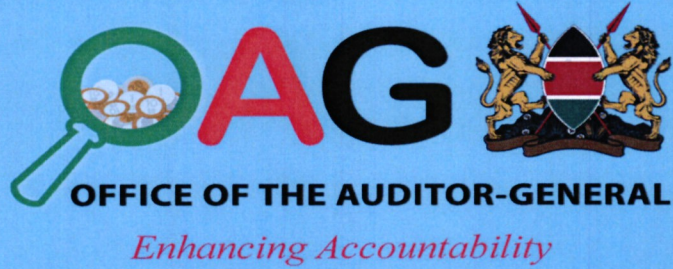


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2022**

PARLIAMENT
OF KENYA
LIBRARY

THE NATIONAL ASSEMBLY
DATE: 06 JUL 2023
Hon. Samuel Chepkonga, MP
Joyce Kemerele



TURKANA SOUTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

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(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Kwena Stephen
2.	Sub-County Accountant	Joshua M. Meeme
3.	Chairman NGCDFC	Peter Emeri Lodio
4.	Member NGCDFC	Rosbella eyanae

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Turkana 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) Turkana South Constituency NGCDF Headquarters

P.O. Box 267-30500
Next to DCC OFFICE
Lokichar
KENYA

(f) Turkana South Constituency NGCDF Contacts

Telephone: (254) 0723978417
E-mail: ngcdfturkanasouth@ngcdf.go.ke
Website: www.go.ke

(g) Turkana South Constituency NGCDF Bankers

Kenya Commercial Bank (specify the constituency account banker details)
Lodwar Branch
P.o Box 135-30500
LODWAR

(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

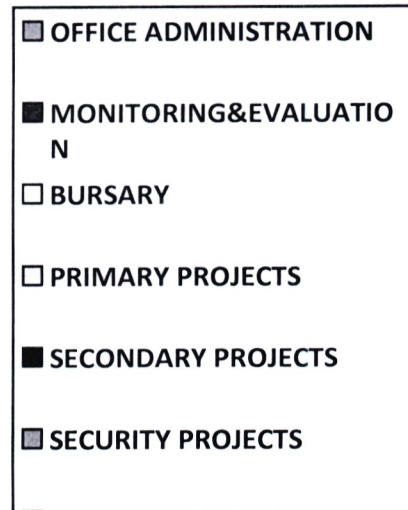
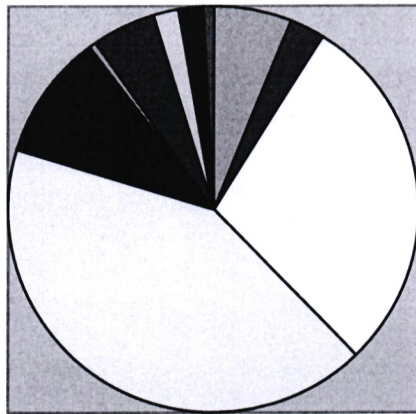


REV PETER EMERI LODIO

Turkana national government constituency development funds as mandated by NG-cdf act, prioritized on projects for funding during the financial year 2021/2022. The committee after carrying out the needed assessments and in consultation with other stake holders came up with projects for funding and forwarded to the board for approval. The following is the summary breakdown of proposed projects for funding during the financial year 2021/2022.

S/NO	PROPOSED NAME	AMOUNT ALLOCATED	%ALLOCATION
1.	Office administration	8,216,785	6
2.	Monitoring and evaluation	4,112,666	3
3.	Bursary	40,000,000	29
4.	Primary projects	57,000,000	42
5.	Secondary school projects	13,400,000	10
6.	Security projects	1,000,000	0.7
7.	Emergency reserve	7,192,207	5
8.	Sports activities	2,667,221	2
9.	Environmental projects	2,500,000	2
10.	others	1,000,000	0.7
	TOTAL	137,088,879	100

Percentage of sector allocation



During the financial year the committee received amount of Kshs.170, 088,879 from the board that includes balances during last financial year 2020/21 and half of the allocation for 2021/22. The committee further managed to disburse funds to both pmcs and other contractors and the expenditure is as follows:

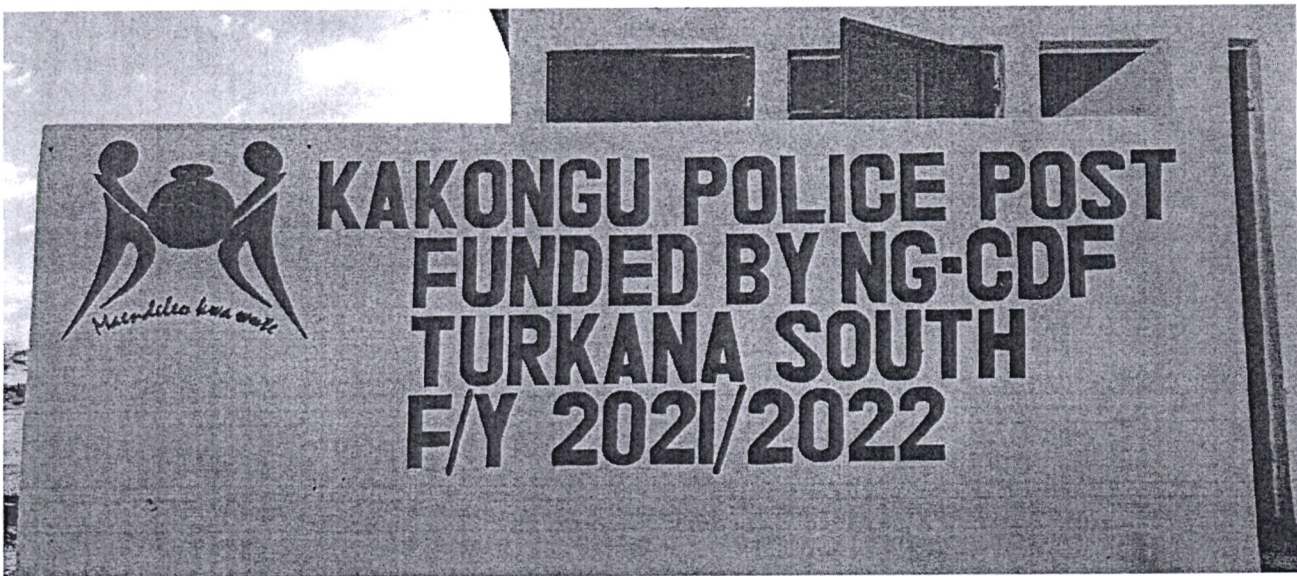
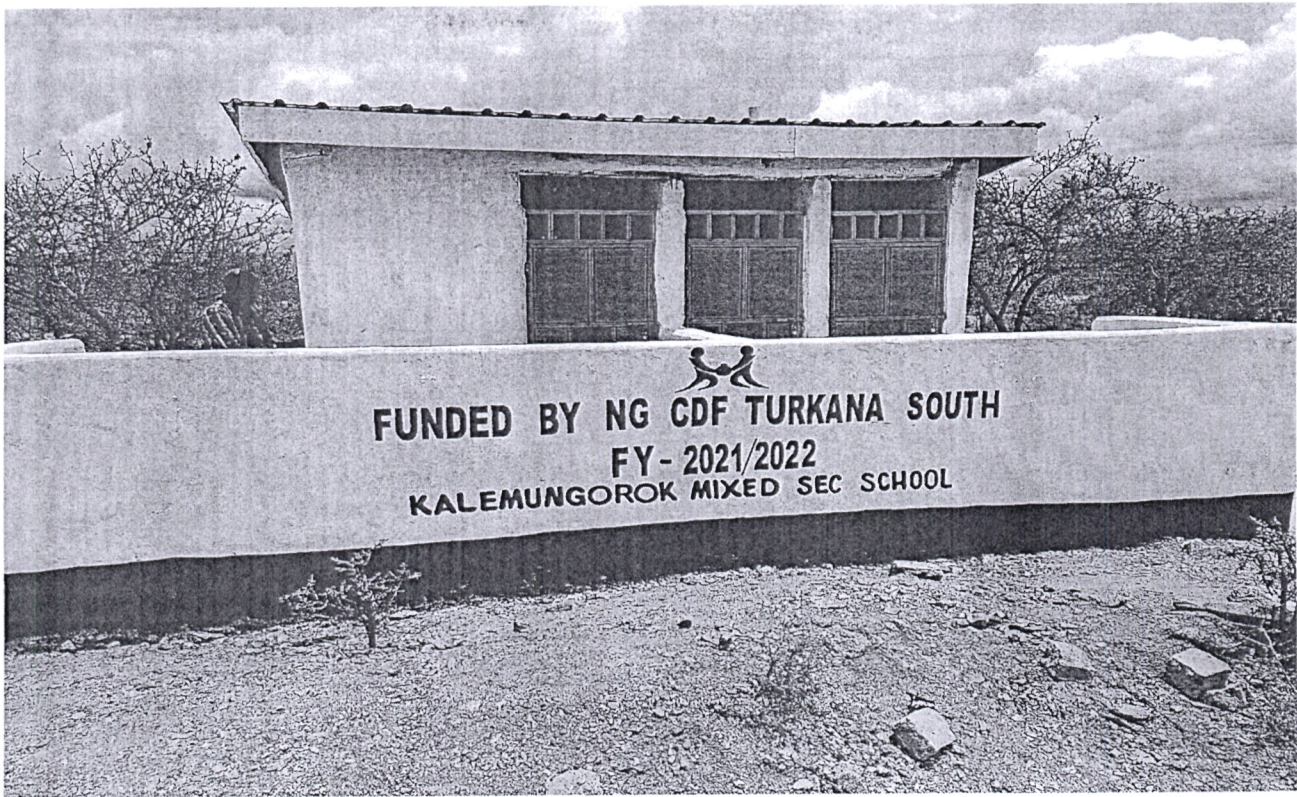
ITEM	AMOUNT SPENT
Compensation of employees	3,530,840
Use of goods and services	10,685,502
Transfers to Other Government Units	101,420,000
Other grants and transfers	87,130,303
Acquisition of Assets	2,200,000
TOTAL PAYMENTS	204,966,645

