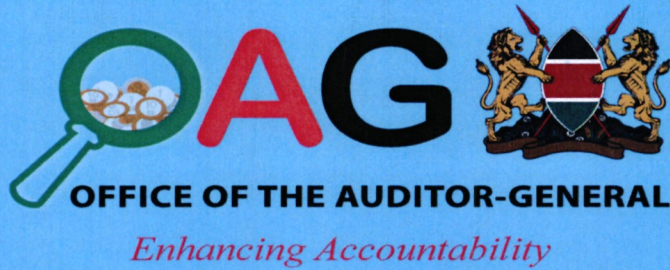


REPUBLIC OF KENYA



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REPORT

OF

THE AUDITOR-GENERAL

ON

THE NATIONAL ASSEMBLY	
DATE: 06 JUL 2023	
DAY: Thursday	
TABLED BY:	Hon. Samuel Chepkonga, MP
CLERK AT THE TABLE:	Joyce Kemerele

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – LAISAMIS
CONSTITUENCY**

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

Revised Template 30th June 2022



OFFICE OF THE AUDITOR GENERAL
UPPER EASTERN REGIONAL OFFICE - ISIOLO

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LAISAMIS CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022**

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

Laisamis Constituency

National Government Constituencies Development Fund (NG-CDF)

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

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(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	SALIM HASSAN HUSSEIN
2.	Sub-County Accountant	MICHAEL OKUBASU
3.	Sub-County Accountant	DAVID KIPSANG
4.	Chairman NG-CDFC	EDWARD LESUKAT
5.	Member NG-CDFC	ALICE HAWO LESEPEN

(d) Fiduciary Oversight Arrangements

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

(e) Laisamis Constituency NG-CDF Headquarters

Laisamis NGCDF
P.O. Box 71-60500,
Marsabit Satellite office – Total Service Station building
Marsabit, KENYA.

(f) Laisamis Constituency NG-CDF Contacts

Telephone: (254) 720 108 050
E-mail: cdflaisamis@ngcdf.go.ke
Website: www.ngcdf.go.ke

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(g) LAISAMIS Constituency NGCDF Bankers

Kenya Commercial Bank Ltd,
Marsabit Branch
P.O. Box 83
Marsabit, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

**Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

II. NG-CDFC Chairman's Report

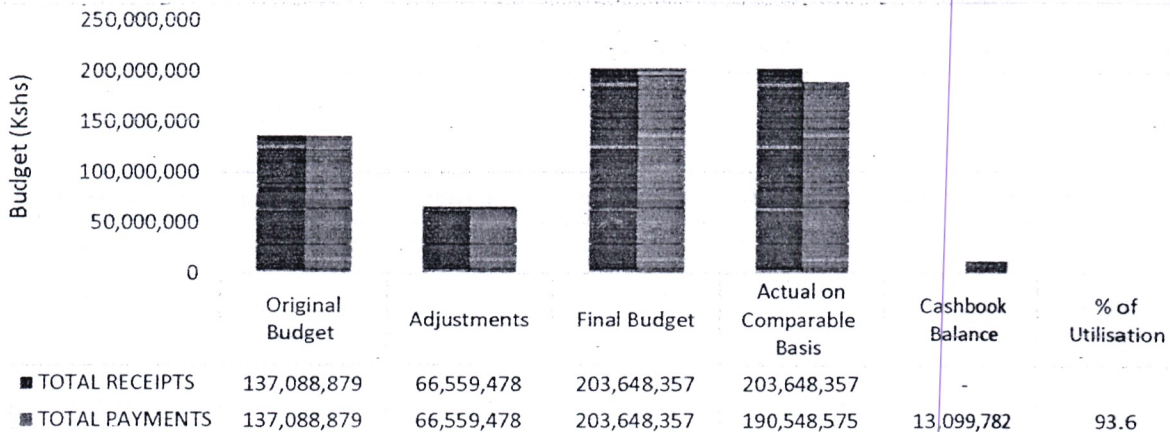


Laisamis NG-CDFC has made tremendous achievements since its inception in 2003 towards poverty eradication in the constituency and more so in promotion of education standards in this marginalised part of the country.

