

REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 07 AUG 2024

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**REPORT**

CLERK AT  
THE TABLE:

Anastacia Thumbi

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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



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TURKANA NORTH 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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## **II. Key Constituency Information and Management**

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

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

### **Mandate**

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

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

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

### **Vision**

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 Turkana North Constituency NGCDF day-to-day management is under the following key organs:

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

### **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	<b>Mathew Kipsanai</b>
2.	Sub-County Accountant	<b>Obadiah Korir</b>
3.	Chairman NGCDFC	<b>Joseph Lokolio</b>
4.	Member NGCDFC	<b>Rayo Simon</b>

### **(c) Fiduciary Oversight Arrangements**

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

### **(d) Turkana North Constituency NGCDF Headquarters**

P.O. Box 1- 30504  
DDO's Offices  
Lokitaung

### **(e) Turkana North Constituency NGCDF Contacts**

Telephone: (254) 722 161839  
E-mail: turkananorth@ngcdf.go.ke  
Website: www.ngcdf.go.ke

**(f) Turkana North Constituency NGCDF Bankers**

Kenya Commercial Bank  
Kodwar Branch  
P.O. Box 150- 30500  
LODWAR

**(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**



**JOSEPH LOKOLIO  
CHAIRPERSON  
TURKANA NORTH NGCDFC**

This report and financial statement represent the financial position of Turkana North constituency for the financial year 2022/23. It lays down the receipts and expenditures of all the funds that Turkana North NG-CDFC received from the NG-CDF Board.

I wish to make the following remarks;

**a). Year Performance**

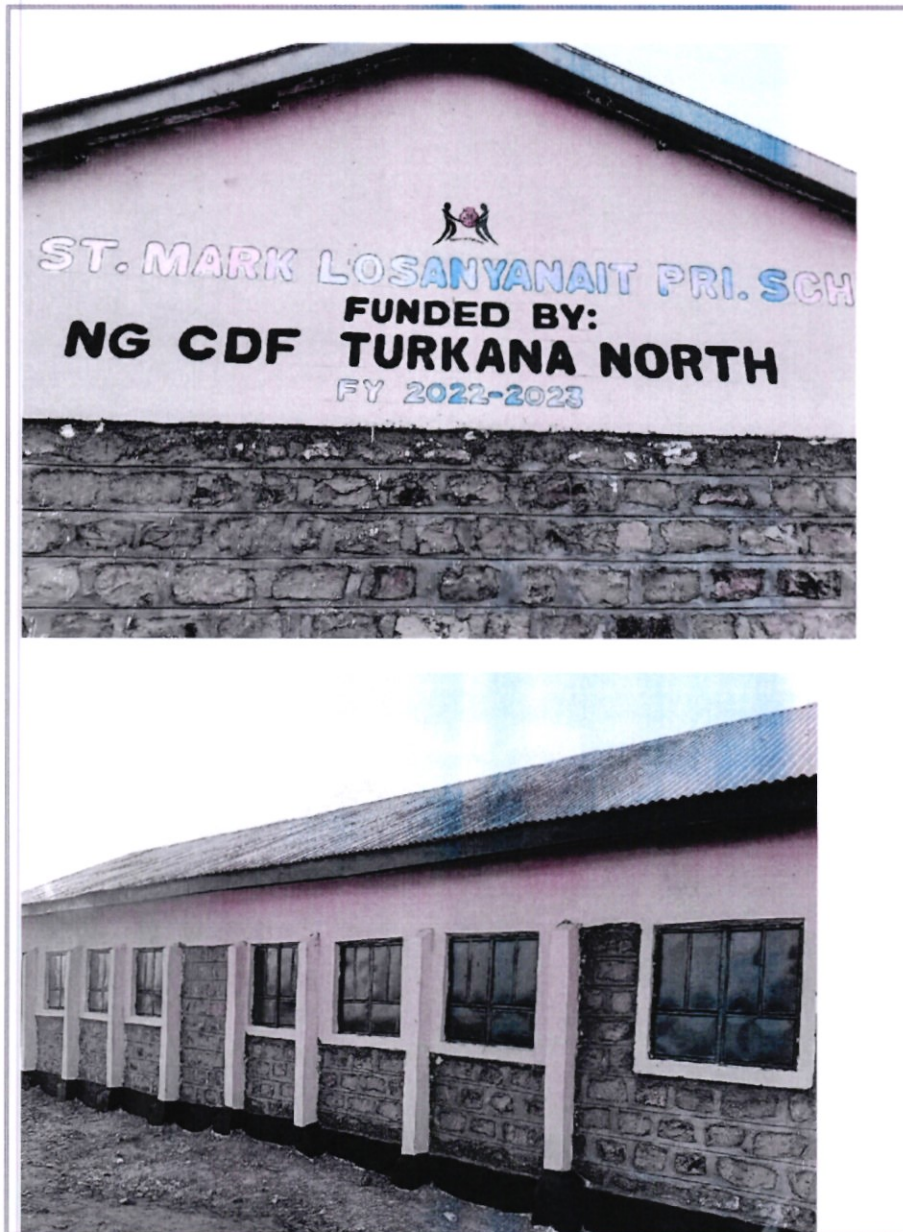
In the financial year 2022/23 Turkana North NG- CDF was able to achieve the following performance in various sectors

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	$c=a+b$	$d$	$e=c-d$	$f=d/c \%$
<b>RECEIPTS</b>				
Transfers from NG-CDF Board	174,858,390	97,809,337	77,049,053	55.9%
<b>TOTAL RECEIPTS</b>	<b>174,858,390</b>	<b>97,809,337</b>	<b>77,049,053</b>	<b>55.9%</b>



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

<b>PAYMENTS</b>				
Compensation of Employees	6,082,251	3,187,357	2,894,895	52.4%
Committee expenses	3,236,000	2,474,160	761,840	76.5%
Use of goods and services	8,275,393	5,803,425	2,471,968	70.1%
Transfers to Other Government Units	87,500,000	24,000,000	63,500,000	27.4%
Other grants and transfers	64,319,246	55,548,400	8,770,846	86.4%
Acquisition of Assets	1,945,500	1,945,500	-	100.0%
Oversight Committee Expenses	1,300,000	-	1,300,000	0.0%
Other Payments	2,200,000	-	2,200,000	0.0%
<b>TOTAL</b>	<b>174,858,390</b>	<b>92,958,842</b>	<b>81,899,549</b>	<b>53.2%</b>