During the financial year there were several emergencies that occurred but the committee through its discretion managed to solve.

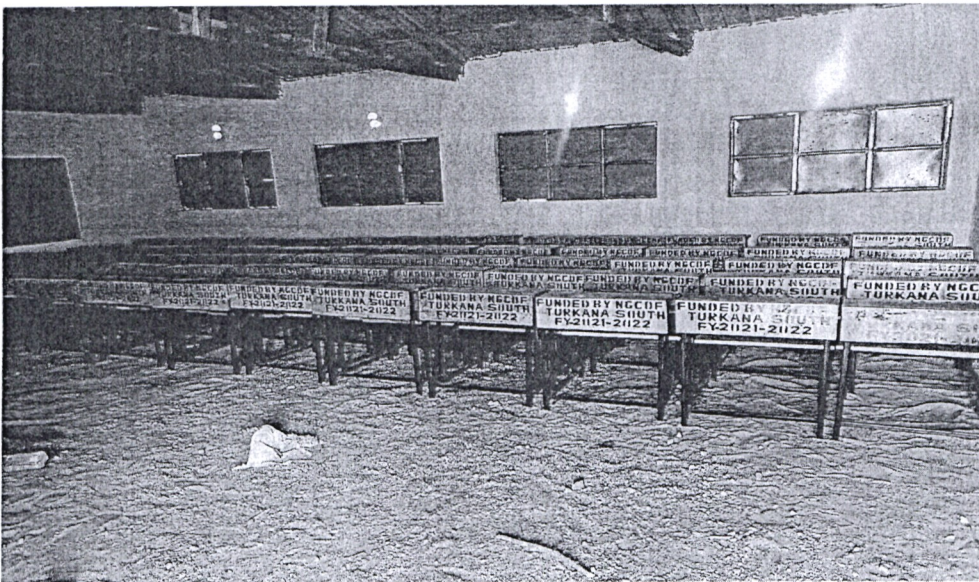
The following are some of the projects implemented by NG-CDF Turkana during 2021/2022 financial year.

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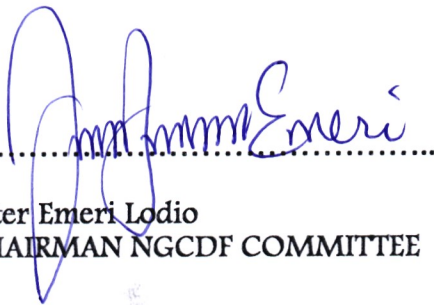
Kakimanyin Priiary Schools Desks

Challenges during the financial year

1. Capacity of the pmc
2. is wanting
3. Limited availability of water makes some of the construction not to have proper cure hence a lot of cracks
4. Rising costs of the construction material is making people compromise on quality

Recommendations

NG-CDFC to liaise with NG-CDF board in order to find out whether the committee can establish boreholes in schools in order to provide water that will reduce the migration of communities leaving in those areas.



.....

Peter Emeri Lodio
CHAIRMAN NGCDF COMMITTEE

III. Statement of Performance against Predetermined Objectives for FY2021/22

Introduction

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

The key development objectives of *Turkana Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) To improve access, affordability and availability of quality education.
- b) To harness talent and empower youths.
- c) To cater for any unforeseen occurrences in the constituency.
- d) To promote environmental sustainability in the constituency.
- e) To enhance security in the constituency.
- f) To improve tracking of implementation of NG-CDF programmes
- g) To promote performance management and smooth running of the NG-CDF office

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education Accessibility	To improve access, affordability and availability of quality education	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 21/22 -we increased the number of classrooms and staff houses in various schools/institutions - provision of desks and bursary

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Security	To enhance security in the constituency	Reduced number of insecurity cases in the constituency	Number of usable physical infrastructures built in NG-CDF offices, ACC offices and chiefs' offices	-we constructed additional number of chiefs' offices, rehabilitation of police stations, AP and police offices and houses. -NG-CDF office fenced and ACC offices constructed
Environment	To promote environmental sustainability	Increase in the number of trees and proper collection of garbage and disposal of sewerage waste	Conservation of soil by trees and usable pit latrines	We constructed additional number of pit latrines and planted trees
Sports	To empower the youth and harness their talent	Increase in the number of youth groups and active sporting initiatives	Increase in development projects among the youth and increase in the number of forums held. Ease of access on devolved funds	We create awareness among the youth on the establishment of youth groups and allow ease of access to devolved funds
Emergency support	To cater for unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency	Prompt response in case of any occurrences	We set aside funds for any emergencies
Tracking of results	To improve tracking of implementation of CDF programmes	Quality work is achieved	Efficiency in work performance and within the specified period	We organise capacity building programmes for NGCDFC'S and PMC's -we organise regular projects monitoring field visits

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Institutional strengthening	To promote performance management and smooth running of CDF office	Well planned and organised work is achieved	Increase in the number of usable physical tools and equipments Employee satisfaction and availability of reports	We purchase working tools and equipments to make work easy and of quality We strategically plan for the future
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V. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Turkana 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 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*
- *NG-CDF staff have at least one day in FY 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. Turkana Constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Turkana Constituency invests in capacity building

programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Turkana South Ngcdf Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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



.....