I really thank my NG-CDFC for showing confidence in me to be their Chairman from February 2022.

During the financial year, the Laisamis NG-CDF had been allocated Ksh. 137,088,879, Kshs. 45,088,879 for previous financial year that was received within the year and opening cashbook balance of Kshs. 21,470,599. The committed was able to utilized Kshs. 190,548,575 out of final budget Kshs. 203,648,357.

LAISAMIS NG-CDF FY: 2021/2022 EXPENDITURE



Laisamis constituency is situated in Marsabit County and being a marginalised area with very high illiteracy levels, priority was given to education bursary that was allocated a budget of Ksh. 34,308,673 translating to 25% of the total annual budget.

The huge education budget targeting infrastructural development in schools and bursary has/lead to increased student enrolment in schools hence reducing illiteracy levels.

Laisamis NG-CDF had also facilitated construction of the first technical institution in the constituency that will go a long way in developing middle level skills in youth.

One of the key challenges is poor infrastructural facilities in most educational institutions as majority were constructed many years back. However, the NG-CDFC has initiated programmes to refurbish them. The NG-CDFC had also a big challenge in implementing/completing projects since only one-half of the annual budget had been received from NG-CDF Board by close of the year.

*Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
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Laisamis NG-CDF was able to implement various development projects in the constituency which have added value to the services and development programmes essential for the achievement of social-economic progress in the society. In Line with Government Vision to realise economic growth in the regions, it has spurred vibrant life among local communities.

NG-CDF is making critical investments in public projects and the demands for NG-CDF projects is rising day by day. Laisamis NG-CDFC has paid over Khs 45 Million in Bursary during the Financial year.



Despite its minimal annual allocation, NG-CDF had tried to balance the needs of the community and prioritized development activities at location and ward levels. Every two years Laisamis NG-CDFC conduct a public forum where members of the public gather to give their priority projects. Based on the priorities raised funds are allocated to implement various projects

However Much NG-CDFC tries to balance the needs, still more challneges abound. These includes increased needs due to awareness creations, minimal funding, competition over the scarce funds by various projects and communities, political influences from competitors and limited functions. Since NG-CDF is a National Government Fund, it is only allowed by Law to finance National Government functions.

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



Figure 1: Loglogo Mixed Day Secondary School- construction of administration block to Completion

As Laisamis NG-CDFC Chairlady I wish to give the following recommendations to the Government and other stakeholders to help NG-CDF realise its development dreams:

- That at least the NG-CDF funding be raised from the current 2.5% of the revenue to a higher percentage to ensure increased funding to support development projects at the grassroot. NG-CDF has since inception done wonderful grassroot development programmes.
- That NG-CDF be allowed to fund projects that falls outside the national government functions to ensure an all inclusive development projects that covers all sectors.
- That NG-CDF be given an opportunity to partner with Donors and other development partners such as World Bank and International Donor Agencies to promote development projects in the communities.



EDWARD LESUKAT
CHAIRMAN NG-CDF COMMITTEE

Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

III. Statement of Performance Against Predetermined Objectives for FY:2021/22

Introduction

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

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

1. Build a stronger education sector in Laisamis to support children and youth
2. Support security agencies in the Constituency for enhanced security
3. Strengthen social protection measures in the Constituency through increased registration into existing social protection programs
4. Key stakeholders are working in harmony for coordinated development interventions in the Constituency

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	Build a stronger education sector in Laisamis to support children and youth	<ul style="list-style-type: none"> • Increased transition from primary to secondary schools • Increased transition from secondary school to technical and vocational skills • Increase the number of youth with technical and vocational skills • Increase the employability of skilled youths 	Increase provision of bursaries to students in primary and secondary schools, Technical, Industrial, Vocational and Entrepreneurship Training Institutions, and Universities	Number of form one enrolment increased from 1,000 to 2,000 Number of Bursary fund beneficiaries increased from 2,000 to 3,000
	To improve the learning environment	Improved performance in primary,	To provide infrastructure in	Number of classrooms increased by 50

