

REPUBLIC OF KENYA

PARLIAMENT
KENYA
BRARY



OAG



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 23 FEB 2022

DAY:

Wed.

TABLED
BY:

The Majority Whip
Hon E. Wangwe, MP

CLERK-AT
THE TABLE:

Benson Inzogu.

THE AUDITOR-GENERAL

ON

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

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



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

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

Revised Template 30th June 2020



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

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA SOUTH CONSTITUENCY

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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.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

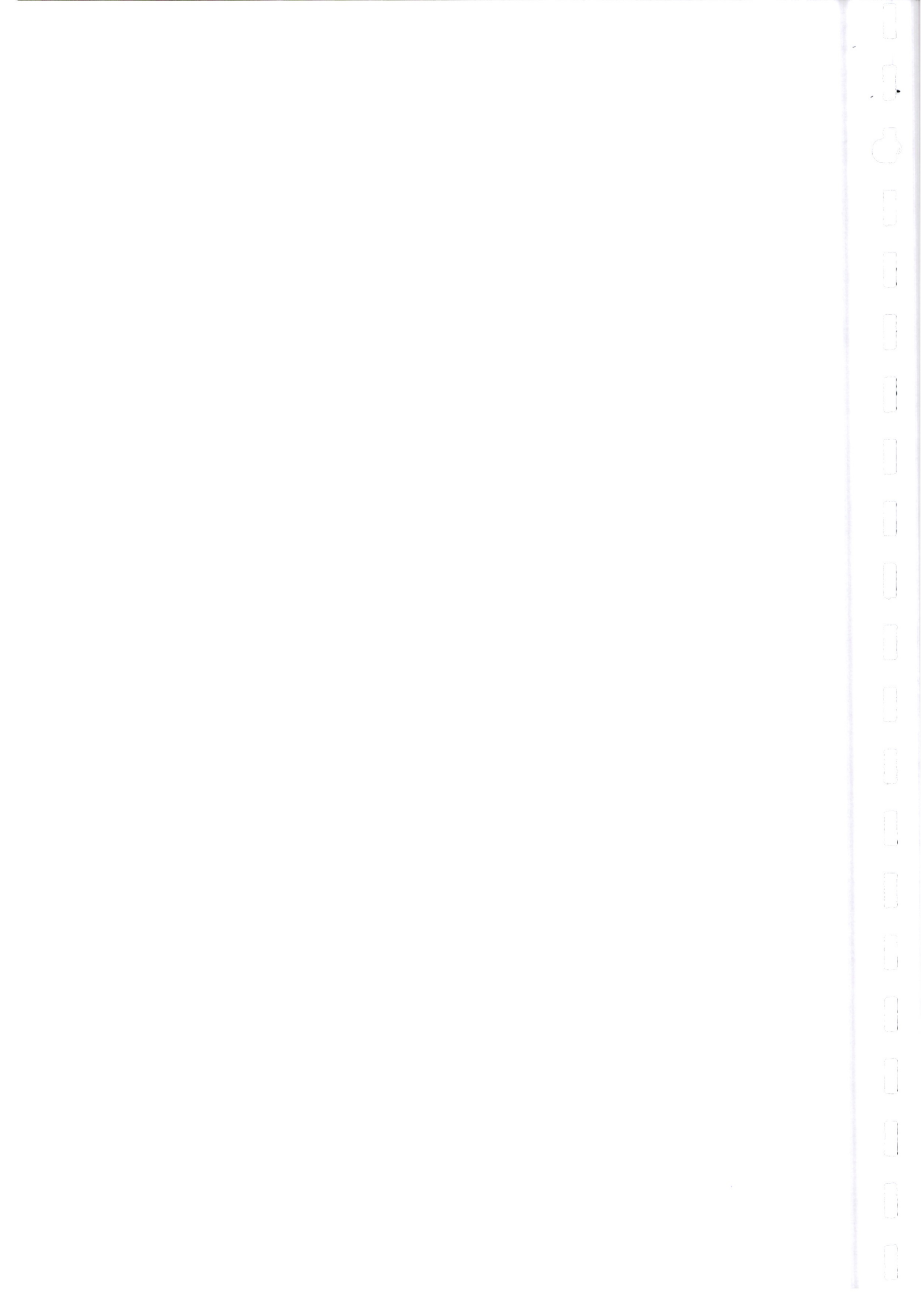
No.	Designation	Name
1.	A.I.E holder	Kwena Stephen
2.	Sub-County Accountant	Korir O. Kiplangat
3.	Chairman NGCDFC	Peter Lodio Emeri
4.	Member NGCDFC	Rosebella Amodoi

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF TURKANA SOUTH Constituency Headquarters

IN BETWEEN DCC OFFICES AND KPLC POWER STATION LOKICHAR
P.O. Box 267-30500



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

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

(f) Lodwar KENYA NGCDF Turkana South Constituency Contacts

P.O BOX 267-30500 LODWAR
E-mail: cdfturkanasouth@ngcdf.go.ke
Website: www.go.ke

(g) NGCDF Turkana South Constituency Bankers

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

...
...
...

