

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

PARLIAMENT
OF KENYA
LIBRARY

OF

THE AUDITOR-GENERAL
THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 05 MAR 2025

DAY:

ON

TABLED
BY:

CLERK-AT
THE-TABLE:

NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND –
DADAAB CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2024

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 05 MAR

DAY:

Wednesday

TABLED
BY:

Hon. Owen Bayo, MP

CLERK-AT
THE-TABLE:

Deputy Leader of Majority

Ethel Njinya

Revised 30th June 2024



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

DADAAB CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024**

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

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

| Table of Contents | Page |
|---|------|
| 1. Acronyms and Definition of Key Terms | ii |
| 2. Key Constituency Information and Management..... | iii |
| 3. NG-CDFC Chairman’s Report | vii |
| 4. Statement of Performance Against Predetermined Objectives for FY 2023/2024 | xii |
| 5. Governance Statement | xvi |
| 6. Environmental and Sustainability Reporting | xxv |
| 8. Statement of Management Responsibilities..... | xxix |
| 9. Report of the Independent Auditors on the NGCDF- Dadaab Constituency | xxx |
| 10. Statement of Receipts and Payments for the Year Ended 30th June 2024..... | 1 |
| 11. Statement of Assets and Liabilities as at 30th June, 2024 | 2 |
| 12. Statement Of Cash Flows for the Year Ended 30th June 2024 | 3 |
| 13. Summary Statement of Appropriation for The Year Ended 30 th June 2024..... | 4 |
| 14. Budget Execution By Sectors And Projects For The Year Ended 30 th June 2024..... | 6 |
| 15. Significant Accounting Policies | 12 |
| 16. Notes To the Financial Statements | 17 |
| 17. Annexes | 21 |

1. Acronyms and Definition of Key Terms

A. Acronyms

| | |
|---------|---|
| AIE | Authority to Incur Expenditure |
| ARMC | Audit and Risk Management Committee |
| DCC | Deputy County Commissioner |
| IPSAS | International Public Sector Accounting Standards. |
| FAM | Fund Account Manager |
| NG-CDFB | National Government Constituencies Development Fund Board |
| NG-CDF | National Government Constituencies Development Fund |
| NG-CDFC | National Government Constituency Development Fund Committee |
| NSCA | National Sub-County Accountant |
| PFM | Public Finance Management |
| PMC | Project Management Committee |
| PWD | Persons with Disability |
| FY | Financial Year |

B. Definition of Key Terms

Fiduciary Management - Members of Management directly entrusted with the entity's financial resources.

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; Entity to insert all the relevant acronyms and key terms used in the annual report and financial statements)

2. 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 2023. 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 the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

- a) Recognize the constituency as a platform for the 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 realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) 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.

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 are as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The NGCDF DADAAB Constituency's day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

| No | Designation | Name |
|----|--------------------------------|-----------------------------|
| 1. | AIE holder | Name of FAM |
| 2. | National Sub-County Accountant | Yasin Golicha Borora |
| 3. | Chairman NGCDFC | Mohamed Sheikh Osman |
| 4. | Member NGCDFC | Name of alternate signatory |

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF DADAAB Constituency. The reports and recommendations of ARMC, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

(e) NGCDF DADAAB Constituency Headquarters

P.O. Box 129-70100
Behind Deputy County Commissioners Office
Garissa, KENYA.

***National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024***

(f) NGCDF DADAAB Constituency Contacts

Telephone: (254) 712242334
E-mail: cdfdadaab@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF DADAAB Constituency Bankers

1. Bank A. (Operations Account).
Equity Bank
P.O. Box 129-70100
Garissa, Kenya

(h) Independent Auditor

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

(i) Prindpal Legal Adviser

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

3. NG-CDFC Chairman's Report



**MR. MOHAMED SHEIKH OSMAN
NG-CDFC CHAIRPERSON**

Dadaab national government constituency development funds as mandated by NG-cdf act, prioritized on projects for funding during the financial year 2023/2024.

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.

NG-CDF Board and disbursed the same to the beneficiaries.

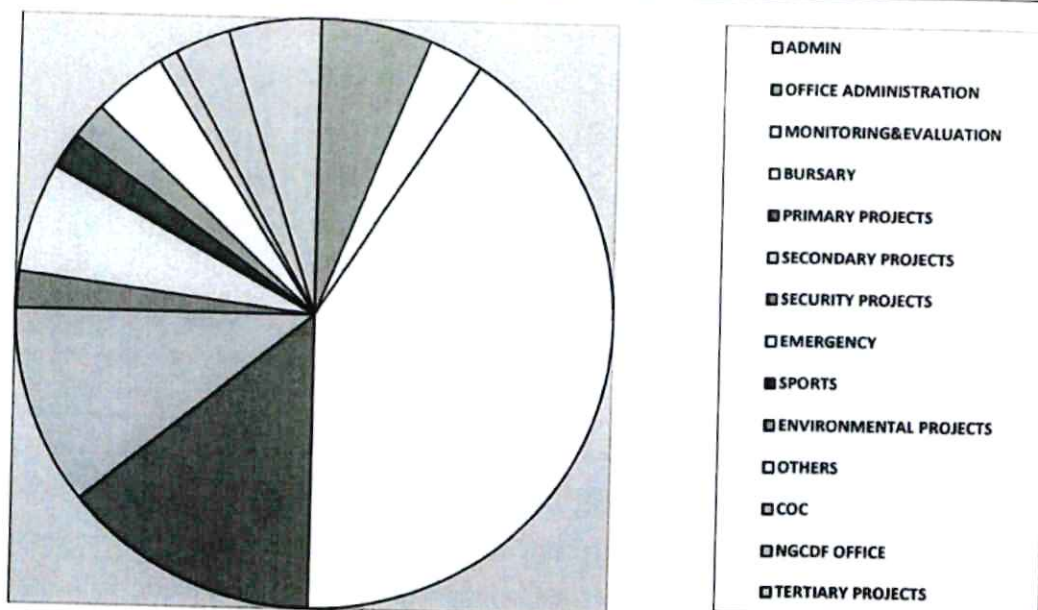
The Dadaab NG-CDF committee has worked tirelessly to ensure projects are completed in good time and that there is prudent use of the available funds.

The following is the summary breakdown of proposed projects for funding during the financial year 2022/2023.

| S/NO | PROPOSED NAME | AMOUNT ALLOCATED | %ALLOCATION |
|------|---------------------------|--------------------|-------------|
| 1. | Office administration | 8,117,610 | 6 |
| 2. | Monitoring and evaluation | 6,078,407 | 3 |
| 3. | Bursary | 50,146,857 | 41 |
| 4. | Primary projects | 41,702,704 | 14 |
| 5. | Secondary school projects | 29,200,000 | 11 |
| 6. | Security projects | 0 | 2 |
| 7. | Emergency reserve | 7,636,190 | 6 |
| 8. | Sports activities | 3,039,203 | 2 |
| 9. | Environmental projects | 3,039,203 | 2 |
| 10. | COC | 1,000,000 | 1 |
| 11. | Others- strategic plan | 2,000,000 | 4 |
| 12. | NGCDF Office | 0 | 3 |
| 13. | Tertiary projects | 0 | 5 |
| | TOTAL | 151,960,174 | 100 |