**b). Emerging issues related to NG-CDF in Turkana North Constituency are;**

1. Almost all learning institutions in Turkana North Constituency i.e. secondary and primary schools depend on NG-CDF 100%.
2. Need to compete with other constituencies to justify the long existence of NG-CDF

**c). NG-CDF Implementation challenges in Turkana North Constituency are;**

1. Overdependence on the fund by the public on all development related issues and educational.
2. Funds disbursement from the board was not on time thus leading to delayed implementation of Key projects.
3. Through my leadership, NG-CDFC Turkana North constituency will endeavour to fulfil its mandate when funds are disbursed and monitoring of projects funds as per the guide lines of the NG-CDF ACT 2015

**d). Recommendations.**

1. The board should strive to disburse funds on time to enable implementation of all projects.



**JOSEPH LOKOLIO  
NGCDFC CHAIRPERSON**

**IV. 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.

**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:

<b>Constituency Program</b>	<b>Objective</b>	<b>Outcome</b>	<b>Indicator</b>	<b>Performance</b>
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	Classrooms, dormitories and dining halls completed	In FY 22/23 we constructed classrooms, drilling and installation of boreholes and constructed three staff houses
Environment	To improve sanitation facilities in the constituency	Increased number of toilets in the constituency	Construction of VIP latrines	Constructed approximately 3 two door ablution blocks in primary schools
Sports	To empower the youth and sensitize them on drug and alcohol abuse	Sports activities in the constituency	Carry out sports activities in the constituency	In FY 2022/2023 we sponsored one sports tournaments in the constituency
Security	To facilitate secure environment for learning and development in the constituency		Security related projects in the constituency	In FY 22/23 we built Kataboi ACC office and renovated Kaemothia Police post staff houses.

## **V. Statement of Governance**

Turkana North National Government Constituency Development Fund Committee are appointed subject to the provisions of section 43(2) (b), (c) and (d) of the NGCDF Act through a Selection Panel.

Some key qualifications to be appointed as a committee member include;

- a) Citizen of Kenya;
- b) Ordinarily a resident and a voter within the Constituency;
- c) Able to read and write and to communicate in English and Kiswahili;
- d) Meets the requirements of Chapter Six of the Constitution;
- e) Available to participate in the activities of a Constituency Committee.

### Removal of a member

A member may be removed from the committee in accordance in accordance to the provisions of section 43 (13) and (14) of the Act upon receipt of a complaint against a member.

A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office. The complaint shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting. If members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice. A copy of the complaint and any other grounds of removal shall be attached to the notice issued. duties as a member of the Constituency Committee. At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office

### **The functions of the Constituency Committee are ;**

- I. Build the capacity of project management committees and Committee.
- II. Sensitize the Community on the operations of the Fund;
- III. Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- IV. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act; 1956 - Kenya Subsidiary Legislation, 2016 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;
- V. 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;

- VI. Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- VII. Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- VIII. Ensure that all projects receive adequate funding and are completed within three years; where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- IX. Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board; monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- X. Ensure that project reports are prepared and submitted to the Board; ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- XI. Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- XII. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;

#### Induction and training of members

The committee were inducted and trained about their key functions and responsibilities. The training was conducted at Starbucks, Eldoret. The training was organized by the NGCDF Board

#### Conflict of interest, ethics and conduct

The committee was sensitized on conflict of interest, ethics and conduct. This covers the entire implementation process of all NGCDF projects.

#### Risk management

Risk management system enabled Turkana North NGCDF to identify, prioritize and implement project activities in a way that reduces risk exposure to the Fund

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

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

### **1. Sustainability strategy and profile -**

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

- a. **Education and Training:** Turkana North NG-CDF focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalised groups including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars; NGCDF 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 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

## **2. Environmental performance**

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

## **3. Employee welfare**

We invest in providing the best working environment for our employees. Turkana North constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate 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. Turkana North constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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



#### **4. Market place practices-**

Turkana North NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

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

##### **Public Participation in Project Identification and Implementation and Monitoring**

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

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

The NG CDF 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.

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

  
.....  
Name *Mathai Kipsanai*  
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-Turkana North 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-Turkana North 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- Turkana North 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 Turkana North Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted

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

**Approval of the financial statements**

The NGCDF- Turkana North Constituency financial statements were approved and signed by the Accounting Officer on 27/3/ 2024.

JOSEPH LOKOLIO  
.....

Name:

Chairman – NGCDF Committee

MATHEN KIPKANA  
.....

Name:

Fund Account Manager

# REPUBLIC OF KENYA

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NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TURKANA NORTH 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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the 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, risk management environment and 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 - Turkana North Constituency set out on pages 1 to 45, which comprise of the statement of assets and liabilities as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended and a summary of significant accounting policies

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

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 National Government Constituencies Development Fund - Turkana North 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 Cash and Cash Equivalents**

The statement of assets and liabilities reflects bank balance of Kshs.4,850,495 as disclosed in Note 12A to the financial statements . However, the bank reconciliation statement for June, 2023 reflects unpresented cheques amounting to Kshs.29,595,049 which included an amount of Kshs.7,492 payable to the Commissioner of VAT that had become stale and had not been reversed or replaced.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.4,850,495 could not be confirmed.

#### **2. Unsupported Fixed Assets Balance**

Annex 4 to the financial statements reflects summary of fixed assets register historical asset balance of Kshs.34,794,180. However, the size and value of land on which the constituency office building stands has not been determined and included in the financial statements.

In the circumstances, the accuracy and completeness of the fixed assets balance of Kshs.34,794,180 could not be confirmed.

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

Note 18.4 to the financial statements reflects project management committees bank balances of Kshs.7,111,132 held in fifty-four (54) project bank accounts and as disclosed in Annex 5. However, the respective cash books, bank reconciliation statements, certificates of bank balances as at 30 June, 2023 were not provided for review.

