

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY	
DATE:	23 NOV 2022
Day:	Wednesday
TABLED BY:	Majority Whip
CLERK AT THE TABLE:	Christine

THE AUDITOR-GENERAL

ON

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

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



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY
25 AUG 2022
RECEIVED



MANDERA 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)

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. NG-CDFC CHAIRMAN'S REPORT	4
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES.....	6
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	8
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES	11
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- MANDERA NORTH CONSTITUENCY.....	12
VII. STATEMENT OF RECEIPTS AND PAYMENTS.....	13
VIII. STATEMENT OF ASSETS AND LIABILITIES.....	14
IX. STATEMENT OF CASHFLOW	15
X. SUMMARY STATEMENT OF APPROPRIATION.....	17
XI. BUDGET EXECUTION BY SECTORS AND PROJECTS	19
XII. SIGNIFICANT ACCOUNTING POLICIES	26
XIII. NOTES TO THE FINANCIAL STATEMENTS	29
ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES	33
ANNEX 2 – UNUTILIZED FUND.....	34
ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER	38
ANNEX 4 –PMC BANK BALANCES AS AT 30 TH JUNE 2021.....	39
PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS	41

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

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

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

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 MANDERA 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	Adan Salah Mustafa
2.	Sub-County Accountant	Tom Mboya Osingo
3.	Chairman NGCDFC	Bashir Noor Ismail
4.	Member NGCDFC	Mohamed Musa Issak

(d) Fiduciary Oversight Arrangements

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

P.O. Box 255-70300,
Based at: Sub-County Headquarters,
Mandera, KENYA

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

(f) MANDERA NORTH Constituency NGCDF Contacts

Telephone: (254) 722471247
E-mail: cdfmanderanorth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) MANDERA NORTH Constituency NGCDF Bankers

1. Equity Bank,
Mandera Branch,
P.O Box 536-70300,
Mandera.

Equity Bank (Kenya) Limited.
1000261174117

(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

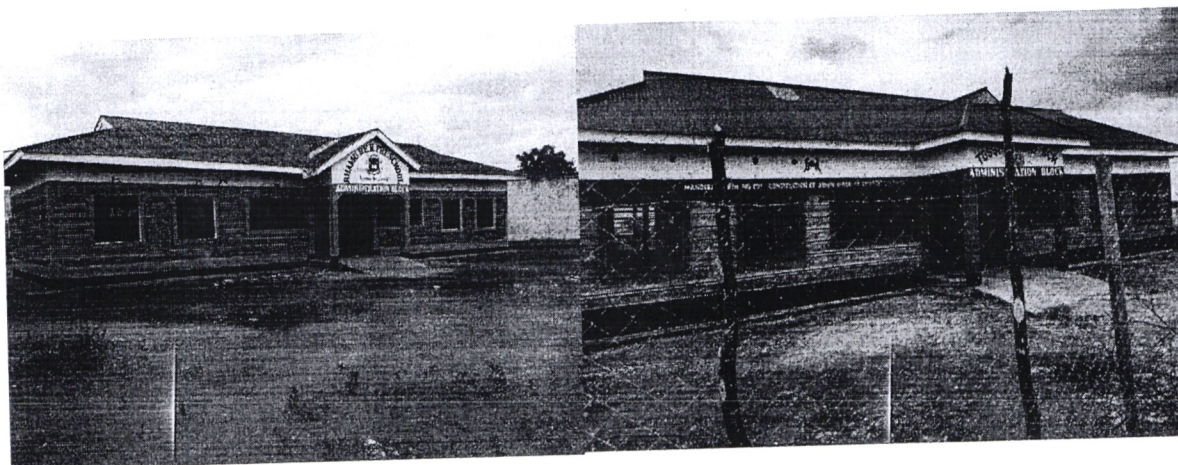


BASHIR NOOR ISMAIL

BUDGET PERFORMANCE

The percentage of budget utilisation for MANDERA NORTH NG-CDF for the year is 64.3%. This is however, above 50% but it's not pleasing. Almost 35.7% of the budget was not utilised. Out of the funds ksh.177,930,338 received and the balances from the previous year.it was fully utilised and by the end of the financial year only Ksh. 34,451,615 was the balance which was not utilised. The non-utilization was a result of late disbursement of fund from the NG-CDF Board. By the end of the financial year Ksh.45,088,879 was not disbursed to the fund and could not be utilised. The Budget performance on the Payments slightly increased from 58.6% of last year to 64.3%.

However, there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project including the covid-19 pandemic. Other issues that affected the project implementation process included the late disbursement of funds and time lapse to approval of projects. However, NG CDF Mandera North managed to perform satisfactorily in terms of ensuring development programs are undertaken despite the said challenges. Included below find pictorial representation of budget expenditure against actual comparable implemented status and the absorption rate per expenditure categorization as incurred through the financial year 2020/2021.



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



KEY ACHIEVEMENTS

During the year MANDERA NORTH NG-CDF had achieved a lot in the implementation of projects in different sectors. The fund has developed schools, security Housing, water services in Schools, bursary for needy students in secondary Schools and universities. NG-CDF funds have really elevated the livelihoods of the constituents in the sense that it's implemented at the grassroots level where all levels of the community participate and benefit in one way or another. For instance, labour force and provision of materials and the middle level also benefited by getting contracts.

EMERGING ISSUES

This year the release of funds from the board was a major problem since treasury was not releasing funds to the board. In fact, the funds were released in small portions. These hampered the implementation of projects since the funds released by the board were not adequate. MANDERA NORTH Constituency is only seven years old and there needs to be done a lot in terms of developments. It's very hard for it to catch up with other existing constituencies.

IMPLEMENTATION CHALLENGES AND WAY FORWARD

The insurgency of terror groups in the constituency was very rampant. Since the constituency is bordering Somalia which has a porous border. The corona pandemic also hindered the implementation of projects on time. The Project management committee do not have the capacity in implementing the projects as per the required regulations. Funds not being released on time from the board was also a challenge. Projects cannot be implemented within the financial year because of lack of funding. Lack of procurement personnel at the sub-county level to guide the committee on procurement procedures. Lack of electricity in the whole Constituency was also a predicament to smooth implementation of projects. The NG-CDF Board should far track and ensure adequate procurement personnel are posted to the sub-county. Lack of public works officers in the sub-county was also a challenge. The Honourable Member of Parliament to follow up with Kenya Power and Lightening Company to provide electricity in the whole Constituency. National government through the Ministry of interior to provide proper security for easy implementation of NG- CDF project.

Signature-----

CHAIRMAN NG-CDF 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.

Mandera North is a constituency whose latent for growth is promising. The constituency stands high on the potent of the capable 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 underscoring 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 economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

The key development objectives of NG-CDF Mandera North Constituency's 2018-2023 plan are to:

In underscoring the above, the key development objectives of NG-CDF Mandera North Constituency 2018-2023 plan included but not limited to as per below templates on the strategic objectives.