Kwena Stephen

FAM

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-Turkana 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, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

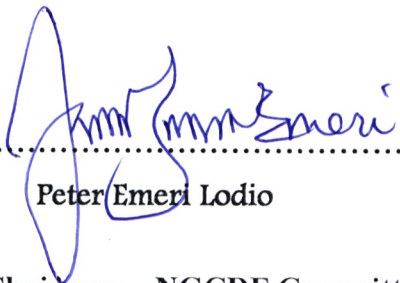
The Accounting Officer in charge of the NGCDF-Turkana Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Turkana 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.


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

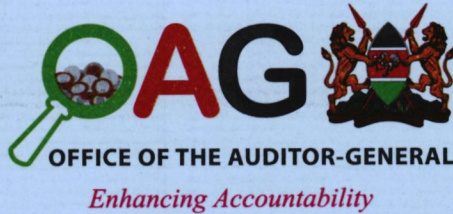
Approval of the financial statements

The NGCDF- Turkana Constituency financial statements were approved and signed by the Accounting Officer on _____ 2022.


.....
Peter Emeri Lodio
Chairman – NGCDF Committee


.....
Kwena Stephen
Finance Account Manager

REPUBLIC OF KENYA



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E-mail: info@oagkenya.go.ke
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TURKANA SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Turkana South Constituency set out on pages 1 to

Report of the Auditor-General on National Government Constituencies Development Fund – Turkana South Constituency for the year ended 30 June, 2022

37, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund -Turkana South Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

1. Unsupported Fuel, Oil and Lubricants

The statement of receipts and payments reflects use of goods and services amount of Kshs.10,685,502 as disclosed in Note 5 to the financial statements. This amount includes fuel, oil and lubricants payments of Kshs.1,135,000. However, the expenditure was not supported by; motor vehicle work tickets, detail orders, and supplier statements contrary to Regulation 104(1) of the Public Finance Management (National Government) Regulations, 2015 which states that all receipts and payments of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

In the circumstances, the Fund Management was in breach of the law and the accuracy and completeness of the expenditure on fuel, oil and lubricants of Kshs.1,135,000 could not be confirmed.

2. Unsupported Transfers to Other Government Units

The statement of receipts and payments reflects other grants and transfers of Kshs.87,130,303 of Kshs.12,384,407 as disclosed in Note 7 to the financial statements. This amount includes emergency projects payments of Kshs.12,384,407 out of which

payments totaling to Kshs.1,458,407 were not supported by expenditure returns, emergency PMC minutes, handover reports and completion certificates.

In the circumstances, the accuracy and completeness of emergency projects payments of Kshs.1,458,407 could not be confirmed.

3. Stale Cheques and Unrecorded Receipts

The statement of assets and liabilities reflects bank balances of Kshs.7,625,722 as disclosed in Note 10A to the financial statements. The bank reconciliation statement for the month of June, 2022 includes unrepresented cheques amounting to Kshs.22,666,338 and receipts in bank statement not recorded in cash book amount of Kshs.1,911. However, the unrepresented cheques include stale cheques amounting to Kshs.111,947 which were not reversed and replaced. Further, the schedule supporting receipts in bank statement not recorded in cash book amount of Kshs.1,911 were not provided for audit.

In the circumstances, the accuracy and completeness of the bank balance of Kshs.7,625,722 could not be confirmed.

4. Unsupported Summary of Fixed Assets

Annex 4 to the financial statements - summary of fixed assets register reflects cumulative historical asset cost of Kshs.36,668,945 comprising of; building and structures of Kshs.18,323,705, transport equipment of Kshs.15,303,000, office equipment, furniture and fittings of Kshs.1,998,850, and ICT equipment and software and other assets of Kshs.1,043,390. However, land on which the Fund's building and structures are built has not been valued and included in the fixed asset register and the annual report and financial statements. Further, land ownership documents in form of land title deeds were not provided for audit .

In the circumstances, the accuracy and completeness of the fixed assets historical cost of Kshs.36,668,945 could not be confirmed.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects a final budget and actual receipts on comparable basis of Kshs.224,629,246 and Kshs.212,540,367 respectively, resulting to an underfunding of Kshs.12,088,879 or 5% of the budget. Similarly, the Fund spent

Kshs.204,966,645 against an approved budget of Kshs.224,629,246 resulting to an under-expenditure of Kshs.19,662,601 or 9% of the budget.

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

2. Project Implementation Status

The project implementation status (PIS) report as at 30 June, 2022, indicated that the Fund implemented 57 projects with a total disbursement of Kshs.81,092,207. Projects completed were fifty-six (56) with a total disbursement of Kshs.77,892,207 while one (1) project with disbursement Kshs.3,200,000 is still on-going.

The non-completion of projects as planned denied the public the services and benefits that would have accrued from the completed projects.

3. Unresolved Prior Year Matters

The Management has not addressed audit issues in Report of the Auditor-General for the financial year 2020/2021 contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires accounting officers designated for National Government entities to try to resolve any issues resulting from an audit that remain outstanding. The issues therefore remain outstanding as shown in the report on progress on follow up of auditor recommendations as no evidence has been presented for their resolution.

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. Delay in Disbursement of Funds from the Board

The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board of Kshs.170,088,879. However, the amount of Kshs.170,088,879 includes Kshs.33,000,000 or 19% of total receipts budgeted for in the 2021/2022 financial year. Further, the Fund had not received arrears of Kshs.12,088,879 relating to 2020/2021 financial year contrary to Section 39(2) of the National Government Constituencies Development Fund Act, 2015 which states that the disbursement of funds to the Constituency Fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to

Report of the Auditor-General on National Government Constituency Development Fund – Turkana South Constituency for the year ended 30 June, 2022

twenty-five per centum of the allocation for the constituency and thereafter the Constituency Fund account shall be replenished in three equal instalments at the beginning of the second, third and fourth quarters of the financial year. Further Section 40(1) which stipulates that the Board shall ensure that the list of projects forwarded to it by each constituency is, upon approval, funded in accordance with the Act.

Consequently, the Board is in breach of the law.

2. Irregular Emergency Expenditure

The statement of receipts and payments reflects other grants and transfers of Kshs.87,130,303 as disclosed in Note 7 to the financial statements. This amount includes emergency projects payments of Kshs.12,384,407 made to Juluk Primary School of Kshs.3,926,000 and Locheremoit Primary School of Kshs.2,500,000 for construction of classrooms. However, the payments of Kshs.6,426,000 did not meet emergency criteria defined in Section 8(3) of the National Government Constituencies Development Fund Act, 2015 which states that "Emergency" shall be construed to mean an urgent, unforeseen need for expenditure for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents. Further, there was no evidence to indicate that the constituency committee reported to the Board within thirty (30) days of occurrence of the emergency. This is contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty (30) days of the occurrence of the emergency, in the format prescribed by the Board.

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

3. Award of Education Bursary

The statement of receipts and payments reflects other grants and transfers of Kshs.87,130,303 as disclosed in Note 7 to the financial statements. Included are bursary payment to secondary schools and tertiary institutions of Kshs.36,611,872 and Kshs.31,934,024 respectively, which were approved by the sub-committee. However, there was no evidence to show that the sub-committee formed included two (2) co-opted members, of which one must be an education officer or an officer seconded from Ministry of Education contrary to the Constituency Development Fund (CDF) Board circular reference VOL1/111 dated 13 September 2010 which requires formation of a sub-committee of Constituency Development Fund to manage the bursary. Further, the criteria for identifying the beneficiaries was not provided for audit.