In the circumstances, the accuracy and completeness of the project management committee bank balance of Kshs.7,111,132 could not be confirmed.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies

Development Fund - Turkana North 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 receipt budget and actual on comparable basis of Kshs.174,858,390 and Kshs.97,809,337 respectively resulting to an under-funding of Kshs.77,049,053 or 44% of the budget. However, the Fund spent Kshs.92,958,842 against actual receipts of Kshs.97,809,337 resulting to an under-utilization of Kshs.4,850,495 or 5% 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 judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review..

#### **Other Matter**

#### **Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on lawfulness and effectiveness in Use of Public Resources and Other Matter. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

#### **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

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

## **Basis for Conclusion**

### **1. Non-Disbursement of Funds from the Board**

The statement of receipts and payments reflects transfers from the National Government Constituencies Development Fund Board amount of Kshs.87,000,000 against a budget allocation of Kshs.174,858,890 resulting to under disbursement of Kshs.77,049,053 or 44% of the budget. This was contrary to Section 16(a) of the National Government Constituencies Development Fund Act, 2015 (Amendment 2022) which stipulates that the functions of the Board shall be to ensure timely and efficient disbursement of funds to every constituency. Further, Section 39(2) of the Act, states that the disbursement of funds to the Constituency Fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to twenty-five per centum of the allocation for the constituency and thereafter the constituency fund account shall be replenished in three equal installments at the beginning of the second, third and fourth quarters of the financial year.

The delay in funds disbursements from the Board resulted in delay in implementation of approved projects or programs and therefore denied the public services and benefits accruing from the completed projects.

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

### **2. Composition of Bursary Committee**

The statement of receipts and payments reflects other grants and transfers amount of Kshs.55,548,400 which includes bursary payments of Kshs.36,251,500 comprising of disbursements of Kshs.20,346,500 to secondary schools and Kshs.15,905,000 to tertiary institutions as disclosed in Note 8 to the financial statements. However, minutes of the bursary sub-committee supporting bursary beneficiary's identification were not provided for review and there was no evidence of constitution of the bursary committee. This was contrary to the circular Ref. CDF Board circulars/Vol 1/111 dated 13 September, 2010 on formation of a subcommittee of Constituency Development Fund to manage the bursary scheme including two co-opted members one who must be education officer or an officer seconded from Ministry of Education.

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

### **3. Unsatisfactory Project Implementation**

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.24,000,000 as disclosed in Note 7 to the financial statements relating to disbursements to eleven (11) projects during the year for infrastructure development. However, one (1) project with disbursement of Kshs.2,500,000 was incomplete while four (4) projects with total disbursement of Kshs.9,700,000 were complete but not in use.

In the circumstances, value for money incurred on incomplete or unutilized projects amounting to Kshs.12,200,000 could not be confirmed.



The audit was conducted in accordance with the 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 THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

The audit was conducted in accordance with the 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 the 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, the Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements comply 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 Fund's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

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

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

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

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

  
**FCPA Nancy Gathungu, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**20 June, 2024**

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

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

	Note	2022-2023	2021-2022
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	87,000,000	170,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>87,000,000</b>	<b>170,088,879</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,187,357	2,811,332
Committee expenses	5	2,474,160	4,259,450
Use of goods and services	6	5,803,425	7,217,204
Transfers to Other Government Units	7	24,000,000	125,050,000
Other grants and transfers	8	55,548,400	65,295,061
Acquisition of Assets	9	1,945,500	1,394,139
Oversight Committee Expenses	10	-	-
Other Payments	11	-	-
<b>TOTAL PAYMENTS</b>		<b>92,958,842</b>	<b>206,027,186</b>
<b>SURPLUS/DEFICIT</b>		<b>(5,958,842)</b>	<b>(35,938,307)</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 27/3/ 2024 and signed by:



Fund Account Manager

Name: Natlas Kiplani



National Sub-County  
Accountant

Name: Obadiah Korir  
ICPAK M/No: 27212



Chairman NG-CDF  
Committee

Name: JOSEPH LOKOLIO

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

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


	Note	2022-2023	2021-2022
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	12A	4,850,495	10,809,337
Cash Balances (cash at hand)	12B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>4,850,495</b>	<b>10,809,337</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	13	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>4,850,495</b>	<b>10,809,337</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	14A	-	-
Gratuity	14 B	-	-
<b>NET FINANCIAL SSETS</b>		<b>4,850,495</b>	<b>10,809,337</b>
<b>REPRESENTED BY</b>			
Fund balance B/Fwd 1st July...	15	10,809,337	39,917,860
Prior year adjustments	16	-	6,829,784
Surplus/Defict for the year		(5,958,842)	(35,938,307)
<b>NET FINANCIAL POSITION</b>		<b>4,850,496</b>	<b>10,809,337</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 27/3/ 2024 and signed by:

  
 Fund Account Manager

Name: Makhan Kipsanai

  
 National Sub-County  
 Accountant

Name: Obadich Korir  
 ICPAK M/No: 27212

  
 Chairman NG-CDF  
 Committee

Name: JOSEPH KOKOLIO

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

		<b>2022-2023</b>	<b>2021-2022</b>
		<b>Kshs</b>	<b>Kshs</b>
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	87,000,000	170,088,879
Proceeds from sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>87,000,000</b>	<b>170,088,879</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,187,357	2,811,331
Committee expenses	5	2,474,160	4,259,450
Use of goods and services	6	5,803,425	7,217,204
Transfers to Other Government Units	7	24,000,000	125,050,000
Other grants and transfers	8	55,548,400	65,295,061
Oversight Committee expenses	10	-	-
Other Payments	11	-	-
<b>Total operating payments</b>		<b>91,013,342</b>	<b>204,633,046</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	6,829,784
<b>Net Adjustments</b>		<b>-</b>	<b>6,829,784</b>
<b>Net cash flow from operating activities</b>		<b>(4,013,342)</b>	<b>(27,714,383)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(1,945,500)	(1,394,140)
<b>Net cash flows from Investing Activities</b>		<b>(1,945,500)</b>	<b>(1,394,139)</b>

**Turkana North Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(5,958,842)</b>	<b>(29,108,523)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	<b>11</b>	<b>10,809,337</b>	<b>39,917,860</b>
<b>Cash and cash equivalent at END of the year</b>		<b>4,850,496</b>	<b>10,809,337</b>