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National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

		secondary and technical and vocational training institutions	Primary and Secondary schools, Special Education Schools and TVET Institutions. To equip schools with learning materials and equipment	
--	--	--	---	--

Program	Objective	Outcome	Indicator	Performance
Environment	To promote environmental conservation	Increase in knowledge, skills and passion for sustainable environment	Adopting environmental friendly practices promotional talks on increasing forest cover and environmental conservation	Number of trees planted increased from 5 to 15
Security	Support security agencies in the Constituency for enhanced security	Reduction in crime rate Secure business environment	Improving security infrastructure	Secure business environment Number of security personnel staff quarters increased from 10 to 20
Sports	To promote youth initiatives to build and nurture their talents	Decreased dependency ratio in crime rate Increased number of youth engaged in gainful employment	Sponsor sports tournaments Provide sports equipment (balls and uniforms) to sports teams	Number of youth groups benefitting from the sports programme increased from 50 to 100
Information Communication and Technology (ICT)	To improve access to infrastructure for ease of doing business	Increase in online business uptake by youth	Establish four ICT hubs in the Constituency	Number of ICT centres at the chiefs' offices increased from 0 to 4

IV. Environmental and Sustainability Reporting

Laisamis 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,

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

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

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- Laisamis NG-CDF allocated all funds under environment project to construct latrines to improve hygiene and sanitations.
- Laisamis NG-CDF sponsored sporting activities that promote positive coexistent and cohesion among communities

3. Employee welfare

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

Laisamis NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

***Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022***

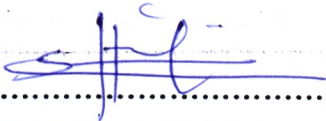
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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



.....
SALIM HASSAN HUSSEIN
FUND ACCOUNT MANAGER

V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NG-CDF Laisamis Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NG-CDF Laisamis Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF Laisamis Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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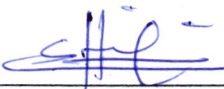
The Accounting Officer in charge of the NG-CDF Laisamis Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used 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 NG-CDF Laisamis Constituency financial statements were approved and signed by the Accounting Officer on **7th September 2022**.



Chairman NG-CDF Committee
Name: Edward Lesukat



Fund Account Manager
Name: Salim Hassan Hussein

REPUBLIC OF KENYA

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Monrovia Street
P.O. Box 30084-00100
NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Laisamis Constituency set out on pages 1 to 40, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter 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 - Laisamis Constituency as at 30 June, 2022, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

Non-Acknowledgement of Bursaries Disbursements

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects Kshs.78,940,119 in respect of other grants and other payments out of which Kshs.19,498,466 and Kshs.17,865,652 were disbursed as bursaries to secondary schools and tertiary institutions, respectively, totalling to Kshs.37,364,118. However, records provided for audit review revealed that out of the total bursary disbursed, bursaries totalling Kshs.32,474,118 or (87%) were acknowledged by the respective beneficiary institutions while bursaries totalling Kshs.4,890,000 or (13%) were not acknowledged.

In the circumstances, validity of the bursary disbursed but not acknowledged totalling Kshs.4,890,000 could not be ascertained.

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis totalling to Kshs.201,541,993 and Kshs.191,087,454 respectively, resulting to an underfunding amounting to Kshs.10,454,539 or 5% of the budget.