Strategic Objectives

The strategic objectives and the strategies to be pursued will adhere to core functions of the constituency over the next five years. The strategic matrix is presented in Table 4-1.

Table 4-1: Strategic Objectives

Constituency Program	Objectives	Outcome	Indicator	Performance
Access to quality education	To improve accessibility to quality education	<ul style="list-style-type: none"> Expansion of education facilities through rehabilitation/renovation/construction of classrooms/laboratories/multipurpose hall/admin block in various schools within the constituency. 	<ul style="list-style-type: none"> Number classrooms/laboratory/multipurpose/admin block constructed/renovated 	<ul style="list-style-type: none"> Increase number of classrooms by 10 Laboratories by 2 Admin block 2

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

Constituency Program	Objectives	Outcome	Indicator	Performance
Security	To enhance security within the constituency	<ul style="list-style-type: none"> Establishment of new police posts in the constituency Fencing of Administration police camps 	<ul style="list-style-type: none"> The number of fenced police post /administration unit 	<ul style="list-style-type: none"> Increase number of fenced police post/administration unit by 1
Environment	To promote sustainable environmental practices within the constituency	<ul style="list-style-type: none"> Provide trees to primary and secondary schools for planting 	<ul style="list-style-type: none"> The number of schools with planted trees 	<ul style="list-style-type: none"> Afforestation & environmental conservancy
Youth and sports	To harness the talents of youths through empowerment	<ul style="list-style-type: none"> Creating awareness on the establishment of youth funds and how the constituency youths can access them. Funding of youth sporting initiatives Provision of sporting material such as balls and uniform to football clubs 	<ul style="list-style-type: none"> The number of tournaments held at the constituency 	<ul style="list-style-type: none"> Improved youth talent identification Decreased in drug indulgence among youth

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

- MANDERA NORTH NG-CDF had conducted and supported students carry out environmental conservation activities e,g carried out planting of trees once in an academic calendar.
- MANDERA NORTH NG-CDF had carried out Sensitization of youth/ community on the impact of drugs by construction of police stations supported NG-CDF.
- MANDERA NORTH NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.
- *MANDERA NORTH NG-CDF staff have at least one day in the financial year to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

3. Employee welfare

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

MANDERA 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-

MANDERA 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.

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

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. MANDERA 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-MANDERA 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-MANDERA 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- MANDERA 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 MANDERA 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

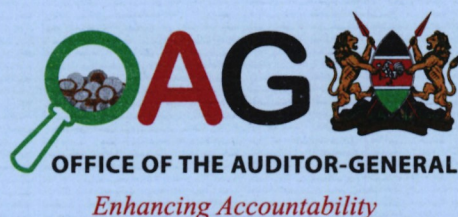
The NGCDF- MANDERA NORTH Constituency financial statements were approved and signed by the Accounting Officer on 24th June 2021.


Chairman NG-CDF Committee
Name: Bashir Noor Ismail


Fund Account Manager
Name: Adan Salah Mustafa

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MANDERA 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 which considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations which 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 - Mandera North Constituency set out on pages 13 to 41, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the 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 - Mandera 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.

Basis for Qualified Opinion

1. Lack of Land Ownership Documents

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects acquisition of assets amount of Kshs.4,499,995 relating to construction of the Constituency Office Block to completion. However, the Management did not provide ownership documents for the land where the office block is built.

In the circumstances, the ownership of the land and developments thereon could not be confirmed.

2. Unsupported Transfers to Other Government Entities

The statement of receipts and payments and as disclosed in Note 4 to the financial statements reflects transfers to other Government entities of Kshs.84,322,500. Included in this amount is Kshs.35,040,000 and Kshs.39,282,500 for transfers to secondary and primary schools respectively, both totalling Kshs.74,322,500, of which Kshs.2,802,000 was transferred to various Project Management Committees (PMCs). However, the PMC bank statements and bank balance confirmation certificates were not provided for audit.

In the circumstances, the propriety and accuracy of the transfers of Kshs.2,802,000 to secondary and primary schools could not be confirmed.

3. Bursaries not Acknowledged

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects other grants and payments of Kshs.43,897,500 which includes bursaries to secondary schools and tertiary institutions of Kshs.7,035,000 and Kshs.20,330,000 respectively, both totalling Kshs.27,365,000. However, included in this amount is Kshs.3,049,000 which was not supported with acknowledgement receipts from the recipient institutions.

In the circumstances, the validity of the bursaries of Kshs.3,049,000 disbursed to learning institutions 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 - Mandera 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 which, in my professional judgement, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects an approved receipts budget of Kshs.233,019,217 against actual receipts of Kshs.177,930,338, resulting to under-funding of Kshs.55,088,879 or 24% of the budget. Similarly, the Fund's actual expenditure was Kshs.143,478,723 against actual receipts of Kshs.177,930,338, resulting to an under-absorption of Kshs.34,451,615 or 19% of the total receipts.

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

2. Unresolved Prior Year 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 had not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: No. AG. 4/16/2 Vol.3 (72) of 30 June, 2021.

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. Projects Not Implemented

During the year under review, the Management allocated Kshs.93,469,707 to sixty-two (62) projects in various sectors including environment, sports, security, administration, education and emergency. Review of the project implementation status report revealed

that twenty-nine (29) projects were completed while twenty-eight (28) or 45% of the total projects had not started.

In the circumstances, failure to implement budgeted projects may have denied the public benefits that would have been derived from the planned projects.

2. Utilization of Emergency Funds

The statement of receipts and payments and as disclosed in Note 5 to the financial statements reflects other grants and other payments of Kshs.43,897,500, which include expenditure on emergency projects of Kshs.7,200,000. However, the Fund did not submit a report to the Board with details of utilization of the emergency funds. This is contrary to the provisions of Section 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which requires a report to be prepared and submitted to the Board within thirty (30) days after the utilization of emergency funds.