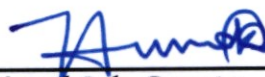
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 27/3/2024 2024 and signed by:



**Fund Account Manager**

Name: Nathaniel Kipsamai



**National Sub-County Accountant**

Name: Obadiah Kariv  
 ICPAK M/No: 27212



**Chairman NG-CDF Committee**

Name: Joseph Lokolio

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

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	151,960,174	10,809,337	12,088,879	174,858,390	97,809,337	77,049,053	55.9%
Proceeds from Sale of Assets	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>151,960,174</b>	<b>10,809,337</b>	<b>12,088,879</b>	<b>174,858,390</b>	<b>97,809,337</b>	<b>77,049,053</b>	<b>55.9%</b>
<b>PAYMENTS</b>							
Compensation of Employees	4,298,932	1,783,319		6,082,251	3,187,357	2,894,895	52.4%
Committee expenses	3,236,000	-	-	3,236,000	2,474,160	761,840	76.5%
Use of goods and services	6,112,696	1,473,818	688,879	8,275,393	5,803,425	2,471,968	70.1%
Transfers to Other Government Units	76,400,000	-	11,100,000	87,500,000	24,000,000	63,500,000	27.4%
Other grants and transfers	58,412,546	5,606,700	300,000	64,319,246	55,548,400	8,770,846	86.4%
Acquisition of Assets	-	1,945,500	-	1,945,500	1,945,500	-	100.0%
Oversight Committee Expenses	1,300,000	-	-	1,300,000	-	1,300,000	0.0%
Other Payments	2,200,000	-	-	2,200,000	-	2,200,000	0.0%
<b>TOTAL</b>	<b>151,960,174</b>	<b>10,809,337</b>	<b>12,088,879</b>	<b>174,858,390</b>	<b>92,958,842</b>	<b>81,899,549</b>	<b>53.2%</b>


*\*\*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.*




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

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The Constituency financial statements were approved by NG CDFC on 27/8/ 202 and signed by:

  
Fund Account Manager

Name: Nathaniel Kipsamai

  
National Sub-County Accountant

Name: Obadiah Korir  
ICPAK M/No: 27212

  
Chairman NG-CDF Committee

Name: JOSEPH LOKOLILO

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

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisa tion(f =d/c %)
	2022-2023	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2022-2023			
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	4,298,932	1,783,319		6,082,251	3,187,357	2,894,895	52
1.2 Committee allowances	1,736,000			1,736,000	1,720,100	15,900	99
1.3 Use of goods and services	3,082,068	455,928	688,879	4,226,875	3,360,058	866,817	79
<b>Total</b>	<b>9,117,000</b>	<b>2,239,247</b>	<b>688,879</b>	<b>12,045,126</b>	<b>8,267,515</b>	<b>3,777,612</b>	<b>69</b>
<b>2.0 Monitoring and evaluation</b>						-	
2.1 Capacity building	300,000	604,000.00		904,000	304,000	600,000	33
2.2 Committee allowances	1,500,000			1,500,000	754,060	745,940	50
2.3 Use of goods and services	2,730,628	413,889.70		3,144,518	2,139,367	1,005,151	68
<b>Total</b>	<b>4,530,628</b>	<b>1,017,890</b>	<b>-</b>	<b>5,548,518</b>	<b>3,197,427</b>	<b>2,351,091</b>	<b>57</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools	5,486,190	2,149,199.90		7,635,390	7,519,400	115,990	98
3.2 Secondary schools	400,000			400,000	400,000	-	100
3.3 Tertiary institutions	-			-		-	

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

3.4 Security projects	1,750,000		-	1,750,000	1,750,000	-	100
3.5 Unutilised				-		-	
<b>Total</b>	<b>7,636,190</b>	<b>2,149,200</b>		<b>9,785,390</b>	<b>9,669,400</b>	<b>115,990</b>	<b>99</b>
<b>4.0 Bursary and Social Security</b>				-			
4.1 Secondary Schools	18,076,356	3,276,000		21,352,356	20,346,500	1,005,856	95
4.2 Tertiary Institutions	16,000,000	104,000	300,000	16,404,000	15,905,000	499,000	97
4.3 Social Security				-		-	
4.4 Special Needs				-	-		
<b>Total</b>	<b>34,076,356</b>	<b>3,380,000</b>	<b>300,000</b>	<b>37,756,356</b>	<b>36,251,500</b>	<b>1,504,856</b>	<b>96</b>
<b>5.0 Sports</b>				-		-	
5.1 sports projects	2,650,000	77,500		2,727,500	2,727,500	-	100
5.2 Regional Sports	350,000			350,000		350,000	-
<b>Total</b>	<b>3,000,000</b>	<b>77,500</b>	<b>-</b>	<b>3,077,500</b>	<b>2,727,500</b>	<b>350,000</b>	<b>89</b>
<b>6.0 Environment</b>							
Lomeguro Primary School	400,000			400,000	400,000	-	100
Kachoda Primary School	400,000			400,000		400,000	-
Lokitaung Mixed Primary School	400,000			400,000	400,000	-	100
Kaemongor Primary School	400,000			400,000	400,000	-	100
<b>Total</b>	<b>1,600,000</b>	<b>-</b>	<b>-</b>	<b>1,600,000</b>	<b>1,200,000</b>	<b>400,000</b>	<b>75</b>
<b>7.0 Primary Schools Projects</b>							
St Bhakita Primary School			2,550,000	2,550,000		2,550,000	-
Natukobenyo Primary School			3,600,000	3,600,000		3,600,000	-
Karebur Primary School			2,400,000	2,400,000		2,400,000	-
Nalemsekon Primary School			2,550,000	2,550,000		2,550,000	-

