQUITY	1,200	1,200
Waye Godha Primary School	1020272454691	EQUITY	135	135
			<b>40,007,770</b>	<b>170,563</b>



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Annex 6: Progress On Follow Up of Auditor Recommendations*

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date which you expect the issue to be resolved)
AOUG/UE/NGCDF/MOYALE/2021/22	The constituency awarded kshs 38m to needy students. But couldn't account for half of the bursary issued to needy students. Half of acknowledgements were missing. The management ensure that bursary issued are acknowledged	Going forward, the committee have agreed to be using Postal Services to deliver Bursary cheques to schools/. colleges /Universities	resolved	N/A

Bernard Konya  
Fund Account Manager.