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

2. Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Procurement Method for Sports Kits

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects Kshs.78,940,119 in respect to other grants and other transfers which includes Kshs.2,411,000 in respect to transfers to sports projects for purchase and distribution of sports kits and trophies to schools and registered football clubs through request for quotation. However, three suppliers requested to quote for the supply were not in the list of prequalified suppliers contrary to Section 106(2)(a) that

requires that the accounting officer of a procuring entity shall give the request to such persons as are registered/prequalified by the procuring entity. In addition, there was no evidence that the sports Project Management Committee (PMC) conducted a market survey before awarding the quotation contrary to Section 91(4) of the Public Procurement and Assets Disposal Regulation, 2020 that states that before any decision to award a procurement under request for quotation the head of a procurement function shall by way of a professional opinion make a recommendation based on a market survey.

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

2. Irregular Award of Contract

The statement of receipts and payments and as disclosed in Note 8 to the financial statements reflects Kshs.8,182,073 in respect to acquisition of assets which includes Kshs.7,862,072 in respect to construction of buildings, out of which Kshs.4,000,000 was for construction of a reinforced concrete ramp attached to Laisamis Fund's office building for use by people living with disability. The project for construction of a ramp was awarded at a contract price of Kshs.4,066,934 to the same contractor without subjecting the additional works to competitive bidding. This is contrary to Section 158 (1) of the Public Procurement and Asset Disposal Regulations, 2020 which states that Procurement of goods, works and services under these Regulations shall be competitive in accordance with the provisions of Section 157(3)(b) of the Act.

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

3. Expenditure not within Mandate

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects Kshs.78,940,119 in respect to other grants and other payments which include Kshs.28,150,000 spent on security projects. Included in the Kshs.28,150,000 was Kshs.13,000,000 utilized on opening of new roads which is a devolved function of the County Government. This is contrary to Section 24(a) of the National Government Constituencies Development Fund Act, 2015, which requires that all projects under this Act shall only be in respect to works and services falling within the functions of the national government.

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

4. Delay in Implementation of Projects

The project implementation status report provided for audit review indicated that seventy-five (75) projects worth Kshs.137,088,879 were budgeted to be implemented. However, seventy-three (73) projects worth Kshs.131,588,879 were completed, one (1) project worth Kshs.2,000,000 was ongoing while one (1) project worth Kshs.1,500,000 had not started and one (1) project was completed but the project was vandalized.

In the circumstances, the value for money of the projects not yet completed could not be confirmed.

5. Unsatisfactory Implementation of Projects

The statement of receipts and payments and as disclosed in Note 6 to the financial statement reflects a balance of Kshs.88,000,000 in respect to transfer to other government units out of which Kshs.68,100,000 and Kshs.19,900,000 are transfers to primary and secondary schools, respectively. Physical verification carried out in March, 2023 revealed the following observations: -

5.1 Kamatonyi Primary

A transfer of Kshs.1,500,000 was made to the School for construction of one classroom, supply of 20 metal frame desk, installation of piping & gutters, supply, and installation of 10,000 litre water tank with a concrete slab at Kamatonyi primary School. Although the project was complete, the gutters were installed on one side of the building only and the water tank was not fitted with an outlet tap nor labelled. No metal frame desks were supplied to the school which was a material deviation from the priced bill of quantities.

5.2 Losidan Primary school

An amount of Kshs.1,500,000 was transferred to the School for construction of one classroom, supply of 20 metal frame desk, installation of pipes & gutters, supply, and installation of 10,000 litres water tank with a concrete slab. Although the classroom was completed, only eleven (11) metal frame desks were delivered resulting to nine (9) desks that could not be accounted for. Further, the 11 desks available were made of wooden frame which was a material deviation from the priced bill of quantities which required metallic frame desks.

5.3 Tirgamo Primary School

A transfer of Kshs.2,000,000 was made to the School for fencing of 900m length with metallic poles and barbed wires, build a wide steel gate on concrete post and construction of one double door pit latrine with a ramp on one door for persons living with disability at Tirgamo Primary School. A ramp for persons living with disability had not been installed which was a deviation from the requirement of the priced bill of quantities.

