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THE AUDITOR-GENERAL

ON

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

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

OFFICE OF THE AUDITOR GENERAL
NORTH EASTERN REGIONAL OFFICE

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ELDAS CONSTITTUENCY
NATIONAL GOVERNMENT CONSTITTUENCIES DEVELOPMENT FUND

ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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

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Eldas Constituency

National Government Constituencies Development Fund (NGCDF)

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I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project management committee

FY-Financial Year

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;

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

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Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Irshad Mohamed Habashow
2.	Sub-County Accountant	Rashid Matano Mwatsanuo
3.	Chairman NGCDFC	Mohamud Abdi Ibrahim
4.	Member NGCDFC	Asha Bishar Jelle

(c) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of ELDAS 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) Eldas Constituency NG-CDF Headquarters

P.O. Box 491
Eldas NG-CDF Building
Eldas-Anole Road
Wajir, KENYA

(e) Eldas Constituency NG-CDF Contacts

Telephone: (254) 722930356
E-mail: cdfeldas@NG-CDF.go.ke
Website: www.NG-CDFeldas.go.ke

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(f) Eldas Constituency NG-CDF Bankers

Kenya Commercial Bank
Account Number: 1147613265
Wajir Branch
P.O. BOX 201-70200
Wajir, Kenya

(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



Mohamud Abdi Ibrahim- Chairperson, Eldas Constituency NG-CDFC.

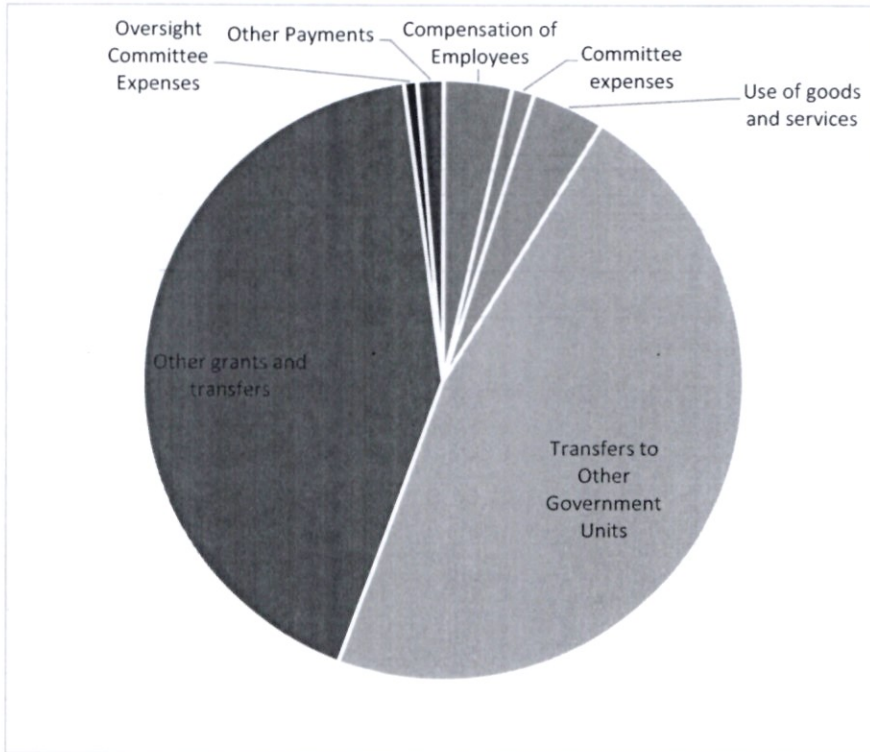
I am pleased to present to you the Eldas Annual report and financial statement for the year ended 30th June 2023.

Eldas Constituency is an electoral constituency in Kenya. It is one of six constituencies in Wajir County. The constituency has four elective wards namely: Eldas, Dela/Anole, Elnur/Tulatula and Lakole/Basir. The constituency approximately covers an area of 3,046km².

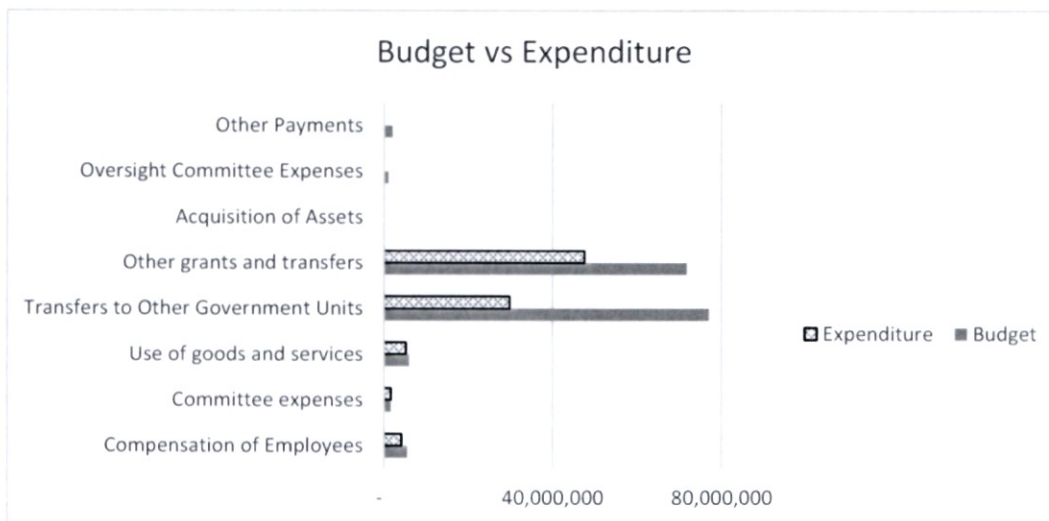
According to the 2019 National population and Housing census, Eldas constituency had a population of 89,214.