In addition, the bursary payments of Kshs.68,545,896 were not supported by acknowledgement receipts contrary to Regulation 104(1) of Public Finance Management (National Government) Regulations, 2015 which states that all receipts and payments of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by the appropriate authority and documentation.

In the circumstances, the Fund was in breach of the law and there was no assurance that deserving students benefitted from the bursary payments.

4. Unsatisfactory Implementation of Projects

The statement of receipts and payments reflects transfers to other government units of Kshs.101,420,000 as disclosed in Note 6 to financial statements. Included in this amount is transfers to primary and secondary schools of Kshs.74,820,000 and Kshs.26,600,000 respectively. However, project inspection carried out in March 2023 on twenty -one (21) projects with total disbursements of Kshs.40,120,000 revealed that although the Fund engaged the services of a technical expert – clerk of works to assist in the project implementation, the projects were not constructed to the expected standards as per the bill of quantities. Major installations that include fixing of the gutters, ceilings and pavement slabs were not done on all the projects as in **Appendix I**.

In the circumstances, the Fund did not obtain value for money from the disbursements of Kshs.40,120,000.

5. Irregular Acquisition of Assets

The statement of receipts and payments reflects acquisition of assets amount Kshs.2,200,000 as disclosed in Note 8 to the financial statements. The amount includes Kshs.300,000 paid to a local merchant for the supply and fitting of 26 metallic steel doors at Turkana South Constituency Offices. However, there was no evidence of competitive bidding having been conducted for the procurement of the goods and services contrary to Section 96(1) of Public Procurement and Asset Disposal Act, 2015 which states that the accounting officer shall take such steps as are reasonable to bring the invitation of tender to the attention of those who may wish to submit tenders.

In the circumstances, the Management was in breach of the law and there is no assurance that Fund obtained value for money from the expenditure of Kshs.300,000.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and overall 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 sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund's to cease to continue as to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund's 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 controls that are identified during the audit.

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


CPA Nancy Gathungu CBS
AUDITOR-GENERAL

Nairobi

30 June, 2023

Appendix: Project Verification

No.	Project Name	Project Description	Amount Allocated (Kshs)	Total Payments (Kshs)	Remarks
1.	Kasuroi Primary School	Construction of 2 classrooms	2,400,000	2,380,000	<ul style="list-style-type: none"> - Internal wall painting work completed - NG CDF Labelling done. - The rainwater installation items such as gutters not installed. - Ceilings not fitted - External plastering not done satisfactorily - Pavements slabs not mounted
2.	Lomeleku Primary School	Construction of 1 classroom with 40 Desks	1,600,000	1,580,000	<ul style="list-style-type: none"> - NG CDF labelling done. - Internal and external wall painting work completed - 40 desks delivered but not NGCDF labelled - Pavements slabs not mounted - Ceilings not fitted - The rainwater installation items such as gutters not installed
3	Kaaroge Primary School	Construction of 1 classroom and Supply of 60 desks	1,700,000	1,700,000	<ul style="list-style-type: none"> -NG CDF Labelling done. -60 desks Supplied and in use -The rainwater installation items such as gutters not installed -pavements slabs not mounted -Ceiling not fitted

No.	Project Name	Project Description	Amount Allocated (Kshs)	Total Payments (Kshs)	Remarks
4	Kedoome Primary School	Construction of 1 classroom and Supply of 50 desks	1,500,000	1,480,000	- NG CDF labelling done. -50 desks Supplied and in use - The rainwater installation items such as gutters not installed. - Ceiling not fitted - Pavement slabs not mounted.
5	Ageles Primary School	Construction of 1 classroom and Supply of 60 desks	1,700,000	1,700,000	- NG CDF labelling done. -60 desks Supplied and in use -The rainwater installation items such as gutters not installed. -Ceiling not fitted - Pavement slabs not mounted
6	Kalodicha Primary School	Construction of 1 classroom and Supply of 50 desks	1,500,000	1,480,000	- NG CDF Labelling done. -50 desks Supplied and in use -External walls not satisfactorily done- Only the rough casting done. - The rainwater installation items such as gutters not installed. - Ceiling not fitted - Pavement slabs not mounted
7				1,380,000	

No.	Project Name	Project Description	Amount Allocated (Kshs)	Total Payments (Kshs)	Remarks
	Kamarese Primary School	Fencing 1.5 Acres of school Compound using chain link with steel metal gate	1,400,000		-NG CDF Labelling done. The project is 100%complete and satisfactory.
8	Kalapata Primary School	Construction of 200 capacity Dormitory and equipping with 100 double decker beds	3,200,000	3,200,000	-Internal and external plastering works for both the floor and the wall were done. -Well labelled - The rainwater installations items such as gutters, ridges and swan neck were not installed. - Ceiling not fitted -Only 78 beds were found at the time of audit verification instead of 100 - Pavement slabs not mounted -The project is approximately 60% complete.
9	Kangakipur Primary School	Construction of 1classroom to completion	1,500,000	1,400,000	- Internal painting work for the walls complete - 50 desks supplied and in use - NG CDF labelling done - The rainwater installation items such as gutters, ridges and swan neck were not installed. - Ceiling not fitted - Pavement slabs not mounted
10	Kalapata Girls Secondary School	Construction of 2 units of 4 door pit latrines with one door being PLWD Compliant	1,500,000	1,500,000	- NG CDF labelling done -One toilet is not PLWD Compliant

No.	Project Name	Project Description	Amount Allocated (Kshs)	Total Payments (Kshs)	Remarks
11	Kalapata Girls Secondary School	Supply of 3 water tanks and installation of water tower	1,500,000	1,500,000	- 3 water tanks supplied - Installation of water tower complete
12	AGC Lokichar Secondary School	Construction of 200 capacity Dormitory and equipping with 100 double decker beds	3,200,000	3,180,000	-Complete and in use -NG CDF Labelling done
13	Kalemungorok Secondary School	Construction of 2 classrooms and Supply of 50 lockers and 50 chairs	3,000,000	2,980,000	-NG CDF Labelling done -Ceiling works not done - The rainwater installation items such as gutters not installed.
14	Korinyang Mixed Day Secondary School	Construction of 2 classrooms and supply of 120 desks	3,400,000	3,400,000	-The rainwater installation items such as gutters not installed. - NG CDF Labelling done - Ceiling works not done -Facia board fittings not complete - The rainwater installation items such as gutters, ridges and swan neck not installed
15	Kalapata Girls Secondary School	Construction of 100 capacity Dormitory and equipping with 50 double decker beds	3,000,000	2,980,000	-50 beds not supplied (students still sleeping on the floor at the time of audit verification) -The project is not labelled. - Ceiling works not done -Only undercoat painting is done.