5.4 Loglogo Primary School

A transfer of Kshs.1,000,000 was made to the school for renovation of dining hall at the school. Some works spelt out in the Bills of Quantities were not carried out which included installation of gutters, fixing of 75mm diameter rainwater downpipe, fitting of windowsill size 250x50m.

5.5 Loglogo Mixed Day Secondary School

A transfer of Kshs.2,900,000 was made to the school for construction of two classrooms. However, although the construction had been completed, the building was vandalised, and significant damage caused, and the water tank was stolen. The case was reported to the relevant authorities and was still under investigation.

5.6 Kurkum Primary School

A transfer of Kshs.1,500,000 was made to the School for Fencing of the Primary School compound. However, the bill of quantity (BQ) required use of heavy gauge (gauge 14) chain link and barbed wire. However, a light gauge chain link was used instead. Further, the BQ required red-oxide primer and the high gross paint to be applied on the iron posts together with mass concrete at the base of the iron posts which was not done.

In the circumstances, value for money for the uncompleted projects whose expenditure total Kshs.10,400,000 could not be determined.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs) 3000 and 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements 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 CONTROL, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, and based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Control, 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 control, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Internal Audit Function

As reported in the previous year, the Fund has not established an Internal Audit Function. This is contrary to Section 73(1) of the Public Finance Management Act, 2012 which states that every national government entity shall ensure that it complies with this Act and has appropriate arrangements in place for conducting internal audit

according to the guidelines of the Accounting Standards Board. In addition, although the financial statements state that the Fund had constituted an Audit and Risk Management Committee to provide fiduciary oversight, there was no evidence of meetings to discuss audit reports and make recommendation.

In the circumstances, existence of an effective internal control at the Fund could not be confirmed.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (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 control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive

to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 May, 2023


*Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*


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


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
Total Receipts		182,177,758	161,367,724
Payments			
Compensation Of Employees	4	2,440,536	2,792,912
Use Of Goods and Services	5	13,024,727	10,105,831
Transfers To Other Government Units	6	88,000,000	48,475,000
Other Grants and Transfers	7	78,940,119	68,788,947
Acquisition Of Assets	8	8,182,073	21,063,649
Other Payments	9	500,000	-
Total Payments		191,087,454	151,226,339
Surplus/(Deficit)		(8,909,696)	10,141,385

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

The Constituency financial statements were approved on 7th September 2022 and signed by:


Fund Account Manager
Name: Salim Hassan Hussein


National Sub-County
Accountant
Name: David Kipsang
ICPAK M/No: 17634


Chairman NG-CDF Committee
Name: Edward Lesukat


Laisamis Constituency
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VIII. Statement of Assets and Liabilities as at 30th June, 2022


	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	10A	13,099,782	21,470,599
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		13,099,782	21,470,599
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		13,099,782	21,470,599
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	2,645,244	2,106,365
Gratuity	12B	-	-
Total Financial Liabilities		-	-
Net Financial Assets		10,454,538	19,364,234
Represented By			
Fund Balance B/Fwd	13	19,364,234	9,222,849
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		(8,909,696)	10,141,385
Net Financial Position		10,454,538	19,364,234

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

The Constituency financial statements were approved on 7th September 2022 and signed by:


 Fund Account Manager
 Name: Salim Hassan Hussein


 National Sub-County
 Accountant
 Name: David Kipsang
 ICPAK M/No: 17634


 Chairman NG-CDF Committee
 Name: Edward Lesukat

*Laisamis Constituency**National Government Constituencies Development Fund (NG-CDF)**Annual Report and Financial Statements for The Year Ended June 30, 2022*IX. Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	182,177,758	161,367,724
Other Receipts	3	-	-
Total Receipts		182,177,758	161,367,724
Payments			
Compensation Of Employees	4	2,440,536	2,792,912
Use Of Goods and Services	5	13,024,727	10,105,831
Transfers To Other Government Units	6	88,000,000	48,475,000
Other Grants and Transfers	7	78,940,119	68,788,947
Other Payments	9	500,000	-
Total Payments		182,905,382	130,162,690
Total Receipts Less Total Payments		(188,744)	31,205,034
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	538,879	-
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		(188,744)	31,205,034
Cashflow From Investing Activities			
Proceeds From Sale of Assets	2	-	-
Acquisition Of Assets	8	(8,182,073)	(18,957,284)
Net Cash Flows from Investing Activities		(8,182,073)	(18,957,284)
Net Increase In Cash And Cash Equivalent		(8,370,817)	12,247,750
Cash & Cash Equivalent At Start Of The Year	10	21,470,599	9,222,849
Cash & Cash Equivalent At End Of The Year	10	13,099,782	21,470,599

Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

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

The Constituency financial statements were approved on 7th September 2022 and signed by:



Fund Account Manager
Name: Salim Hassan Hussein



National Sub-County
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ICPAK M/No: 17634



Chairman NG-CDF Committee
Name: Edward Lesukat

Laisamis Constituency
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X. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
	2021/2022			2021/2022	30/06/2022		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NG-CDF Board	137,088,879	19,364,234	45,088,879.31	201,541,993	201,541,992	0	
Proceeds From Sale of Assets							
Other Receipts							
Totals	137,088,879	19,364,234	45,088,879	201,541,993	201,541,992	0	100.0%
Payments							
Compensation Of Employees	2,270,000	847,836	-	3,117,836	2,440,536	677,300	78.3%
Use Of Goods and Services	9,747,999	1,955,530	1,950,000	13,653,529	13,024,727	628,802	95.4%
Transfers To Other Government Units	69,450,000	528,042	18,322,220	88,300,262	88,000,000	300,262	99.7%
Other Grants and Transfers	51,300,880	3,807,961	24,816,659	79,925,500	78,940,119	985,382	98.8%
Acquisition Of Assets	4,320,000	9,386,351	-	13,706,351	8,182,073	5,524,279	59.7%
Other Payments	-	2,838,514	-	2,838,514	500,000	2,338,514	17.6%
Totals	137,088,879	19,364,234	45,088,879	201,541,992	191,087,454	10,454,538	94.8%

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

Explanatory Notes.

- (a) The revenue items exclude the AIA for the Year 2021/2022. The Constituency did not realise any AIA.
- (b) The adjustments comprise of funds for the Fiscal Year 2020/2021 not received as at 30th June 2021 (Kshs 45,088,879) and the Balance of the funds received but not utilised (Kshs. 19,364,234 Cash Book Balance).

Laisamis Constituency
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- (c) The Constituency had no over utilization during the year. The total utilization of the Annual budget stood at 95% depicted by more fund disbursement by NG-CDF board as compared to previous year.
- The Compensation of Employees scored a utilization percentage of 78% for the year. This result from a balance brought forward from previous years and fund didn't had any gratuity payable.
 - Use of goods and services had a utilization of 95% for the year.
 - Transfer to other Government Entities had a utilization of 99.7% and this originated from 100% disbursements of fund from board as at 30th June 2022.
 - Other Grants and Transfers stood at 99% with 100% disbursement of funds from board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	10,454,538
Less undisbursed funds receivable from the Board as at 30 th June 2022	0
	10,454,538
Add Accounts payable	2645244.12
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	13,099,782

The Constituency financial statements were approved on 7th September 2022 and signed by:

*Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*


Fund Account Manager

Name: Salim Hassan Hussein


National Sub-County Accountant

Name: David Kipsang
ICPAK M/No: 17634


Chairman NG-CDF Committee

Name: Edward Lesukat

Laisamis Constituency

National Government Constituencies Development Fund (NG-CDF)