The budget performance against the actual amount was good with 53.6% absorption rate for the financial year 2022/2023. However, for the amount receipt the absorption rate was 64.6% meaning the funds received during the year under review was properly utilized. This can be seen on page 9 (summary statement of appropriation) of the financial statement. Amount receipts was Ksh 91,000,000 out of Ksh 149,243,912 which was budget for the financial year 2022/2023 and prior year funds that were not disbursed to the constituency as at the beginning of the year under review.

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The pie chart above shows the budget for the different items in the financial statement.



The graph above shows the budget against the expenditure.

Key achievements

During the financial year under review the constituency was able to issue bursary to deserving and needy student within the constituency with 100% distribution of the amount received as at 30/6/2023. Sixty seven projects were implemented and were complete and in use; five for primary schools, nine for secondary schools project, four for security projects and one environment project.



Jukala Primary School-Construction of fence

Impact: The fence will enhance security for the pupils and teachers



Anole primary School-Piping of water and installation of water tank

Impact: Clean and safe water for the pupils and teachers improves their health, it also allows pupils to remain in school rather than look for water elsewhere.

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Anole Secondary School-Renovation of dining hall

Impact: The facelift of the dining hall improves the hygiene of the students and allows them to have their meals in a conducive environment.

Emerging issues

Increased need of classes due to junior secondary school.

Higher education loan board beneficiary will decrease due to new government directives hence putting pressure on scarce bursary allocations.

Challenges

The biggest challenge is that Eldas Constituency has a lot of schools and some of the schools have poor structures and the funds is little to manage all the schools as others require new classrooms as enrolments increase yearly.

There is also a challenge in the education sector this is because there are many needy students who are in need of support through the bursary fund which is never enough; this is due to prevailing economy status within the constituency i.e. low-income consistency experiencing prolonged drought.

Solutions

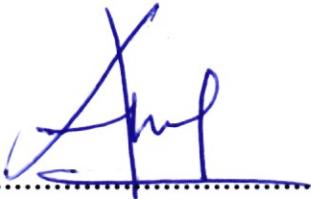
NG-CDFC has initiated programmes to construct new classrooms i.e. over 10 classrooms was built and also renovate over 5 classrooms as it is cost effective i.e. the cost of renovation is half the price of a new classroom.

I wish to urge the NG-CDF Board/NASC to continually increase the NG-CDF funding to enable more projects uptake and also timely disbursement of funds to constituencies.

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We initiated a better way of identifying needy student in bursary allocations. Like those who have been left out during selection are given second chance of appealing at the office.

Lastly would like to thank all the stake holders especially my fellow committee members for their continued support.



.....

Name: MOHAMUD ABDI IBRAHIM
CHAIRMAN NG-CDF COMMITTEE

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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.

The key development objectives of *ELDAS Constituency 2023-2027* plan are to:

- a) Education- Become a national model for education by improving schools infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.
- b) Environment- Improve access to clean water and a more sustainable and conserved environment in Eldas through natural resources conservation initiatives
- c) Security- Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure
- d) Sport- Empower and develop youth and special groups to reduce dependence and spur economic growth through sports
- e) Livelihoods and socio-economic Empowerment-To undertake economic empowerment projects targeting the youth, women and the elderly in the constituency

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In the FY 22/23 -6 classrooms were renovated in primary schools, 8 classrooms in secondary schools. one dormitory renovated in Tulatula secondary school, two water tanks installed in secondary schools, 200 desks purchased,

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Constituency Sector	Objective	Outcome	Indicator	Performance
				100 chairs and lockers purchased. -2072 students from secondary schools and 1147 students from tertiary institutions benefited from the bursary scheme.
Security	To foster a peaceful and secure constituency	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	-In the FY 2022/2023 we constructed one fence in Eldas Critical infrastructure police unite.
Environment	To establish a sustainable green constituency	-Drill boreholes to promote access to clean and safe water -Equip schools and public facilities with sanitation facilities -Provide tree seedlings to schools to improve the forest cover	- Number of boreholes drilled -Number of sanitation facilities built in primary and secondary -Number of trees planted	In the FY 2022/2023 we installed One water tank in Anole primary school
Sports	Promote youth activities in the constituency	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	In the FY we did not implemented sports activities

V. Statement of Governance

Intruduction

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG-CDFC for onward forwarding to the board for appointment through gazette notice.

In this regard section 5 and 6 of NG-CDF regulations provides for procedure for nomination of the five members of the NG-CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

- i. One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- ii. Officer of the Board seconded to the constituency who is be the secretary of the selection panel
- iii. Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

Further the NG-CDF regulations requires that one to serve as member of the NG-CDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

Appointment of NG-CDFC Members

The NGCDF Regulation 2016 on appointment of NGCDFC members states; (1) the members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya

Subsidiary Legislation, 2016 1951

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(4) The selection panel referred to in paragraph (1) shall consist of—

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one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;

the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and

Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

1952 Kenya Subsidiary Legislation, 2016

The selection panel shall stand dissolved upon the appointment of the members.

Process

To facilitate this, the selection panel is invited interested and qualified members of the public for appointment to the NG-CDF committee. The panel invited through advertisement publicised in public offices notice boards and other public areas in the constituency.

Out of the total 20 applicants, the selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed by Eldas Constituency Office as per section 43 of the NG-CDF Act, 2015.

S/N	Name	Category representation	Ward
1.	Ibrahim khalif abdullahi	Male (adult)	Eldas
2.	Mohamud Abdi ibrahim	Male (youth)	Dela

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3.	Bishara Gaiya ahmed	Female (adult)	Eldas
4.	Asha Bishar jele	Female (youth)	Elnur/tulatula

Nominee of the body representing persons with disability

S/N	Name	Nominating Organisation	Nature of physical Impairment	Ward
1.	Abdullahi Sheikh Adani	United Disable Persons of Kenya	hearing Impairment	Eldas

Nominee of the constituency Office

S/N	Name	Category	occupation	Ward
1	Mohamed Gabow Kulow	Male	Businessman	Elnur/Tulatula
2	Fatuma Ahmed Sheikh	Female	Businesswoman	Eldas

Upon further consultation with the panel and the constituency office, members agreed to recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as

S/N	Name	Gender	Ward
1.	Dekow Abdi Madey	Male	Dela/Anole

The NG-CDFC members were gazette on 16th December 2022. The members had their inaugural meeting on 26th December 2022. The members went through the process electing the chairperson and the secretary of the committee. The following member were elected.

