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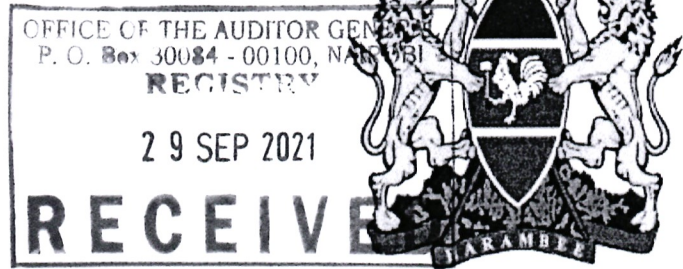
OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - TESO NORTH
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



**TESO NORTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

*Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	CAROLYNE WANYONYI
2.	Sub-County Accountant	NICHOLAS MUE
3.	Chairman NGCDFC	WILLIAM OKALIO
4.	Member NGCDFC	MARY WANJIRU KARANJA

(d) Fiduciary Oversight Arrangements

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

(e) Teso North Constituency NGCDF Headquarters

P.O. Box 255-50408
NG CDF Building
Nairobi-Uganda Highway
Kamuriai, KENYA

(f) Teso North Constituency NGCDF Contacts

Telephone: (254) 103550660
E-mail: cdftesonorth@ngcdf.go.ke
Website: www.go.ke

(g) Teso North Constituency NGCDF Bankers

Equity Bank (specify the constituency account banker details)
Branch
P.o Box 247
Kamuriai

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT

Include among others the following:



**WILLIAM OKALIO EPAYE- CHAIRMAN NG CDFC TESO
NORTH CONSTITUENCY**

The NGCDFC Managed to Steer up the continuation and completion of the key and model projects which were being undertaken at the beginning of the financial year such as the Kenya Medical Training College at Kocholya, completion of a modern Science Laboratory at St. Theresa Girls Secondary School and Akobwait Cha Secondary School, Started A modern Science Laboratory at SA Kolanya Girls National School, started a library at Kakemer Primary School ,constructed classrooms at Rwatama Primary School, Chelemuk Boys Primary School , Osajai Primary School, Katanyu Primary School among others.

The Committee also managed to complete various Projects which were incomplete in the previous year's such as Akiriamasit Primary School administration block.

The committee similarly managed to initiate the drilling of boreholes to some institutions of learning like Chamasiri TTI, Akobwait Cha Secondary School, St Thomas Amagoro Secondary School, Kakemer primary school and Malaba Youth Empowerment Centre.

The Committee also managed to build two modern toilets to improve on sanitation situation planted various tree seedlings in most Schools to improve vegetation coverage. These projects have left a huge positive impact on the intended end users and beneficiaries.

Challenges

The year in question was coupled with a number of challenges; Such as the Corona Pandemic among others. Change of managers leading to two different managers in one financial year .

There is a high demand and pressure on the fund where the needs are more than the available funds especially bursary request and infrastructure needs.

The community solely relies on government funding for any development. There is influx of rising institutions that need more funding for its growth due to rise in population and the Community is unable to contribute to its improvement hence relying heavily on Government.

The Community also is reluctant to engage in other income generating activities to enable them pay fees or cater for Lunch program instead posing a greater challenge for Day Schools also requesting for bursary support. To address these challenges, the committee is working towards creation of a factual data base on the NG CDF funded projects to guide future development.

The committee is also keen to ensure completion of all on-going projects and realistic funds allocation per project to get quality projects as well as timely completion. The NG CDFC has launched an advisory committee to help parents seek other source of assistance instead of depending on NGCDF for the whole fee payment. The NGCDFC is encouraging self-reliance skills for the constituents to manage and be able to survive instead of depending on government funding alone. The NGCDFC has encouraged the community to provide other items such as firewood, Vegetables to enable them pay day schools fees to minimize over reliance on Bursary kitty.

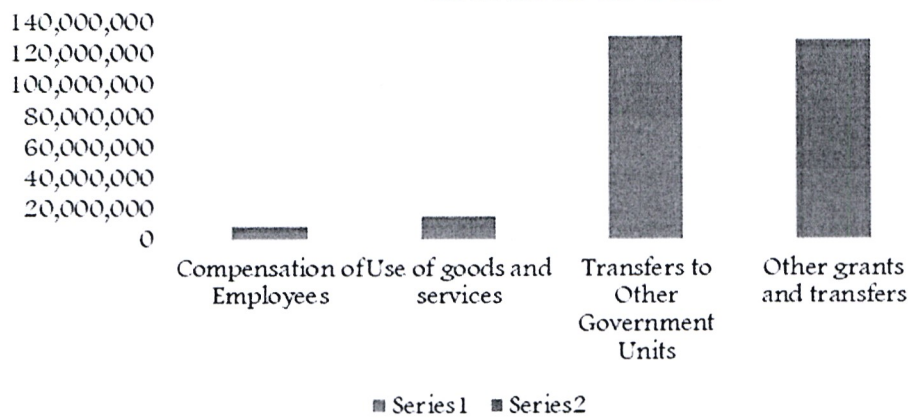


KMTC KOCHOLYA



AKICHELESIT PRIMARY SCHOOL CLASSROOM

TESO NORTH BUDGETED VS ACTUAL EXPENDITURE



The funding for this financial year was largely used for development and improvement of infrastructure in the institutions of learning to provide a cohesive environment for learning

Signature

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of Teso North *Constituency 2018-2022* plan are to:

- a) To improve access to quality education at primary ,secondary and post secondary levels.
- b) To improve security(protective ,food and social protective
- c) To develop cottage manufacturing,entrepreneurship and adoption of innovative technology for socio economic development.