No.	Project Name	Project Description	Amount Allocated (Kshs)	Total Payments (Kshs)	Remarks
					<ul style="list-style-type: none"> - Poor workmanship. - Pavement slabs not mounted
17	Karipun Primary School	Construction of 1 classroom and supply of 60 desks	1,700,000	1,680,000	<ul style="list-style-type: none"> - Internal and external painting work on the walls complete - 60 desks supplied and in use - NG CDF Labelling done - The rainwater installation items such as gutters not installed. - Ceiling not fitted - Pavement slabs not mounted - In use
18	Lowoidapal Primary School	Construction of 1 classroom and supply of 60 desks	1,700,000	1,700,000	<ul style="list-style-type: none"> - Internal and external painting work on the walls complete - 60 desks supplied and in use - NG CDF labelling done - The rainwater installation items such as gutters not installed. - Ceiling not fitted - Pavement slabs not mounted - Although in use
19	Lokapel Mixed Secondary School	Construction of 200 capacity Dormitory and equipping with 100 double decker beds	3,200,000	3,200,000	<ul style="list-style-type: none"> - Internal and external plastering works for both the floor and the wall were done - Well labelled - The rainwater installations items such as gutters, ridges and swan neck were not installed. - NG CDF labelling done - In use

No.	Project Name	Project Description	Amount Allocated (Kshs)	Total Payments (Kshs)	Remarks
20	Nariamowoi Primary Secondary School	Construction of 1 classroom and Supply of 60 desks	1,500,000	1,480,000	<ul style="list-style-type: none"> - NG CDF labelling done. - At the time of audit only 32 desks could be traced while 8 had broken down .20 desks missing. - The rainwater installation items such as gutters not installed. - Ceiling not fitted - Pavement slabs not mounted
21	Kangimanyi in Primary School	Construction of 2 classroom and Supply of 120 desks	3,400,000	3,400,000	<ul style="list-style-type: none"> - Internal and external painting work on the walls complete. - 120 desks supplied and in use - NG CDF labelling done - The rainwater installation items such as gutters not installed. - Pavement slabs not mounted - Ceiling not fitted - In use
	Total			40,120,000	

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VII. Statement of Receipts and Payments for the Year Ended 30th June 2022

	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	170,088,879	179,367,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	52,000	238,000
TOTAL RECEIPTS		170,140,879	179,605,724
PAYMENTS			
Compensation of employees	4	3,530,840	4,167,272
Use of goods and services	5	10,685,502	6,951,576
Transfers to Other Government Units	6	101,420,000	113,916,800
Other grants and transfers	7	87,130,303	13,312,911
Acquisition of Assets	8	2,200,000	691,745
Other Payments	9	-	-
TOTAL PAYMENTS		204,966,645	139,040,304
SURPLUS/DEFICIT		(34,825,766)	40,565,420

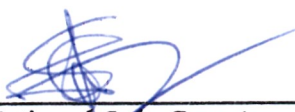
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on _____ 2022 and signed by:



Fund Account Manager

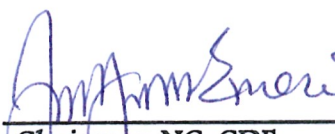
Kwena Stephen



National Sub-County
Accountant

Joshua M.Meeme

ICPAK M/No:7739



Chairman NG-CDF
Committee

Peter Emeri Lodio

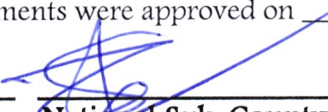
VIII. Statement of Assets and Liabilities as At 30th June, 2022

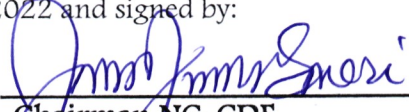
	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	7,625,722	42,451,488
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		7,625,722	42,451,488
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		7,625,722	42,451,488
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Total Financial Liabilities		=	=
Net Financial Assets		<u>7,625,722</u>	<u>42,451,488</u>
Represented By			
Fund Balance B/Fwd	13	42,451,488	638,182
Prior Year Adjustments	14	-	1,247,885
Surplus/Deficit for The Year		(34,825,766)	40,565,420
Net Financial Position		<u>7,625,722</u>	<u>42,451,488</u>

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

The Constituency financial statements were approved on _____ 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Kwena Stephen

Joshua M. Meeme

Peter Emeri Lodio

ICPAK M/No:7739

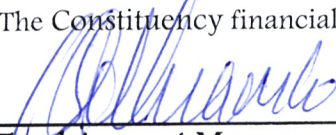
*Turkana South Constituency
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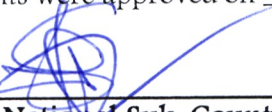
Statement of Cash Flows for the Year Ended 30th June 2022

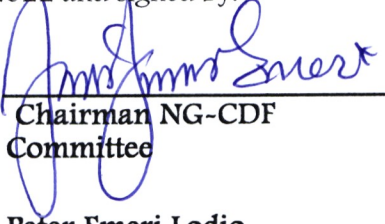
	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	170,088,879	179,367,724
Other Receipts	3	52,000	238,000
Total Receipts		170,140,879	179,605,724
Payments			
Compensation Of Employees	4	3,530,840	4,167,272
Use Of Goods and Services	5	10,685,502	6,951,576
Transfers To Other Government Units	6	101,420,000	113,916,800
Other Grants and Transfers	7	87,130,303	13,312,911
Acquisition of Assets	8	-	-
Other Payments	9	-	-
Total Payments		202,766,645	138,348,559
Total Receipts Less Total Payments		(32,625,766)	41,257,165
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	-	-
Prior Year Adjustments	14	-	1,247,885
Net Cash Flow from Operating Activities		(32,625,766)	42,505,050
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(2,200,000)	691,745
Net Cash Flows from Investing Activities		(2,200,000)	(691,745)
Net Increase In Cash And Cash Equivalent		(34,825,766)	41,813,305
Cash & Cash Equivalent At Start Of The Year	10	42,451,487	638,182
Cash & Cash Equivalent At End Of The Year	10	7,625,721	42,451,487

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

The Constituency financial statements were approved on _____ 2022 and signed by:


Fund Account Manager


National Sub-County
Accountant


Chairman NG-CDF
Committee

Kwena Stephen

Joshua M.Meeme

Peter Emeri Lodio

ICPAK M/No:7739

**Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

***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.
Explanatory Notes.*

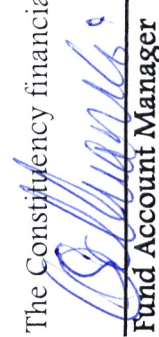
(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

(Explain whether the changes between the original and final budget are as a result of reallocations within the budget or other causes as per IPSAS 1.9.23.) The actual on a comparable basis in the Summary Statement of Appropriation: Recurrent and Development Combined should agree to the amounts reported in the Statement of Receipts and Payments.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	19,662,601
Less undisbursed funds receivable from the Board as at 30 th June 2022	12,088,722
Add Accounts payable	7,573,722
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	52,000
Cash and Cash Equivalents at the end of the FY 2021 / 2022	7,625,722

The Constituency financial statements were approved on _____ 2022 and signed by:

 _____
Fund Account Manager

Kwena Stephen

 _____
National Sub-County Accountant

Joshua M.Meeme

 _____
Chairman NG-CDF Committee

Peter Emeri Lodio

ICPAK M/No:7739

Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-Programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
	2021/2022	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration And Recurrent							
1.1 Compensation Of Employees	2,568,912		527,764	-	3,096,676	3,048,714	47,962
1.2 Committee Allowances	1,040,000		(1,040,000)	-	-	-	-
1.3 Use Of Goods And Services	2,658,673		1,639,754	-	4,298,427	4,193,269	105,158
1.4 Nhif	190,000		393,571	-	583,571	65,850	517,721
1.5 Nssf	259,200		36,349	-	295,549	193,320	102,229
1.6 Gratuity	1,500,000		179,727	-	1,679,727	222,956	1,456,771
Total	8,216,785		1,737,165		9,953,950	7,724,109	2,229,841
2.0 Monitoring And Evaluation							
2.1 Capacity Building	1,400,000		1,489,500	100,000	2,989,500	2,889,500	100,000
2.2 Committee Allowances	712,666		979,539	-	2,692,205	1,667,740	24,465
2.3 Use Of Goods And Services	2,000,000		-	-	3,000,000	1,934,993	65,007
Total	4,112,666		2,469,039	100,000	8,681,705	6,492,233	189,472
3.0 Emergency							
3.1 Primary Schools	-		-	-	-	-	-
3.2 Secondary Schools	-		-	-	-	-	-
3.3 Tertiary Institutions	-		-	-	-	-	-
3.4 Security Projects	-		-	-	-	-	-
3.5 Unutilised	7,192,207		5,192,207	-	12,384,414	12,384,407	7
3.6 Others	-		-	-	-	-	-
Total	7,192,207		5,192,207		12,384,414	12,384,407	7
4.0 Bursary And Social Security							
4.1 Secondary Schools	24,000,000		12,613,052	-	36,613,052	36,611,872	1,180
4.2 Tertiary Institutions	16,000,000		15,934,024	-	31,934,024	31,934,024	-
4.3 Social Security	-		3,000,000	-	3,000,000	-	3,000,000
4.4 Special Needs	-		-	-	-	-	-
Total	40,000,000		31,547,076		71,547,076	68,545,896	3,001,180
5.0 Sports							
5.1	2,667,221		1,043,541	2,759,006	6,469,768	2,700,000	3,769,768

*Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

Programme/Sub-Programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Total	2,667,221	1,043,541	2,759,006	6,469,768	2,700,000	3,769,768
6.0 Environment						
Alnoor Primary School	-	-	500,000	500,000	500,000	-
Nagetei Girls Sec School	800,000	-	-	800,000	800,000	-
Keedome Primary School	500,000	-	-	500,000	500,000	-
Lokichar Ap Post	700,000	-	-	700,000	700,000	-
Keekunyuk Primary	500,000	-	-	500,000	-	500,000
Lowadat Primary	-	-	-	-	-	-
Total	2,500,000	-	500,000	3,000,000	2,500,000	500,000
7.0 Primary Schools Projects						
Agape Primary School	3,400,000	-	-	3,400,000	3,400,000	-
Ageles Primary School	1,700,000	-	-	1,700,000	1,700,000	-
Alnoor Primary School	3,400,000	-	-	3,420,000	3,400,000	-
Chokchok Primary School	3,400,000	-	-	3,400,000	3,400,000	-
Edos Primary School	1,700,000	-	-	1,700,000	1,700,000	-
Immerculate Conception	500,000	-	-	500,000	500,000	-
Intergrated Primary	500,000	-	-	500,000	500,000	-
Juluk Primary	600,000	-	-	600,000	600,000	-
Kaakong Primary School	1,700,000	-	-	1,700,000	1,700,000	-
Kaaripun Primary School	1,700,000	-	-	1,700,000	1,700,000	-
Kaatir Primary School	600,000	-	-	600,000	600,000	-
Kaengoleren Primary	1,700,000	-	-	1,700,000	1,700,000	-
Kainuk Mixed Primary	600,000	-	-	600,000	600,000	-
Kakalel Primary	500,000	-	-	500,000	500,000	-
Kalapata Primary	3,200,000	-	-	3,200,000	3,200,000	-
Kamarase Primary	1,400,000	-	300,000	1,700,000	1,700,000	-
Kapelbok Primary	3,200,000	-	-	3,200,000	3,200,000	-
Kapelo Primary	600,000	-	-	600,000	600,000	-
Kaputir Primary	600,000	-	-	600,000	600,000	-
Karoge Primary	1,700,000	-	-	1,700,000	1,700,000	-
Katilu Primary	600,000	-	-	600,000	600,000	-
Kekorisogol Primary	200,000	-	-	200,000	200,000	-

Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-Programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Kogito Primary School	600,000	-	-	600,000	600,000	-
Lomeleku Primary	2,200,000	10,460	-	2,215,999	2,200,000	10,460
Lomokomol Primary	2,100,000	-	-	2,100,000	2,100,000	-
Lomonyang Primary	500,000	-	-	500,000	500,000	-
Lorogon Primary	600,000	-	-	600,000	600,000	-
Lowoidapa Primary	1,700,000	-	-	1,700,000	1,700,000	-
Loyapat Primary	500,000	-	-	500,000	500,000	-
Nagefei Primary	1,700,000	-	-	1,700,000	1,700,000	-
Nakalel Primary	600,000	-	-	600,000	600,000	-
Nakuja Ekalale Primary	600,000	-	-	600,000	600,000	-
Nakucharanait Primary	1,700,000	-	-	1,700,000	1,700,000	-
Napeot Primary	500,000	-	-	500,000	500,000	-
Naregaekamar Primary	1,700,000	-	-	1,700,000	1,700,000	-
Nariamawoi Primary	1,700,000	-	-	1,700,000	1,700,000	-
Nawapeto Primary	600,000	-	-	600,000	600,000	-
Nawoitorong Primary	2,000,000	-	-	2,000,000	2,000,000	-
Nawoyeragae Primary	3,200,000	-	-	3,200,000	3,200,000	-
Rc Kakong	1,000,000	-	-	1,000,000	1,000,000	-
Kawanapar Primary	-	-	1,150,000	1,150,000	-	1,150,000
Kangipur Primary	-	-	1,500,000	1,500,000	1,500,000	-
Arumarum Primary	-	-	1,500,000	1,500,000	1,500,000	-
Elim Hope Primary	-	-	1,500,000	1,500,000	1,500,000	-
Lomeremundung	-	-	500,000	500,000	500,000	-
Lokichar Girls	-	400,000	-	400,000	400,000	-
Kasuroi Primary	-	-	2,400,000	2,400,000	2,400,000	-
Nakuse Primary	-	-	3,000,000	3,000,000	3,000,000	-
Philadephia Primary	-	-	-	1,150,000	-	-
Kalodicha Primary	-	-	1,500,000	1,500,000	1,500,000	-
Keedome Primary School	-	-	1,500,000	1,500,000	1,500,000	-
Natorube Primary	-	-	-	20,000	-	(20,000)
Lokwadat Primary	-	-	300,000	300,000	300,000	-
Kalochan Primary	-	-	20,000	-	-	-
Kangimanyin Primary	-	-	3,400,000	3,400,000	3,400,000	-
Total	57,000,000	410,460	18,550,000	77,175,999	74,820,000	1,160,460
8.0 Secondary Schools Projects						

**Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-Programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Agc Lokichar	3,200,000	-	-	3,200,000	3,200,000	-
Kalapata Girls	1,500,000	-	3,000,000	4,500,000	4,500,000	-
Kalemorok Mxed	600,000	-	3,000,000	3,600,000	3,600,000	-
Kapelbok Secondary	900,000	-	-	900,000	900,000	-
Lokapel Mixed Sec	3,200,000	-	-	3,200,000	3,200,000	-
Korinyang Mixed Sec	3,400,000	-	-	3,400,000	3,400,000	-
Kakalel Sec	600,000	-	3,000,000	3,600,000	600,000	3,000,000
Lochwa Secondary	-	-	4,200,000	4,200,000	4,200,000	-
Kainukmixed Secondary	-	-	3,000,000	3,000,000	3,000,000	-
Total	13,400,000	-	16,200,000	29,640,000	26,600,000	3,000,000
9.0 Tertiary Institutions Projects						
Aro Teachers Training College	-	-	3,779,873	3,779,873	-	3,779,873
Total	-	-	3,779,873	3,779,873	-	3,779,873
10.0 Security Projects						
Kaakong AP	500,000	-	-	-	500,000	500,000
Kainuk Chiefs Office	500,000	-	-	-	500,000	500,000
Nariamao RDU	-	-	2,000,000	2,000,000	2,000,000	-
Total	1,000,000	-	2,000,000	2,000,000	3,000,000	1,000,000
11.0 Acquisition Of Assets						
Samcell Ltd	-	-	900,000	900,000	900,000	-
Tangolima Enterprises	-	-	300,000	300,000	300,000	-
Samcell Ltd-Ngcdf Office	1,000,000	-	-	1,000,000	1,000,000	-
Total	1,000,000	-	1,200,000	2,200,000	2,200,000	-
12.0 Other Payments						
Total	-	-	-	-	-	-
13.0 Unallocated Fund						
Unapproved Projects	-	-	-	-	-	-
Aia	-	52,000	-	52,000	-	52,000
PMC Savings	-	-	-	-	-	-
Total	-	52,000	-	52,000	-	52,000
-	137,088,879	42,451,488	45,088,879	224,629,246	204,946,645	19,662,601

Turkana South Constituency

National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2022

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

XI. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

Transfers from the National Government Constituency Development Fund (NG-CDF)

Transfers from the NG-CDF to the constituency are recognized when cash is received in the Constituency account.