Percentage of sector allocation

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*



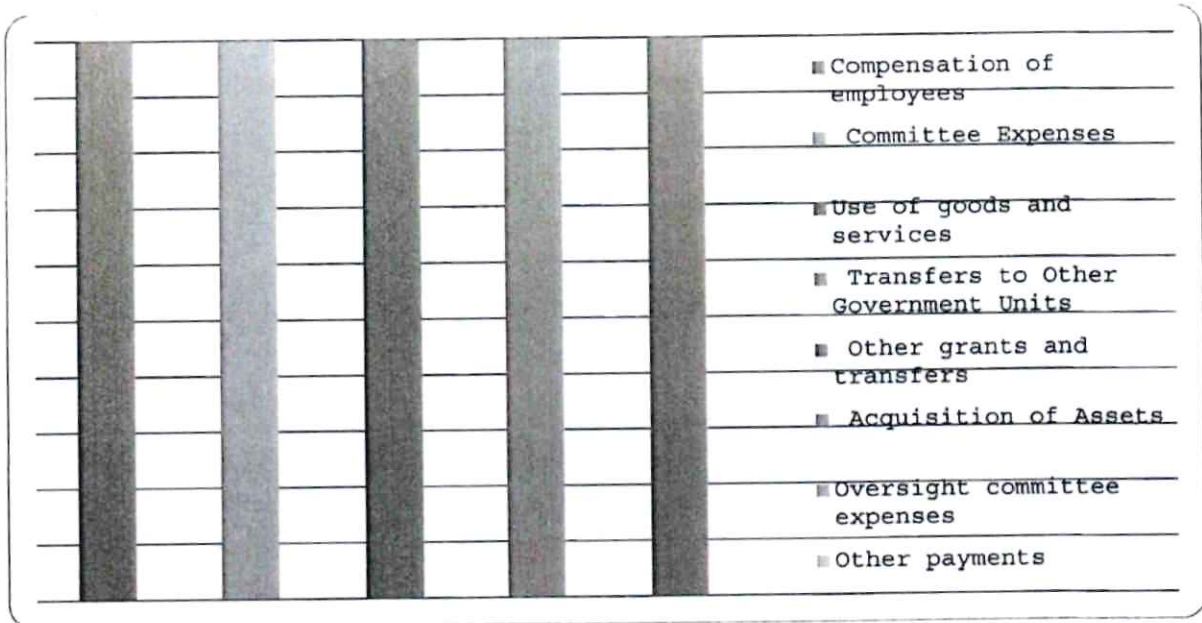
GRAPH 1: PERCENTAGE OF SECTOR ALLOCATION

During the financial year the committee received amount of Kshs.89, 000,000 from the board .The committee further managed to disburse funds and the expenditure as follows:

| ITEM | AMOUNT SPENT |
|-------------------------------------|-------------------|
| Compensation of employees | 4,519,282 |
| Committee Expenses | 3,949,300 |
| Use of goods and services | 2,851,909 |
| Transfers to Other Government Units | 667,036.00 |
| Other grants and transfers | 49,524,053.00 |
| Acquisition of Assets | 0 |
| Oversight committee expenses | 0 |
| Other payments | 0 |
| TOTAL PAYMENTS | 61,511,580 |

This is presented by the graph below;

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*



GRAPH 2: ACTUAL EXPENDITURE

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

Achievements during the financial year

NGCDFC Dadaab managed to improve transition of students to both secondary and Tertiary institutions by pay bursary for 3,000 needy students in the constituency.

KEY ACHIEVEMENTS

NG-CDF Dadaab has issued bursary to 2,000 students in secondary school and 1,000 students in tertiary in FY 2022/2023 as compared to previous financial year 2021/2022 where NG CDF-Dadaab had issued bursaries to 1500 students in secondary schools and 1000 students in tertiary institution.

NGCDF Dadaab also supplied 12 water tanks of 10,000 litres to Dertu Police Station, Dadaab Police Station, Kiwanja Border Point Police Unit and Abdisugow Border Point Police Unit for water harvesting in to reduce struggle for water for security personnel in the area as they safeguard against frequent Alshabab attacks.

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*



Emerging issues

NG-CDF Dadaab has experienced difficulties in identifying and implementing projects due to increased Alshabab attacks in Dadaab, Abakaile, Damajale and Liboi wards.

IMPLEMENTATION CHALLENGES

During the financial year, 2022/2023 the challenge faced was delayed funds disbursement from the NGCDF board.

There is also a challenge in the education funds set for bursary. The number of needy students are many compared to the available funds for the same. However, we have been able to seek for help from other government organizations on the same and enable most of the needy students get scholarships.

The range of Staff Salaries amount paid to the employees at the constituency level doesn't attract those who are capable of delivering as per the requirements set by the Board. However, we have always been able to do continuous capacity Building and Training where necessary for our staff to enable them deliver.

RECOMMENDED WAY FORWARD.

- The board should try to release funds in time for ease of implementation.
- More technical staff to be employed so than the work may be done within the set deadlines

During 2022/2023 financial year, few projects were implemented (administration, monitoring and bursary) due to late release of funds from the board.



.....
Name: Mohamed Sheikh Osman
Chairman NGCDF Committee

4. Statement of Performance Against Predetermined Objectives for FY 2023/2024

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 the **NGCDF DADAAB Constituency 2023-2027** plan are to:

- 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 the 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 |
|-------------------------|-----------|---------|-----------|-------------|
| | | | | |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024**

| | | | | |
|----------------------------|--|---|--|---|
| Education Accessibility | To improve access to quality education through improvement to 100% transition, affordability and availability of quality education | Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions | - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels | In FY 23/24 we supplied 80 lockers and chairs to Nassib secondary school. - 2000 students in secondary schools and 1000 in tertiary schools benefited from the bursary allocation. |
| Security | To enhance security in the constituency | Reduced number of insecurity cases in the constituency | Number of usable physical infrastructures built in NGCDF offices, ACC offices and chiefs' offices | -we have supplied 12 water tanks of 10,000 litres to Dertu Police Station, Dadaab Police Station, Kiwanja Border Point Police Unit, Abdisugow Border Point Police Unit among others |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency**

Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | | |
|---------------------|---|---|--|---|
| 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 have proposed construction of three twin pit latrines for Nasib Secondary School. |
| 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 100 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 ksh 7,636,190 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 planned capacity building programmes for 11 NGCDFC'S and 50 PMC'S |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024**

| | | | | |
|-----------------------------|--|---|--|---|
| Institutional strengthening | To promote performance management and smooth running of CDF office | Well planned and organised work to achieve office goals | Increase in the number of usable physical tools and equipment Employee satisfaction and availability of reports | -we organise regular projects monitoring field visits for every month We purchase working tools and equipment to make work easy and of quality We strategically plan for the future |
|-----------------------------|--|---|--|---|

5. Governance Statement

Introduction

The NGCDF Act 2016 on appointment of NGCDFC members states; The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951

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

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

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

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a

Constituency Committee in accordance with guidelines issued by the Board.

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

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

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

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

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

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

1952 Kenya Subsidiary Legislation, 2016

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

The Board shall, within fourteen days after gazettelement of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee who is appointed Under the Act may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board.

At least one of the Constituency Committee members appointed under section 43 shall be a mandatory signatory to the Constituency account

In Dadaab, NGCDF is managed by a team of ten (10) NGCDFC members appointed in accordance with the NGCDF act 2015 as amended in 2022. The ten members comprise of seven gazetted members, a member co-opted by the NGCDF Board, the deputy County commissioner and an officer of the board at the constituency level who is an ex-officio member. As a result of change of regime due to the elections carried out in August 2022, there had to be phased out the existing committee and a new one selected.