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 attend school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions	In FY 20/21 we increased number of classrooms, laboratories,libraries etc from 1,500 to 1,520 in the following schools/ institutions Rwatama primary,Chelelemuk Boys Primary,Katanyu primary,Osajai Primary,Akichelesit Primary,Akulonyi Primary,SA Kolanya Girls High ,Kakemer Primary School,Kalalaran Primary, among others.
			- number of	

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			bursary's beneficiaries at all levels	
Security	To ensure all the constituents are at least secure from hunger and other pandemics	Having hunger free constituents and constituents living without fear of any social attacks	Administrative units improved and operationalized and time to time awareness being made to the constituents	We ensured that proper coordination with the administrative units and improved infrastructure in the security sector
Environment	To ensure the constituents live in a friendly and habitable environment	A good atmosphere for conducting various human activities at all given times	Planting of trees was carried out and construction of recreation facilities done in some institutions	We ensured that a variety of tree seedlings are planted and environment friendly pit latrines are built in schools
Sports	To identify and explore local talents of the constituents	Exposing talents of the locals nationally and internationally	Provision of various sporting equipment for several activities	We ensured we acquire the sporting equipment necessary for the activities in the constituency
Emergency	To mitigate the various infrastructural challenges that arise unexpectedly	To ensure that constituents within the jurisdictions of the NG CDF are put back to their expected infrastructural status to give a humble room for their various activities	Replacement of the affected infrastructural facility	We managed to replace a dormitory that got burnt and did several pit latrines that collapsed due to the uncontrollable rains

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- *During the financial year, the NG CDF Teso North office engaged in tree planting activities of various types including, fruit trees, shade providing trees and windbraking trees in some selected institutions within the constituency.*
- *The NG CDFC conducted a bursary issuance session which also provided a platform for sensitization of the youth on drug and substance abuse and the vulnerable diseases like the Covid -19 pandemic and the HIV/AIDS.*

- *NG CDFC through the allocation made to the sports kitty managed to hold various sporting events that ensured cohesion is maintained while environmental conservation was also put on table.*

3. Employee welfare

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

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

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

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

V. 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.

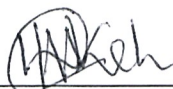
The Accounting Officer in charge of the NGCDF-Teso North Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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-Teso North Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Teso North Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The NGCDF- Teso North Constituency financial statements were approved and signed by the Accounting Officer on 8/9 2021.



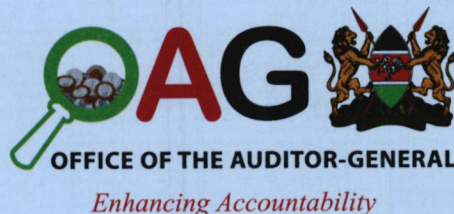
Chairman NGCDF Committee
Name: William Okalio



Fund Account Manager
Name: Carolayne Wanyonyi

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TESO NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Teso North Constituency set out on pages 15 to 49, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the

Report of the Auditor-General on National Government Constituencies Development Fund - Teso North Constituency for the year ended 30 June, 2021

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Teso North Constituency as at 30 June, 2021, 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.

Basis for Qualified Opinion

1. Inaccuracies in Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.23,120,750 which, as disclosed in Note 10A to the financial statements represents bank balances. However, review of bank reconciliation statement for the month of June, 2021 revealed stale cheques amounting to Kshs.161,000 that had not been reversed in the cash book.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.23,120,750 could not be confirmed.

2. Lack of Ownership Documents

The statement of receipts and payments reflects transfers to other Government units of Kshs.51,819,204 as disclosed in Note 6 to the financial statements. The amount includes Kshs.46,207,204 transfers to tertiary institutions out of which an amount of Kshs.45,007,204 was disbursed for construction of Kocholya Kenya Medical Training College administration block, lecture halls, library and laboratories which were verified on 11 May, 2022 to be complete and in use. However, a title deed for the land on which the project is constructed was not provided for audit verification.

In the circumstances, the ownership of Kocholya Kenya Medical Training College land could not be confirmed.

3. Unsupported Procurement of Sports Items

The statement of receipts and payments reflects other grants and transfers of Kshs.83,251,391 as disclosed in Note 7 to the financial statements. The amount includes Kshs.4,307,354 incurred in purchasing sports items that were delivered to the Teso North Constituency Development Fund offices. However, the supporting procurement records were not provided for audit.