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

Lobulono Primary School	3,000,000			3,000,000		3,000,000	-
Lobulono Primary School	2,500,000			2,500,000	2,500,000	-	100
Nawakojom Primary School	3,000,000			3,000,000		3,000,000	-
Nagis Primary school	2,400,000			2,400,000	2,400,000	-	100
Maisa Primary school	3,000,000			3,000,000		3,000,000	-
kataboi Primary school	2,700,000			2,700,000		2,700,000	-
Kaito Primary School	3,000,000			3,000,000	2,600,000	400,000	87
Nariding Primary school	2,800,000			2,800,000		2,800,000	-
St. Bhakita Primary school	400,000			400,000		400,000	-
Losanyanait Primary school	3,000,000			3,000,000	3,000,000	-	100
Lokipetot Akwan Primary School	3,000,000			3,000,000		3,000,000	-
Lomeguo Primary school	1,700,000			1,700,000	1,700,000	-	100
Nalekan Primary School	2,500,000			2,500,000	2,500,000	-	100
Nalekan Primary School	3,000,000			3,000,000		3,000,000	-
Naurendria Primary school	2,500,000			2,500,000		2,500,000	-
Naurendria Primary school	3,000,000			3,000,000		3,000,000	-
Kalopeta Primary school	2,500,000			2,500,000		2,500,000	-
Kalopeta Primary school	1,600,000			1,600,000		1,600,000	-
Lorengo Primary School	3,000,000			3,000,000		3,000,000	-
Kangamaliten Primary school	3,000,000			3,000,000		3,000,000	-
Kangamaliten Primary school	2,500,000			2,500,000	2,500,000	-	-
Kalokodume Primary School	3,000,000			3,000,000		3,000,000	-
Ataerika Primary School	1,500,000			1,500,000	1,500,000	-	100
Kakelai Primary	2,500,000			2,500,000		2,500,000	-

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

Kibish Primary school	4,400,000			4,400,000		4,400,000	-
Kaenyangluk Primary School	400,000			400,000		400,000	-
Kaenyangluk Primary School	1,500,000			1,500,000		1,500,000	
Nakaororoi Primary School	3,000,000	-	-	3,000,000	0	3,000,000	-
<b>Total</b>	<b>70,400,000</b>	<b>-</b>	<b>11,100,000</b>	<b>81,500,000</b>	<b>18,700,000</b>	<b>62,800,000</b>	<b>23</b>
<b>8.0 Secondary Schools Projects</b>						-	
Milimatatu Secondary School	2,500,000			2,500,000	2,500,000	-	100
Kaaleng Secondary School	2,800,000			2,800,000	2,800,000	-	100
Nariokotome Girls Secondary school	700,000			700,000		700,000	
<b>Total</b>	<b>6,000,000</b>	<b>-</b>	<b>-</b>	<b>6,000,000</b>	<b>5,300,000</b>	<b>700,000</b>	<b>88</b>
<b>9.0 Tertiary institutions Projects</b>						-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>10.0 Security Projects</b>						-	
<b>Kaemothia Police Post</b>	<b>2,300,000</b>			<b>2,300,000</b>	<b>2,300,000</b>	<b>-</b>	<b>100</b>
<b>Kaikor Assistant County Commissioners Office</b>	<b>3,400,000</b>			<b>3,400,000</b>		<b>3,400,000</b>	<b>-</b>
Kataboi Assistant County Commissioners Office	3,400,000			3,400,000	3,400,000	-	100
Lapur Assistant County Commissioners Office	3,000,000			3,000,000		3,000,000	-
<b>Total</b>	<b>12,100,000</b>	<b>-</b>	<b>-</b>	<b>12,100,000</b>	<b>5,700,000</b>	<b>6,400,000</b>	<b>47</b>
<b>11.0 Acquisition of assets</b>						-	
NGCDF OFFICE		1,945,500		1,945,500	1,945,500	-	100
<b>Total</b>	<b>-</b>	<b>1,945,500</b>	<b>-</b>	<b>1,945,500</b>	<b>1,945,500</b>	<b>-</b>	<b>100</b>

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<b>12.0 Oversight Committee Expenses (itemize)</b>				-		-	
<b>Committee allowances</b>	600,000			<b>600,000</b>		600,000	-
<b>Accommodation - Domestic Travel</b>	100,000			<b>100,000</b>		100,000	-
<b>Daily Subsistence Allowance</b>	100,000			<b>100,000</b>		100,000	-
<b>Publishing and Printing Services</b>	30,000			<b>30,000</b>		30,000	-
Advertising, Awareness and Publicity Campaigns	50,000			<b>50,000</b>		50,000	-
Telephone, Telex, Facsimile and Mobile Phone Service	20,000		-	<b>20,000</b>	-	20,000	-
Refined Fuels and Lubricants for Transport	400,000		-	<b>400,000</b>	-	400,000	-
<b>Total</b>	<b>1,300,000</b>	-	-	<b>1,300,000</b>	-	<b>1,300,000</b>	-
<b>13.0 Other payments</b>				-		-	
Turkana North NG-CDF Strategic Plan	2,200,000			2,200,000		2,200,000	-
<b>Total</b>	<b>2,200,000</b>	-	-	<b>2,200,000</b>	-	<b>2,200,000</b>	-
	<b>151,960,174</b>	<b>10,809,337</b>	<b>12,088,879</b>	<b>174,858,390</b>	<b>92,958,842</b>	<b>81,899,548</b>	53

(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-Turkana North Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012.

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

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

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

The accounting policies set out in this section have been consistently applied by the 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<sup>th</sup> 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 16 explaining the nature and amounts.

**15. Related Party Transactions**

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

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**XV. Notes To the Financial Statements**

**1. Transfers from NGCDF Board**

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
B185280	7,000,000	
B185432	6,000,000	
B185804	15,000,000	
B205625	12,000,000	
B205919	12,000,000	
B206207	5,000,000	
B207699	15,000,000	
B207937	15,000,000	
B105313		33,000,000
B105575		44,000,000
B105949		22,000,000
B128724		5,000,000
B140756		12,000,000
B154230		12,000,000
B154449		18,000,000
B155503		24,088,879
<b>TOTAL</b>	<b>87,000,000</b>	<b>170,088,879</b>

**2. Proceeds From Sale of Assets**

	FY 2022-23	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**3. Other Receipts**

	<i>FY 2022-23</i>	<i>2021-2022</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>	-	-

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*Notes To the Financial Statements (Continued)*