The gazetted members are appointed in accordance with the NGCDF Act 2015. They comprise of two female members one of whom must be a youth at the time of appointment and two male members one of whom must be a youth at the time of appointment and one member who is a person living with disabilities and two nominees of the Constituency office. Five members are selected by a selection panel chaired by the Deputy County Commissioner or his nominee and the Officer of the board is the secretary. The Officer of the board invites applications from persons who qualify for appointment within fourteen of the first meeting of the selection panel. The panel considers all applications and selects five applicants considering age, gender social interest and regional balance, the officer of the board submits the five qualified applicants to the board for appointment. The board co-opts one person to ensure equity in representation in the committee. Through the national assembly the constituency office nominates two persons of either gender to and forward he names to the officer of the board at the constituency. All the names of the seven appointees are presented to parliament for approval and subsequent gazettelement.

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

Further the NG CDF regulations requires that one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency. In the month of August 2022, due to change of regime as a result of election, the serving committee was phased off .This caused the NGCDF office to carry out an appointment of the new committee.

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

The panel invited through advertisement publicised in churches, public offices notice boards and other public areas in the constituency in the month of October.

In Dadaab constituency, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee.

Appointment of NGCDFC Members

The selection Panel

The selection panel was appointed in the month of October. This constituted four members as follows;

| SNO | NAME | DESIGNATION |
|-----|-------------------------------|-------------|
| 1 | Mr. Mokia Simon | Chair |
| 2 | Ahmed Ibrahim Mohamed | Secretay |
| 3 | Mohumed Adan Arte | Member |
| 4 | Zeinabuzeirukh Mohamed Sheikh | Member |

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

| S/N | Name | Category representation | Ward |
|-----|--------------------------|-------------------------|-----------|
| 1. | Mohamed Sheikh Osman | Man Nominee(youth) | Abakaile |
| 2. | Abdisalaan Muhumed Duale | Man Nominee | Liboi |
| 3. | Habibo Sheikh Mohamed | Woman Nominee(youth) | Damajaley |
| 4. | Sahara Abdi Noor | Woman Nominee | Abakaile |
| 5. | Mohamed Hassan Muhumed | Person with Disability | Liboi |

Nominee of the body representing persons with disability

| S/N | Name | Nature of physical Impairment | Ward |
|-----|------------------------|-------------------------------|-------|
| 1. | Mohamed Hassan Muhumed | Amputee | Liboi |

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

Nominee of the constituency Office

| S/N | Name | Category | Ward |
|-----|---------------------------|---|------------|
| 1 | Halima Hamdi Gure | Nominee of the Constituency office (Female) | Labasigale |
| 2 | Abdinasir Mohamed Hussein | Nominee of the Constituency office (male) | Dadaab |

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

| S/N | Name | Gender | Ward |
|-----|-------------------|--------|-------|
| 1. | Amina Mohamed Dek | Female | Dertu |

The members went through the process of electing the chairperson and the secretary of the committee. The following members were elected.

1. Chairperson position – Mohamed Sheikh Osman
2. Secretary position – Habiba Sheikh

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

The appointed committee members were gazetted through Gazetted volume number 276 16-12-2022 on 16/12/2022.

The new committee held its first meeting on 07/01/2023.

| Sno. | Name | Position |
|------|---------------------------|--------------|
| 1 | Mohamed Sheikh Osman | Chair person |
| 2 | Habiba Sheikh Mohamed | Secretary |
| 3 | Amina Mohamed Dek | Member |
| 4 | Abdisalaan Muhumed Duale | Member |
| 5 | Abdinasir Mohamed Hussein | Member |

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

| | | |
|----|-------------------------|--------|
| 6 | Sahara Abdi Noor | Member |
| 7 | Mohamed Hassan Muhumed | Member |
| 8 | Halima Hamdi Cure | Member |
| 9 | Ahmed Ibrahim | Member |
| 10 | Christopher Siele Sirma | Member |

Removal of NGCDFC Members

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

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;
- (f) Causing disharmony within the committee;
- (g) Physical or mental infirmity.

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

Roles and functions of NG-CDFC

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

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.

- iii. List of projects to be submitted in accordance with the Act to be submitted to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

Training of NG-CDFC Members

In the financial year 2022/2023 the NGCDF Board organized training of NGCDFC members. The constituency also held a capacity building activity in March 2023 in government guest house Garisa. During the training, critical areas such as overview of NG-CDF Act 2015 and Regulations, public finance, project planning, procurement, complaint management, and performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Dadaab

Number of meetings held

Section 43(11) The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than 24 meetings in the same financial year, including sub-committee meetings.

During the financial year 2022/2023 the NGCDFC Dadaab held 13 meetings through the year for the current committee.

Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues;

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

During the financial year 2022/2023 members of NGCDFC Dadaab adhered to the above ethical issues.

Members remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance of ksh.7000 per meeting and all other members an allowance of ksh.5000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

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

Disclose policy on conflict of interest

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

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

Some of the risk mitigation strategies that NGCDFC Dadaab has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NGCDF Act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

6. Environmental and Sustainability Reporting

7. Dadaab 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 DADAAB NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. Education and Training:** DADAAB Constituency's 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 marginalized 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.

2. Environmental performance

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.

3. Employee welfare

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

DADAAB Constituency is committed to fair and ethical market practices.

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-

DADAAB Constituency 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

DADAAB Constituency 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.

DADAAB Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



Name: Hussein M Abdullahi
Fund Account Manager.

8. 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-Dadaab 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, 2024. 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-Dadaab 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, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Dadaab 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.

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

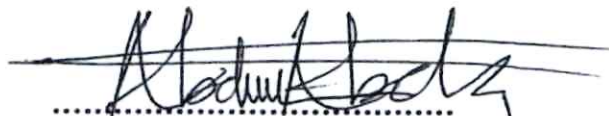
The Accounting Officer in charge of the NGCDF Dadaab Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- Dadaab Constituency financial statements were approved and signed by the Accounting Officer on 13/12 2024.



.....
Name: Mohamed Sheikh Osman
Chairman – NGCDF Committee



.....
Name: Hussein M Abdullahi
Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - DADAAB CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2024

PREAMBLE

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

- A. Report on 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 the 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 the 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, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

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 - Dadaab Constituency set out on pages 1 to 30, which

Report of the Auditor-General on National Government Constituencies Development Fund - Dadaab Constituency for the year ended 30 June, 2024

comprise of the statement of assets and liabilities as at 30 June, 2024 and the statement of receipts and payments, statement of cash flows, summary statement of appropriation for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Dadaab Constituency as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unaccounted for Bursary Grants

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects an amount of Kshs.136,992,801 in respect to other grants and transfers. Included in the amount are bursary disbursements of Kshs.31,627,020 and Kshs.82,115,000 to secondary schools and tertiary institutions respectively. However, review of payment records provided for audit revealed that bursary disbursements amounting to Kshs.4,100,000 were not supported by acknowledgment receipts and students' fees statement from the institutions that received the bursaries.

In the circumstances, the accuracy and completeness of the transfers to secondary schools of Kshs.4,100,000 for the year ended 30 June, 2024 could not be confirmed

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual as comparable basis of Kshs.292,731,209 and Kshs.246,716,225 respectively, resulting in an underfunding of Kshs.46,014,984 or 16% of the approved budget. Similarly, the Fund

spent an amount of Kshs.234,960,426 against total receipts of Kshs.246,716,225 resulting in an under-utilization of Kshs.11,755,799 or 5% of the total available funds.