In the circumstances, the accuracy and completeness of expenditure of Kshs.4,307,354 on sports items could not be confirmed.

4. Unsupported Project Management Committee Bank Account Balances

Note 17.4 to the financial statements reflects Project Management Committee (PMC) bank account balances of Kshs.18,548,977 while casting of Annex 5 with ninety-nine (99) accounts revealed a balance of Kshs.18,823,398 resulting to unreconciled variance of Kshs.274,421. Further, the PMC bank balances were not supported by bank reconciliation statements, cash books and certificates of bank balance.

In the circumstances, the accuracy and completeness of the PMC bank account balance of Kshs.18,548,977 could not be confirmed.

5. Unsupported Fixed Assets

Annex 4 to the financial statements on summary of fixed assets register reflects a balance of Kshs.22,742,374 which includes Kshs.5,740,000 for transport equipment. However, the transport equipment balance excludes a motor vehicle valued at Kshs.2,875,000. In addition, log books for two (2) motor cycles were not provided for audit verification.

In the circumstances, the valuation and ownership of the assets of Kshs.22,742,374 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 - Teso North Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.218,561,877 and Kshs.170,066,064 respectively, resulting in an under-funding of Kshs.48,495,813 or 22% of the budget. Similarly, the Fund spent an amount of Kshs.147,358,680 out of the approved expenditure budget of Kshs.218,561,877, resulting in an under expenditure of Kshs.71,203,197 or 33% of the budget.

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

2. Unresolved Prior Year Audit Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

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 of Lawfulness and Effectiveness of in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Construct Security Guard House

The statement of receipts and payments reflects transfers to other Government units of Kshs.51,819,204 as disclosed in Note 6 to the financial statements. The amount includes Kshs.46,207,204 transfers to tertiary institutions out of which Kshs.1,200,000 was disbursed to Chamasiri Technical Training Institute for construction of a security guard house. However, physical verification carried out on 11 May, 2022 revealed that the security guard house had not been constructed.

In the circumstances, the value for money for the expenditure of Kshs.1,200,000 could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

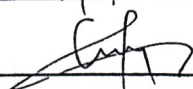
02 September, 2022

*Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

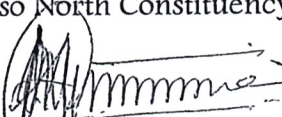
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	157,960,790	123,040,880
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	103,000	372,418
TOTAL RECEIPTS		158,063,790	123,413,298
PAYMENTS			
Compensation of employees	4	3,904,919	2,348,375
Use of goods and services	5	8,383,166	5,328,624
Transfers to Other Government Units	6	51,819,204	83,676,384
Other grants and transfers	7	83,251,391	28,228,853
Acquisition of Assets	8	0	1,494,180
Other Payments	9	0	0
TOTAL PAYMENTS		147,358,680	121,076,416
SURPLUS/(DEFICIT)		<u>10,705,110</u>	<u>2,336,882</u>


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Teso North Constituency financial statements were approved on 8/9 2021 and signed by:



Fund Account Manager
Name: Carolayne Wanyonyi



National Sub-County
Accountant
Name: Nicholas Mue
ICPAK M/No: 17826

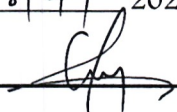


Chairman NG-CDF Committee
Name: William Okalio

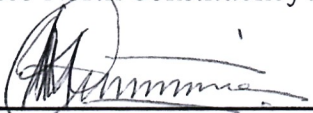
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A <i>Just</i>	23,120,750	12,071,692
Cash Balances (cash at hand)	10B	0	0
Total Cash and Cash Equivalents		23,120,750	12,071,692
Accounts Receivable			
Outstanding Imprests	11	0	0
TOTAL FINANCIAL ASSETS		23,120,750	12,071,692
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention <i>Ch. 12</i>	12A	0	69,418
Gratuity <i>H</i>	12B	413,366	0
TOTAL FINANCIAL LIABILITES		413,366	69,418
NET FINANCIAL ASSETS		<u>22,707,984</u>	<u>12,002,274</u>
REPRESENTED BY			
Fund balance b/fwd	13	12,002,274	9,665,392
Prior year adjustments <i>GC</i>	14	0	0
Surplus/Deficit for the year		10,705,110	2,336,882
NET FINANCIAL POSITION		<u>22,707,984</u>	<u>12,002,274</u>


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Teso North Constituency financial statements were approved on 8/9/2021 and signed by:



Fund Account Manager
Name: Carolayne Wanyonyi



National Sub-County
Accountant
Name: Nicholas Mue
ICPAK M/No: 17826



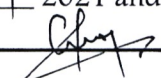
Chairman NG-CDF Committee
Name: William Okalio

*Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

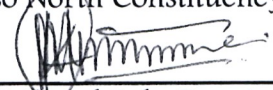
IX. STATEMENT OF CASHFLOW

		2020 – 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	157,960,790	123,040,880
Other Receipts	3	103,000	372,418
Total receipts		158,063,790	123,413,298
Payments for operating activities			
Compensation of Employees	4	3,904,919	2,348,375
Use of goods and services	5	8,383,166	5,328,624
Transfers to Other Government Units	6	51,819,204	83,676,384
Other grants and transfers	7	83,251,391	28,228,853
Other Payments	9	0	0
Total payments		147,358,680	119,582,236
Total Receipts Less Total Payments		0	0
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	0	0
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	343,948	69,418
Prior year adjustments	14	0	0
Net cash flow from operating activities		11,049,058	3,900,480
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	9	0	1,494,180
Net cash flows from Investing Activities		0	1,494,180
NET INCREASE IN CASH AND CASH EQUIVALENT		11,049,058	2,336,882
Cash and cash equivalent at BEGINNING of the year	10	12,071,692	9,665,392
Cash and cash equivalent at END of the year		<u>23,120,750</u>	<u>12,002,274</u>

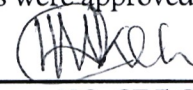
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Teso North Constituency financial statements were approved on 8/9/2021 and signed by:



Fund Account Manager
Name: Carolyne Wanyonyi



National Sub-County Accountant
Name: Nicholas Mue
ICPAK M/No: 17826



Chairman NG-CDF Committee
Name: William Okalio

X. SUMMARY STATEMENT OF APPROPRIATION


Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	Kshs	b	Kshs				
RECEIPTS	2020/2021		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disburse- ments	2020/2021	30/06/2021		
Transfers from NGCDF Board	137,088,879		12,002,274	69,367,724	218,458,877	169,963,064	48,495,813	77.8%
Proceeds from Sale of Assets					0	0	0	0.0%
Other Receipts	0		103,000		103,000	103,000	0	100.0%
TOTALS	137,088,879		12,105,274	69,367,724	218,561,877	170,066,064	48,495,813	77.8%
PAYMENTS								
Compensation of Employees	5,000,000		3,608,033	3,600,000	12,208,033	3,904,919	8,303,114	32.0%
Use of goods and services	7,339,169		2,976,181	2,742,063	13,057,414	8,383,166	4,674,248	64.2%
Transfers to Other Government Units	52,153,428		0	17,265,776	69,419,204	51,819,204	17,600,000	74.6%
Other grants and transfers	63,596,282		5,364,060	42,352,950	111,313,292	83,251,391	28,061,901	74.8%
Acquisition of Assets				0	0	0	0	0.0%
Other Payments	0		0	0	0	0	0	0.0%
Funds pending approval**	9,000,000		157,000	3,406,934	12,563,934	0	12,563,934	0.0%
TOTALS	137,088,879		12,105,274	69,367,724	218,561,877	147,358,680	71,203,197	67.3%

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


*Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	71,203,197
Less undisbursed funds receivable from the Board as at 30 th June 2021	(48,495,813)
	22,707,784
Add Accounts payable	413,366
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	23,120,750


The NGCDF-TESO NORTH Constituency financial statements were approved on 8/9/2021 and signed by:



Fund Account Manager
Name: Carolayne Wanyonyi



National Sub-County
Accountant
Name: Nicholas Mue
ICPAK M/No: 17826



Chairman NG-CDF Committee
Name: William Okalio

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization Difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,000,000	3,608,033	3,600,000	12,208,033	3,904,919	8,303,114
1.2 Committee allowances	1,400,000	0	1,200,000	2,600,000	2,148,000	452,000
1.3 Use of goods and services	1,826,113	2,976,181	1,049,903	5,852,197	2,318,766	3,533,431
2.0 Monitoring and evaluation	8,226,113	6,584,214	5,849,903	20,660,230	8,371,685	12,288,545
2.1 Capacity building	1,613,056	0		1,613,056	2,317,400	(704,344)
2.2 Committee allowances	1,100,000	0		1,100,000	1,229,000	(129,000)
2.3 Use of goods and services	1,400,000	0	492,160	1,892,160	370,000	1,522,160
3.0 Emergency	4,113,056		492,160	4,605,217	3,916,400	688,817
3.1 Primary Schools	857,420			857,420	857,420	0
3.2 Secondary schools				0		0
3.3 Tertiary institutions	2,000,000			2,000,000	2,000,000	0
3.4 Security projects	700,000			700,000	700,000	0
Unutilized	3,634,787			3,634,787	3,634,787	0
4.0 Bursary and Social Security						
4.1 Primary Schools						

*Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.2 Secondary Schools	13,000,000		12,845,596	27,696,948	16,550,338	11,146,610
4.3 Tertiary Institutions	30,000,000		27,000,000	57,930,165	57,553,770	376,395
4.4 Universities	0			0		0
4.5 Social Security	1,920,000			1,920,000	12,000	1,908,000
4.6 special needs	500,000		400,000	500,000	485,000	15,000
	45,420,000	0	-	88,047,113	74,104,108	13,943,005
5.0 Sports						
5.1	2,742,038		2,107,354	4,849,392	4,307,354	542,038
5.2	2,742,038		2,107,354	4,849,392	4,307,354	542,038
5.3						
6.0 Environment						
6.1kisiombe Primary School	685,509			685,509	685,509	0
6.2 Okuleu Primary School	685,509			685,509	0	685,509
6.3 Chamasiri Secondary School	685,509			685,509	0	685,509
6.4 St Josephs Kocholya Secondary School	685,509			685,509	0	685,509
Total	2,742,038	-	-	2,742,038	685,509	2,056,527
7.0 Primary Schools Projects						
7.1 Kengatuny Primary School			200,000	200,000	200,000	0
7.2 Adanya Primary School			850,000	850,000	850,000	0
7.3 Akiriamet Primary school			1,000,000	1,000,000	1,000,000	0

**Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.4Katanyu Primary School	500,000			500,000		500,000
7.5 Kawalun Primary School	1,075,000			1,075,000		1,075,000
7.6 Kidek Primary School	1,075,000			1,075,000		1,075,000
7.7 Korisai Primary School	650,000			650,000		650,000
7.8 Moding Primary School	1,000,000			1,000,000		1,000,000
7.9 Goromait Primary School	200,000			200,000		200,000
7.91 Chamasiri Primary School	1,000,000			1,000,000		1,000,000
7.92 Ikapolok Primary School	5,000,000			5,000,000		5,000,000
8.0 Secondary Schools Projects						
8.1 Kolanya Girls National School	1,500,000		2,000,000	3,500,000	2,000,000	1,500,000
8.2 Kangelemuge Secondary school			100,000	100,000	100,000	0
8.3 Bishop Sulumeti Girls Secondary	0		1,462,000	1,462,000	1,462,000	0
8.4 St Theresa Malaba Mixed Sec.	500,000			500,000	0	500,000
8.5 St Anthony Akobwait CHA Sec	100,000			100,000	0	100,000
9.0 Tertiary institutions Projects						
9.1 Chamasiri Technical Training Institute	1,000,000		1,200,000	2,200,000	1,200,000	1,000,000
9.2 Kocholya KMTC	32,353,428		10,453,776	42,807,204	42,807,204	0
9.3 Kocholya KMTC	2,200,000			2,200,000	2,200,000	0
9.4 Chamasiri Technical Training Institute	2,000,000			2,000,000	0	2,000,000
9.5 Malaba Youth Empowerment Centre	2,000,000			2,000,000	0	2,000,000
10.0 Security Projects						
10.1 Changara Chiefs Office	4,500,000			4,500,000	0	4,500,000
10.2 Okuleu Chiefs Office	1,000,000			1,000,000	0	1,000,000
10.3 Angurai ACC office		100,000		100,000	100,000	0
11.0 Acquisition of assets						

*Teso North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization Difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office						
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers						
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan						
12.2 Innovation Hub						
12.2						
Funds pending approval**	9,000,000	157,000	3,406,934	12,563,934		12,563,934
Total	137,088,879	12,105,274	69,367,724	218,561,877	147,358,680	71,273,197

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

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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.

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (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 10th June 2020 for the period 1st July 2020 to 30th June 2021 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.

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 2021.

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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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO B07102	1		39,690,876
AIE NO 041428	2		3,500,000
AIE NO 041219	3		4,000,000
AIE NO 047821	4		20,000,000
AIE NO 104156	5		15,000,000
AIE NO 104490	6		29,000,000
AIE NO 096799	7		11,850,004
AIE NO B 104753	1	19,000,0000	
AIE NO B 823728	2	35,000,0000	
AIE NO B 104843	3	11,960,790	
AIE NO B 124672	4	9,000,000	
AIE NO B 119657	5	10,000,000	
AIE NO B 128046	6	13,000,000	
AIE NO B 128289	7	6,900,000	
AIE NO B 132081	8	6,000,000	
AIE NO B 132343	9	6,000,000	
AIE NO B 126012	10	13,000,000	
AIE NO B 126304	11	6,100,000	
AIE NO B 105099	12	10,000,000	
AIE NO B 140743	13	12,000,000	
TOTAL		157,960,790	123,040,880

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	0	0
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
Total	0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from sale of tender documents	103,000	54,000
Other Receipts (Equity Bank Deposit)	0	2000
Unutilized funds from PMCs	0	0
Other Receipts (Bank Transfers Cooperative Bank)	0	316,418
Total	103,000	372,418

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,209,083	1,884,891
Personal allowances paid as part of salary		
House Allowance	200,500	0
Transport Allowance	0	0
Leave allowance	6,000	0
Gratuity to contractual employees	1,379,986	361,894
Employer Contributions Compulsory national social security schemes	109,350	101,790
Total	3,904,919	2,348,375

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	1,033,000	1,648,213
Utilities, supplies and services	422,220	15,000
Communication, supplies and services	336,500	285,800
Domestic travel and subsistence	2,599,900	1,092,060
Printing, advertising and information supplies & services	12,480	106,830
Rentals of produced assets	0	0
Training expenses	1,887,000	646,000
Hospitality supplies and services	337,600	483,510
Insurance costs	0	0
Specialized materials and services	214,210	0
Office and general supplies and services	392,480	206,870
Other operating expenses	128,989	2,580
Routine maintenance – vehicles and other transport equipment	449,381	374,891
Routine maintenance – other assets	35,320	45,950
Electricity	48,136	0
Fuel, oil and lubricants	450,000	408,000
Water and sewerage	1,000	0
Bank service commission and charges	34,950	12,840
Total	8,383,166	5,328,624