1. Chairperson position -Mr. Mohamud Abdi Ibrahim of ID no. 30485400
2. Secretary position –Asha Bishar Jelle of ID no. 30557691 elected as the secretary to the committee.

During its first meeting, the Constituency Committee established two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two subcommittee are as follows:

- i. Bursary sub committee
- ii. Complaints resolution committee.

The following were appointed to the different committee

i. Bursary committee

1. Ibrahim Khlif Abdullahi - Member
2. Mohamed Gabow Kullow - Member
3. Fatuma Ahmed Sheikh - Member

ii. Complaints resolution committee

1. Dekow Abdi Madey - Member
2. Bishara Ahmed Gaiya - Member
3. Abdullahi Sheikh Adani - Member

The chairman and the secretary are members of both committees. The DCCs are members of the complaints committee, while representative from the ministry of education office is also coopted to be in the Bursary committee.

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

Roles and functions of NG-CDFC

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. 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.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

Removal of NGCDFC Members

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) lack of integrity;

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- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) promoting unethical practises;
- (f) causing disharmony within the committee;
- (g) physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In Eldas the NG-CDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Training of NG-CDFC Members

In the financial year 2022/2023 the NG-CDF Board organized training of NG-CDFC members. NG-CDFC members for Eldas constituency were among the committee members trained on 25th May 2022 at Garissa. During the training, critical areas such as public finance, project planning, procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Eldas.

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Number of meetings held

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

During the financial year 2022/2023 the NG-CDFC Eldas held ten meetings and two sub committee meetings and the attendance was as follows.

S/NO.	NG-CDF COMMITTEE MEMBERS	NOV 11 th 2022	DEC 26 th 2022	JAN 9 th 2023	JAN 20 th 2023	Feb 11 th 2023	MAR 3 rd 2023	MAR 22 nd 2023	APR 4 th 2023	APR 21 st 2023	JUNE 19 th 2023
1	Mohamud Abdi Ibrahim - chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Asha Bishar Jelle - Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mohamed Gabow Kulow - member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Fatuma Ahmed Sheikh - Member.	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Ibrahim Khlif Abdullahi - member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Dekow Abdi Madey member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Abdullahi Sheikh Adani - member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Bishara Gaiya Ahmed - member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Irshad Mohamed Habashow - FAM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Mishek Mwangi - DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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Ethics & conduct

Members of NG-CDFC are required to observe the following ethical issues

- i. Confidentiality-the NG-CDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NG-CDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.
- iii. Leadership- NG-CDFC members should promote leadership in the constituency.

During the financial year 2022/2023 members of NG-CDFC Eldas adhered to the above ethical issues.

Members remuneration

According to circular from NG-CDF Board, NG-CDFC members are not entitled to payment of salary. However, the chairperson of NG-CDFC is entitled to an allowance of seven thousand per meeting and all other members an allowance of five thousand per sitting. All NG-CDFC members should adhere to general ethics and code of conduct as stipulated in the NG-CDF Act.

In this financial year the NG-CDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2022/2023 no member of NG-CDFC Eldas contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NG-CDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NG-CDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

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Some of the risk mitigation strategies that NG-CDFC Eldas has implemented include the following:

Implementing audit findings and recommendations, adherence and compliance with NG-CDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NG-CDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

VI. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Eldas 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

NG-CDF Eldas collaborates with like-minded institutions to promote environmental performance through tree planting to protect water catchment areas.

The constituency promotes environmental conservation through installation of water gutters and water tanks to schools and police stations. This ensures that storm water is harvested during raining seasons. This promotes sustainable green constituency.

3. Employee welfare

We invest in providing the best working environment for our employees. Eldas constituency recruitment is guided by Employment Act, NG-CDF 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. Eldas 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-

Eldas NG-CDF 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.

NG-CDF 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-

Eldas NG-CDF 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.

Eldas Constituency

National Government Constituencies Development Fund (NGCDF)

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The NG-CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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



.....
Name: Irshad Mohamed Habashow
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-Eldas 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-Eldas 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 NG-CDF- Eldas 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 NG-CDF Eldas 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

Eldas Constituency

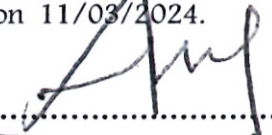
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prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- ELDAS Constituency financial statements were approved and signed by the Accounting Officer on 11/03/2024.



.....

Name: Mohamud Abdi Ibrahim
Chairman – NGCDF Committee



.....

Name: Irshad Mohamed Habashow
Fund Account Manager

REPUBLIC OF KENYA

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

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

PREAMBLE

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

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

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

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, 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

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

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Eldas Constituency set out on pages 1 to 43, 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 and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Eldas 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 in 2022).

Basis for Qualified Opinion

Lack of Ownership and Valuation Documents

Annex 4 to the financial statements reflects summary of fixed assets register with an amount of Kshs.30,136,450 as at 30 June, 2023. The amount includes Kshs.27,500,000 for buildings and structures constructed on the land owned by the Fund. However, the title deed or allotment letter as provisional ownership document and valuation report were not provided for audit.

In the circumstances, the accuracy, completeness, ownership and valuation of the fixed assets balance of Kshs.30,136,450 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis amount of Kshs.164,896,292 and Kshs.106,492,379 respectively resulting to an under-funding of Kshs.58,403,912 or 35% of the budget. Similarly, the

Fund spent Kshs.88,337,203 against receipts of Kshs.106,492,379 resulting to under-absorption of Kshs.18,155,176 or 17% of the receipts.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Issues

In the audit report of the previous year, an issue on internal control was raised that remained unresolved as at 30 June, 2023. However, Management has not provided satisfactory reasons for the delay in resolving these issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Delay in Implementation of Projects

During the year under review, Kshs.93,589,670 was allocated for the implementation of forty-nine (49) projects. Physical inspection carried out on 9 March, 2024, revealed that thirty (30) projects with allocated amount of Kshs.51,990,000 were not implemented. Included in the amount is Kshs.11,200,000 for the construction of Senior Chief Unshur Secondary School which was not implemented due to lack of land for the construction but the funds were reallocated to four (4) other projects.