The underfunding and under-utilization may have impacted negatively on delivery of services to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1. Project Implementation Status

During the year under review, National Government Constituencies Development Fund – Dadaab Constituency allocated Kshs.271,481,916 to projects in various sectors including primary schools, secondary schools, security and emergencies within the constituency. Analysis as per the Project Implementation Status report and expenditure returns indicated that thirty-two (32) projects amounting to Kshs.94,547,517 were completed, twenty-four (24) projects amounting to Kshs.31,443,173 were ongoing while ten (10) projects allocated a total amount of Kshs.30,080,902 had not been started.

Failure to implement and delayed completion of planned projects may have impacted negatively on service delivery to the residents of Dadaab Constituency.

2. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

In the circumstances, Management was in breach of Section 31(a) of the Public Audit Act, 2015 which requires that as a preliminary step, The entity must submit a report on how it has addressed the recommendations and findings of the previous year's audit.

The Management was therefore in breach of the law.

Other Information

The Management is responsible for the other information set out on page iii to xxx which comprise of Key Constituency Information and Management, Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement,

Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund's financial statements, my responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the 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. Failure to Report to the Board on the Utilization of Emergency Reserve Grants

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects other grants and transfers amount of Kshs.136,992,801. Included in the amount is Kshs.3,772,378 incurred from emergency reserve. However, Management did not report to the National Constituencies Development Fund Board the utilization of the emergency funds within thirty (30) days as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides 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.

2. Failure to Open Deposit Holding Account

The Fund did not open a deposit holding account as required by Section 7(1)(A) of the National Government Constituencies Development Fund (Amendment) Act, 2022 which provides that each Constituency shall open one deposit account for holding third party monies which shall so be designated and such an account shall be known by the name of the Constituency for which it is opened.

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

The audit was conducted in accordance with ISSAIs 3000 and 4000. The standards require 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 comply 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, except for the effect of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Non-Disclosure of Project Management Committee Bank Balances

Annex 4 of the financial statements reflects a table for PMC bank balances. However, the Management did not disclose the projects, bank, account number and balances as at 30 June, 2024 as required. This was contrary to Section 81(3) of the Public Finance Management Act, 2012 requires the Accounting Officers for a National Government entity to prepare the financial statements in a form that complies with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.

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

The audit was conducted in accordance with ISSAIs 2315 and 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 the Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's, ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention 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 comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not 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 addition, I also consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 December, 2024

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

10. Statement of Receipts and Payments for the Year Ended 30th June 2024

| | Note | 2023-2024 | 2022-2023 |
|-------------------------------------|------|---------------------|-------------------|
| | | | Kshs |
| RECEIPTS | | | |
| Transfers from NGCDF Board | 1 | 215,049,053 | 89,000,000 |
| TOTAL RECEIPTS | | 215,049,053 | 89,000,000 |
| PAYMENTS | | | |
| Compensation of employees | 2 | 4,176,950 | 4,519,282 |
| Committee expenses | 3 | 4,158,000 | 3,949,300 |
| Use of goods and services | 4 | 2,825,040 | 2,851,909 |
| Transfers to Other Government Units | 5 | 84,807,635 | 667,036 |
| Other grants and transfers | 6 | 136,992,801 | 49,039,053 |
| Other Payments | 7 | 2,000,000 | - |
| TOTAL PAYMENTS | | 234,960,426 | 61,026,580 |
| SURPLUS/DEFICIT | | (19,911,373) | 27,973,420 |

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

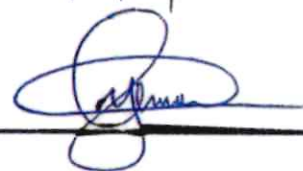
The Constituency financial statements were approved by the NGCDFC on 13/12 2024 and signed by:



Chairman NG-CDF
Committee Name:
Mohamed Sheikh Osman



Fund Accountant Manager
Name: Hussein M Abdullahi



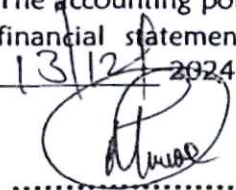
National Sub-County Accountant
Name: Yasin Golicha
ICPAK M/No: 12255

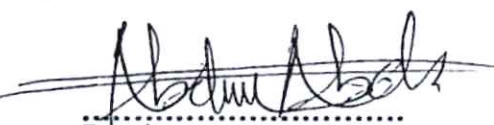
*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

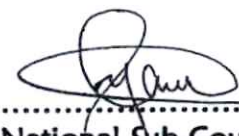
11. Statement of Assets and Liabilities as at 30th June, 2024

| | Note | 2023-2024 | 2022-2023 |
|--|------|-------------------|-------------------|
| | | Kshs | Kshs |
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (as per the cash book) | 8 | 11,755,799 | 31,667,172 |
| Total Cash and Cash Equivalents | | 11,755,799 | 31,667,172 |
| Accounts Receivable | | | |
| Outstanding Imprests | | - | - |
| TOTAL FINANCIAL ASSETS | | 11,755,799 | 31,667,172 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable (Deposits) | | | |
| Retention | | - | - |
| NET FINANCIAL ASSETS | | 11,755,799 | 31,667,172 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 9 | 31,667,172 | 3,527,147 |
| Prior year adjustments | 10 | - | 166,605 |
| Surplus/Deficit for the year | | (19,911,373) | 27,973,420 |
| NET FINANCIAL POSITION | | 11,755,799 | 31,667,172 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 13/12/2024 and signed by:


.....
Chairman NG-CDF
Committee
Name: Mohamed Sheikh
Osman


.....
Fund Accountant Manager
Name: Hussein M Abdullahi


.....
National Sub-County
Accountant
Name: Yasin Golicha
ICPAK M/No: 12255

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

12. Statement Of Cash Flows for the Year Ended 30th June 2024

| | | 2023-2024 | 2022-2023 |
|---|---|---------------------|-------------------|
| | | Kshs | Kshs |
| Receipts from operating activities | | | |
| Transfers from NGCDF Board | 1 | 215,049,053 | 89,000,000 |
| | | 215,049,053 | 89,000,000 |
| Payments for operating activities | | | |
| Compensation of Employees | 2 | 4,176,950 | 4,519,282 |
| Committee expenses | 3 | 4,158,000 | 3,949,300 |
| Use of goods and services | 4 | 2,825,040 | 2,851,909 |
| Transfers to Other Government Units | 5 | 84,807,635 | 667,036 |
| Other grants and transfers | 6 | 136,992,801 | 49,039,053 |
| Other Payments | 7 | 2,000,000 | - |
| | | 234,960,426 | 61,026,580 |
| Adjusted for: | | | |
| Prior year Adjustments | | - | 166,605 |
| Net Adjustments | | - | 166,605 |
| Net cash flow from operating activities | | (19,911,373) | 28,140,025 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Acquisition of Assets | | - | - |
| Net cash flows from Investing Activities | | - | - |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | (19,911,373) | 28,140,025 |
| Cash and cash equivalent at BEGINNING of the year | 8 | 31,667,172 | 3,527,147 |
| Cash and cash equivalent at END of the year | | 11,755,799 | 31,667,172 |