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	2,050,000.00	23,280,160
Transfers to secondary schools (see attached list)	3,562,000.00	19,950,000
Transfers to tertiary institutions (see attached list)	46,207,204.08	40,446,224
TOTAL	51,819,204 .08	83,676,384

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	16,550,338.00	869,784.00
Bursary – tertiary institutions (see attached list)	57,553,770.00	5,937,255.00
Bursary – special schools (see attached list)	485,000.00	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	12,000.00	-
Security projects (see attached list)	100,000.00	6,832,745.00
Sports projects (see attached list)	4,307,354.00	2,003,000.00
Environment projects (see attached list)	685,509.40	3,549,354.00
Emergency projects (see attached list)	3,557,420.00	9,036,715.00
	83,251,391	28,228,853
Total		

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		694,180
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		800,000
Purchase of Specialized Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total	0	1,494,180

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan		
ICT Hub		
	0	0

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10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Equity bank, Malaba branch. A/C No. 1050278831272</i>	23,120,750	12,071,693
Total	23,120,750	12,071,693
10B: CASH IN HAND		
Location 1		
Location 2		
Location 3		
Other Locations (<i>specify</i>)		
Total	0	0

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Total				0

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

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	69,418	0
Retention held during the year (B)	0	69,418
Retention paid during the Year (C)	69,418	0
Closing Retention as at 30 th June D= A+B-C	0	69,418

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	0	0
Gratuity held during the year (B)	593,795	0
Gratuity paid during the Year (C)	180,429	0
Closing Gratuity as at 30 th June D= A+B-C	413,366	0

13. BALANCES BROUGHT FORWARD

	2020-2021 (1st July 2020)	2019-2020 (1st July 2019)
	Kshs	Kshs
Bank accounts	12,002,274	9,665,392
Cash in hand	0	0
Imprest	0	0
Total	12,002,274	9,665,392

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	0	0	0
Cash in hand	0	0	0
Accounts Payables	0	0	0
Receivables	0	0	0
Others -retention	69,418	(69,418)	0
TOTAL	0	0	0

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
closing accounts in account receivables D= A+B-C	0	0

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2019	2019 - 2020
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	69,418	0
Deposit and Retentions held during the year (B)	593,795	69,418
Deposit and Retentions paid during the Year (C)	249,847	0
closing account receivables D= A+B-C	413,366	
Change (E=D-A)	343,948	69,418

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	0	0
Others -gratuity	677,407	961,120
	677,407	961,120

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	8,303,114	3,600,000
Use of goods and services	4,674,248	2,742,063
Amounts due to other Government entities (see attached list)	17,600,000	17,265,776
Amounts due to other grants and other transfers (see attached list)	28,061,901	42,352,950
Funds pending approval	12,563,934	3,406,934
	71,203,197	69,367,724

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17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	18,548,977	3,032,741
	18,548,977	3,032,741

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	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.					
11.					
12.					
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 2021	Comments
NG-CDFC Staff				
1. Harrison Juma Esiromo	Accounts Assistant	01.12.2017	64,507.00	paid upto Nov 2020
2. Elias Okambo Elungat	Clerk of Works	17.04.2019	151,627.00	
3. Jacinta Kemunto Nyamao	Secretary	01.02.2018	42,688.00	Paid upto Jan 2021
4. Daniel Okware Mulupi	Driver	01.02.2018	34,885.00	Paid upto Jan 2021
5. Michael Odeke Okware	Security Guard	01.12.2017	45,046.00	paid upto Nov 2020
6. Augustine Okware Etyang	Security Guard	01.10.2019	93,416.00	
7. Douglas Kalvine Ibuloi	Security Guard	01.07.2019	110,525.00	
8. Stephen Jesuni Karani	Messenger	01.11.2019	87,948.00	
9. Richard Opagala	Liason officer	01.02.2021	46,765.00	
	+Sub-Total			
	Grand Total		677,407.00	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		8,303,114	3,600,000	
Use of goods & services		4,674,248	2,742,063	
Amounts due to other Government entities		12,977,362	6,342,063	
KMTC Kocholya		10,453,776		
Malaba Youth Empowerment Centre	Construction of water tower and purchase of electric brick making machine	2,000,000		
Chamasiri Technical Training Institute	Completion of fencing and purchase of electric brick making machine	2,000,000	1,200,000	
chamasiri TTI	Fencing	1,000,000		
SA Kolanya Girls National School	Completion of laboratory	1,500,000		
St Theresa Malaba Mixed Secondary School	Completion of laboratory	500,000		
Akowitz Cha Secondary School	Completion of laboratory	100,000		
Katanyu Primary School	Completion of two classrooms	500,000		
SA Goromait Primary School	Completion of classroom	200,000		
Kawalun Primary School	Construction of 1 classroom and 40 desks	1,075,000		
Kidek Primary School	Construction of 1 classroom and 40 desks	1,075,000		
Chamasiri Primary School	Renovation of 4 classrooms	1,000,000		
Moding Primary School	Renovation of 4 classrooms	1,000,000		
Ikapolok Primary School	Renovation of classrooms and administration block	5,000,000		
Korisai Primary School	Renovation of 2 classrooms	650,000		
Sub-Total		17,600,000	17,265,776	