Proceeds from Sale of Assets

Proceeds from disposal of assets are recognized as and when cash is received in the constituency account.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance received.

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2021 for the period 1st July 2021 to 30th June 2022 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 2022.

Significant Accounting Policies continued

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.

*Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
AIE NO. B 105314	33,000,000	-
AIE NO. B105576	44,000,000	-
AIE NO. B 105950	22,000,000	-
AIE NO. B 128725	5,000,000	-
AIE NO. B 163887	12,000,000	-
AIE NO. B 154231	12,000,000	-
AIE NO. B 154450	18,000,000	-
AIE NO. B 155505	24,088,879	-
AIE NO B 839521	-	15,000,000
AIE NO B825913	-	20,000,000
AIE NO B104685	-	23,767,724
AIE NO A823737	-	9,000,000
AIE NO B124682	-	18,000,000
AIE NO B124814	-	10,600,000
AIE NO B124877	-	8,500,000
AIE NO B119671	-	6,900,000
AIE NO B128303	-	12,000,000
AIE NO B119710	-	6,000,000
AIE NO B132063	-	6,000,000
AIE NO B132357	-	13,000,000
AIE NO B126826	-	12,000,000
AIE NO B140757	-	7,000,000
AIE NO B105657	-	11,600,000
TOTAL	170,088,879	179,367,724

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2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)		
Total	-	-

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	52,000	238,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	52,000	238,000

4. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,114,564	3,002,029
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	222,956	893,083
Employer Contributions Compulsory national social security schemes	193,320	272,160
Total	3,530,840	4,167,272

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Notes To the Financial Statements (Continued)

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Bank service commission and charges	50,000	20,693
Utilities, supplies and services	70,000	-
Communication, supplies and services	115,000	-
Domestic travel and subsistence	1,106,993	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,889,500	1,303,500
Hospitality supplies and services	828,000	-
Electricity	-	45,000
Water and sewerage charges	-	-
Office rent	-	-
Other committee expenses-capacity building	-	1,192,070
Committee allowance	1,667,740	2,715,650
Insurance costs	-	199,663
Office and general supplies and services	1,118,000	-
Other operating expenses	393,000	-
Fuel, oils and lubricants	1,135,000	500,000
Routine maintenance – vehicles and other transport equipment	1,286,469	975,000
Routine maintenance – other assets	25,800	-
Total	10,685,502	6,951,576

6. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	74,820,000	65,844,000
Transfers To Secondary Schools (See Attached List)	26,600,000	24,080,000
Transfers To Tertiary Institutions (See Attached List)	-	23,992,800
Total	101,420,000	113,916,800

Turkana South Constituency
National Government Constituencies Development Fund (NGCDF)
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Notes To The Financial Statements (Continued)

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	36,611,872	1,726,948
Bursary – tertiary institutions (see attached list)	31,934,024	1,578,223
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	1,000,000	3,510,000
Sports projects (see attached list)	2,700,000	2,000,000
Environment projects (see attached list)	2,500,000	2,497,740
Emergency projects (see attached list)	12,384,407	2,000,000
Total	87,130,303	13,312,911

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	2,200,000	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	311,855
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	379,890
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	2,200,000	691,745

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
Education office	-	-
ICT Hub	-	-
	-	-

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Notes to the Financial Statements (Continued)

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	(30/06/2022)	(30/06/2021)
<i>TURKANA NG-CDF, Account No. 1146654162</i>	7,625,722	42,451,488
Total	7,625,722	42,451,488
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

11: Outstanding Imprests

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

12A. Retention

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)	193,000	399,280
Retention held during the year (B)	-	-
Retention paid during the Year (C)	193,000	399,280
Closing Retention as at 30 th June D= A+B-C	-	-

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Notes to the Financial Statement Continued

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	222,956	803,775
Gratuity paid during the Year (C)	222,956	803,775
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	42,451,488	638,182
Cash in hand	-	-
Imprest	-	-
Total	42,451,488	638,182

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Notes to the Financial Statement Continued

14. Prior Year Adjustments

	Balance b/f FY 2021/2022 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	42,451,488	-	42,451,488
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	42,451,488	-	42,451,488

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

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Changes in Account Receivables E= D-A	-	-

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	193,000	399,280
Deposit and Retentions paid during the Year (C)	193,000	399,280
closing account payables D= A+B-C	-	-
Changes in Accounts Payable E= D-A	-	-

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,124,683	2,543,483
Use of goods and services	294,630	1,692,721
Amounts due to other Government entities (see attached list)	7,920,333	40,987,200
Amounts due to other grants and other transfers (see attached list)	9,270,955	40,322,823
Acquisition of assets	-	508,255
Others(<i>specify</i>)	-	-
Unallocated fund	52,000	238,000
Total	19,662,601	86,292,482

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	38,392,758	44,520,173
Total	38,392,758	44,520,173

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**Annexes
Annexes: 1 Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

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 Annex 2 - Analysis of Pending Staff Payables*

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/21	Comments
Compensation of employees		2,124,683	2,543,483	Funds still with the board
Use of goods & services		294,630	1,692,721	Funds still with the board
Amounts due to other grants and other transfers		-		
Security	Construction of social hall at the camp	2,000,000	2,540,000	Funds still with the board
Emergency	Meet emergency needs	7	5,192,207	Funds still with the board
Environment		500,000	-	Funds still with the board
Sports	Contact sports activities in the constituency	3,769,768	2,490,052	Funds still with the board
Bursary Secondary	Pay School fees for needy students	1,180	12,473,052	Funds still with the board
Bursary Tertiary	Pay School fees for needy students	-	14,627,513	Funds still with the board
Social Security	Pay for social security(NHIF)	3,000,000	3,000,000	Funds still with the board
Sub-Total		11,690,268	40,322,823	
Amounts due to other Government entities				
Nakuse Primary School	Construction of 2 classrooms with 100 desks	-	3,000,000	Funds still with the board
Nawoitrong Primary School	Construction of 4 door pit latrine	-	500,000	Funds still with the board
Lomeremundung Primary School	Construction of 4 door pit latrine	-	500,000	Funds still with the board
Philadephia Primary School	Construction of 1 classrooms with 50 desks		1,500,000	Funds still with the board

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Lomeleku Primary School				-	Funds still with the board
Elimu hope Primary School	Construction of 1 classrooms with 50 desks			1,500,000	Funds still with the board
Arumrum Primary School	Construction of 1 classrooms with 50 desks			1,500,000	Funds still with the board
Kawarnapar Primary Schoool	Construction of 1 classrooms with 50 desks		1,140,460	1,500,000	Funds still with the board
Kasuroi Primary School	Construction of 2 classrooms			2,400,000	Funds still with the board
Kalodicha Primary School	Construction of 1 classrooms with 50 desks			1,500,000	Funds still with the board
Keedome Primary School	Construction of 1 classrooms with 50 desks			1,500,000	Funds still with the board
Natorube Primary School	Construction of 1 classrooms with 50 desks			2,700,000	Funds still with the board
Kangakipur Primary School	Construction of 1 classrooms with 50 desks			1,500,000	Funds still with the board
Lokichar Girls Priemary	Supply Of 66 desks			400,000	Funds still with the board
Lokwadat Primary	Supply Of 50 desks			300,000	Funds still with the board
Kamarese Primary School	Supply Of 50 desks			300,000	Funds still with the board
Kalapata Secondary School	Supply Of 50 desks			3,000,000	Funds still with the board
Lochwa boys Secondary School	Construction of a dormitory and supply of beds			4,200,000	Funds still with the board
Kakalel Boys Secondary school	Construction of 2 classrooms		3,000,000	3,000,000	Funds still with the board
katilu Boys Secondary school					
Kainuk Mixed Secondary School	Construction of 2 classrooms			3,000,000	Funds still with the board
Kalerngorok Day Mixed Secondary School	Construction of 2 classrooms			3,000,000	Funds still with the board
Aro ttc			3,779,873	4,007,200	