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

13. Summary Statement of Appropriation for The Year Ended 30th June 2024

| Receipt/Expense Item | Original Budget | | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|--------------------|--------------------------------|--|--------------------|----------------------------|-------------------------------|------------------|
| | a | | b | c=a+b | d | e=c-d | f=d/c % |
| RECEIPTS | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| Transfers from NG-CDF Board | 186,014,984 | 31,667,172 | 75,049,053 | 292,731,209 | 246,716,225 | 46,014,984 | 84.3% |
| TOTAL RECEIPTS | 186,014,984 | 31,667,172 | 75,049,053 | 292,731,209 | 246,716,225 | 46,014,984 | 84.3% |
| PAYMENTS | | | | | | | |
| Compensation of Employees | 5,742,300 | 1,221,424 | - | 6,963,724 | 4,176,950 | 2,786,774 | 60.0% |
| Committee expenses | 2,498,000 | 3,469,800 | 166,606 | 6,134,406 | 4,158,000 | 1,976,406 | |
| Use of goods and services | 8,271,391 | 951,024 | - | 9,222,415 | 2,825,040 | 6,397,375 | 30.6% |
| Transfers to Other Government Units | 60,205,286 | 5,982,872 | 72,953,699 | 119,141,857 | 84,807,635 | 34,334,222 | 71.0% |
| Other grants and transfers | 99,298,007 | 19,946,233 | - | 139,244,240 | 136,992,801 | 2,251,439 | 98.9% |
| Acquisition of Assets | - | 95,819 | - | 95,819 | - | 95,819 | 0.0% |
| Other Payments | 10,000,000 | - | 2,000,000 | 12,000,000 | 2,000,000 | 10,000,000 | 16.7% |
| TOTAL | 186,014,984 | 31,667,172 | 75,120,305 | 292,802,461 | 234,960,426 | 57,842,035 | 80.2% |

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

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024
Explanatory Notes.*

The underutilisation was due to the late receipt of funds from the NG CDF Board which delayed the implementation of the projects

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|---------------|
| Description | Amount |
| Budget utilisation difference totals | 57,842,035 |
| Less undisbursed funds receivable from the Board as at 30th June 2024 | 46,014,984 |
| | 11,827,051 |
| Add Accounts payable | - |
| Less Accounts Receivable | - |
| Add/Less Prior Year Adjustments | - |
| Cash and Cash Equivalents at the end of the FY 2023/2024 | 11,827,051 |

National Government Constituencies Development Fund (NGCDF)

Dadaab Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

14. Budget Execution By Sectors And Projects For The Year Ended 30th June 2024

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on | Budget utilization difference |
|---|-------------------|--------------------------------|---|-------------------|------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | comparable basis | |
| | | | | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 5,742,300 | 1,221,424 | 0 | 6,963,724 | 4,176,950 | 2,786,774 |
| 1.2 Committee allowances | 1,498,000 | 101,097 | 166,606 | 1,765,703 | 1,728,000 | 37,703 |
| 1.3 Use of goods and services | 3,807,494 | 127,613 | 0 | 3,935,107 | 1,580,200 | 2,354,907 |
| Sub-total | 11,047,794 | 1,450,134 | 166,606 | 12,664,534 | 7,485,150 | 5,179,384 |
| 2.0 Monitoring and evaluation | | | | | | |
| 2.1 Capacity building | 450,000 | 430,640 | 0 | 880,640 | 166,000 | 714,640 |
| 2.2 Committee allowances | 1,000,000 | 2,368,703 | 0 | 3,368,703 | 2,430,000 | 938,703 |
| 2.3 Use of goods and services | 4,013,897 | 392,771 | 0 | 4,406,668 | 1,078,840 | 3,327,828 |
| Sub-total | 5,463,897 | 3,192,114 | 0 | 8,656,011 | 3,674,840 | 4,981,171 |
| 3.0 Constituency Oversight Committee | | | | | | |
| 3.1 COC Allowances | | 500,000 | 0 | 500,000 | | 500,000 |
| 3.2 COC capacity building | | 180,000 | 0 | 180,000 | | 180,000 |
| 3.3 COC goods and services | | 320,000 | 0 | 320,000 | | 320,000 |
| Sub-total | - | 1,000,000 | 0 | 1,000,000 | - | 1,000,000 |
| 4.0 Emergency | | | | | | |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | | | | |
|--|-------------------|------------------|----------|-------------------|--------------------|---------------------|
| 4.1 Primary Schools | 9,691,047 | 4,048,617 | 0 | 13,739,664 | 3,772,378 | 9,967,286 |
| Sub-total | 9,691,047 | 4,048,617 | 0 | 13,739,664 | 3,772,378 | 9,967,286 |
| 5.0 Bursary and Social Security | | | | | | |
| 5.1 Primary Schools | | | | | | |
| 5.2 Secondary Schools | 20,000,000 | 11,830,000 | 0 | 31,830,000 | 31,627,020 | 202,980 |
| 5.3 Tertiary Institutions | 53,651,960 | (3,137,318) | 0 | 50,514,642 | 82,115,000 | (31,600,358) |
| 5.4 Universities | | 725,000 | 0 | 725,000 | | 725,000 |
| Sub-total | 73,651,960 | 9,417,682 | 0 | 83,069,642 | 113,742,020 | (30,672,378) |
| 6.0 Sports | | | | | | |
| 6.1 Sports | | 3,253,757 | | | | |
| Sub-total | - | 3,253,757 | - | 3,253,757 | 2,439,200 | 814,557 |
| 7.0 Environment | | | | | | |
| Dertu Girls Secondary School | 55,000 | 0 | 0 | 55,000 | | 55,000 |
| Maleley 1 primary school | | 1,013,068 | 0 | 1,013,068 | 1,013,068 | - |
| Kadagso primary school | | 1,013,068 | 0 | 1,013,068 | 1,013,068 | - |
| Nasib secondary school | | 1,013,067 | 0 | 1,013,067 | 1,013,068 | (1) |
| Dadaab dcc office | | 49,463 | 0 | 49,463 | | 49,463 |
| Saretho primary school | | 10,724 | 0 | 10,724 | | 10,724 |
| Damajaley primary school | | 31,568 | 0 | 31,568 | | 31,568 |
| 7.2 | | | | | | |
| Sub-total | 55,000 | 3,130,958 | - | 3,185,958 | 3,039,204 | 146,754 |
| 8.0 Primary Schools Projects | | | | | | |
| Abdisugow Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Adasantur Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Alikune Primary School | 2,000,000 | | | 2,000,000 | 1,500,000 | 500,000 |
| DaiDai Primary School | 1,500,000 | | | 1,500,000 | 1,500,000 | - |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | | | | |
|---|-----------|--|-----------|-----------|-----------|-----------|
| Gubakibir Primary School | 2,500,000 | | | 2,500,000 | 2,500,000 | - |
| Haji Aden Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Hamey Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Labi Qaloc Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Leheley Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Libaxlow Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| ShebtaCaad Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Medina Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Rahole Primary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Damajale Primary School | 7,000,000 | | | 7,000,000 | 5,000,000 | 2,000,000 |
| Liboi Primary and Junior Secondary School | 1,885,083 | | | 1,885,083 | 1,885,083 | - |
| Liboi Primary and Junior Secondary School | 1,885,083 | | | 1,885,083 | | 1,885,083 |
| 7.1 bogyar primary school | | | 2,200,000 | 2,200,000 | 2,200,000 | - |
| 7.2 darasalam primary school | | | 2,500,000 | 2,500,000 | 2,500,000 | - |
| 7.3 gurrow primary school | | | 2,200,000 | 2,200,000 | | 2,200,000 |
| 7.4 haji adan primary school | | | 2,200,000 | 2,200,000 | | 2,200,000 |
| 7.5 homojo primary school | | | 2,500,000 | 2,500,000 | 2,500,000 | - |
| 7.6 kadagso primary school | | | 3,000,000 | 3,000,000 | 3,000,000 | - |
| 7.7 kiwanja yarey primary school | | | 2,500,000 | 2,500,000 | 2,500,000 | - |
| 7.8 liban center primary school | | | 2,500,000 | 2,500,000 | 2,500,000 | - |
| 7.9 liban center primary school | | | 8,000,000 | 8,000,000 | | 8,000,000 |
| 7.10 maleley 1 primary school | | | 3,000,000 | 3,000,000 | 3,000,000 | - |
| 7.11 maleley 2 primary school | | | 1,402,704 | 1,402,704 | 1,402,704 | - |
| 7.12 qotqot primary school | | | 2,500,000 | 2,500,000 | 2,500,000 | - |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | | | | |
|---------------------------------------|-------------------|----------------|-------------------|-------------------|-------------------|-------------------|
| 7.13 shebta caad primary school | | | 2,200,000 | 2,200,000 | | 2,200,000 |
| Gubakibir Primary School | | | 2,500,000 | 2,500,000 | 2,500,000 | - |
| 7.15 macca primary school | | | 2,500,000 | 2,500,000 | 2,500,000 | - |
| 7.16 darkenley primary school | | | 600,995 | 600,995 | | 600,995 |
| 7.17 daryoley primary school | | 114,778 | | 114,778 | | 114,778 |
| 7.18 macca primary school | | 778 | | 778 | | 778 |
| 7.19 maleley 2 primary school | | 888 | | 888 | | 888 |
| 7.20 weldoni primary school | | 379,112 | | 379,112 | | 379,112 |
| 7.21 damajaley primary school | | 6,560 | | 6,560 | | 6,560 |
| 7.22 bulla kheir primary school | | 15,280 | | 15,280 | | 15,280 |
| Sub-total | 41,770,166 | 517,396 | 42,303,699 | 84,591,261 | 54,487,787 | 30,103,474 |
| 9.0 Secondary Schools Projects | | | | | | |
| Alikune secondary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Alikune Secondary School | 500,000 | | | 500,000 | | 500,000 |
| Dadaab Secondary School | 1,600,000 | | | 1,600,000 | | 1,600,000 |
| Dadaab Secondary School | 1,000,000 | | | 1,000,000 | | 1,000,000 |
| Dertu Girls Secondary School | 1,000,000 | | | 1,000,000 | | 1,000,000 |
| Haji Idiris Girls Secondary School | 2,088,777 | | | 2,088,777 | | 2,088,777 |
| Haji Idiris Girls Secondary School | 2,231,071 | | | 2,231,071 | | 2,231,071 |
| Haji Idiris Girls Secondary School | 500,000 | | | 500,000 | | 500,000 |
| Kulan Secondary School | 2,000,000 | | | 2,000,000 | | 2,000,000 |
| Labasigale Secondary School | 2,500,000 | | | 2,500,000 | 1,500,000 | 1,000,000 |
| Labasigale Secondary School | 1,000,000 | | | 1,000,000 | | 1,000,000 |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | | | | |
|---------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Labasigale Secondary School | 1,015,272 | | | 1,015,272 | 1,000,000 | 15,272 |
| Liboi Secondary School | 500,000 | | | 500,000 | | 500,000 |
| 8.0 kulan secondary school | | | 3,000,000 | 3,000,000 | 1,500,000 | 1,500,000 |
| 8.1 haji idris girls secondary school | | | 2,200,000 | 2,200,000 | 2,088,777 | 111,223 |
| 8.2 haji idris girls secondary school | | | 8,000,000 | 8,000,000 | 6,731,071 | 1,268,929 |
| 8.3 Kulan secondary school | | | 8,000,000 | 8,000,000 | 8,000,000 | - |
| 8.4 Nasib secondary school | | | 4,000,000 | 4,000,000 | 4,000,000 | - |
| 8.5 Nasib secondary school | | | 4,000,000 | 4,000,000 | 4,000,000 | - |
| 8.6 Alikune secondary school | | | 225,000 | 225,000 | | 225,000 |
| 8.7 Nasib secondary school | | | 500,000 | 500,000 | | 500,000 |
| 8.8 Liboi secondary school | | | 725,000 | 725,000 | | 725,000 |
| 8.9 Alikune secondary school | | 119,378 | | 119,378 | | 119,378 |
| 8.10 Damajaley secondary school | | 109,099 | | 109,099 | | 109,099 |
| 8.11 Liboi secondary school | | 47,583 | | 47,583 | | 47,583 |
| 8.12 Nasib sec sch | | 180,000 | | 180,000 | | 180,000 |
| 9.13 Haji idris secondary school | | 182,800 | | 182,800 | | 182,800 |
| 9.14 Kulan secondary school | | 150,000 | | 150,000 | | 150,000 |
| 9.15 Damajaley secondary school | | 11,964 | | 11,964 | | 11,964 |
| 9.16 Liboi secondary school | | 50,000 | | 50,000 | | 50,000 |
| 9.17 Dadaab secondary school | | 1,281,321 | | 1,281,321 | | 1,281,321 |
| 9.18 Dertu girls secondary school | | 1,111,111 | | 1,111,111 | | 1,111,111 |
| 9.19 Kulan boys secondary school | | 555,555 | | 555,555 | | 555,555 |
| 9.20 Kulan boys secondary school | | 555,555 | | 555,555 | | 555,555 |
| 9.21 Kulan boys secondary school | | 555,555 | | 555,555 | | 555,555 |