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Amounts due to other grants and other transfers				
Chamasiri TTI				
Changara Chiefs Office	Construction of chiefs office	4,500,000		
Okuleu Chiefs office	Completion of chiefs office	1,000,000		
Okuleu Primary School	planting of trees	685,509		
Chamasiri Secondary School	planting of trees	685,509		
St Josephs Kocholya Secondary School	planting of trees	685,509		
Teso North Constituency Sports	purchase of sports kits	542,038	2107354	
Bursary Secondary Schools	fees to needy students	13,190,593	12845596	
Bursary Tertiary Institutions	fees to needy students	814,955	27000000	
Social Security		1,908,000	0	
Bursary Special Needs	fees to needy students	415000	400000	
Emergency		3,634,787		
Sub-Total		28,061,901	42,352,950	
Acquisition of assets				
Others (specify)				
Sub-Total				
Funds pending approval				
Achiya Echakara NYS training institute	Purchase of 8 acres of land	8,000,000		
Malaba Youth Empowerment	borehole development	1,000,000		
ST. Augustine komolo	purchase of bus	1,106,934	1106934	
Chamasiri TTI	Construction of gate	300,000	300000	
Angurai Youth Empowerment centre	borehole development	2,000,000	2000000	
AIA		157,000		
		12,563,934	3406934	
Grand Total		71,203,197	69,367,724	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	800,000	0	0	800,000
Buildings and structures	12,292,810	0	0	12,292,810
Transport equipment	5,740,000	0	0	5,740,000
Office equipment, furniture and fittings	2,167,164	0	0	2,167,164
ICT Equipment, Software and Other ICT Assets	1,742,400	0	0	1,742,400
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	22,742,374			22,742,374

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Adanya Primary School	Equity	1050278981085		710
Agonget pr school	Equity	1050278906621		60
Akirasit Primary School	Equity	1050297569757		17,604
Akubwait CHA Sec Sch	Equity	1050279035063		988,425
Akulony Primary School	Equity	1050278927929		493,104
Aloete Primary School	Equity	1050278960124		30,050
Angaro SA primary Scholl	Equity	1050278982625		26,500
Changara primary school	Equity	1050278906235		700
Chelelemuk Girls Boarding primary sch	Equity	1050278891238		343
Ekisegere pr school	Equity	1050279091666		241,140
Ikapolok pr school	Equity	1050278968980		3,895
Kagutio pr sch	Equity	1050278931818		62,420
Kajei pr school	Equity	1050279064759		275
Kakapel Primary School	Equity	1950278895525		329,554
Kakoli pr school	Equity	1050278899151		995
Kalalaran primary school	Equity	1050278975803		77,163
Kamolo Chiefs office	Equity	1050279000493		10