(h) Independent Auditors

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

(i) Principal Legal Adviser

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA SOUTH CONSTITUENCY

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

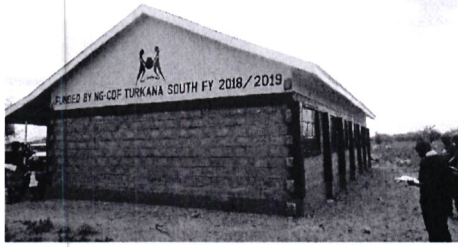
Turkana South Constituency had a final budget for year ended 30 June 2020 amounting to Kshs.179,020,233 comprising of approved budget for the F/Y 2019/20 amounting to Kshs 137,367,724, budgeted funding for 2018/2019 F/Y received during the year amounting to Kshs.35,618,802 plus Kshs 5,963,706 for financial year 2017/2018 . At the end of the financial year June 2020 the constituency had received Kshs 109,582,509.00 from the board representing 61% of the allocation in the year, Which the Management used to construct 3classrooms and 120 equipping with desks for primary schools, 2 secondary schools were started Adining hall was repaired 8 pit latrines in primary schools done etc

The actual budget of the year was 61% for the funds that were received, however the overall performance was 90% was utilized , bursary 37% of the funds receive, 16% was spend on Tertiary and 20 % was spend on the primary and Secondary schools due to delays in procurement however 40% of the overall budget was on education as depicted below in the table Include among others the following:

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	% of Utilisation
	c=a+b	d	
RECEIPTS			
Transfers from NG-CDF Board	179,030,233.00	109,582,509.00	61%
Proceeds from Sale of Assets		-	-
Other Receipts	116,000.00	116,000.00	100%
TOTAL RECEIPTS	179,146,233.00	109,698,509.00	61%
PAYMENTS			
Compensation of Employees	4,826,904.00	3,257,891.00	67%
Use of goods and services	7,555,598.00	5,533,800.00	73%
Transfers to Other Government Units	115,270,400.00	56,870,400.00	49%
Other grants and transfers	46,700,302.00	38,721,207.00	83%
Other Payments	4,677,028.00	4,677,028.00	100%
Unallocated Funds			
TOTAL	179,030,231.00	109,060,326.00	61%

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA SOUTH CONSTITUENCY

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



1. Kaipok Primary school 2 classrooms



Loyapat fence and Gate

challenges

1. Delayed funding leads to delayed implementation of projects
2. Covid 19 pandemic delayed and slowed the normal working
- 3 Delayed board approval by the board due to additional information that is requested but not communicated in time

Peter Lodio Emeri

Sign-----

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.

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

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

The key development objectives of NGCDF Turkana South Constituency's 2018-2023 plan included

- (i) Enable easy access to Water, food security enhancing initiatives, population health services to improve livelihood and healthy of Community;
- (ii) Advance education access, training and skills improvement for all Turkana children and youths respectively in the constituency
- (iii) Help the constituents reduce extremely poverty by enhancing constituents' existing productive systems (livestock, fishing, and irrigated farming) to strengthening food security and livelihood income.
- (iv) Facilitate opportunities that provide business prospects to the locals; markets to locally produced products and capacities to trade with the rest of Kenyans
- (v) Reduce and manage risk of disasters and improve resilience to impacts of droughts through adequate preparedness.
- (vi) Mainstream gender equality and promote women empowerment

Progress on attainment of Strategic development objectives

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

1. In education classrooms have increase in primary school from 72 classrooms to 84 during the year
2. Secondary school Laboratories increased from 3 to 4
3. Security installation increased from 1 to 2 in the financial year
4. On Water there were 2 more boreholes sunk increasing to 6



IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. SUSTAINABILITY STRATEGY AND PROFILE

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

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

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



SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

2. ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of Turkana South

NG-CDF initiatives

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

Our Environmental Policy

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

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

3. EMPLOYEES WELFARE

TERMS AND CONDITIONS OF SERVICE

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

Categories of Employment

Turkana South NG-CDFC offers only categories of employment, which are

Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements.

Orientation and Induction of employees

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

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

HEALTH, SAFETY AND WELL BEING

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

Guidelines to General Safety



SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

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

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

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

Fire precautions

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

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

Provision of protective equipment and clothing

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

Reporting of an Accident

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

Guidance and Counselling

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

Health Care Services

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

HIV/AIDS

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

4. MARKET PLACE PRACTICES

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



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

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

a) Responsible competition practice.

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

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

b) Responsible Supply chain and supplier relations

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

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

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

d) Product stewardship

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

Covid-19 Mitigation Measures

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

- Through Kenya Pipeline Corporation distributed 1,000 Jerricans of 20 liters sanitizers to the community free of charge.
- The committee acquired Sanitizers, Face masks and washing tanks and donated them to the MOH as they had requested through the Covid 19 response committee



V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

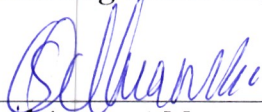
The Accounting Officer in charge of the NGCDF-TURKANA SOUTH Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 20XX. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-TURKANA SOUTH Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 20XX, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TURKANA SOUTH Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

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



Fund Account Manager

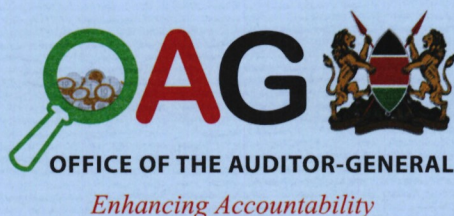
Name: Kwena Stephen



Sub-County Accountant

Name: Korir O. Kiplangat

REPUBLIC OF KENYA



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Website: www.oagkenya.go.ke

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NAIROBI

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Turkana South Constituency set out on pages 13 to 42, which comprise the statement of receipts and payments, statement of assets and liabilities as at 30 June, 2020, statement of cash flows and statement of appropriation - recurrent and development combined, for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Turkana South Constituency as at 30 June, 2020, 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 National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Presentation, Accuracy and Completeness of the Financial Statements

A review of the financial statements revealed the following;

- (i) The statement of Entity Management Responsibilities does not show the financial year to which it relates.
- (ii) Progress on follow up of Auditor's recommendations contain numerous spelling errors.