In the circumstances, the Management was in breach of 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 which 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 continue to sustain services, disclosing, as applicable, matters related to the 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 the 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 which 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 which 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 which 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 which 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 which 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 which may cast significant doubt on the Fund's ability 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 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 which 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 which 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 which may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

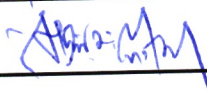
02 September, 2022

**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
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	161,367,724	121,540,876
TOTAL RECEIPTS		161,367,724	121,540,876
PAYMENTS			
Compensation of employees	2	4,291,272	3,618,400
Use of goods and services	3	6,407,456	6,338,172
Transfers to Other Government Units	4	84,322,500	83,447,500
Other grants and transfers	5	43,897,500	27,742,791
Acquisition of Assets	6	4,499,995	-
Other Payments	7	60,000	300,000
TOTAL PAYMENTS		143,478,723	121,446,863
SURPLUS/(DEFICIT)		17,889,001	94,013

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 24th June 2021 and signed by:



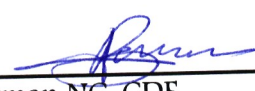
Fund Account Manager

Name: Adan Salah Mustafa



National Sub-County
Accountant

Name: Tom Mboya Osingo



Chairman NG-CDF
Committee

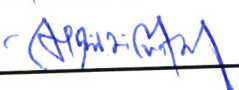
Name: Bashir Noor Ismail

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

VIII. STATEMENT OF ASSETS AND LIABILITIES

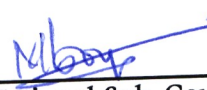
	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8A	34,451,615	16,562,614
Total Cash and Cash Equivalents		34,451,615	16,562,614
TOTAL FINANCIAL ASSETS		34,451,615	16,562,614
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)		-	-
TOTAL FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		34,451,615	16,562,614
REPRESENTED BY			
Fund balance b/fwd	9	16,562,614	16,468,601
Surplus/Deficit for the year		17,889,001	94,013
NET FINANCIAL POSITION		34,451,615	16,562,614

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 24th June 2021 and signed by:




Fund Account Manager

Name: Adan Salah Mustafa



National Sub-County
Accountant

Name: Tom Mboya Osingo



Chairman NG-CDF
Committee

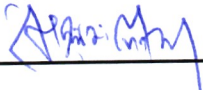
Name: Bashir Noor Ismail

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

IX. STATEMENT OF CASHFLOW

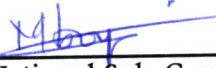
		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	121,540,876
Total receipts		161,367,724	121,540,876
Payments for operating activities			
Compensation of Employees	2	4,291,272	3,618,400
Use of goods and services	3	6,407,456	6,338,172
Transfers to Other Government Units	4	84,322,500	83,447,500
Other grants and transfers	5	43,897,500	27,742,791
Other Payments	6	60,000	300,000
Total payments	7	138,978,728	121,446,863
Net cash flow from operating activities		22,388,996	94,013
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(4,499,995)	-
Net cash flows from Investing Activities		(4,499,995)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		17,889,001	94,013
Cash and cash equivalent at BEGINNING of the year	9	16,562,614	16,468,601
Cash and cash equivalent at END of the year		34,451,615	16,562,614

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 24th June 2021 and signed by:




Fund Account Manager

Name: Adan Salah Mustafa



National Sub-County
Accountant

Name: Tom Mboya Osingo



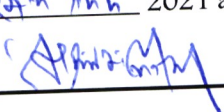
Chairman NG-CDF
Committee

Name: Bashir Noor Ismail

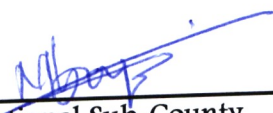
**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for The Year Ended June 30, 2021**

TRIAL BALANCE AS AT 30TH JUNE 2020		DR	CR
Cash and Cash equivalents			
	Bank Balances	34,451,615	
Payments			
	Compensation of Employees	4,291,272	
	Use of goods and services	6,407,456	
	Transfers to Other Government Units	84,322,500	
	Other grants and transfers	43,897,500	
	Acquisition of Assets	4,499,995	
	Other Payments	60,000	
Receipts			
	Transfers from the Board		161,367,724
Fund Balance b/f			16,562,614
TOTAL		177,930,338	177,930,338

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 24th June 2021 and signed by:


Fund Account Manager

Name: Adan Salah Mustafa


National Sub-County
Accountant

Name: Tom Mboya Osingo


Chairman NG-CDF
Committee

Name: Bashir Noor Ismail

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

X. SUMMARY STATEMENT OF APPROPRIATION

RECEIPTS	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	Kshs
Transfers from NGCDF Board	137,088,879	16,562,614	69,367,724	223,019,217	177,930,338	45,088,879
TOTALS	137,088,879	16,562,614	69,367,724	223,019,217	177,930,338	45,088,879
PAYMENTS						
Compensation of Employees	4,180,000	1,010,784	503,200	5,693,984	4,291,272	1,402,712
Use of goods and services	5,975,175	1,047,906	800,000	7,823,081	6,407,456	1,415,625
Transfers to Other Government Units	45,577,500	12,565,345	54,415,000	112,557,845	84,322,500	28,235,345
Other grants and transfers	66,356,204	1,854,004	8,649,524	76,859,732	43,897,500	32,962,232
Acquisition of Assets	15,000,000	2,500	5,000,000	20,002,500	4,499,995	15,502,505
Other Payments	-	82,075	-	82,075	60,000	22,075
Funds pending approval**	-	-	-	-	-	-
TOTALS	137,088,879	16,562,614	69,367,724	223,019,217	143,478,723	79,540,494
						64.3%

****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.**

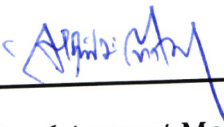
**National Government Constituencies Development Fund (NGCDF) - Mandera North
Constituency
Reports and Financial Statements for The Year Ended June 30, 2021**

Explanations

- There was no AIA for the fund for the financial year 2020/2021
- There was underutilization in all the respective categories (i.e. below 90 %.) Except acquisition of this happened due to the following reasons: -
- The NG-CDF board did not disburse funds on time for it to be utilized.
- All the categories are below the required utilization of 90% and above.
- Compared to the previous year 2019/2020 the overall percentage of utilization has slightly increased from 58.6% to 64.3%
- The adjustments are unutilized funds and is composed of funds not disbursed from NG-CDF Board to the constituency of Ksh.69,367,724 and closing balances for the financial year ended 30th June, 2020 of Ksh.16,562,614 which totals to ksh.85,930,338

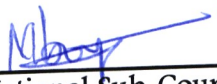
Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	79,540,494
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,088,879
	34,451,615
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	34,451,615

The NGCDF-MANDERA NORTH Constituency financial statements were approved on 24th June 2021 and signed by:



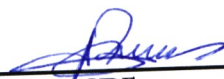
Fund Account Manager

Name: Adan Salah Mustafa



National Sub-County
Accountant

Name: Tom Mboya Osingo



Chairman NG-CDF
Committee

Name: Bashir Noor Ismail

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,180,000		1,010,784	503,200	5,693,984	4,291,272	1,402,712
1.2 Committee allowances	1,500,000		16,823	-	1,516,823	1,484,800	32,023
1.3 Use of goods and services	1,800,000		12,590	-	1,812,590	1,432,386	380,204
Total	7,480,000		1,040,197	503,200	9,023,397	7,208,459	1,814,938
2.0 Monitoring and evaluation							
2.1 Use of goods and Services	520,000		309	-	520,309	516,000	4,309
2.2 Committee allowances	1,755,175		33,984	-	1,789,159	1,035,070	754,089
2.3 Capacity Building	400,000		984,200	800,000	2,184,200	1,939,200	245,000
Total	2,675,175		1,018,493	800,000	4,493,668	3,490,270	1,003,398
3.0 Emergency							
3.1 Primary Schools	7,192,207		41,970	2,187	7,236,365	7,200,000	36,365
3.2 Secondary schools	-		-	-	-	-	-
3.3 Tertiary institutions	-		-	-	-	-	-
3.4 Security projects	-		-	-	-	-	-
3.5 Unutilised	-		-	-	-	-	-
Total	7,192,207		41,970	2,187	7,236,365	7,200,000	36,365
4.0 Bursary and Social Security							
4.1 Secondary Schools	10,300,000		750,519	1,000,000	12,050,519	7,150,000	4,900,519
4.2 Tertiary Institutions	20,163,997		119,015	47,337	20,330,349	20,215,000	115,349
4.3 Social Security	3,000,000		-	-	3,000,000	-	3,000,000
4.4 Special Needs	-		-	-	-	-	-
Total	33,463,997		869,534	1,047,337	35,380,868	27,365,000	8,015,868

*National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
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			
5.0 Sports						
5.1	1,100,000	-	-	1,100,000	-	1,100,000
Total	1,100,000	-	-	1,100,000	-	1,100,000
6.0 Environment						
Yabicho Primary School	100,000	-	-	100,000	-	100,000
Daua Day Secondary School	100,000	-	-	100,000	100,000	-
Sarman Primary School	300,000	-	-	300,000	-	300,000
Ashabito Boarding Primary School	300,000	-	-	300,000	-	300,000
Rhamu DEB Primary School	300,000	-	-	300,000	-	300,000
Rhamu Girls Secondary School.	-	300,000	-	300,000	300,000	-
Olla Boys Secondary School	-	300,000	-	300,000	300,000	-
Abakaro Primary School	-	100,000	-	100,000	100,000	-
Girissa Primary School	-	100,000	-	100,000	100,000	-
Total	1,100,000	800,000	-	1,900,000	900,000	1,000,000
7.0 Primary Schools Projects						
Daidai Primary School	-	5,345	-	5,345	-	5,345
Rhamu DEB Primary School	-	75,000	-	75,000	75,000	-
Alhidaya Primary School	-	65,000	-	65,000	65,000	-
Tawakal Primary School	-	300,000	-	300,000	300,000	-
R/Dimitu Boarding Primary School	500,000	75,000	-	575,000	575,000	-
Degmarer Primary School	-	300,000	-	300,000	300,000	-
Kalmalab Primary School	-	300,000	-	300,000	300,000	-
Lanqura Primary School	-	125,000	-	125,000	125,000	-
Kobandagan Primary School.	-	100,000	-	100,000	100,000	-
Ogorwein Primary School	-	125,000	-	125,000	125,000	-
Ashabito Boarding Primary School	-	600,000	100,000	700,000	700,000	-

**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
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			
Domog Primary School	-	95,000	-	95,000	95,000	-
Rhamu DEB Primary School	2,000,000	-	1,500,000	3,500,000	1,500,000	2,000,000
Tossi Primary School	2,000,000	-	1,500,000	3,500,000	1,500,000	2,000,000
Shantoley Primary School	-	-	1,400,000	1,400,000	1,400,000	-
Abakaro Primary School	-	-	1,900,000	1,900,000	1,900,000	-
Libin Nomadic Girls Primary School	-	-	950,000	950,000	950,000	-
Mado Primary School	-	-	1,900,000	1,900,000	1,900,000	-
Qorahay Primary School	-	-	1,700,000	1,700,000	1,700,000	-
Harari Primary School	-	-	950,000	950,000	950,000	-
Chief Abdi Allow Primary School	-	-	1,700,000	1,700,000	1,700,000	-
Guticha Primary School	-	-	700,000	700,000	700,000	-
Barwago Primary School	-	-	950,000	950,000	950,000	-
Garbab Primary School	-	-	2,200,000	2,200,000	2,200,000	-
Dagahtul Primary School	-	-	950,000	950,000	950,000	-
Shirshir Primary School	-	-	1,300,000	1,300,000	1,300,000	-
Kulmiye Primary School	-	-	950,000	950,000	950,000	-
Kubi Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Marothile Primary School	-	-	1,700,000	1,700,000	1,700,000	-
Tinfa Primary School	-	-	950,000	950,000	950,000	-
Quramathow Primary School	-	-	1,400,000	1,400,000	1,400,000	-
Kubi Hills Primary School	-	-	800,000	800,000	800,000	-
Rhamu DEB Primary School	300,000	-	-	300,000	-	300,000
Ashabito Boarding Primary School	1,500,000	-	-	1,500,000	-	1,500,000
Tinfa Primary School	300,000	-	-	300,000	-	300,000
Quramathow Primary School	700,000	-	-	700,000	-	700,000
Marothile Primary School	700,000	-	-	700,000	-	700,000

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

Programme/Sub-programme	Original Budget	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			
	2020/2021					
Olla Primary School	2,400,000	-	-	2,400,000	2,280,000	120,000
Lanqura Primary School	1,700,000	-	-	1,700,000	-	1,700,000
Barwago Primary School	1,700,000	-	-	1,700,000	-	1,700,000
Sarman Primary School	1,700,000	-	-	1,700,000	-	1,700,000
Daidai Primary School	1,700,000	-	-	1,700,000	-	1,700,000
Darusalam Primary School	1,900,000	-	-	1,900,000	-	1,900,000
Chief Dahir Arab Primary School	1,700,000	-	-	1,700,000	-	1,700,000
Kalmalab Primary School	1,700,000	-	-	1,700,000	-	1,700,000
Al-furqan Integrated Primary School	600,000	-	-	600,000	-	600,000
Degmarer Primary School	1,900,000	-	-	1,900,000	-	1,900,000
Rhamu Dimtu Primary School	515,000	-	-	515,000	515,000	-
Al-hidaya Primary School	712,500	-	-	712,500	712,500	-
Al-hidaya Primary School	750,000	-	-	750,000	750,000	-
Marothile Primary School	175,000	-	-	175,000	175,000	-
Kalicha Primary School	175,000	-	-	175,000	175,000	-
Garse Primary School	140,000	-	-	140,000	140,000	-
Guticha Primary School	140,000	-	-	140,000	140,000	-
Shirshir Primary School	210,000	-	-	210,000	210,000	-
Ogorwein Primary School	140,000	-	-	140,000	140,000	-
Lanqura Primary School	140,000	-	-	140,000	140,000	-
Sarman Primary School	140,000	-	-	140,000	140,000	-
Quramathow Primary School	140,000	-	-	140,000	140,000	-
Darusalam Primary School	300,000	-	-	300,000	300,000	-
Al-hidaya Primary School	-	-	560,000	560,000	560,000	-
Rhamu DEB Primary School	-	-	518,000	518,000	518,000	-
Al-furqan Integrated Primary School	-	-	385,000	385,000	385,000	-