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kamuriai chiefs office	Equity	1050278991549		350
Kamuriai pr school	Equity	1050278911852		37,130
Kangelemuge Primary School	Equity	1050278893129		68,368
Kasogol Kapel primary school	Equity	1050299717894		740
Katanyu sec sch	Equity	1050279103356		1,911
Katotoi chies office	Equity	1050278979829		537
Kekalet Secondary school	Equity	1050278931144		657
Ketebat Primary School	Equity	1050278982369		18,831
Kocholya Chiefs office	Equity	1050278989288		622
Kolanya boys high sch	Equity	1050276556805		205,000
Amoni Secondary School	Equity	1050278986616		425,647
Achiya Echakara secondary school	Equity	1050279682424	15,566	
ACK Chemasiri Primary School	Equity	1050279915488	28,207	
Adanya Primary School-classroom	Equity	1050278981085	710	
Akadetewai Primary School	Equity	1050279852235	98	
Akadot Primary School	Equity	1050279009742	256	
Akichelesit GSU Camp	Equity	1050279908039	15,566	
Akichelesit Primary School	Equity	1050279808477	33,546	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Akichelesit Primary School-pit latrines	Equity	1050279904923	19,446	
Akiriamasit pr school	Equity	1050297569757	17,604	
Akiriame Primary School	Equity	1050279928562	21,089	
Akiriame Primary School -Account 2	Equity	1050280189004	924,188	
Akobwait CHA sec sch	Equity	1050279035063	888,065	
Akolong primary school	Equity	1050279769783	4,787	
Akudiet Primary School	Equity	1050279736676	198,749	
Akulony Primary School	Equity	1050278927929	35,014	
Aloete Primary School	Equity	1050278960124	30,050	
Amagoro Primary School	Equity	1050279786100	63,324	
Amoni Secondary School	Equity	1050278986616	271,520	
Chamasiri TVC	Equity	1050279995296	1,997,365	
Changara Chiefs Office	Equity	1050279805755	1,828,508	
Chelelemuk Boys Primary School	Equity	1050279784294	126,985	
DCC Teso North Old Office	Equity	1050279818087	104.63	
Ekisegere pr school	Equity	1050279091666	208,520	
Elalai primary school	Equity	1050279767504	35,108	
Ikapolok pr school	Equity	1050278968980	3,895	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kagutio pr sch	Equity	1050278931818	62,420	
Kakapel Primary School	Equity	1050278895525	39,802	
Kakemer Primary School	Equity	1050279818461	1,603,083	
Kakeriaut Primary School	Equity	1050278981906	2,148	
Kakoli pr school	Equity	1050278899151	995	
Kalalaran primary school	Equity	1050278975803	43,795	
Kamuriai pr school	Equity	1050278911852	1,560.00	
Kangelemuge Primary School	Equity	1050278893129	68,368	
Kapesur Primary School	Equity	1050279724695	28,535	
Katanyu Primary School	Equity	1050279785255	140	
Ketebat Primary School	Equity	1050278982369	18,831	
Kocholya Chiefs office	Equity	1050278989288	623	
Kocholya KMTTC PMC	Equity	1050279805702	3,048,920	
Kokeri Primary School	Equity	1050279371109	1,640	
Kolanya boys high sch	Equity	1050276556805	225,085	
Kolanya Boys Primary School	Equity	1050279008073	43,022	
Kolanya Girls Primary School	Equity	1050278902766	15,680.00	
Kolanya Girls Primary School -Classroom	Equity	1050279911492	14,022	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kongololo Primary school	Equity	1050278923894	512	
Kongurakol Primary School	Equity	1050194459321	1,097	
Korisai Primary School	Equity	1050279741613	16,539	
Koruruma pr school	Equity	1050278973866	125	
Malaba Township primary	Equity	1050279052204	3,902	
Malaba Youth Empowerment Centre	Equity	1050279368247	736,967	
Matumbai Primary School	Equity	1050279914326	288	
Moding Chiefs Office	Equity	1050279844096	24,959	
Moding Police Station	Equity	1050280070532	26,364	
Okuleu Chiefs Office	Equity	1050277448096	124,864	
Okuleu Primary School	Equity	1050278984274	699	
Opaare pr school	Equity	1050279010326	1,100	
Osasame primary school	Equity	1050278912424	70,595	
Osopotoit pr school	Equity	1050278971639	960	
Rwatama primary school	Equity	1050279067915	81,707	
SA Adanya Secondary School	Equity	1050279905706	29,384	
SA Aedomoru Sec sch	Equity	1050279014854	67,864	
SA Kolanya Girls National School	Equity	1050279914653	3,855,748	

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
St Benard Kakurikit Secondary school	Equity	1050279781850	230,797	
St John Kajei secondary school	Equity	1050263524603	955	
St Jude Korisai Girls secondary school	Equity	1050278979886	45,355	
St Lawrence Akapijian Primary School	Equity	1050279908979	1,647	
St Marys Osajai Primary School	Equity	1050279788565	138	
St Thomas Amagoro Girls Secondary Sch	Equity	1050279818828	1,468,368	
St. Jude Onyunyur sec	Equity	1050278925678	780	
Teso North AP Camp	Equity	1050279917329	17,222	
Teso North DCC's Office	Equity	1050279111028	10	
Totokakile Primary School	Equity	1050279909493	27,512	
TOTALS			18,548,977	3,032,741

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>A review of the project implementation status of NG-CDF Teso North Constituency as at 17th March 2021 revealed the following; (2) Projects amounting to Kshs.33,600,000 are ongoing, (6) projects amounting to Kshs.10,650,000 are yet to be implemented, (11) Projects of Kshs.6,450,000 are in use though not complete, (4) projects amounting to Kshs.5,050,000 are yet to be funded and (24) projects worth Kshs.17,900,000 are incomplete these funds were not sufficient to do the projects to completion. It was noted that for some projects some information was missing therefore amounts have not been included.</p> <p>Risk Delay in implementation or non-implementation of the budgeted projects implies that the residents of Teso North Constituency were denied the benefits accruing from the completed projects and therefore the objective of improving service delivery and poverty reduction was not achieved.</p>	<p>The committee has tasked the clerk of works to update the PIS. It also reviewed its monitoring and evaluation work plan</p>	<p>Resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The management of NG CDF Teso North did not prepare the financial statements in conformity to the revised financial statement reporting format duly approved by PSASB.</p> <p>1. Numbering of notes in the statement of receipts and payments (note 4 to note 9) does not agree with the numbering of notes from page 28-31 of the financial statements.</p> <p>2. The numbering of the financial statements should begin with roman numbers from the table of contents to the report of the independent auditors then page 1 to begin from the statement of receipts and payments</p>	<p>The Management tasked the Fund Account Manager to do the necessary corrections</p>	Resolved	