- (iii) The financial statements have figures not rounded off to the nearest shilling as stated under significant accounting policy No.3.
- (iv) The statements of entity management, receipts and payments, assets and liabilities, cash flow and the summary statement of appropriation - recurrent and development combined bear the signature of the Sub-County Accountant but the ICPA(K) member number has been omitted.
- (v) Note 17.3 to the financial statements reflects unutilized fund balance of Kshs.70,085,907 whose details have not been disclosed. Further, Annex 3 reflects unutilized funds budgeted under compensation of employees and use of goods of Kshs.1,490,746 and Kshs.2,100,065 respectively while the corresponding figures shown in the summary statement of appropriation - recurrent and development combined reflects Kshs.1,569,013 and Kshs.2,021,798 respectively leading to a similar variance of Kshs.78,267 for each item.
- (vi) The statement of receipts and payments reflects nil acquisition of assets while Note 8 to the financial statements shows Kshs.963,707 which relates to repairs and renovations of the CDF offices in Lokichar.
- (vii) The summary statement of appropriation - recurrent and development combined reflects actual transfers from the Board of Kshs.109,582,509 which differs from Kshs.73,953,707 shown in the statement of receipts and payments. The difference of Kshs.35,628,802 has neither been explained nor reconciled.
- (viii) The financial statements reflect figures that differ from supporting schedules as detailed below;

Component	Financial Statements 2019/2020 Kshs.	Schedule Totals Kshs.	Difference Kshs.
Compensation of employees	3,257,891	4,087,875	(829,984)
Bursary - Secondary	12,300,000	11,800,000	500,000
Bursary - Tertiary	17,500,000	17,000,000	500,000
Bursary - Special schools	-	1,000,000	(1,000,000)
Acquisition of assets (Note 8)	963,707	-	963,707
Other payments	4,677,028	-	4,677,028
ICT Equipment (Fixed Asset Register)	1,874,800	848,500	1,026,300

- (ix) Financial statements reflects opening balances that differ from the corresponding figures reflected in the prior year financial statements as detailed below;

Component	Financial Statements 2019/2020 (Kshs.)	Financial Statements 2018/2019 (Kshs.)	Difference (Kshs.)
Cash and cash equivalents	35,618,802	35,618,398	404
Basic salaries	2,939,051	2,448,011	491,040
Gratuity	-	491,040	(491,040)
Transfers to primary schools	23,965,200	16,465,200	7,500,000
Transfers to secondary schools	17,885,200	25,385,200	(7,500,000)
Unutilized Funds			
Use of goods	-	769,676	(769,676)
Amounts due to other government entities	-	3,271,200	(3,271,200)
Amounts due to other grants and other transfers	-	51,000,000	(51,000,000)
PMC account balances	6,163,593	12,144,293	(5,980,701)

Further, Annex 5 – PMC Account balances reflect balances which differ from those reflected in the prior year financial statements as detailed below;

PMC	Bank	Account Number	Balance as per Annex 5 (2019/2020) Financial Statements (Kshs.)	Balance as at 2018/19 Financial Statements (Kshs.)	Differences (Kshs.)
Lokichar girls primary school	KCB	1169349242	565	Not Indicated	565
Kotoro primary school	KCB	1181617944	254	Not Indicated	254
Loyapat primary school	KCB	1171780524	2,060	Not Indicated	2,060
Agape Kainuk primary school	KCB	1257847597	2,978,975	2,979,975	(1,000)
Napusimoru primary school	KCB	1134356056	1,695	Not Indicated	1,695
Narengemunyen primary school	KCB	1167794214	390	Not Indicated	390

Consequently, the accuracy and completeness of the financial statements submitted for the year ended 30 June, 2020 could not be confirmed.

2.0 Bursaries to Secondary Schools and Tertiary Institutions

The statement of receipts and payments reflects other grants and transfers amount of Kshs.38,721,207 which includes bursaries to secondary schools balance of Kshs.12,300,000 and tertiary institutions balance of Kshs.17,500,000 totalling to Kshs.29,800,000 as disclosed in Note 7 to the financial statements. However, no

acknowledgement receipts were received from the various institutions that received the bursary.

Consequently, the accuracy and completeness of bursary - secondary schools figure of Kshs.12,300,000 and bursary - tertiary Institutions figure of Kshs.17,500,000 for the year ended 30 June, 2020 could not be confirmed.

3.0 Sports Projects

The statement of receipts and payments reflects other grants and transfers balance of Kshs.38,721,207 for the year ended 30 June, 2020. Included in this figure is an amount of Kshs.2,060,707 in respect to sports projects as disclosed in Note 7 to the financial statements. However, examination of the ledgers and supporting schedules provided for audit indicated a payment of Kshs.1,053,707 to a contractor for supply and delivery of assorted sports kits which is not supported by invoices or payment vouchers.

Consequently, the accuracy and completeness of sports project figure of Kshs.2,060,707 for the year ended 30 June, 2020 could not be confirmed.

4.0 Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.638,183 as at 30 June, 2020. However, examination of the bank reconciliation statement for the month of June, 2020 revealed stale cheques amounting to Kshs.9,213,471, which have been outstanding since 2018. No explanation was provided as to why the same have not been reversed in the cash book. Further, two cheques totalling Kshs.61,627 issued in April, 2017 and one transfer of Kshs.50,000 made in June, 2019 have remained uncleared to date.