**4. Compensation Of Employees**

	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,785,988	2,379,332
Personal allowances paid as part of salary		
House Allowance	283,400	432,000
Transport Allowance	64,007	-
Leave allowance	-	-
Gratuity to contractual employees	919,442	-
Employer Contributions Compulsory national social security schemes	134,520	-
<b>Total</b>	<b>3,187,357</b>	<b>2,811,332</b>

**5. Committee Expenses**

	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	712,000	1,064,450
Other committee expenses	1,762,160	3,195,000
<b>Total</b>	<b>2,474,160</b>	<b>4,259,450</b>

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**6. Use of Goods and services**

	2022-2023	2021-2022
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	176,300	197,900
water and sewerage charges	-	99,450
Communication, supplies and services	191,500	99,000
Domestic travel and subsistence	2,229,411	521,000
Printing, advertising and information supplies & services	260,000	28,500
Rentals of produced assets	-	-
Training expenses	50,000	1,481,326
Hospitality supplies and services	365,043	859,407
Insurance costs	-	-
Specialised materials and services	-	64,793
Office and general supplies and services	432,842	1,127,895
Fuel, oil & lubricants	666,807	1,215,403
Other operating expenses	733,050	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	618,500	1,401,380
Routine maintenance- other assets	60,000	121,150
Bank Charges	19,973	-
<b>TOTAL</b>	<b>5,803,425</b>	<b>7,217,204</b>



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*Notes To The Financial Statements (Continued)*

**7. Transfer To Other Government Units**

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	18,700,000	96,850,000
Transfers To Secondary Schools (See Attached List)	5,300,000	28,200,000
Transfers To Tertiary Institutions (See Attached List)	-	-
<b>Total</b>	<b>24,000,000</b>	<b>125,050,000</b>

**8. Other Grants and Other transfers**

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	20,346,500	25,138,000
Bursary – tertiary institutions (see attached list)	15,905,000	24,545,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	5,700,000	-
Sports projects (see attached list)	2,727,500	5,719,854
Environment projects (see attached list)	1,200,000	2,700,000
Emergency projects (see attached list)	9,669,400	7,192,207
Roads projects (see attached list)	-	-
<b>Total</b>	<b>55,548,400.0</b>	<b>65,295,061</b>

*Notes To the Financial Statements (Continued)*

**9. Acquisition Of Assets**

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	1,394,139
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	1,945,500	-
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>1,945,500</b>	<b>1,394,139</b>

**10. Oversight Committee Expenses**

	Kshs	Kshs
COC Members allowance	-	-
Other COC expenses	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**11. Other Payments**

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

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**12A. Cash Book Bank Balance**

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
<b>12A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Kenya Commercial Bank,Lodwar Branch .A/C no.1146215614</i>	4,850,495	10,809,337
	-	-
<b>Total</b>	<b>4,850,495</b>	<b>10,809,337</b>
<b>12 B: Cash on Hand</b>		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

**13. Outstanding Imprests**

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

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**Notes to the Financial Statement Continued**

**14A. Retention**

	2022-2023	2021-2022
	KShs	KShs
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	-	-

**14B. Gratuity**

	2022-2023	2021-2022
	KShs	KShs
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**

	(1 <sup>st</sup> July 2023)	(1 <sup>st</sup> July 2022)
	Kshs	Kshs
Bank accounts	10,809,337	39,917,860
Cash in hand	-	-
Imprest	-	-
Total	-	-
Less	-	-
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	10,809,337	39,917,860

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**16. Prior Year Adjustments**

	Balance b/f as per Audited Financial statements	Adjustments	Balance BF 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	6,829,784
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	6,829,784

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

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

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 <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**

	2022-2023	2021-2022
	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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**Notes To the Financial Statements (Continued)**

**19. Other Important Disclosures**

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

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	-	-

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

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

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

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	2,894,895	1,783,319
Committee expenses	761,840	-
Use of goods and services	2,471,968	2,162,697
Amounts due to other Government entities (see attached list)	60,500,000	11,100,000
Amounts due to other grants and other transfers (see attached list)	8,770,846	5,906,700
Acquisition of assets	-	1,945,500
Constituency oversight committee	1,300,000	-
strategic plan	2,200,000	-
Funds pending approval	3,000,000	-
<b>Total</b>	<b>81,899,549</b>	<b>22,898,216</b>

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

	<b>2022/2023</b>	<b>2021/2022</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)	7,111,132	5,361,188
Total	7,111,132	5,361,188

**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.					
<b>Sub-Total</b>	-		-	-	
<b>Construction of civil works</b>					
4.					
5.					
6.					
<b>Sub-Total</b>	-		-	-	
<b>Supply of goods</b>					
7.					
8.					
9.					
<b>Sub-Total</b>	-		-	-	
<b>Supply of services</b>					
10.					
<b>Sub-Total</b>	-		-	-	
<b>Grand Total</b>	-		-	-	



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

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
<b>Sub-Total</b>			-	
<b>Grand Total</b>			-	

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2022-2023	2021-2022	
Committee expenses	Payment of committee allowances	761,840	-	
Oversight Committee expenses	Oversight Expenses	1,300,000	-	
Compensation of employees	payment of staff salaries and gratuity	2,894,895	1,783,319	
Use of goods & services	Payment of various office expenses	2,471,968	2,162,697	
<b>Sub-Total</b>		<b>7,428,703</b>	<b>3,946,016</b>	
<b>Amounts due to other Government entities</b>				
St Bhakita primary school	construction of two classrooms and supply of 30 desks	2,550,000	2,550,000	
Nalemsekon primary school	construction of two classrooms and supply of 30 desks	2,550,000	2,550,000	
Karebur primary school	construction of two classrooms	2,400,000	2,400,000	
Natukobenyo Primary school	construction of three classrooms	3,600,000	3,600,000	
Lobulono Primary School	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	

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Nawakojom Primary School	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	
Maisa Primary school	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	
kataboi Primary school	Construction to completion of two classrooms at Kshs.2,400,000 and equipping with 60 desks at Kshs.300,000	2,700,000	-	
Kaito Primary School	construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities	400,000	-	