**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
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			
Rhamu Arid Zone Primary School	-	-	490,000	490,000.00	490,000.00	-
Ladeni Primary School	-	-	140,000	140,000.00	140,000.00	-
Tossi Primary School	-	-	210,000	210,000.00	210,000.00	-
Girissa Primary School	-	-	175,000	175,000.00	175,000.00	-
Shantoley Primary School	-	-	385,000	385,000.00	385,000.00	-
Olla Primary School	-	-	210,000	210,000.00	210,000.00	-
R/Dimtu Boarding Primary School	-	-	252,000	252,000.00	252,000.00	-
Ashabito Boarding Primary School	-	-	210,000	210,000.00	210,000.00	-
Yabicho Primary School	-	-	210,000	210,000.00	210,000.00	-
Upper Hill Primary School	-	-	140,000	140,000.00	140,000.00	-
Al-fowzan Primary School	-	-	280,000	280,000.00	280,000.00	-
Total	28,677,500	2,165,345	30,665,000	61,507,845	39,282,500	22,225,345
8.0 Secondary Schools Projects						
Gololbia Secondary School	-	200,000	-	200,000	200,000	-
Ashabito Boys Secondary School	-	50,000	-	50,000	50,000	-
Olla Boys Secondary School	-	150,000	-	150,000	25,000	125,000
Ashabito Girls Secondary School	-	-	2,000,000	2,000,000	2,000,000	-
Rhamu Girls Secondary School.	-	-	1,900,000	1,900,000	1,900,000	-
Rhamu Dimtu Boys Sec School	2,000,000	-	-	2,000,000	-	2,000,000
Gololbia Secondary School	1,700,000	-	-	1,700,000	1,615,000	85,000
Libin Nomadic Girls Sec School	2,000,000	-	-	2,000,000	2,000,000	-
Rhamu Dimtu Boys Sec School	2,000,000	-	-	2,000,000	2,000,000	-
Sheikh Ali High School	2,000,000	-	-	2,000,000	2,000,000	-
Sheikh Ali High School	2,000,000	-	-	2,000,000	2,000,000	-
Sheikh Ali High School	3,000,000	-	-	3,000,000	-	3,000,000
Daua River day Sec School	700,000	-	2,500,000	3,200,000	3,200,000	-

**National Government Constituencies Development Fund (NGCDF) - MANDEKA NOKIH Constituency
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			
Rhamu Day Sec School	700,000	-	-	700,000	700,000	-
Daua River Day Sec School Pmc	-	-	3,500,000	3,500,000	3,500,000	-
Daua River Day Sec School Pmc	-	-	2,200,000	2,200,000	2,200,000	-
Daua River Day Sec School Pmc	-	-	1,700,000	1,700,000	1,700,000	-
Rhamu Day Secondary School	-	-	2,500,000	2,500,000	2,500,000	-
Rhamu Dimtu Boys Secondary School	-	-	3,950,000	3,950,000	3,950,000	-
Libin Nomadic Girls Sec School	-	-	3,500,000	3,500,000	3,500,000	-
Total	16,100,000	400,000	23,750,000	40,250,000	35,040,000	5,210,000
9.0 Tertiary institutions Projects						
SeyidAbass Technical Training Institute	-	10,000,000	-	10,000,000	10,000,000	-
Sub-county Education Office	800,000	-	-	800,000	-	800,000
Total	800,000	10,000,000	-	10,800,000	10,000,000	800,000
10.0 Security Projects						
Wargadud Police	-	10,000	-	10,000	-	10,000
Mandera North Sub-County Commissioner Residence	-	100,000	-	100,000	100,000	-
Rhamu Police Station	-	32,500	-	32,500	32,500	-
Girissa Chief Camp	-	-	2,300,000	2,300,000	2,300,000	-
Rhamu Dimtu Chief Camp	-	-	3,000,000	3,000,000	3,000,000	-
Ashabito Chief Camp	-	-	2,300,000	2,300,000	2,300,000	-
Mandera North Sub-County Commissioner Residence	2,500,000	-	-	2,500,000	-	2,500,000
Rhamu Dimtu Chief camp	2,200,000	-	-	2,200,000	-	2,200,000
Ashabito Chief Camp	2,900,000	-	-	2,900,000	-	2,900,000
Girissa Chief Camp	700,000	-	-	700,000	700,000	-
Olla Chief Camp	2,500,000	-	-	2,500,000	-	2,500,000
Shirshir Chief Camp	2,000,000	-	-	2,000,000	-	2,000,000

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

Programme/Sub-programme	Original Budget	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			
	2020/2021					
Doday Chief Camp	2,000,000	-	-	2,000,000	-	2,000,000
Shantoley Chief Camp	1,200,000	-	-	1,200,000	-	1,200,000
Mandera North Subcounty County Commissioner's office	4,000,000	-	-	4,000,000	-	4,000,000
Rhamu Police Stations	3,500,000	-	-	3,500,000	-	3,500,000
Total	23,500,000	142,500	7,600,000	31,242,500	8,432,500	22,800,000
11.0 Acquisition of assets						
11.1 Motor Vehicles	-	-	-	-	-	-
11.2 Construction of NG-CDF office	15,000,000	-	5,000,000	20,000,000	4,499,995	15,500,005
11.3 Purchase of furniture and equipment	-	2,500	-	2,500	-	2,500
Total	15,000,000	2,500	5,000,000	20,002,500	4,499,995	15,502,505
12.0 Other payments						
TOM OSINGO	-	82,075	-	82,075	60,000	22,075
Total	-	82,075	-	82,075	60,000	22,075
13.0 unallocated fund						
Unapproved projects	-	-	-	-	-	-
AIA	-	-	-	-	-	-
PMC savings	-	-	-	-	-	-
Total	-	-	-	-	-	-
GRAND TOTAL	137,088,879	16,562,615	69,367,724	223,019,218	143,478,723	79,530,495

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based.)

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

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 (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-MANDERA 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 Equivalent.

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

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

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

earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30th June 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.