In the circumstances, value for money was not obtained and residents were denied the envisioned services.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal 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 control, risk management and overall governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 May, 2024

*Eldas 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
RECEIPTS			
Transfers from NGCDF Board	1	91,000,000	170,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		91,000,000	170,088,879
PAYMENTS			
Compensation of employees	4	4,104,970	3,827,400
Committee expenses	5	1,675,600	2,846,000
Use of goods and services	6	5,186,963	4,916,076
Transfers to Other Government Units	7	29,844,670	89,000,250
Other grants and transfers	8	47,525,000	78,855,000
Acquisition of Assets	9	-	-
Other Payments	10	-	-
TOTAL PAYMENTS		88,337,203	179,444,726
SURPLUS/DEFICIT		2,662,797	(9,355,847)


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 NG-CDFC on 11/03/2024 and signed by:

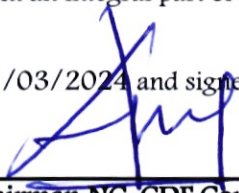


Fund Account Manager

Name: Irshad Mohamed
Habashow



National Sub-County
Accountant
Name: Rashid Matano
Mwatsanuo
ICPAK M/No:



Chairman NG-CDF Committee

Name: Mohamud Abdi Ibrahim

*Eldas 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
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	18,155,176	15,492,379
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		18,155,176	15,492,379
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		18,155,176	15,492,379
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13A	-	-
Gratuity	13B	-	-
NET FINANCIAL SSETS		18,155,176	15,492,379
REPRESENTED BY			
Fund balance b/fwd 1st July	14	15,492,379	24,848,227
Prior year adjustments	15	-	
Surplus/Defict for the year		2,662,797	(9,355,847)
NET FINANCIAL POSITION		18,155,176	15,492,379
		-	-

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 11/03/2024 and signed by:




Fund Account Manager

**Name: Irshad Mohamed
Habashow**



**National Sub-County
Accountant
Name: Rashid Matano
Mwatsanuo
ICPAK M/No:**



Chairman NG-CDF Committee

Name: Mohamud Abdi Ibrahim

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

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

		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	91,000,000	170,088,879
Other Receipts	3	-	-
		91,000,000	170,088,879
Payments for operating activities			
Compensation of Employees	4	4,104,970	3,827,400
Committee expenses	5	1,675,600	2,846,000
Use of goods and services	6	5,186,963	4,916,076
Transfers to Other Government Units	7	29,844,670	89,000,250
Other grants and transfers	8	47,525,000	78,855,000
Other Payments	10	-	-
		88,337,203	179,444,726
Adjusted for:			
Decrease/(Increase) in Accounts receivable	16	-	-
Increase/(Decrease) in Accounts Payable	17	-	-
Prior year Adjustments	15	-	-
Net Adjustments		-	-
Net cash flow from operating activities		2,662,797	(9,355,847)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		2,662,797	(9,355,847)
Cash and cash equivalent at BEGINNING of the year	11	15,492,379	24,848,227
Cash and cash equivalent at END of the year		18,155,176	15,492,379


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 11/03/2024 and signed by:

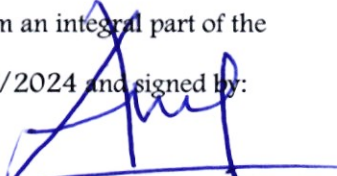


Fund Account Manager

Name: Irshad Mohamed
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National Sub-County
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Chairman NG-CDF Committee

Name: Mohamud Abdi Ibrahim

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

XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	138,215,033	15,492,379	11,188,879	164,896,292	106,492,379	58,403,912	64.6%
Proceeds from Sale of Assets	-	-	-	-	-	-	
Other Receipts	-	-	-	-	-	-	
TOTAL RECEIPTS	138,215,033	15,492,379	11,188,879	164,896,292	106,492,379	58,403,912	64.6%
PAYMENTS							
Compensation of Employees	5,136,480	111,165	221,850	5,469,495	4,104,970	1,364,525	75.1%
Committee expenses	1,675,600			1,675,600	1,675,600	-	
Use of goods and services	4,277,093	1,690,162	16,822	5,984,077	5,186,963	797,114	86.7%
Transfers to Other Government Units	65,289,670	5,740,000	5,950,000	76,979,670	29,844,670	47,135,000	38.8%
Other grants and transfers	58,836,190	7,951,052	5,000,207	71,787,449	47,525,000	24,262,449	66.2%
Acquisition of Assets				-	-	-	
Oversight Committee Expenses	1,000,000			1,000,000		1,000,000	
Other Payments	2,000,000			2,000,000	-	2,000,000	0.0%
TOTAL	138,215,033	15,492,379	11,188,879	164,896,291	88,337,203	76,559,088	53.6%

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	76,559,089
Less undisbursed funds receivable from the Board as at 30th June 2023	58,403,912
	18,155,176
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2022/2023	18,155,176

The Constituency financial statements were approved by NG-CDFC on 11/03/2024 and signed by:



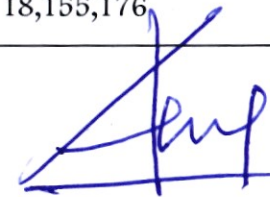
Fund Account Manager

Name: Irshad Mohamed Habashow



National Sub-County Accountant

Name: Rashid Matano Mwatsanuo



Chairman NG-CDF Committee

Name: Mohamud Abdi Ibrahim

*Eldas Constituency
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XIII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,136,480	111,165	221,850	5,469,495	4,104,970	1,364,525
1.2 Committee allowances	837,800			837,800	837,800	-
1.3 Use of goods and services	2,005,093	1,690,162	16,822	3,712,077	3,580,400	131,677
Total	7,689,173	1,801,327	238,672	9,729,172	8,232,970	1,496,202
2.0 Monitoring and evaluation						
2.1 Capacity building	1,002,000			1,002,000	1,002,000	-
2.2 Committee allowances	837,800			837,800	837,800	-
2.3 Use of goods and services	1,270,000			1,270,000	604,563	665,437
Total	3,400,000		-	3,400,000	2,734,563	665,437
3.0 Emergency						
3.1 Primary Schools				-		-
3.2 Secondary schools				-		-
3.3 Tertiary institutions				-		-
3.4 Security projects				-		-
3.5 Unutilised	7,636,190	24,217.45	207	7,660,614		7,660,614
Total	7,636,190	24,217	207	7,660,614	-	7,660,614

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.0 Bursary and Social Security				-		
4.1 Secondary Schools	16,500,000			16,500,000	16,500,000	
4.2 Tertiary Institutions	17,000,000	1,835		17,001,835	17,000,000	1,835
4.3 Social Security				-		-
4.4 Special Needs				-	-	
Total	33,500,000	1,835	-	33,501,835	33,500,000	1,835
5.0 Sports				-		-
5.1 Regional Sports Tournament	600,000			600,000		600,000
5.2 Constituency Sports Tournament	1,500,000			1,500,000		1,500,000
Total	2,100,000			2,100,000		2,100,000
6.0 Environment						
Anole Primary School	1,600,000			1,600,000	1,600,000	-
Eldas Secondary School	100,000			100,000		100,000
				-		-
				-		-
Total	1,700,000	-	-	1,700,000	1,600,000	100,000
7.0 Primary Schools Projects						
Biad Primary School	2,000,000			2,000,000		2,000,000
Eldas Wagberi primary school	2,000,000			2,000,000		2,000,000
Balatulamin Primary School	2,000,000			2,000,000		2,000,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Wargadud Primary School	2,000,000			2,000,000		2,000,000
Basir Primary School	2,000,000			2,000,000		2,000,000
Anole Primary School	2,000,000			2,000,000		2,000,000
Anole Primary School	1,600,000			1,600,000		1,600,000
Anole Primary School	1,500,000			1,500,000		1,500,000
Basir Primary School	1,600,000			1,600,000		1,600,000
Jukala Primary School	4,999,670			4,999,670	4,999,670	-
Jukala Primary school	600,000			600,000		600,000
Jukala Primary School	2,100,000			2,100,000	2,100,000	-
Yaqo Primary School	2,700,000			2,700,000	2,700,000	-
Eldas Primary School	700,000			700,000	700,000	-
Eldas Wagberi primary school	700,000			700,000	700,000	-
Basir Primary School	1,500,000			1,500,000		1,500,000
Dakahley Primary School		115,000		115,000	115,000	-
Wargadud Primary School		100,000		100,000	100,000	-
Banadir primary school		100,000		100,000	100,000	-
Baladweyn primary school		100,000		100,000		100,000
Tulatula Township primary school		200,000		200,000	200,000	-
Dakahley Primary School		50,000		50,000	50,000	-
Anole primary school		150,000		150,000	150,000	-
Lanqura primary school		50,000		50,000	50,000	-
Lakoley South Primary School		175,000		175,000	175,000	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Yaqo primary school		50,000		50,000	50,000	-
Jiggiga primary school		65,000		65,000		65,000
Jukala Primary School			1,500,000	1,500,000		1,500,000
Majabow Primary School			750,000	750,000		750,000
Elnur Primary School			1,800,000	1,800,000		1,800,000
Eldas Wagberi primary school			1,900,000	1,900,000		1,900,000
Total	29,999,670	1,155,000	5,950,000	37,104,670	12,189,670	24,915,000
8.0 Secondary Schools Projects						-
Anole Secondary School	2,000,000			2,000,000		2,000,000
Anole Secondary School	2,000,000			2,000,000		2,000,000
Anole Secondary School	5,000,000			5,000,000		5,000,000
Anole Secondary School	2,000,000			2,000,000		2,000,000
Anole Secondary School	1,000,000			1,000,000		1,000,000
Dela Secondary School	2,000,000			2,000,000		2,000,000
Dela Secondary School	1,890,000			1,890,000		1,890,000
Eldas Secondary School	1,500,000			1,500,000		1,500,000
Eldas Secondary School	1,500,000			1,500,000	1,500,000	-
Tulatula Secondary School	2,800,000			2,800,000		2,800,000
Anole Secondary School	1,700,000			1,700,000	1,700,000	-
Anole Secondary School	2,000,000			2,000,000		2,000,000
Tulatula Secondary School	2,000,000			2,000,000	2,000,000	-
Tulatula Secondary School	3,000,000			3,000,000	3,000,000	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Anole Secondary School	2,500,000			2,500,000	2,500,000	-
Griftu Secondary School	1,600,000			1,600,000	1,600,000	-
Eldas Girls Secondary School	800,000			800,000	800,000	-
Eldas Secondary School		75,000		75,000	75,000	-
Dela Secondary School		150,000		150,000	150,000	-
Dela Secondary school		30,000		30,000	30,000	-
Dela Secondary school		50,000		50,000	50,000	-
Eldas sec school		2,000,000		2,000,000	2,000,000	-
Eldas sec school		1,850,000		1,850,000	1,850,000	-
Eldas Secondary School		100,000		100,000	100,000	-
Eldas Secondary School		150,000		150,000	150,000	-
Elnur Secondary School		30,000		30,000		30,000
Eldas Girls Secondary school		150,000		150,000	150,000	-
Total	35,290,000	4,585,000	-	39,875,000	17,655,000	22,220,000
9.0 Tertiary institutions Projects				-		-
						-
Total	-		-	-	-	-
10.0 Security Projects						-
Anole police Post	1,000,000			1,000,000		1,000,000
Anole police Post	1,300,000			1,300,000		1,300,000
Jiggiga Police Post	1,400,000			1,400,000		1,400,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Dela Police Post	1,700,000			1,700,000		1,700,000
Elnur Police Station	1,300,000			1,300,000		1,300,000
Eldas Critical Infrastructure Police Unit	4,500,000			4,500,000	4,500,000	-
Eldas Police station	2,700,000			2,700,000		2,700,000
Balatulamin police post		165,000		165,000	165,000	-
Balatulamin police post		120,000		120,000	120,000	-
Balatulamin police post		50,000		50,000	50,000	-
Towhid chief office		60,000		60,000	60,000	-
Jukala chief office		60,000		60,000	60,000	-
Anole police post		120,000		120,000	120,000	-
Eldas DCC		2,000,000		2,000,000	2,000,000	-
Eldas DCC		2,500,000		2,500,000	2,500,000	-
Eldas Police station		2,850,000		2,850,000	2,850,000	-
Basir Police Station			5,000,000	5,000,000		5,000,000
Total	13,900,000	7,925,000	5,000,000	26,825,000	12,425,000	14,400,000
11.0 Acquisition of assets				-		-
	-			-	-	-
	-		-	-	-	-
	-		-	-	-	-
Total	-		-	-		-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
12.0 Oversight Committee Expenses (itemize)						
Constituency Oversight Committee Allowance	550,000			550,000		550,000
Hire of Training Facilities and Equipment	80,000			80,000		80,000
Hire of Transport	320,000			320,000		320,000
Travel Allowance on training	50,000			50,000		50,000
TOTAL	1,000,000			1,000,000		1,000,000
13.0 Other payments				-		-
Eldas Strategic Plan	2,000,000			2,000,000		2,000,000
Total	2,000,000	-	-	2,000,000	-	2,000,000
14.0 unallocated fund						
Unapproved projects						-
AIA						-
PMC savings						
Total	138,215,033	15,492,379	11,188,879	164,896,292	88,337,203	76,559,089