Therefore, the accuracy and completeness of the cash and cash equivalents balance of Kshs.638,183 as at 30 June, 2020 could not be confirmed.

5.0 Project Management Committee Bank Balances

Note 17.4 and Annex 5 of the financial statements reflects Project Management committee bank balances of Kshs.18,826,370 held in sixteen (16) project bank accounts as at 30 June, 2020. However, the Management did not provide the cash books, bank reconciliation statements and bank confirmation certificates of bank balance in respect of each of the PMC bank accounts for audit review.

Consequently, the accuracy, validity, existence and completeness of the project Management committee bank balances of Kshs.18,826,370 as at 30 June, 2020 could not be confirmed.

6.0 Summary of Fixed Assets Register

Annex 4 to the financial statements reflects fixed assets balance of Kshs.34,941,057. However, the fixed assets register was not provided for audit review.

Consequently, the validity, accuracy, and completeness of the fixed assets balance of Kshs.34,941,057 as at 30 June, 2020 could not be confirmed.

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

1.0 Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.179,146,233 and Kshs.109,698,509 respectively resulting to an under funding of Kshs.69,447,724 or 39% of the budget.

Similarly, the actual expenditure reflects a balance of Kshs.109,060,326 against an approved budget of Kshs.109,698,509 resulting to an under-expenditure of Kshs.638,183 or 0.6% of the budget.

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

2.0 Project Verification Report

During the year under review, seventeen (17) projects costing a total of Kshs.68,083,632 were verified in the month of February, 2021 out of which six (6) of them had issues as shown in the table below;

Projects Verification

S/No.	Project Name	Project Activity	Budgeted Amount (Kshs.)	Amount disbursed during the Year (Kshs.)	Remarks
1	Nagetei Girls Secondary School	Construction of a 50 students capacity twin laboratory to completion	7,500,000	7,500,000	80% Complete. Contractor not on site
2	Lochwaa Secondary School	Construction of 2 classrooms – Kshs.3,000,000,	9,000,000	8,940,000	Classroom completed.

Report of the Auditor-General on National Government Constituencies Development Fund - Turkana South Constituency for the year ended 30 June, 2020

S/No.	Project Name	Project Activity	Budgeted Amount (Kshs.)	Amount disbursed during the Year (Kshs.)	Remarks
		drilling of borehole and installation of hand pump – Kshs.2,500,000, Construction of chain link perimeter fence with steel metal gate (Kshs.3,500,000),			Borehole not constructed and handpump not installed. Incomplete construction of perimeter fence.
3	Kadongolo Primary School	Construction of 2 classrooms Kshs.2,600,000 and equipping with 50 pupils double desks Kshs.400,000	3,000,000	3,000,000	Complete and in use. However, cracks have developed.
4	Kaputir Secondary School	Construction of a 50 students' capacity twin laboratory to completion	7,500,000	7,500,000	80% Complete. Contractor not on site.
5	Kapelibok Secondary School	Construction of 2 classrooms Kshs.3,000,000, drilling of borehole and installation of handpump Kshs.2,500,000, Construction of chain link perimeter fence with steel metal gate Kshs.3,500,000	9,000,000	8,940,000	Fence Complete. Classrooms complete. Borehole not constructed and handpump not installed.
6	Lokapel Mixed Secondary School	Construction of a 50 students' capacity Twin laboratory to completion	7,500,000	7,500,000	Laboratory Incomplete. Contractor not on site
		Total	43,500,000	43,380,000	

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1.0 Transfers to Other Government Entities

The statement of receipts and payments for the year ended 30 June, 2020 reflects transfers to other government entities balance of Kshs.56,870,400 which includes Kshs.8,940,000 transferred to Lochwaa secondary school for the construction of 2 classrooms, drilling of a borehole and installation of hand pump and construction of chain link perimeter fence with steel metal gate. The contract was awarded at a contract sum of Kshs.8,940,000. An examination of the project management committee bank statements and bank certificates indicated a balance of Kshs.1,487,289 as at 30 June, 2020. However, a physical verification of the projects revealed that, the drilling of the bore hole and installation of the pump at a cost of Kshs.2,500,000 had not been done. Further, no completion certificates were availed for audit verification.

In the circumstances, the value for money for the expenditure of Kshs.2,500,000 for the year ended 30 June 2020 could not be confirmed.

2.0 Other Payments

The statement of receipts and payments for the year ended 30 June, 2020 reflects other payments balance of Kshs.4,677,028 meant for the ICT Hub as disclosed in Note 9 to the financial statements. However, examination of the documents provided for audit revealed that the funds were disbursed to two primary schools, Loyapata primary for fencing of school compound and Napusimoru primary for construction of one (1) classroom and supply of desks of Kshs.3,177,028 and Kshs.1,500,000 respectively. No approval or authority for reallocation of the funds from the ICT Hub to primary school projects was availed for audit verification, contrary to Section 68 of the Public Finance Management Act, 2012.

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

3.0 Other Grants and Transfers

3.1 Bursaries to Secondary Schools and Tertiary Institutions

The statement of receipts and payments reflects other grants and transfers balance of Kshs.38,721,207 which includes bursaries to secondary schools and tertiary institutions of Kshs.12,300,000 and Kshs.17,500,000 respectively all totalling to Kshs.29,800,000 as disclosed in Note 7 to the financial statements. However, there was no evidence to show that vetting, identification and categorizing of needy students was done by the bursary subcommittee that should include the area education office or a representative from the Ministry of Education in accordance with Board circular reference VOL1/111 dated 13 September, 2010.