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

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
AIE RECIEVED	B041053	-	53,540,875
	B041122	-	4,000,000
	B047967	-	6,000,000
	B047606	-	20,000,000
	B049369	-	14,000,000
	B104393	-	15,000,000
	B096605	-	9,000,000
	B104526	69,367,724	-
	B124603	9,000,000	-
	B119558	8,500,000	-
	B119947	12,000,000	-
	B128190	6,900,000	-
	B129152	7,000,000	-
	B132245	6,000,000	-
	B138913	13,000,000	-
	B126207	7,000,000	-
	B105002	10,600,000	-
	B140645	12,000,000	-
		161,367,724	121,540,876

2. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,282,002	2,842,000
Gratuity to contractual employees	855,910	144,900
Employer Contributions Compulsory national social security schemes	153,360	631,500
Total	4,291,272	3,618,400

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	38,000	208,000
Water & sewerage charges	40,000	-
Office rent	-	540,000
Domestic travel and subsistence	750,000	543,900
Printing, advertising and information supplies & services	292,106	-
Rentals of produced assets	700,270	950,000
Training expenses	1,939,200	916,400
Hospitality supplies and services	281,000	179,000
Other committee expenses	470,000	708,000
Committee allowance	950,000	1,046,000
Office and general supplies and services	551,810	763,200
Fuel, oil & lubricants	300,000	338,205
Other operating expenses	-	35,710
Bank service commission and charges	23,070	31,757
Routine maintenance- other assets	72,000	78,000
TOTAL	6,407,456	6,338,172

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools	39,282,500	59,887,500
Transfers to secondary schools	35,040,000	22,960,000
Transfers to tertiary institutions	10,000,000	600,000
TOTAL	84,322,500	83,447,500

5. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools	7,035,000	8,935,291
Bursary – tertiary institutions	20,330,000	2,570,000
Security projects	8,432,500	4,817,500
Sports projects	-	1,000,000
Environment projects	900,000	1,000,000
Emergency projects	7,200,000	9,420,000
Total	43,897,500	27,742,791

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

6. ACQUISITION OF ASSETS		
	2020-2021	2019-2020
	Kshs	Kshs
Construction of Buildings	4,499,995	-
TOTAL	4,499,995	-

7. OTHER PAYMENTS		
	2020-2021	2019-2020
	Kshs	Kshs
Strategic Plan	-	300,000
Audits and Others	60,000	-
Total	60,000	300,000

8: CASH BOOK BANK BALANCE

8A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
	Kshs (30/6/2021)	Kshs (30/6/2020)
Closing cash book bank balance	34,451,615	16,562,614
Equity Bank, Mandera Branch. MANDERA NORTH NG-CDF A/C NO. 1000261174117		

9. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	16,562,614	16,468,601
Total	16,562,613	16,468,601

10. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	2,565,870	-
Closing Gratuity as at 30 th June D= A+B-C	2,565,870	-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: PENDING STAFF PAYABLES (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff (June 2021 Salary)	-	-
Others (Staff <i>Gratuity</i>)	2,565,870.00	-
Total	2,565,870.00	-

12: UNUTILIZED FUND (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,402,712	1,513,984
Use of goods and services	1,415,625	1,847,906
Amounts due to other Government entities	28,235,345	45,465,345
Amounts due to other grants and other transfers	32,962,232	32,018,528
Acquisition of assets	15,502,505	2,500
Others (<i>specify</i>)	22,075	5,082,075
Total	79,540,494	85,930,338

13: PMC account balances (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	484,244	394,965
Total	484,244	394,965

The above balances comprises of bank account balances of respective project management committee as at 30th June, 2021.

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

ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021 (Staff Salary JUNE 2021)	Outstanding Balance 30 th June 2021 Staff (Gratuity)	Comments
NG-CDFC Staff					
Ali Ibrahim Hassan	ICT officer	01.02.2018	-	443,300	
Kelvin Mutuku Kisavi	Account Assistant	01.11.2020	-	99,200	
Abdihakim Abdullahi	Senior Clerk	01.02.2018	-	111,600	
Khalif Mohamed Osman	Senior Clerk	01.02.2018	-	111,600	
Abdiwahid Issack Adan	Liason Officer	01.02.2018	-	31,000	
Adan Abshiro	Plant Operator	01.02.2018	-	293,260	
Hussein Mohamud Mohamed	Messenger	01.02.2018	-	228,780	
Abdirizak Ahmed Noor	Clerk	01.02.2018	-	228,780	
Ardan issack abdi	Cleaner	01.02.2018	-	190,650	
Noor Mohamed Abdi	Watchman	01.02.2018	-	223,200	
Hussein Adan Ibrahim	Watchman	01.02.2018	-	223,200	
Deka Mohamed Bashey	Cleaner	01.02.2018	-	190,650	
Hani Abdi Jimale	Secretary	01.02.2018	-	190,650	
Sub-Total				2,565,870	
Grand Total				2,565,870	

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

ANNEX 2 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees	Employee salaries	1,402,712	1,513,984	
Use of goods & services	Office Operation	1,415,625	1,847,906	
Amounts due to other Government entities				
Daidai Primary School	Construction of 2 door toilets	5,345	5,345	
Rhamu DEB Primary School	Completion of Ablution Block	-	75,000	
Alhidaya Primary School	Completion of Multi-Purpose Hall	-	65,000	
Rhamu DEB Primary School	Construction of Administration Block – Phase 1	2,000,000	1,500,000	
Tossi Primary School	Construction of Administration Block – Phase 1	2,000,000	1,500,000	
Shantoley Primary School	Renovation Of 4no. Classrooms	-	1,400,000	
Abakaro Primary School	Construction Of 2no. Classrooms to Completion	-	1,900,000	
Tawakal Primary School	Construction Of 2no. Door Toilets to completion	-	300,000	
Rhamu Dimtu Boarding Primary School	Completion of Administration Block – Phase 2	-	75,000	
Libin Nomadic Girls Primary School	Construction 1no. Classroom to completion	-	950,000	
Mado Primary School	Construction Of 2no. Classrooms to Completion	-	1,900,000	
Qorahey Primary School	Construction Of Underground Water Tank 50m ³ To Completion	-	1,700,000	
Harari Primary School	Construction Of 1no. Classroom to Completion	-	950,000	
Degmarer Primary School	Construction Of 2no. Door Pit Latrines To Completion	-	300,000	
Chief Abdi Aliow Primary School	Construction Of Underground Water Tank 50m ³ To Completion	-	1,700,000	
Kalmalab Primary School	Construction Of 2no. Door Pit Latrines To Completion	-	300,000	
Lanqura Primary School	Completion of 1no. Dormitory of 80 Bed Capacity (Roofing, General Fitting of Doors, Windows, Partitioning of Cubes, fascia Board, Plastering, Slap, Painting/Labeling) FY 2018-2019	-	125,000	
Guticha Primary School	Renovation Of 2no. Classrooms	-	700,000	
Barwaqo Primary School	Construction of 1no. Classroom To Completion	-	950,000	
Kobandagan Primary School.	Construction of 1no. Classroom To Completion	-	100,000	
Garbab Primary School	Construction Of 2no. Classrooms to Completion @ 1,900,000/= And 2no. Door Pit Latrines @ 300,000/=	-	2,200,000	
Dagahtul Primary School	Construction Of 1no. Classroom To Completion	-	950,000	
Shirshir Primary School	Construction Of Kitchen/Store To Completion	-	1,300,000	
Kulmiye Primary School	Construction 1no. Classroom To Completion	-	950,000	
Kubi Primary School	Renovation Of 2no. Underground Water Tank of 50M ³	-	1,000,000	
Marothile Primary School	Renovation Of 4no. Classrooms	-	1,700,000	