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Nariding Primary school	Construction to completion of two classrooms at Kshs.2,400,000 and construction of two door boys pit latrine to completion at Kshs. 400,000 with one chamber accessible to Persons With Disabilities.	2,800,000	-	
St. Bhakita Primary school	construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities	400,000	-	
Lokipetot Akwan Primary School	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	
Nalekan Primary School	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	
Naurendria Primary school		2,500,000	-	

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Naurendria Primary school	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	
Kalopeta Primary school	Drilling to completion of borehole at Kshs.1,500,000 and installation of solar pump at Kshs.1,000,000	2,500,000	-	
Kalopeta Primary school		1,600,000	-	
Lorengo Primary School	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities.	3,000,000	-	
Kangamaliten Primary school	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	

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Kalokodume Primary School	Construction to completion of two classrooms at Kshs.2,400,000, equipping with 40 desks at Kshs.200,000 and construction of two door girls pit latrine to completion at Kshs 400,000 with one chamber accessible to Persons With Disabilities..	3,000,000	-	
Kakelai Primary	Construction to completion of one classroom at Kshs.2,400,000 and equipping with 20 desks at Kshs.100,000	2,500,000	-	
Kibish Primary school	Renovation to completion of 56 bed capacity Girls dormitory: plastering, flooring, windows and doors fitting and painting at Ksh, 700,000;Renovation to completion of two classrooms; plastering, flooring, windows ,roofing and doors fitting and painting at Kshs.700,000;Construction to completion of 56 student capacity boys dormitory at Kshs.3,000,000	4,400,000	-	
Kaenyangluk Primary School	Construction to completion of two door girls pit latrine at Kshs.400,000 with one chamber accessible to Persons With Disabilities.	400,000	-	

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Kaenyangluk Primary School	Fencing to completion of 5 acres school compound (including heavy bush clearing) using Chain link and metallic angle line posts	1,500,000	-	
Nariokotome Girls Secondary school	Construction to completion of four door pit latrine at Kshs.700,000 with one chamber accessible to Persons With Disabilities	700,000	-	
Nakaororoi Primary School	Construction to completion of one classroom at Kshs.1,200,000; Drilling to completion of borehole at Kshs.1,700,000 and installation of hand pump at Kshs.100,000	3,000,000	-	
<b>Sub-Total</b>		<b>63,500,000</b>	<b>11,100,000</b>	
<b>Amounts due to other grants and other transfers</b>				
Secondary Schools	bursary to various secondary schools	1,005,856	3,276,000	
Tertiary Institutions	bursary to various tertiary schools	499,000	404,000	
<b>Sports</b>			77,500	
Regional sports		350,000		
<b>6Environment</b>				
Kachoda Primary School	Construction to completion of two door girls pit latrine at Kshs.400,000 with one chamber accessible to Persons With Disabilities.	400,000	-	
<b>Security Projects</b>				
Lapur Assistant County Commissioners Office	Construction to completion of four roomed office at Kshs. 3,000,000	3,000,000	-	

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<b>Kaikor Assistant County Commissioners Office</b>	Construction to completion of four roomed office at Kshs. 2,800,000 and purchase of office furniture: one conference table at Kshs.50,000, one executive table at Kshs.30,000, 2 leather chairs at Kshs.60,000, 10 conference chairs at Kshs.100,000 and two waiting bays at Kshs.60,000 and construction of pavilion using concrete and stones at Kshs.300,000	3,400,000	-	
<b>Emergency</b>				
Primary Schools		115,990	2,149,200	
<b>Sub-Total</b>		<b>8,770,846</b>	<b>5,906,700</b>	
<b>Acquisition of assets</b>				
Turkana north NGCDF office	purchase of office furniture		1,945,500	
<b>Sub-Total</b>			1,945,500	
<b>Others (specify)</b>				
Turkana North NG-CDF Strategic Plan	preparation of constituency strategic plan	2,200,000	-	
<b>Sub-Total</b>		<b>2,200,000</b>	<b>-</b>	
<b>Grand Total</b>		<b>81,899,549</b>	<b>22,898,216</b>	



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**Annex 4 – Summary of Fixed Asset Register**

Asset class	Historical Cost b/f	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost
	(Kshs)			(Kshs)
	2021-2022			2022-2023
Land	-	-	-	-
Buildings and structures	13,400,000	-	-	13,400,000
Transport equipment	18,407,180	-	-	18,407,180
Office equipment, furniture and fittings	736,500	1,945,500	-	2,682,000
ICT Equipment, Software and Other ICT Assets	305,000	-	-	305,000
Other Machinery and Equipment	-	-	-	-
	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>32,848,680</b>	<b>1,945,500</b>	<b>-</b>	<b>34,794,180</b>

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Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2023*

NO.	PMC NAME	BANK	ACCOUNT NUMBER	DATE A/C OPENED	Bank Balance	Bank Balance
					2022/23	2021/22
1	Loruth Primary School	KCB	123 941 8671	1-Oct-18	-	9,560
2	Kangaki Primary School	KCB	113 064 3395	29-Sep-11	-	4,133
3	Nasechabuin Primary School	KCB	114 489 7807	4-Sep-13	-	3,990
4	Koyasa Primary School	KCB	115 284 8011	7-May-14	-	52,346
5	Nariokotome Secondary School	KCB	117 830 8154	28-Jan-16	75,406	1,987
6	Kaeris Secondary School	KCB	113 069 0687	28-Sep-11	-	4,720
7	Kaikor Secondary School	KCB	111 264 9980	8-Jul-09	-	2,241
8	Kibish Primary school	KCB	114 677 8627	7-Nov-13	-	2,225
9	Shabaha Primary School	KCB	127 349 5195	5-May-20	-	222