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-ELDAS 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.

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.

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.

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 30th June 2022 for the period 1st July 2022 to 30th June 2023 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

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Significant Accounting Policies Continued

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
NGCDF Board	Kshs	Kshs
AIE NO. B140867		33,000,000
AIE NO. B105381		34,000,000
AIE NO. B105596		10,000,000
AIE NO. B105749		22,000,000
AIE NO. B128790		12,000,000
AIE NO. B132476		6,000,000
AIE NO. B154390		12,000,000
AIE NO. B154285		18,000,000
AIE NO. B140799		23,088,879
AIE NO. B185040	7,000,000	
AIE NO. B185584	14,000,000	
AIE NO. B185376	7,000,000	
AIE NO. B185868	5,000,000	
AIE NO. B206325	12,000,000	
AIE NO. B205710	12,000,000	
AIE NO. B205550	18,000,000	
AIE NO. B207789	16,000,000	
TOTAL	91,000,000	170,088,879

2. Proceeds From Sale of Assets

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

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3. Other Receipts

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		
Hire of plant/equipment/facilities		
Other Receipts Not Classified Elsewhere		
Total		

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4. Compensation Of Employees

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,740,630	3,745,400
Personal allowances paid as part of salary		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	364,340	82,000
Total	4,104,970	3,827,400

5. Committee Expenses

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Sitting allowance	1,675,600	2,846,000
Other committee expenses	-	-
Total	1,675,600	2,846,000

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Notes To the Financial Statements (Continued)

6. Use of Goods and services

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Utilities, supplies and services	1,191,806	580,850
Communication, supplies and services	-	-
Domestic travel and subsistence	518,000	540,000
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	404,200	1,180,000
Hospitality supplies and services	-	648,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,940,000	1,931,000
Fuel , oil & lubricants	-	-
Other operating expenses	1,108,900	
Bank Charges	24,057	36,226
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	-
Total	5,186,963.10	4,916,076

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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)	12,189,670	49,320,000
Transfers To Secondary Schools (See Attached List)	17,655,000	39,680,250
Transfers To Tertiary Institutions (See Attached List)	-	
Total	29,844,670	89,000,250

8. Other Grants and Other transfers

	2022-2023	2021-2022
	Kshs	Kshs
Bursary – secondary schools (see attached list)	16,500,000	18,389,000
Bursary – tertiary institutions (see attached list)	17,000,000	27,811,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security projects (see attached list)	12,425,000	25,555,000
Sports projects (see attached list)	-	-
Environment projects (see attached list)	1,600,000	-
Emergency projects (see attached list)	-	7,100,000
Roads projects (see attached list)	-	-
Total	47,525,000	78,855,000

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

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

10. Oversight Committee Expenses

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
COC Members allowance	-	-
Other COC expenses	-	-
TOTAL	-	-

11. Other Payments

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

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2022-2023
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>KCB, 1147613265 (Main account)</i>	18,155,176	15,492,379
<i>Name of Bank, account No. (Deposits account)</i>	-	-
Total	18,155,176	15,492,379
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprests

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

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

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

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

15. Fund Balance B/F

	(1st July 2022)	(1st July 2021)
	Kshs	Kshs
Bank accounts	15,492,379	24,848,227
Cash in hand	-	-
Imprest	-	-
Total	15,492,379	24,848,227
Less		
Payables: - Retention	-	-
Payables – Gratuity	-	-
Fund Balance Brought Forward	-	-

[Provide short appropriate explanations as necessary]

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Notes To the Financial Statements (Continued)*

16. Prior Year Adjustments

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

** 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 st 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 st 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)

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

19.2: Pending Staff Payables (See Annex 2)

	<i>2022-23</i>	<i>2021-222</i>
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