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Ogorwein Primary School	Completion of 1no. Dormitory Of 80 Bed Capacity	-	125,000	
Ashabito Boarding Primary School	Renovation Of 2no. Classrooms	-	700,000	
Tinfa Primary School	Construction Of 1no. Classroom to Completion	-	950,000	
Domog Primary School	Construction Of 2no. Classrooms To Completion	-	95,000	
Quramathow Primary School	Renovation Of 4no. Classrooms	-	1,400,000	
Kubi Hills Primary School	Renovation Of 1no. Underground Water Tank	-	800,000	
Rhamu DEB Primary School	Construction of 2no. Door toilets to completion.	300,000	-	
Ashabito Boarding Primary School	Renovation Of 5no. classrooms	1,500,000	-	
Tinfa Primary School	Construction of 2no. Door pit latrine to completion	300,000	-	
Quramathow Primary School	Renovation Of 2no. classrooms	700,000	-	
Marothile Primary School	Renovation Of 2no. classrooms	700,000	-	
Olla Primary School	Renovation Of 3no. classrooms	120,000	-	
Lanqura Primary School	Construction Of Underground Water Tank 50m ³ to Completion	1,700,000	-	
Barwaqo Primary School	Construction Of Underground Water Tank 50m ³ to Completion	1,700,000	-	
Sarman Primary School	Construction Of Underground Water Tank 50m ³ to Completion	1,700,000	-	
Daidai Primary School	Construction Of Underground Water Tank 50m ³ to Completion	1,700,000	-	
Darusalam Primary School	Construction of 2no. Classrooms to completion	1,900,000	-	
Chief Dahir Arab Primary School	Construction Of Underground Water Tank 50m ³ to Completion	1,700,000	-	
Kalmalab Primary School	Construction Of Underground Water Tank 50m ³ to Completion	1,700,000	-	
Al-furqan Integrated Primary School	Construction of 4no. Pit latrines to completion	600,000	-	
Degmarer Primary School	Construction of 2no. Classrooms to completion	1,900,000	-	
Golobia Secondary School	Completion of 1no. Laboratory of 45 capacity	-	200,000	
Ashabito Girls Secondary School	Construction Of 800m Chain Link with concrete poles	-	2,000,000	
Ashabito Boys Secondary School	Fencing of Girls Residential Areas to Completion	-	50,000	
Olla Boys Secondary School	Completion of Kitchen Areas	-	150,000	
Daua River Day Secondary School	Completion of 1no. Laboratory of 30 capacity	125,000	-	
Rhamu Girls Secondary School.	Construction Of 2no. Classrooms and 4no. Door toilets to completion	-	2,500,000	
Rhamu Dimtu Boys Sec School	Construction Of 2no. Classrooms to Completion	-	1,900,000	
	Additional funds for further construction of 1000m ³ Concrete Chain link fencing. Entire compound measuring 3468m ² (project allocated Kshs. 3,950,000 through a reallocation yet to be approved)	2,000,000	-	

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Gololbia Secondary School	Construction Of Underground Water Tank 50m ³ to Completion	85,000	-	
Sheikh Ali High School	Construction of Modern Dining Hall of 600 student capacity (Phase 1)	3,000,000	-	
Seyid Abass Technical Training Institute	Construction of technical college	-	10,000,000	
Sub-county Education Office	Supply of Office furnitures and Equipment (1no. Executive desk size 2M mahogany @ 120,000/=, 2no. Executive high back chairs with wooden arms of base @ 50,000/=, 6no. executive chairs high back adjustable @ 40,000/=, 6pcs 4 drawer metallic cabinets @ 35,000/=, 1no. Hp Computer desktop core 5 4Gp ram and 500 hard drive with 19inch screen @ 80,000/=, 3 in 1 Printer Epson L4160 @ 50,000/=	800,000	-	
Sub-Total		28,235,345	45,465,345	
Amounts due to other grants and other transfers				
Bursary Secondary Schools	Payment of bursary to needy students in colleges and universities.	4,900,519	1,750,519	
Bursary Tertiary Schools	Payment of bursary to needy students in colleges and universities.	115,349	21,681,352	
Social Security	Payment of NIHF to the old and vulnerable families in 500 household at 6000 per year	3,000,000	-	
Wargadud Police	Staff house/Reporting Office	10,000	10,000	
Girissa Chief Camp	Construction of Chief Office block to Completion	-	2,300,000	
Rhamu Dimtu Chief Camp	Construction of Administration block Phase 1	-	3,000,000	
Ashabito Chief Camp	Construction of Administration block Phase 1	-	2,300,000	
Mandera North Sub-County Commissioner	Construction of 300m Perimeter wall to Completion (Phase 1)	-	100,000	
Residence	Construction of 3no. Door Pit Latrines	-	32,500	
Rhamu Police Station	Construction of 2no. door toilets to completion	-	300,000	
Rhamu Girls Secondary School.	Construction of 2no. door toilets to completion	-	300,000	
Olla Boys Secondary School	Purchase and planting of 200 trees	-	100,000	
Abakaro Primary School	Purchase and planting of 200 trees	-	100,000	
Girissa Primary School	To cater for any unforeseen occurrences in the constituency during the financial year	36,364	44,158	
Emergency	Purchase and planting of 200 trees	100,000	-	
Yabicho Primary School	Construction of 2no. door toilets to completion	300,000	-	
Sarman Primary School	Construction of 2no. door toilets to completion	300,000	-	
Ashabito Boarding Primary School	Construction of 2no. door toilets to completion	300,000	-	
Rhamu DEB Primary School	Construction of 2no. door toilets to completion	300,000	-	

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Mandera North Sub-County Commissioner Residence	Completion of 160m remaining perimeter wall, Gate at 2,100,000/= and Guard house @ 400,000/=	2,500,000	-	
Rhamu Dimtu Chief camp	Completion of Administration block Phase 1 I	2,200,000	-	
Ashabito Chief Camp	Completion of Administration block Phase 1 I	2,900,000	-	
Olla Chief Camp	Construction of Administration block Phase 1 - containing 3 rooms and one Boardroom: Foundation, walls and beaming	2,500,000	-	
Shirshir Chief Camp	Construction of Chief Office block phase 1 - containing 3 rooms.	2,000,000	-	
Doday Chief Camp	Construction of Chief Office block phase 1 - containing 3 rooms.	2,000,000	-	
Shantoley Chief Camp	Renovation Of Shantoley chief office	1,200,000	-	
Mandera North Subcounty County Commissioner's office	Construction of Social Hall to completion	4,000,000	-	
Rhamu Police Stations	Construction of Administration block Phase 1 - Containing 7 rooms	3,500,000	-	
Constituency Sport tournaments	Carry out sports tournament - Kshs 1,100,000/= to carry out a Constituency sports tournament where the winning team will be awarded with balls, uniforms and trophies where facilitation of the tournament @ Kshs 400,000/= and purchase of balls, uniforms, trophies and Equipment @ Kshs. 700,000/=	1,100,000	-	
Sub-Total		32,962,233	32,018,528	
Acquisition of assets				
NG-CDF office furnitures	NG-CDF office furnitures	2,500	2,500	
NG-CDFC Office	Additional funding for the Construction of NG-CDFC office block Phase 2 - containing 13 rooms and One Boardroom and 2 washroom blocks containing four number doors each (one disability friendly) upto finishing level.	15,500,005	-	
Sub-Total		15,502,505	2,500	
Others (specify)				
Audits & Others	Other Payments	22,075	82,075	
Sub-Total		22,075	82,075	
Grand Total		79,540,495	80,930,339	