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10	Narengewoi Primary School	KCB	119 759 1818	15-Aug-16	-	1,987
11	Naurendiria Primary School	KCB	127 243 9720	23-Mar-20	-	3,691
12	Atapar Primary School	KCB	127 297 4014	14-Apr-20	-	292
13	Nachukui Primary School	KCB	127 349 4865	5-May-20	-	8,563
14	Kankaala Primary School	KCB	127 349 6434	5-May-20	-	2,412
15	Kabilkeret Primary School	KCB	127 349 6671	5-May-20	-	48,443
16	Natooanam Primary School	KCB	127 349 5837	5-May-20	-	1,483
17	Katiko Primary School	KCB	113 059 0291	24-Sep-11	-	300
18	St. Leo Kakuma Boys Secondary School	KCB	114 874 9136	21-Jan-14	-	19,084
19	Longolemwar Primary School	KCB	127 349 6930	5-May-20	-	680
20	Nakinomet Primary school	KCB	1152822098	6-May-14	-	1,848
21	Nasechabuin Primary School	KCB	1144897807	10-Jan-22	-	3,990
22	Kangakurio Primary School	KCB	1295169606	2-Oct-15	-	570,184
23	Kangitulae Primary School	KCB	1294967983	6-Jul-22	-	1,140,603
24	Lokapelpus Primary School	KCB	1294888250	4-Sep-13	34	34
25	Natoo Anam Primary School	KCB	1273495837	8-Apr-22	1,483	1,483
26	Morueris Primary School	KCB	1171610858	2-Apr-22	1,022	1,022
27	Nakitoe Anam Primary School	KCB	1295194260	31-Mar-22	6,592	6,592
28	Nayanae Kabaran Primary School	KCB	1267040467	5-May-20	5,980	5,980
29	Loitanit Primary School	KCB	1292089091	23-Jun-15	-	1,992,535

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30	Kaalem Primary School	KCB	1273495837	8-Apr-22	-	1,483
31	Kapedor Primary School	KCB	1295167042	24-Dec-21	-	72,903
32	Katiko Primary School	KCB	1130590291	5-May-20	-	300
33	Naurkurio Primary School	KCB	1290016488	7-Jul-22	46,950	46,950
34	Natukobenyo Primary School	KCB	1112644180	8-Apr-22	84,099	84,099
35	Kangakipur Primary School	KCB	1171210191	24-Sep-11	83,717	83,717
36	Kajukjuk Primary School	KCB	1289466041	9-Oct-21	22,549	22,549
37	Sasame Primary School	KCB	1150171014	8-Jul-09	3,875	3,875
38	Lokumwae primary School	KCB	1294575414	10-Jun-15	-	940,452
39	Mulango Primary School	KCB	1290412278	23-Sep-21	32,932	32,932
40	Lokitoenyala Primary School	KCB	1289381289	27-Feb-14	32,932	32,932
41	Ekicheles Primary School	KCB	1146324413	22-Mar-22	22,549	22,549
42	Kalisp Primary School	KCB	1290090068	22-Mar-22	1,069	85,195
43	Nachukui Primary School	KCB	1273494865	13-Oct-21	8,563	8,563
44	Kataboi Police Post	KCB	1295039605	27-Sep-21	14,218	14,218
45	Kachoda Primary School	KCB	1168751055	7-Jul-21	2,110	2,110
46	Kokuro Boys Secondary School	KCB	1279511982	15-Aug-16	2,784	2,784
47	Nariokotome Secondary School	KCB	1178308154	5-May-20	75,406	1,987
48	Kaaleng Secondary School	KCB	117826055	5-Apr-22	-	-
49	Riokomor Primary School	KCB	1130703215	25-Mar-15	8,708	8,960
50	NALEKAN PRIMARY SCHOOL	KCB	1314156977	3-May-23	1,258,300	-
51	LOMEGURO PRIMARY SCHOOL	KCB	1291967710	3-May-23	75,945	-
52	MILIMATATU PRIMARY SCHOOL	KCB	1313675660	3-May-23	2,416,816	-
53	KAEMOTHIA POLICE POST PMC	KCB	131360759	3-May-23	1,099,608	-
54	KATABOI ACC OFFICE PMC	KCB	131417512	3-May-23	1,727,485	-
	<b>Total</b>				<b>7,111,132</b>	<b>5,361,188</b>

**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	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Inaccuracies in the Financial Statements	The inaccuracies have been amended accordingly in the financial statements	FAM	Not resolved	
2.0	Unsupported Bank Balance	management will ensure that stale cheques are reversed and replaced on a timely basis	FAM	Not resolved	
3.0	Unsupported Project Management Committee Bank Balances	PMC bank statements and certificate of bank balances are attached to this response. The NGCDFC will however ensure that the capacities of PMCs are built to enable them prepare cashbooks and bank reconciliations	FAM	Not resolved	
4.0	Unsupported Prior Year Adjustment	Adjustments made at the beginning of the financial year	FAM	Not resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
5.0	Lack of Ownership Documents of Fixed Assets	The NGCDF Office sits on Government land in Lokitaung. The management will liase with the County Government to ensure that the land in which the NGCDF office sits is valued and included in the financial statements. The Logbook for the NGCDF office vehicle GKB 536R is attached to this response	FAM	Not resolved	
6.0	Budgetary Control and Performance	Ksh 12,088, 879 was attributed to funds for FY 2021/2021 not yet disbursed by the Board. Out of this Ksh 11,100,000 were meant for transfers to other Govern units while and Ksh 988,879 for bursaries and goods and services. The management will ensure that all funds received from the board are utilized on a timely manner.	FAM	Not resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
7.0	Project Implementation Status	The projects that were ongoing as at 30 <sup>th</sup> June 2022 are now complete and in use. The NGCDFC will ensure that all projects are implemented on a timely basis to ensure that the residents of Turkana North get value for money.	FAM	Not resolved	
8.0	Project Verification	The management notes the recommendation of the auditors and will ensure that appropriate measures are put in place to ensure implementation of projects as per the approved design and bill of quantities through frequent monitoring of projects	FAM	Not resolved	
9.0	Late Disbursements of Funds from the Board	The management notes the recommendations of the auditors and that appropriate measure are implemented to ensure timely utilization of funds. The utilization however is dependent on receipt of funds from the Board.	FAM	Not resolved	
10.0	Unsupported Committee Expenses	The management notes the audit recommendations and will ensure that payments are adequately supported and	FAM	Not resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<i>that attendance schedules and minutes are dated and signed appropriately</i>			
11.0	<i>Unacknowledged Bursary</i>	<i>We have attached some acknowledgment letters. Most of the institutions fail to acknowledge receipt of bursary funds despite our kind request for them to acknowledge.</i>	FAM	<i>Not resolved</i>	

  
 .....  
 Name *Matthew Kipsanei*  
 Fund Account Manager.



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