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Sub-Total		7,920,933	40,987,200	
Acquisition of assets				
Turkana South NGCDF Office	Refurbish the office		508,255	Funds still with the board
Others (<i>specify</i>)				
Sub-Total				
Funds pending approval		52,000	238,000	
Grand Total		19,662,601	86,292,482	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/2022
Land	-	-	-	-
Buildings and structures	16,123,705	2,200,000	-	18,323,705
Transport equipment	15,303,000	-	-	15,303,000
Office equipment, furniture and fittings	1,998,850	-	-	1,998,850
ICT Equipment, Software and Other ICT Assets	1,043,390	-	-	1,043,390
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	34,468,945	2,200,000	-	36,668,945

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Annex 5 –PMC Bank Balances As At 30th June 2022

PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
Napeot Primary school	1286565537	KCB		2,584	-
Kangikipur Primary	1286791227	KCB		1,260	-
Kalemngorok Mixed Secondary school	1286377331	KCB		660,140	500
Nakwamoru Primary School	1137146451	KCB		6,385	3,525
Napusinyen Primary	1258008297	KCB		13,646	580,886
Kainuk Girls Primary school	1151540935	KCB		7,015	1,480,635
Kangimanyin primary school	1286662311	KCB		13,320	680,000
Arumrum Primary school	1286768578	KCB		360	500
Elim hope primary school	1287948499	KCB		6,640	-
Kaedome primary school	1286956129	KCB		13,975	475
Katilu Mixed Primary scool	1236600231	KCB		2,114	1,981,260
Philadephia primary School	1281019372	KCB		15,804	1,492,760
Lomerimudang Primary school	1152695053	KCB		24,733	25,689
Kalapata Primary School	1294359304	KCB		1,078,800	-
Karoge Primary School	1129419347	KCB		1,705,850	-
Lowoidapal Primary School	1296698483	KCB		1,700,975	-
Lochwa boys secondary school	1261384121	KCB		1,538,738	35,978
Kapelibok Boys secondary school	1261383915	KCB		99,966	5,141,778

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PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
Kasuroi Primary School	1287781209	KCB		4,040	-
Nakuse Primary School	1288721757	KCB		39,520	-
Lomeleku primary school	1280789182	KCB		43,849	28,800
Lomonyang Primary school	1280372273	KCB		155,809	7,600
Nawapeto Primary School	1278273646	KCB		602,424	4,640
Kainuk SNR Chiefs Office	1281013234	KCB		542,569	43,760
Kapelo Primary school	1278829113	KCB		632,544	34,760
RCEA Kakong Primary School	1280088443	KCB		8,729	59,160
Lorogon Primary School	1157613098	KCB		603,944	1,987,615
Nagetei Girls secondary School	1182268994	KCB		1,957	3,268
Kainuk Secondary school	1107185076	KCB		289,103	9,969
Nakaalei Primary School	1286201985	KCB		16,175	2,681,500
Lotunguna Primary School	1286587913	KCB		48,335	2,380,500
Kalapata Girls Secondary School	1275908063	KCB		585,281	-2,048
Katlu Girls Secondary School	1275819664	KCB		13,409	404,500
Juluk Primary School	1182032044	KCB		735,300	2,980,500
Locheremoit Primary	1286659760	KCB		19,240	1,980,000
Lochwakan Primary	1287100287	KCB		8,135	-
Kaatir Primary school	1286401933	KCB		582,710	1,479,950

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PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
Katilu Boys Secondary school	1287616852	KCB		3,200	-
Nalemsekon primary School	1288044526	KCB		2,175	-
Namatat Primary School	1286375479	KCB		5,615	1,480,500
Ageles Primary School	1296391450	KCB		1,699,310	-
ARO TTC	1278265341	KCB		13,251,310	19,704,000
Kakong Primary School	1280935162	KCB		1,715,760	15,760
RCEA Kakalel Boys Secondary School	1258113929	KCB		1,532	972
Loyapat Primary School	1171780524	KCB		10,763	69,883
AGC Lokichar Scondary School	1206331771	KCB		1,295	1,495
Nakuja Ekalale Primary School	1296029085	KCB		2,520	-
Kogito Primary School	1224907817	KCB		405	605
Naworegaa Primary School	1156689856	KCB		3,200,104	304
Naregaekamar Primary School	1135110255	KCB		2,907	707
Kaputir Primary School	1224985362	KCB		2,390	830
Kaengolereng Primary School	1167844130	KCB		360,619	644
Immercultate Conception Primary School	1294762109	KCB		1,865	-
RCEA Nawoitorong Primary School	1294296280	KCB		239,960	-
Lokichar AP Post	1294940015	KCB		131,575	-
RCEA Korinyang Primary School	1292755849	KCB		364	-

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PMC	Bank	Account number	DATE A/C OPENED	Bank Balance 2021/22	Bank Balance 2020/21
Nariamawoi primary school	1279658312	KCB		22,644	16,580
Lokapel Secondary School	1183453469	KCB		3,293,283	95,539
Edos Primary school	1294102672	KCB		15,875	-
Kapelibok Primary School	1168553636	KCB		1,080,760	1,200
St Stephen Nakurichainait Primary School	1293433055	KCB		18,460	-
Turkana Intergrated Primary School	1153302462	KCB		501,116	816
Keakunyuk Primary School	1296717399	KCB		500,600	-
Kakong AP Post	1296691608	KCB		500,975	-
Total	-	-	-	38,392,758	44,520,173

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2020-2021-1-01-0128-09/08	Presentation , Accuracy and Disclosure the Financial Statement	The Financial Statement was amended	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	4.2 unsupported PMC Account Balances	The Supporting Documents ie Bank statements were availed	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	4.3 Misclassification of Expenses	The Expenses were classified as indicated	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	4.4 Variance in Acquisition of Assets	This was a typing error which has been rectified in the F/S	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	5.0 Budgetary Control and performance	NG-cdf Turkana South Management strives achieve targets to utilize all its budgeted funds However there are conditions that are beyond its reach like insecurity and Drought to the project beneficiaries and we wouldn't risk funds in such situation	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	Disbursement of Funds from the Board	For all the funds come from the exchequer hence this is beyond the NG-CDF Turkana	Waiting the OAG office Communication	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		South Management		
2020-2021-1-01-0128-09/08	Construction of persons with Disability showers and Toilets	The drawing was availed by the WORKS Officer	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	8.0 Re - allocation of Funds	The letter of re-allocation has been availed	Waiting the OAG office Communication	
2020-2021-1-01-0128-09/08	9.0 Acquisition of Assets	The NGCDF –Turkana South Management was under duress at the time to pay the students bursary and it would have taken long to acquire the printer at the time and acknowledges indeed this was a single sourcing and next time would not be repeated	Waiting the OAG office Communication	


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Kwena Stephen

Fund Account Manager.