19.3: Unutilized Fund (See Annex 3)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
Compensation of employees	1,427,834	1,304,571
Committee expense		
Use of goods and services	733,806	624,263
Amounts due to other Government entities (see attached list)	47,135,000	19,040,000
Amounts due to other grants and other transfers (see attached list)	24,262,448	5,712,424
Acquisition of assets		
Oversight Committee Expenses	1,000,000	
Other Payments (<i>specify</i>)	2,000,000	-
Funds pending approval		
Total	76,559,089	26,681,259

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Notes To the Financial Statements (Continued)
19.4: PMC account balances (See Annex 5)

	<i>2022-2023</i>	<i>2021-2022</i>
	Kshs	Kshs
PMC account balances (see attached list)	23,243	614,110
Total	23,243	614,110

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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	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2022-2023	2021-2022	
Compensation of employees		1,427,834	1,304,571	Delayed disbursement of funds
Use of goods & services		733,806	624,263	Delayed disbursement of funds
Amounts due to other Government entities				
Dakahley Primary School	Construction of 2 classrooms and 2 toilets		115,000	Retention
Wargadud Primary School	Construction of administration block		100,000	Retention
Bananey primary school	Construction of 2 classrooms		100,000	Retention
Baladweyn primary school	Construction of 2 classrooms		100,000	Retention
Tulatula Township primary school	Construction of 4 classrooms		200,000	Retention
Dakahley Primary School	Construction of underground tank		50,000	Retention
Anole primary school	construction of 3 classrooms		150,000	Retention
Lanqura primary school	Construction of underground tank		50,000	Retention
Lakoley South Primary School	construction of fence		175,000	Retention
Yaço primary school	Construction of underground tank		50,000	Retention

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

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Jigjiga primary school	construction of one classroom and 2 toilets		65,000	Retention
Eldas Secondary School	construction of 6 toilets and 2 septic tanks		75,000	Retention
Eldas Secondary School	Construction of dormitory		150,000	Retention
Dela Secondary school	construction of 4 door pit latrine		30,000	Retention
Dela Secondary school	Construction of underground tank		50,000	Retention
Senior Chief Unshur sec school	Construction of 4 classrooms		4,000,000	Funds reallocated
Senior Chief Unshur sec school	Construction of administration block		3,000,000	Funds reallocated
Senior Chief Unshur sec school	construction of 4 toilets and 2 septic tanks		1,200,000	Funds reallocated
Senior Chief Unshur sec school	construction of fence		3,000,000	Funds reallocated
Eldas Secondary School	construction of modern gate		100,000	Retention
Eldas Secondary School	Construction of dormitory		150,000	Retention
Elnur Secondary School	construction of 2 toilets and 2 septic tanks		30,000	Retention
Eldas Girls Secondary school	Construction of dormitory		150,000	Retention
Jukala primary school	Construction of 2 classrooms		1,500,000	Delayed disbursement of funds
Majabow primary school	construction of one classroom		750,000	Delayed disbursement of funds

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

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Elnur Primary School	Construction of 2 classrooms and 2 toilets		1,800,000	Delayed disbursement of funds
Eldas Wagberi pri school	Renovation of 6 classrooms		1,900,000	Delayed disbursement of funds
Baladweyn primary school	Construction of 2 classrooms	100,000		Retention
Jigjiga primary school	Construction of 1 classroom and 2 toilets	65,000		Retention
Elnur Secondary School	construction of 2 toilets and septic tank	30,000		Retention
Basir primary school	pipng of water	1,500,000		Delayed disbursement of funds
Anole primary school	construction of fence	1,500,000		Delayed disbursement of funds
Anole primary school	Renovation of 5 classrooms	2,000,000		Delayed disbursement of funds
Anole primary school	renovation of dining hall	2,000,000		Delayed disbursement of funds
Anole primary school	purchase and supply of beds and chairs and lockers	2,000,000		Delayed disbursement of funds
Dela Secondary school	construction of 2 classrooms	2,000,000		Delayed disbursement of funds
Jukala primary school	construction of 2 classrooms	1,500,000		Delayed disbursement of funds
Elnur Primary School	Construction of 2 classrooms and 2 toilets	1,800,000		Delayed disbursement of funds
Majabow primary school	constrcion of 1 classroom	750,000		Delayed disbursement of funds
Eldas Wagberi pri	Renovation of 6 classrooms	1,900,000		Delayed disbursement

Eldas Constituency
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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
school				of funds
Biad Primary school	construction of 2 classrooms	2,000,000		Delayed disbursement of funds
Jukala primary school	Construction of 2 toilets	600,000		Delayed disbursement of funds
Eldas Wagberi pri school	Construction of 2 classrooms	2,000,000		Delayed disbursement of funds
Wargadud Primary School	Construction of 2 classrooms	2,000,000		Delayed disbursement of funds
Balatulaamin primary school	Construction of 2 classrooms	2,000,000		Delayed disbursement of funds
Basir primary school	Construction of 2 classrooms	2,000,000		Delayed disbursement of funds
Anole primary school	Renovation of 4 classrooms	1,600,000		Delayed disbursement of funds
Basir primary school	Renovation of 4 classrooms	1,600,000		Delayed disbursement of funds
Tulatula secondary school	Construction of 4 staff houses	2,800,000		Delayed disbursement of funds
Anole secondary school	Renovation of 4 staff houses	2,000,000		Delayed disbursement of funds
Anole secondary school	renovation of 10 toilets	1,000,000		Delayed disbursement of funds
Anole Secondary School	Construction of fence	5,000,000		Delayed disbursement of funds
Dela Secondary school	purchase and supply of beds and chairs and lockers	1,890,000		Delayed disbursement of funds
Eldas Secondary School	renovation of dining hall	1,500,000		Delayed disbursement of funds
Anole primary school	construction of 2 classrooms	2,000,000		Delayed disbursement of funds