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

| | | | | | | |
|-----------------------------------|--------------------|-------------------|-------------------|--------------------|--------------------|-------------------|
| 9.22 Kulan boys' secondary school | | 555,555 | | 555,555 | | 555,555 |
| Sub-total | 18,435,120 | 5,465,476 | 30,650,000 | 54,550,596 | 30,319,848 | 24,230,748 |
| 11.0 Security Projects | | | | - | | - |
| Dertu Police Station | 4,000,000 | | | 4,000,000 | 3,000,000 | 1,000,000 |
| Dertu Police Station | 900,000 | | | 900,000 | | 900,000 |
| Seretho Police Station | 3,000,000 | | | 3,000,000 | 3,000,000 | - |
| Kiwanja Police Camp | 8,000,000 | | | 8,000,000 | 8,000,000 | - |
| Dertu Police Station | | 95,219 | | 95,219 | | 95,219 |
| Sub-total | 15,900,000 | 95,219 | - | 15,995,219 | 14,000,000 | 1,995,219 |
| 12.0 Acquisition of assets | | | | | | |
| 12.1 Purchase of computers | | 95,819 | | 95,819 | | 95,819 |
| Sub-total | - | 95,819 | - | 95,819 | - | 95,819 |
| 13.0 Others | | | | | | |
| 13.1 Strategic Plan | | | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Dadaab Huduma Centre | 10,000,000 | | | 10,000,000 | | 10,000,000 |
| Sub-total | 10,000,000 | - | 2,000,000 | 12,000,000 | 2,000,000 | 10,000,000 |
| Total | 186,014,984 | 31,667,172 | 75,120,305 | 292,802,461 | 234,960,427 | 57,842,034 |

15. 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;

- Receivables that include imprests
- Payables that include 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-DADAAB 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. Recognition of Receipts

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

a. 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.

b. Proceeds from the Sale of Assets

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

c. Other receipts

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

d. 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.

e. 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.

5. Recognition of payments

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

a) Compensation of Employees

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

b) 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.

c) Acquisition of Fixed Assets

The payment on the 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

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

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 is provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

6. 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.

7. 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 an insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

8. 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.