ANNEX 3 – 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	-	-	-	-
Buildings and structures	-	4,499,995	-	4,499,995
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	2,227,500	-	-	2,227,500
ICT Equipment, Software and Other ICT Assets	420,000	-	-	420,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	2,647,500	4,499,995	-	7,147,495

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

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	BANK	ACCOUNT NUMBER	BANK BALANCE 2020/21	BANK BALANCE 2019/2020
ABAKARO PRI SCH PMC	EQUITY	1000272430334	3,815	2,235
AL FURQAN INTE PRIMAFRY SCHOOL	EQUITY	1000294018105	1,315	1,550
AL HIDAYA PRI PMC	EQUITY	1000277331408	10,410	318,270
ALFOWZAN PRI SCHOOL PMC	EQUITY	1000163839442	58	238
ASHABITO AP CAMP PMC	EQUITY	1000172264123	390	390
ASHABITO BOARDING PRI SCH PMC	EQUITY	1000299025827	640	640
ASHABITO BOYS SEC SCH PMC	EQUITY	1000262654877	4,340	4,340
ASHABITO GIRLS SEC SCHOOL PMC	EQUITY	1000295105827	1,605	1,105
AWARA PRIMARY SCHOOL	EQUITY	1000299025350	630	630
BAMBO WEST PRI SCH PMC	EQUITY	1000264881793	70	-
BURJOHN PRIMARY SCH PMC	EQUITY	1000299952655	1,890	1,890
CHIEF DAHIR ARAB PRIMARY SCHOOL	EQUITY	1000299025693	140	140
DAGMARER PRI SCH. PMC	EQUITY	1000199975179	163	3
DAIDAI PRI SCH. PMC	EQUITY	1000266568190	17,080	17,080
DARUSALAM PRI SCH PMC	EQUITY	1000267463618	2,630	1,750
DOMOG PRI SCHOOL PMC	EQUITY	1000266616457	2,968	8,960
GOFA PRI SCH. PMC	EQUITY	1000298879227	470	470
GOLOBIA SEC SCH PMC	EQUITY	1000164385536	1,690	1,930
KUBI PRI SCH. PMC	EQUITY	1000299025908	51,425	25
LADENI PRI SCH. PMC	EQUITY	1000297179048	1,860	860
LANQURA PRIMARY SCHOOL PMC	EQUITY	1000297059216	1,598	598
LIBIN NOMADIC GIRLS SEC SCH PMC	EQUITY	1000167484139	3,320	920
MANDERA NORTH SUB COUNTY PMC	EQUITY	1000173449340	4,986	5,106
MAROTHILE PRIMARY SCH PMC	EQUITY	1000271879721	959	319
OLLA BOYS SEC SCH PMC	EQUITY	1000262484562	170	15,470

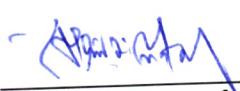
PMC	BANK	ACCOUNT NUMBER	BANK BALANCE 2020/21	BANK BALANCE 2019/2020
QORAHEY PRIMARY SCHOOL PMC	EQUITY	1000297206425	350	530
RHAMU POLICE STATION PMC	EQUITY	1000168160234	5,660	5,660
SHEIKH ALI HIGH SCHOOL PMC	EQUITY	1000278962431	400	400
SHIRSHIR PRI SCH PMC	EQUITY	1000299051977	1,115	15
TINFA PRI SCH PMC	EQUITY	1000162309025	520	60
UPPER HILL PRIMARY SCHOOL	EQUITY	1000299838753	3,008	2,308
YABICHO PRI SCH PMC	EQUITY	1000297189145	2,070	1,070
DAUA RIVER DAY SEC SCHOOL PMC	EQUITY	1000279624651	6,000	-
RHAMU DAY SECONDARY SCHOOL	EQUITY	1000262659745	193,954	-
TOSSI PRIMARY SCHOOL	EQUITY	1000164341809	1,060	-
KUBI HILLS PRIMARY SCHOOL	EQUITY	1000267169657	1,860	-
RHAMU ARID ZONE PRIMARY SCHOOL	EQUITY	1000279761409	2,000	-
GUTICHA PRIMARY SCHOOL	EQUITY	1000299969834	2,310	-
RHAMU DIMTU CHIEF CAMP	EQUITY	1000180069095	1,380	-
GIRISSA CHIEF CAMP	EQUITY	1000180211279	980	-
QURAMATHOW PRIMARY SCHOOL	EQUITY	1000299042484	205	-
OLLA PRIMARY SCHOOL	EQUITY	1000297527136	140,205	-
RHAMU DEB PRIMARY SCHOOL	KCB	1118742389	2,766	-
RHAMU DIMTU BOYS SECONDARY SCHOOL	KCB	1111047944	931	-
RHAMU DIMTU BOARDING PRIMARY SCHOOL	KCB	125843322	2,200	-
RHAMU GIRLS SECONDARY SCHOOL.	EQUITY	1000299045215	251	-
ASHABITO CHIEF CAMP	EQUITY	1000180316169	400	-
TOTAL			484,244	394,965

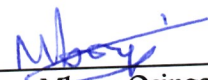
**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH
Constituency
Reports and Financial Statements for The Year Ended June 30, 2021**

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)
1.0	Stale cheques of Ksh. 648,180	All the stale cheques will be reversed back.	FAM	Not resolved	June 2022
2.0	Budgetary Control and Performance – Under expenditure of Ksh. 85,930,338/=	The Mandera North NG-CDFC will put in place the affected planned activities to reduce under utilization.	FAM	Not resolved	June 2022
2.0	Unsupported Emergency Expenses of Ksh. 9,420,000/=	The Fund Account to forward the utilization of Emergency fund as Per NG-CDFB regulations, 2016	FAM	Not resolved	June 2022


Adan Salah Mustafa
Fund Account Manager


Tom Mboya Osingo
Sub-County Accountant