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Sub-Total		47,135,000	19,040,000	
Amounts due to other grants and other transfers				
Bursary Tertiary	Bursary		1,835	
Emergency	Emergency		135,589	
Balatulamin police post	construction of administration block		165,000	Retention
Balatulamin police post	Construction of 4 single rooms police houses		120,000	Retention
Balatulamin police post	construction of underground water tank		50,000	Retention
Towhid chief office	construction of chief office		60,000	Retention
Jukala chief office	construction of chief office		60,000	Retention
Anole police post	Construction of 4 single rooms police houses		120,000	Retention
Basir police station	Construction of fence		5,000,000	Delayed disbursement of funds
Bursary Tertiary	Bursary	1,835		
Emergency	Emergency	24,216		
Anole police post	completion og admin block	1,000,000		Delayed disbursement of funds
Anole police post	completion of chain link fence with concrete posts	1,300,000		Delayed disbursement of funds
Jigjiga police post	pipng of water	1,400,000		Delayed disbursement of funds
Constituency sports	Constitue ncy sports	211,157		Delayed disbursement

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
tournament	tournament			of funds
Eldas sec school	planting of trees	100,000		Delayed disbursement of funds
Emergency	Emergency	7,636,190		There was no emergency
Emergency	Emergency	207		
Basir police station	Construction of fence	5,000,000		Delayed disbursement of funds
Dela police post	electrical works	1,700,000		Delayed disbursement of funds
Elnur Police station	Renovation of acc's house	1,300,000		Delayed disbursement of funds
Eldas police station	Renovation of 6 staff houses	2,700,000		Delayed disbursement of funds
Regional sports tournament	Regional sports tournament	600,000		Delayed disbursement of funds
Constituency sports tournament	Constituency sports tournament	1,288,843		Delayed disbursement of funds
Sub-Total		24,262,448	5,712,424	
Acquisition of assets				
Oversight Committee Expenses(itemize)				
Constituency Oversight Committee Allowance		550,000		Delayed disbursement of funds
Hire of Training Facilities and Equipment		80,000		Delayed disbursement of funds
Hire of Transport		320,000		Delayed disbursement of funds
Travel Allowance on training		50,000		Delayed disbursement of funds

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Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
Sub-Total		1,000,000		
Others (specify)				
Eldas Strategic plan	strategic plan	2,000,000		Delayed disbursement of funds
Sub-Total		2,000,000		
Funds pending approval				
Grand Total		76,559,089	26,681,259	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures	27,500,000			27,500,000
Transport equipment				
Office equipment, furniture and fittings	1,540,950			1,540,950
ICT Equipment, Software and Other ICT Assets	857,000			857,000
Other Machinery and Equipment	238,500			238,500
Heritage and cultural assets				
Intangible assets				
Total	30,136,450			30,136,450

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

PMC	Bank	Account number	Bank Balance 2022/2023	Bank Balance 2021/2022
Eldas Secondary School	KCB WAJIR	1239300115	2,097	
Eldas DCC	KCB WAJIR	1308942648	760	
Eldas Police Station	KCB WAJIR	1267909552	1,720	
Anole Primary School	KCB WAJIR	1278989013	2,020	
Jukala primary school	KCB WAJIR	1121558062	2,546	
Eldas Wagberi primary school	KCB WAJIR	1292129115	640	
Tulatula sec school	KCB WAJIR	1150903422	4,727	
Griftu sec school	KCB WAJIR	1314156608	1,380	
Eldas Primary school	KCB WAJIR	1253473447	1,524	
Eldas Girls Secondary school pmc	KCB WAJIR	1173274952	950	
Anole Secondary school	KCB WAJIR	1295662051	2,520	
Eldas Critical Infrastructure Police Unit	KCB WAJIR	1284890406	2,360	
Eldas Secondary School	KCB WAJIR	1239300115		447
Elnur Secondary School	KCB WAJIR	1205357610		604,708
Dela Primary School	KCB WAJIR	1287458866		460
Abdiwako Primary School	KCB WAJIR	1284773620		620
Elnur Primary School	KCB WAJIR	1253714703		80
Eldas Primary School	KCB WAJIR	1253473447		2,010
Bakala Primary School	KCB WAJIR	1253277494		2,020
Elnur Police station	KCB WAJIR	1283776243		1,780

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PMC	Bank	Account number	Bank Balance 2022/2023	Bank Balance 2021/2022
Jukala primary school	KCB WAJIR	1121558062		70
Mirgo harun primary school	KCB WAJIR	1167889096		1,915
Total			23,243	614,110

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
i	<p>During the financial year under review, National Government Constituencies Development Fund - Eldas Constituency budgeted to receive Kshs.206,125,985 but received Kshs.194,937,106 resulting to a shortfall of Kshs.11,188, 879. Further, the Fund spent Kshs.179,444,726 against actual receipt of Kshs.194,937,106, resulting to under expenditure of Kshs.15,492,380.</p> <p>The under-absorption and under expenditure may have affected implementation of the Fund's planned activities and may have impacted negatively on service delivery to the people of Eldas Constituency.</p>	<p>The under absorption of the budget was due to delay in disbursement of funds by the NG-CDF Board.</p> <p>There were some projects that the management requested for reallocation from the NG-CDF Board and were since approved and implemented as indicated in the project implementation status.</p>	Resolved	
ii	<p>Annex 4 of the financial statements reflects Summary of Fixed Assets Register with total assets value of</p>	<p>The Management of Land documentation is the role of the County government. There are no standard title deeds issued</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe:
	<p>Kshs.30,136,450 as at 30 June, 2022. In the assets register, land is listed as one of the assets but the Management has not acquired a title deed to proof the ownership. Further, the land valuation has not been done and thus the market value cannot be determined.</p> <p>In the circumstances, the ownership and valuation of the Land could not be confirmed.</p>	<p>at the county. However, we are in possession of the following registration documents issued by the county government of Wajir to confirm land ownership;</p> <ul style="list-style-type: none"> a) Certificate of Confirmation for Land Ownership Reg No. ELD/CDF/081 of Eldas Town b) Clearance Certificate for Land Reg No; ELD/CDF/081 at Eldas Town <p>The copies of the above documents are provided for confirmation.</p>		



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Name: Irshad Mohamed Habashow
Fund Account Manager.



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