Consequently, the legality of education bursary payments amounts of Kshs.29,800,000 during the year ended 30 June, 2020 could not be confirmed.

3.2 Emergency Projects

The statement of receipts and payments reflects other grants and transfers balance of Kshs.38,721,207 for the year ended 30 June, 2020 which includes emergency payments amounting to Kshs.4,550,500 incurred on various emergency projects during the year.

However, no evidence was provided for audit review, to show that the Fund Management reported to the Board, the occurrence of emergency within thirty days contrary to Section 20(2) of the National Government Constituencies Development Fund (Regulations), 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

Consequently, the Fund Management was in breach of the law.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to

sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements 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 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 noncompliance. 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 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

11 February, 2022

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

Reports and Financial Statements

For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS For the Year ended June 30, 2020

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	73,953,707	140,861,652
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	<u>116,000</u>	<u>144,000</u>
TOTAL RECEIPTS		74,079,707	141,005,652
PAYMENTS			
Compensation of employees	4	3,257,891	3,066,411
Use of goods and services	5	5,533,800	9,028,132
Transfers to Other Government Units	6	56,870,400	45,850,400
Other grants and transfers	7	38,721,207	49,194,611
Acquisition of Assets	8	0.00	1,726,700
Other Payments	9	<u>4,677,028</u>	<u>4,000,000</u>
TOTAL PAYMENTS		109,060,326	112,866,254
SURPLUS/ (DEFICIT)		<u>(34,980,619)</u>	<u>28,139,398</u>

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



Fund Account Manager
Name: Kwena Stephen



National Sub-County Accountant
Name: Korir O. Kiplangat



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TURKANA SOUTH CONSTITUENCY

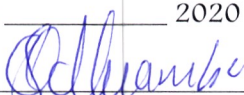
Reports and Financial Statements


For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES as at 30 June 2020

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	638,183	35,618,802
Cash Balances (cash at hand)	10B	0.00	0.00
Total Cash and Cash Equivalents		638,183	35,618,802
Accounts Receivable			
Outstanding Imprests	11	0.00	0.00
TOTAL FINANCIAL ASSETS		638,183	35,618,802
FINANCIAL LIABILITIES			
Accounts Payable			
Retention	12A	0.00	0.00
Deposits (Gratuity)	12B	0.00	0.00
TOTAL FINANCIAL LIABILITES		0.00	0.00
NET FINANCIAL ASSETS		638,183	35,618,802
REPRESENTED BY			
Fund balance b/fwd	13	35,618,802	7,497,404
Prior year adjustments	14	0.00	0.00
Surplus/Defict for the year		(34,980,619)	28,139,398
NET FINANCIAL POSITION		638,183	35,618,802

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


 Fund Account Manager
 Name: Kwena Stephen

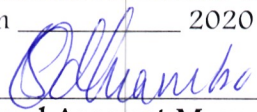

 National Sub-County Accountant
 Name: Korir O. Kiplangat



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**TURKANA SOUTH CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****IX. STATEMENT OF CASHFLOW For the year ended June 30, 2020**

		2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	73,963,707	140,861,652
Other Receipts	3	116,000.00	144,000
Total receipts		74,079,707	141,005,652
Payments for operating expenses			
Compensation of Employees	4	3,257,891	3,066,411
Use of goods and services	5	5,533,800	9,028,132
Transfers to Other Government Units	6	56,870,400	45,850,400
Other grants and transfers	7	38,721,207	49,194,611
Other Payments	9	4,677,028	4,000,000
Total payments		109,060,326	111,139,554
Total Receipts Less Total Payments		(34,980,619)	29,863,098
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	0.00	0.00
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	0.00	0.00
Prior year adjustments	14	0.00	0.00
Net cash flow from operating activities		(34,980,619)	29,863,098
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0.00	0.00
Acquisition of Assets	9	0.00	(1,726,600)
Net cash flows from Investing Activities		0.00	(1,726,600)
NET INCREASE IN CASH AND CASH EQUIVALENT		(34,980,619)	28,139,398
Cash and cash equivalent at BEGINNING of the year	13	35,618,802	7,479,404
Cash and cash equivalent at END of the year		638,183	35,618,802

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


 Fund Account Manager
 Name: Kwena Stephen


 National Sub-County Accountant
 Name: Korir O. Kiplangat



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

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

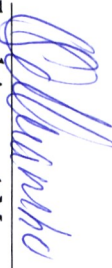
Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,447,724	41,582,509	179,030,233	109,582,509	69,447,724	61.2%
Proceeds from Sale of Assets				-	-	0.0%
Other Receipts		116,000	116,000	116,000	-	100.0%
	137,447,724	41,698,509	179,146,233	109,698,509	69,447,724	61.2%
PAVMENTS						
Compensation of Employees	4,610,838	216,066	4,826,904	3,257,891	1,569,013	67.5%
Use of goods and services	7,391,290	164,308	7,555,598	5,533,800	2,021,798	73.2%
Transfers to Other Government Units	80,900,000	34,370,400	115,270,400	56,870,400	58,400,000	49.3%
Other grants and transfers	44,545,595	2,154,707	46,700,302	38,721,207	7,979,095	82.9%
Other Payments		4,677,028	4,677,028	4,677,028	-	100.0%
Un allocated Funds	0	116,000	116,000		116,000	
TOTALS	137,447,724	41,698,509	179,030,233	109,060,326	70,085,907	60.9%