9. Accounts Payable

For 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 the fulfilment of obligations by the contractor and holding deposits on behalf of third parties. Gratuity earned 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 the National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

10. 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.

11. 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 the NGCDF Act, 2015

12. 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 30 June 2024 for the period 1st July 2023 to 30th June 2024 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.

13. Comparative Figures

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

14. 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 2024.

15. Prior Period 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

National Government Constituencies Development Fund (NGCDF)

Dadaab Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restate 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.

16. Related Party Transactions

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

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

16. Notes To the Financial Statements

1. Transfers from NGCDF Board

| Description | 2023-2024 | 2022-2023 |
|-------------------|--------------------|-------------------|
| | Kshs | Kshs |
| Normal Allocation | | |
| AIE NO. B 185580 | | 14,000,000 |
| AIE NO. B 185372 | | 7,000,000 |
| AIE NO. B 185036 | | 7,000,000 |
| AIE NO. B 185864 | | 5,000,000 |
| AIE NO. B 206317 | | 12,000,000 |
| AIE NO. B 205706 | | 12,000,000 |
| AIE NO. B 205546 | | 16,000,000 |
| AIE NO. B 207785 | | 16,000,000 |
| | 12,088,879 | |
| | 62,960,174 | |
| | 30,000,000 | |
| | 40,000,000 | |
| | 40,000,000 | |
| | 30,000,000 | |
| TOTAL | 215,049,053 | 89,000,000 |

2. Compensation Of Employees

| Description | 2023-2024 | 2022-2023 |
|--|------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 2,983,454 | 4,249,282 |
| Personal allowances paid as part of salary | - | |
| Gratuity-contractual employees | 1,073,616 | - |
| Employer Contributions Compulsory national social security schemes | 119,880 | 270,000 |
| TOTAL | 4,176,950 | 4,519,282 |

3. Committee Expenses

| | 2023-2024 | 2022-2023 |
|--------------------------|------------------|------------------|
| A. NG-CDF | Kshs | Kshs |
| Sitting allowance | 2,430,000 | 2,256,000 |
| Other committee expenses | 1,728,000 | 1,693,300 |
| TOTAL | 4,158,000 | 3,949,300 |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

4. Use of Goods and services

| Description | 2023-2024 | 2022-2023 |
|--|------------------|------------------|
| | Kshs | Kshs |
| Utilities, supplies and services | 58,840 | 66,950 |
| Communication, supplies and services | - | 104,800 |
| Domestic travel and subsistence | 1,580,200 | 1,150,600 |
| Rentals of produced assets | 840,000 | - |
| Training expenses | 166,000 | 689,922 |
| Hospitality supplies and services | - | 466,200 |
| Office and general supplies and services | 180,000 | 248,500 |
| Other operating expenses | - | 69,000 |
| Bank Charges | - | 55,937 |
| TOTAL | 2,825,040 | 2,851,909 |

5. Transfer To Other Government Units

| Description | 2023-2024 | 2022-2023 |
|--------------------------------|-------------------|----------------|
| | Kshs | Kshs |
| Transfers to Primary Schools | 54,487,787 | 114,000 |
| Transfers to Secondary Schools | 30,319,848 | 553,036 |
| TOTAL | 84,807,635 | 667,036 |

6. Other Grants and Other transfers

| Description | 2023-2024 | 2022-2023 |
|----------------------|--------------------|-------------------|
| | Kshs | Kshs |
| Bursary - Secondary | 31,627,020 | 8,180,000 |
| Bursary - Tertiary | 82,115,000 | 34,526,639 |
| Security Projects | 14,000,000 | 688,000 |
| Sports Projects | 2,439,200 | - |
| Environment Projects | 3,039,203 | - |
| Emergency Projects | 3,772,378 | 5,644,414 |
| Roads Projects | - | - |
| TOTAL | 136,992,801 | 49,039,053 |

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024*

7. Other Payments

| | 2023-2024 | 2022-2023 |
|----------------|------------------|-----------|
| | Kshs | Kshs |
| Strategic Plan | 2,000,000 | - |
| TOTAL | 2,000,000 | - |

8. Cash and Cash Equivalents

| Name of Bank and Account No. | 2023-2024 | 2022-2023 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| 11A: Bank Accounts (Cash Book Bank Balance) | | |
| DADAAB NG-CDF, Account No. 0580283753805, Co-operative Garissa | 11,295,530 | 31,667,172 |
| DADAAB NG-CDF, Account No. 0580283753805-Equity Bank Garissa | 460,268 | - |
| Total | 11,755,798 | 31,667,172 |

9. Fund Balance B/F

| | 2023-2024 | 2022-2023 |
|------------------------------|-------------------|------------------|
| | Kshs | Kshs |
| Bank accounts | 31,667,172 | 3,527,147 |
| Total | 31,667,172 | 3,527,147 |
| Less | | |
| Payables: - Retention | - | - |
| Payables - Gratuity | - | - |
| Fund Balance Brought Forward | 31,667,172 | 3,527,147 |

10. Prior Year Adjustments

| | 2023-2024 | 2022-2023 |
|--------------------------|-----------|----------------|
| Description of the error | Kshs | Kshs |
| Bank account Balances | - | 166,605 |
| Total | - | 166,605 |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

11. Other Important Disclosures

11.1 Unutilized Fund (See Annex 3)

| | 2023-2024 | 2022-2023 |
|---|-------------------|--------------------|
| | Kshs | Kshs |
| Compensation of employees | 2,786,774 | 1,221,424 |
| Committee expenses | 1,976,406 | 3,812,902 |
| Use of goods and services | 6,397,375 | 965,388 |
| Amounts due to other Government entities (see attached list) | 54,334,222 | 84,090,558 |
| Amounts due to other grants and other transfers (see attached list) | (17,748,561) | 14,040,555 |
| Acquisition of assets | 95,819 | 418,792 |
| Others (<i>specify</i>) | 10,000,000 | 2,000,000 |
| Total | 57,842,035 | 106,549,619 |

11.2 PMC account balances (See Annex 5)

| | 2023-2024 | 2022-2023 |
|----------------------|-----------|-----------|
| | Kshs | Kshs |
| PMC account balances | 0 | 0 |
| Total | 0 | 0 |

11.3 Related Party Transactions

| | 2023-2024 | 2022-2023 |
|--|--------------------|-------------------|
| | Kshs | Kshs |
| Committee Members Remuneration | | |
| Sitting allowance of committee Members during the year | 2,430,000 | 2,256,000 |
| | | |
| Transaction with the NGCDF Board | | |
| Receipts from the NGCDF Board during the year | 215,049,053 | 89,000,000 |
| Total | 215,049,053 | 89,000,000 |

***National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024***

17. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

No Pending Accounts Payable

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 2 - Analysis of Pending Staff Payables

No Pending Staff Payables

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024
Annex 3 – Unutilized Fund

| Name | Brief Transaction Description | Outstanding Balance | | Comments |
|---|-------------------------------|---------------------|------------|----------|
| | | 2023-2024 | 2022-2023 | |
| | | | | |
| Compensation of employees | | 2,786,774 | 1,048,229 | |
| Committee expenses | | 1,976,406 | 298,493 | |
| Use of goods & services | | 6,397,375 | | |
| Amounts due to other Government entities | | | 16,439,103 | |
| Abdisugow Primary School | | 1,000,000 | | |
| Adansantur Primary School | | 1,000,000 | | |
| Alikune Primary School | | 500,000 | | |
| Haji Aden Primary School | | 1,000,000 | | |
| Hamey Primary School | | 1,000,000 | | |
| Labi Qaloc Primary School | | 1,000,000 | | |
| Leheley Primary School | | 1,000,000 | | |
| Libaxlow Primary School | | 1,000,000 | | |
| ShebtaCaad Primary School | | 1,000,000 | | |
| Medina Primary School | | 1,000,000 | | |
| Rahole Primary School | | 1,000,000 | | |
| Damajale Primary School | | 2,000,000 | | |
| Liboi Primary and Junior Secondary School | | 1,885,083 | | |
| 7.3 gurrew primary school | | 2,200,000 | | |
| 7.4 haji adan primary school | | 2,200,000 | | |
| 7.9liban center primary school | | 8,000,000 | | |
| 7.13 shebta caad primary school | | 2,200,000 | | |
| 7.16 darkenley primary school | | 600,995 | | |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | |
|---------------------------------------|--|-----------|--|
| 7.17 daryoley primary school | | 114,778 | |
| 7.18 macca primary school | | 778 | |
| 7.19 maleley 2 primary school | | 888 | |
| 7.20 weldoni primary school | | 379,112 | |
| 7.21 damajaley primary school | | 6,560 | |
| 7.22 bulla kheir primary school | | 15,280 | |
| Secondary Schools Projects | | | |
| Alikune secondary School | | 1,000,000 | |
| Alikune Secondary School | | 500,000 | |
| Dadaab Secondary School | | 1,600,000 | |
| Dadaab Secondary School | | 1,000,000 | |
| Dertu Girls Secondary School | | 1,000,000 | |
| Haji Idris Girls Secondary School | | 2,088,777 | |
| Haji Idris Girls Secondary School | | 2,231,071 | |
| Haji Idris Girls Secondary School | | 500,000 | |
| Kulan Secondary School | | 2,000,000 | |
| Labasigale Secondary School | | 1,000,000 | |
| Labasigale Secondary School | | 1,000,000 | |
| Labasigale Secondary School | | 15,272 | |
| Liboi Secondary School | | 500,000 | |
| 8.0 kulan secondary school | | 1,500,000 | |
| 8.1 haji idris girls secondary school | | 111,223 | |
| 8.2 haji idris girls secondary school | | 1,268,929 | |
| 8.6 alikune secondary school | | 225,000 | |
| 8.7 nasib secondary school | | 500,000 | |
| 8.8 liboi secondary school | | 725,000 | |
| 8.9 alikune secondary school | | 119,378 | |
| 8.10 damajaley secondary school | | 109,099 | |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency**

Annual Report and Financial Statements for The Year Ended June 30, 2024

| | | | |
|--|--|-----------------|-------------|
| 8.11 liboi secondary school | | 47,583 | |
| 8.12 nasib sec sch | | 180,000 | |
| 9.13 haji idris secondary school | | 182,800 | |
| 9.14 kulan secondary school | | 150,000 | |
| 9.15 damajaley secondary school | | 11,964 | |
| 9.16 liboi secondary school | | 50,000 | |
| 9.17 dadaab secondary school | | 1,281,321 | |
| 9.18 dertu girls secondary school | | 1,111,111 | |
| 9.19 kulan boys secondary school | | 555,555 | |
| 9.20 kulan boys secondary school | | 555,555 | |
| 9.21 kulan boys secondary school | | 555,555 | |
| 9.22 kulan boys secondary school | | 555,555 | |
| | | | |
| | | | |
| Sub-Total | | 54,334,222 | |
| Amounts due to other grants and other transfers | | | |
| Bursary - Secondary | | 202,980.00 | (1,904,000) |
| Bursary -Tertiary | | (31,600,357.74) | (5,333,427) |
| Bursary- Special Schools | | 725,000.00 | 725,000 |
| Security Projects (see attached list) | | | 783,219 |
| Dertu Police Station | | 1,000,000.00 | |
| Dertu Police Station | | 900,000.00 | |
| dertu police station | | 95,219.00 | |
| | | | |
| | | | |
| Sports Projects (see attached list) | | 814,557.00 | 91,755 |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024**

| | | |
|---|------------------------|--------------------|
| Environment Projects (see attached list) | 146,755.00 | 214,554 |
| Emergency Projects (see attached list) | 9,967,286.00 | 2,948,617 |
| Sub-Total | (17,748,560.74) | (3,366,058) |
| Acquisition of assets | 95,819.00 | 418,792 |
| Oversight Committee Expenses(itemize) | | |
| | | |
| Others (specify) Strategic plan | 10,000,000.00 | 2,000,000 |
| | | |
| Sub-Total | 10,095,819.00 | |
| Funds pending approval | | |
| Grand Total | 57,842,034.63 | 106,549,619 |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency**

Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 4 – Summary of Fixed Asset Register

| Asset class | Historical Cost b/f (Kshs) | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) At Year End |
|--|----------------------------------|-------------------------------------|-------------------------------------|--|
| Office equipment, furniture and fittings | 2,900,000 | | | 2,900,000 |
| ICT Equipment, Software and Other ICT Assets | 1,000,000 | | | 1,000,000 |
| Total | 3,900,000 | | | 3,900,000 |

National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 5 –PMC Bank Balances as at 30th June 2024

| PMC | Bank | Account number | Bank Balance Current FY | Bank Balance Comparative FY |
|--------------|------|----------------|-------------------------|-----------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total | | | | |

*National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency*

Annual Report and Financial Statements for The Year Ended June 30, 2024

Annex 6: Progress On Follow Up of Auditor Recommendations

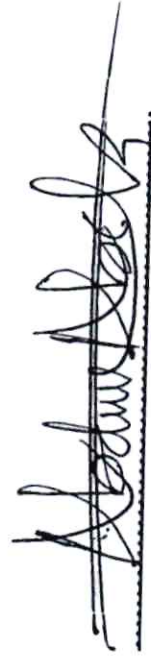
The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

| 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) |
|--|---|---|-----------------------------------|--|
| | <p>Unsupported Bursary Payments The statement of receipts and payments and Note 6 to the financial statements reflects other grants and transfers amount of Kshs 49,039,053. Included in the amount is Kshs. 8,180,000 and Kshs. 34,526,639 totalling Kshs. 42, 706, 639 disbursed to various secondary schools and tertiary institutions respectively as bursary to needy students. However, the expenditure was not supported by notice to the public on bursary issuance, bursary application register and minutes of resolution to the constituency development Fund committee to make the payments. Further an amount of Kshs. 600,000 disbursed to various institutions has not been acknowledged through official</p> | <p>Bursary application notification is done through the chief's offices and members of the public collect the forms from the Chiefs offices and the NG CDF office. The various schools acknowledge receipt of the funds</p> | <p>Not resolved</p> | <p>30 June 2025</p> |

**National Government Constituencies Development Fund (NGCDF)
Dadaab Constituency**

Annual Report and Financial Statements for The Year Ended June 30, 2024

| 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) |
|--|--|---|--|---|
| | receipts or acknowledgement letters by the beneficiary Institutions. In the circumstances, the accuracy and completeness of the bursaries totalling Kshs. 42,706,639 could not be confirmed. | | | |
| | Budget Control and Performance During the year Dadaab constituency had an underfunding of Kshs 75,049,053 and an underutilisation of Kshs of Kshs. 31,667,172. The underfunding and under utilisation may have negatively impacted on service delivery to the residents. | The underfunding was due to the lack of release of funds from the exchequer during the year. The underutilization was due to the late release of funds from the NG CDF Board. | Not resolved | 30 June 2025 |



Name: Hussein M Abdullaahi
Fund Account Manager.