- i. *Kshs 116,000 is AIA being sale tender documents.*
- ii. *The differences between the actual and the budget was caused by the delayed disbursements from the board hence funds could not be disbursed in the same financial year.*
- iii. *Use of Goods is below 90% due to delayed procurement procedures*
- iv. *Transfer to other Government units due to delayed disbursement from the Board*

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA SOUTH CONSTITUENCY
Re an an ta its
For the year ended June 30, 2020



Fund Account Manager
Name: Kwenia Stephen

:



Sub-County Accountant
Name: Korir O. Kiplangat

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	2,568,912.00	198,786.00	2,767,698.00	3,048,000.00	(280,302.00)
1.2 Committee allowances	1,040,000.00	-	1,040,000.00	2,234,000.00	(1,194,000.00)
1.3 Use of goods and services	2,591,225.14	164,308.00	2,755,533.14	1,639,800.00	1,115,733.14
1.4 NHIF	190,000.00	17,280.00	207,280.00		207,280.00
1.5 NSSF	259,200.00		259,200.00	209,890.80	49,309.20
1.6 Employee Gratuity	1,592,726.00		1,592,726.00		1,592,726.00
Sub-Total	8,242,063.14	380,374.00	8,622,437.14	7,131,690.80	1,490,746.34
2.0 Monitoring and evaluation					
2.0 Monitoring and evaluation					
2.1 Capacity building	1,760,065.00		1,760,065.00	800,000.00	960,065.00
2.2 Committee allowances	2,000,000.00		2,000,000.00	860,000.00	1,140,000.00
Sub-Total	3,760,065.00	-	3,760,065.00	1,660,000.00	2,100,065.00
3.0 Emergency					
3.1 Primary Schools					
3.2 Secondary schools					
3.4 Security projects					



Report on activities for the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
3.5 others	7,198,241.38		7,198,241.38	4,550,500.00	2,647,741.38
Sub-Total	7,198,241.38	-	7,198,241.38	4,550,500.00	2,647,741.38
4.0 Bursary and Social Security					
4.1 Primary Schools	12,000,000.00		12,000,000.00	11,800,000.00	200,000.00
4.2 Secondary Schools	18,000,000.00		18,000,000.00	18,000,000.00	-
4.3 Tertiary Institutions					
Sub-Total	30,000,000.00	-	30,000,000.00	29,800,000.00	200,000.00
5.0 Sports					
5.1 bal b/f		307,000.00	307,000.00	307,000.00	-
5.2 Sports	2,747,354.00		2,747,354.00	1,000,000.00	1,747,354.00
Sub-Total	2,747,354.00	307,000.00	3,054,354.00	1,307,000.00	1,747,354.00
6.0 Environment					
6.1 balance b/f					
6.2 Kootoro Primary School	500,000.00		500,000.00	500,000.00	-
6.3 Lorogon Primary School	500,000.00		500,000.00		500,000.00
6.4 Angarabat Primary School	500,000.00		500,000.00		500,000.00
6.5 Ngabakan Primary School	500,000.00		500,000.00		500,000.00
6.6 Aman Primary School		500,000.00	500,000.00	500,000.00	



Report an attachment
For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
6.7 Lokichar Girls		500,000.00	500,000.00	500,000.00	
6.8 NGCDF OFFICE		847,707.00	847,707.00	963,707.00	
Sub-Total	2,000,000.00	1,847,707.00	3,847,707.00	2,463,707.00	1,384,000.00
7.0 Primary Schools Projects (List all the Projects)					
7.1 Lomeleku primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.2 Kaesamalit primary school	3,500,000.00		3,500,000.00		3,500,000.00
7.3 Nariamawoi primary school	500,000.00		500,000.00		500,000.00
7.4 Kalochan primary school	500,000.00		500,000.00		500,000.00
7.5 Nalemkais primary school	2,000,000.00		2,000,000.00		2,000,000.00
7.6 Rcea Kakong primary school	3,000,000.00		3,000,000.00	-	3,000,000.00
7.8 Philadelphia primary school	500,000.00		500,000.00	-	500,000.00
7.9 Loyapat primary school	500,000.00		500,000.00	-	500,000.00
7.10 Kakoel primary school	3,000,000.00		3,000,000.00		3,000,000.00
7.11 Lokwar primary school	600,000.00		600,000.00	-	600,000.00
7.12 Nachoke primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.13 Namantalem primary school	2,000,000.00		2,000,000.00		2,000,000.00
7.14 ngimeyana primary school	3,000,000.00		3,000,000.00	-	3,000,000.00
7.15 Kangisaja primary school	2,000,000.00		2,000,000.00	-	2,000,000.00
7.16 Lomerimundang primary school	2,100,000.00		2,100,000.00	-	2,100,000.00



Revised financial statements
For the year ended June 30, 2020

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
7.17 Nakimak primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.18 Kapelo primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.19 Keekamuto primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.20 Nawapeto primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.21 Kangakimak primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.22 Lomonyang primary school	1,500,000.00		1,500,000.00	-	1,500,000.00
7.23 Kalemngorok primary school	3,000,000.00		3,000,000.00	-	3,000,000.00
7.28 Kaemegur primary school	600,000.00	2,980,000.00	3,580,000.00	2,980,000.00	600,000.00
7.29 Kakong primary school	600,000.00		600,000.00	-	600,000.00
7.30 Narengemunya primary school		525,200.00	525,200.00	525,200.00	-
7.31 Agape Primary school		525,200.00	525,200.00	525,200.00	-
7.32 Nakula Ekalale Primary school		2,980,000.00	2,980,000.00	2,980,000.00	-
7.33 kaipokok Primary School		2,980,000.00	2,980,000.00	2,980,000.00	-
Sub-Total	39,400,000.00	9,990,400.00	49,390,400.00	9,990,400.00	39,400,000.00
8.0 Secondary Schools Projects (List all the Projects)					
8.1 Kalapata Girls secondary school	9,000,000.00		9,000,000.00	-	9,000,000.00
8.2 Kaputir secondary school	7,500,000.00		7,500,000.00	7,500,000.00	-
8.3 Nagetei Girls secondary school	7,500,000.00		7,500,000.00	7,500,000.00	-
8.4 Lokapel Mixed secondary school	7,500,000.00		7,500,000.00	7,500,000.00	-



Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
8.5 Kapelbok Secondary school		8,940,000.00	8,940,000.00	8,940,000.00	-
8.6 Lochwa secondary school		8,940,000.00	8,940,000.00	8,940,000.00	-
8.7 Kakalele Secondary School		2,000,000.00	2,000,000.00	2,000,000.00	-
8.8 Lokapel Secondary school		500,000.00	500,000.00	500,000.00	-
8.8Katilia Girls Secondary school		4,000,000.00	4,000,000.00	4,000,000.00	-
Sub-Total	31,500,000.00	24,380,000.00	55,880,000.00	46,880,000.00	9,000,000.00
9.0Tertiary					
9,1Aro Ttc	10,000,000.00		10,000,000.00		10,000,000.00
Sub-Total	10,000,000.00	-	10,000,000.00	-	10,000,000.00
9.0 Security Projects					
9.1Nariamau RDU	600,000.00		600,000.00	600,000.00	-
9.2 Kainuk senior chiefs Camp	2,000,000.00		2,000,000.00		2,000,000.00
Sub-Total	2,600,000.00		2,600,000.00	600,000.00	2,000,000.00
10.0 Others					
13.2 ICT HUBS		4,677,028.20	4,677,028.20	4,677,028.20	-
Sub-Total		4,677,028.20	4,677,028.20	4,677,028.20	
Un allocated Funds		116,000			
GRAND TOTALS	137,447,724	41,698,509	179,146,233	109,060,326	70,085,907

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



XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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



SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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



SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

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

10. Unutilized Fund

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



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

Reports and Financial Statements

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SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors

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

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

15. Related Party Transactions

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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**XIII. NOTES TO THE FINANCIAL STATEMENTS
1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO	1	1,900,000	xx
AIE NO: 041233	2	4,000,000	xx
AIE NO:B047666	3	20,000,000	xx
AIE NO: B049195	4	7,000,000	
AIE NO :B104171	5	14,000,000	
AIE NO :B096508	6	23,000,000	
AIE NO B096813	7	4,063,706,90	
AIE NO:B005195	1		48,820,776.25
AIE NO: B030305	2		10,000,000.00
AIE NO:B005495	3		12,000,000.00
AIE NO:007498	4		8,000,000.00
AIE NO:B047068	5		13,000,000.00
AIE NO:B042636	6		11,000,000.00
AIE NO:B041019	7		37,040,875.50
TOTAL		73,963,707	139,861,652

2 PROCEEDS FROM SALE OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 OTHER RECEIPTS

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	116,000.00	144,000.00
Total	116,000.00	144,000.00

4 COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	3,150,97.00	2,939,051
Personal allowances paid as part of salary	0.00	0.00
Pension and other social security contributions (Gratuity)	0.00	0.00
Employer Contributions Compulsory national social security schemes	106,920	127,360
Total	3,257,891	3,066,411



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	2,206,000.00	5,186,100.00
Utilities, supplies and services	673,950.00	2,700,717
Communication, supplies and services	0.00	0.00
Domestic travel and subsistence	0.00	0.00
Printing, advertising and information supplies & services	0.00	0.00
Rent	0.00	252,000.00
Training expenses	0.00	744,400.00
Hospitality supplies and services	0.00	0.00
Insurance costs	200,070.00	0.00
Other Committee expenses	1,080,400.00	0.00
Office and general supplies and services	0.00	139,250.00
Bank service commission and charges	93,814.00	5,665.0
Fuel,oil and Lubricants	827,700.00	0.00
Routine maintenance – vehicles and other transport equipment	451,866.00	0.00
Routine maintenance – other assets	0.00	0.00
Total	5,533,800.00	9,028,132.00



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

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities	0.00	0.00
Transfers to primary schools (see attached list)	9,990,400.00	23,965,200.00
Transfers to secondary schools (see attached list)	46,880,000.00	17,885,200
Transfers to tertiary institutions (see attached list)	0.00	4,000,000.00
Transfers to health institutions (see attached list)	0.00	0.00
TOTAL	56,870,400.00	45,850,400

7. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools (see attached list)	12,300,000.00	13,324,851.00
Bursary – tertiary institutions (see attached list)	17,500,000.00	16,925,067.00
Bursary – special schools (see attached list)	0.00	800,000.00
Mock & CAT (see attached list)	0.00	0.00
Security projects (see attached list)	580,000.00	6,958,148.00
Sports projects (see attached list)	2,060,707.00	1,963,500.00
Environment projects (see attached list)	1,730,000.00	300,000.00
Emergency projects (see attached list)	4,550,500.00	8,923,045.00
Total	38,721,207.00	49,194,611.00



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	0.00	0.00
Refurbishment of Buildings	963,707.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	0.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	1,726,700.00
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
Total	963,707.00	1,726,700.00

9. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	0.00	4,00,000.00
ICT Hub	4,677,028	0.00
	4,677,028.00	4,000,000.00



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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Kenya Commercial Bank Lodwar Branch Account No. 1146654162</i>	638,183.00	35,618,802.00
<i>Name of Bank, Account No.</i>	0.00	0.00
<i>Name of Bank, Account No.</i>	0.00	0.00
Total	638,183.00	35,618,802.00
10B: CASH IN HAND		
Location 1	0.00	0.00
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations (<i>specify</i>)	0.00	0.00
Total	0.00	0.00
<i>[Provide cash count certificates for each]</i>		



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

11: OUTSTANDING IMPRESTS

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

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

12A. RETENTION

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	0.00	0.00
Supplier 2	0.00	0.00
Supplier 3	0.00	0.00
	0.00	0.00
Total	0.00	0.00

[Provide short appropriate explanations as necessary]

12B. GRATUITY DEPOSITS

	2019 - 2020	2018-2019
	<i>Kshs</i>	<i>Kshs</i>
Name 1	0.00	0.00
Name 2	0.00	0.00
Name 3	0.00	0.00
Add as appropriate	0.00	0.00
Total	0.00	0.00

[Provide short appropriate explanations as necessary]



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

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	35,618,802.00	7,479,404.00
Cash in hand	0.00	0.00
Imprest	0.00	0.00
Total	35,618,802.00	7,479,404.00

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	0.00	0.00	0.00
Cash in hand	0.00	0.00	0.00
Accounts Payables	0.00	0.00	0.00
Receivables	0.00	0.00	0.00
Others (<i>specify</i>)	0.00	0.00	0.00
	0.00	0.00	0.00

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

Description of the error	2019 - 2020	2018 - 2019
	KShs	KShs
Outstanding Imprest as at 1 st July 2019 (A)	0.00	0.00
Imprest issued during the year (B)	0.00	0.00
Imprest surrendered during the Year (C)	0.00	0.00
Net changes in account receivables D= A+B-C	0.00	0.00

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

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



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

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
Construction of buildings	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.00
Supply of services	0.00	0.00
	0.00	0.00

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff	0.00	714,523.00
Others (<i>specify</i>)	0.00	0.00
	0.00	714,523.00

17.3: UNUTILIZED FUND (See Annex 3)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	0.00	0.00
Use of goods and services	0.0	
Amounts due to other Government entities (see attached list)	0.00	
Amounts due to other grants and other transfers (see attached list)	0.00	
Acquisition of assets	0.00	0.00
Others (<i>specify</i>)	0.00	0.00
	70,085,907	41,698,509



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

17.4: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	18,826,369.50	6,163,592.50
	18,826,369.50	6,163,592.50



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

Reports and Financial Statements

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





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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land				
Buildings and structures	16,000,000	963,707.00	0.00	16963,707
Transport equipment	15,303,000	0.00	0.00	15,303,000
Office equipment, furniture and fittings	1,825,850	0.00	0.00	1,825,850
ICT Equipment, Software and Other ICT Assets	848,500	0.00	0.00	1,874,800
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	33,977,350.00	963,707.00		34,941,057



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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Lokichar Girls Primary School	Kcb	1169349242	500,065.00	565.00
Kaputir Secondary School	Kcb	1171282931	2,278,394.00	504.00
Nariamao RDU Camp Ngcdf Pmc	Kcb	1273003918	1,760.00	0.00
Kotoro Primary School	Kcb	1181617944	480,054.00	254.00
Loyapat Primary School	Kcb	1171780524	3,078,564.00	2,060.00
Lokapel Secondary School	Kcb	1183453469	5,522,210.00	2,654,373.00
Nagetei Secondary School	Kcb	1182268994	5,379,938.50	1,741.50
Agape Kainuk Primary School	Kcb	1257847597	1,018.00	2,978,975.00
Kapelibok Secondary School	Kcb	1261383915	83,569.00	0.00
RCEA Kakalel Boys Secondary School	Kcb	1258113929	2,289.00	0.00
Lochwa Boys Secondary School	Kcb	1261384121	1,487,289.00	0.00
Kaimegur Primary School	Kcb	1258102250	1,529.00	0.00
Napusimoru Priamary School	Kcb	1134356056	1,195.00	1,695.00
Narengemunyen Primary School	Kcb	1167794214	1,390.00	390.00
Kaipokok Primary School	Kcb	1257870793	168.00	523,035.00
Ekalale Primary School	Kcb	1260208869	6,937.00	0.00
Total			18,826,369.50	6,163,592.50



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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2018-1-0127-9-12	Other Operating Expenses	Propriety of other operating expenses	Fund Account Manager	Resolved	
2018-1-0127-9-12	Transfers to other Government Entities	Propriety on the transfer	Fund Account Manager	Resolved	
2018-1-0127-9-12	Insurance Expenses	Propriety on the payment of insurance of Motor cycle	Fund Account Manager	Resolved	
2018-1-0127-9-12	Education Bursary	Propriety on the payment of Bursary	Fund Account Manager	Resolved	
2018-1-0127-9-12	Emergency Fund Payments	Adherence to Law	Fund Account Manager	Resolved	
2018-1-0127-9-12	Acquisition of Assets	Propriety on the purchase of Motor Vehicle	Fund Account Manager	Resolved	
2018-1-0127-9-12	Other Operating Expenses	Propriety of other operating expenses	Fund Account Manager	Resolved	
2018-1-0127-9-12	Transfers to other Government Entities	Propriety on the transfer	Fund Account Manager	Resolved	