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

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,270,000.00	847,835.72		3,117,836	2,440,536	677,300
1.2 Committee allowances	3,065,332.74	1,093,262.76		4,158,596	4,158,596	-
1.3 Use of goods and services	2,570,000.00	270,965.33	850,000.00	3,690,965	3,690,965	-
	7,905,333	2,212,064	850,000	10,967,397	10,290,097	677,300
2.0 Monitoring and evaluation						
2.1 Capacity building	1,000,000.00	204,896.50	1,100,000.00	2,304,897	1,676,094	628,802
2.2 Committee allowances	1,212,666.37	22,666.38		1,235,333	1,235,333	-
2.3 Use of goods and services	1,900,000.00	363,739.15		2,263,739	2,263,739	-
3.0 Emergency						
3.1 Primary Schools	7,192,207.00	22,371.69	805,206.04	8,019,785	8,015,000	4,785
3.2 Secondary schools						
3.3 Tertiary institutions						
3.4 Security projects						
4.0 Bursary and Social Security						
4.1 Primary Schools	19,308,672.89	189,793.55		19,498,466	19,498,466	
4.2 Secondary Schools	15,000,000.00	3,595,795.44		18,595,795	17,865,652	730,143
4.3 Tertiary Institutions						

Laisamis Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/B) and AIA	Previous Years' Outstanding Disbursements			
4.4 Universities	2021/2022					
4.5 Social Security						
5.0 Sports						
Laisamis Sport Activities			2,411,453.44	2,411,453	2,411,000	453
5.2						
5.3						
6.0 Environment						
Ngororoi Primary School	500,000.00			500,000	500,000	-
Losikirachi Primary school	500,000.00			500,000	500,000	-
Larachi primary school	500,000.00			500,000	500,000	-
Titus Ng'oyoni Primary School	500,000.00			500,000	500,000	-
Arapal Primary School	500,000.00			500,000	500,000	-
Merrille Police Road Block			500,000	500,000	500,000	-
7.0 Primary Schools Projects (List all the Projects)						
Civicon Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Arapal Primary School	2,500,000.00			2,500,000	2,500,000.00	-
Olturot Primary School	350,000.00			350,000	350,000.00	-
Santur Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Loglogo Primary School	1,000,000.00			1,000,000	1,000,000.00	-
Loglogo Primary School	1,000,000.00			1,000,000	1,000,000.00	-
Merrille Primary School	800,000.00			800,000	800,000.00	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Lontolio Primary School	1,000,000.00			1,000,000	1,000,000.00	-
Lontolio Primary School	800,000.00			800,000	800,000.00	-
Layieni El Mollo Primary School	2,000,000.00			2,000,000	2,000,000.00	-
Ndikir Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Marti Gudas Primary School	500,000.00			500,000	500,000.00	-
Kargi Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Gangeisa Primary School	500,000.00			500,000	500,000.00	-
Urweino Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Annalio Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Ririma Primary School	150,000.00			150,000	150,000.00	-
Ririma Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Kurkum Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Hadad Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Bagasi Primary School	500,000.00			500,000	500,000.00	-
Jija Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Arge Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Lbarok Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Kamboe Primary School	350,000.00			350,000	350,000.00	-
Faith Primary School	500,000.00			500,000	500,000.00	-
Lekuchula Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Tirim Primary School	1,500,000.00			1,500,000	1,500,000.00	-

Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
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Programme/Sub-programme	Original Budget	Adjustments	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
Mpagas Primary School	500,000.00			500,000	500,000.00	-
Burri Aramia Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Kannatonyi Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Nairibi Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Losidan Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Silapani Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Sakaradala Primary School	500,000.00			500,000	500,000.00	-
Tirgamo Primary School	2,000,000.00			2,000,000	2,000,000.00	-
Laisamis Primary School	200,000.00			200,000	200,000.00	-
Mercy Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Korr Primary School	5,500,000.00			5,500,000	5,500,000.00	-
Goborre Primary School	500,000.00			500,000	500,000.00	-
St. Dominic Savio Primary School	500,000.00			500,000	500,000.00	-
Ngurunit Primary School	400,000.00			400,000	400,000.00	-
Ngurunit Primary School	500,000.00			500,000	500,000.00	-
Ngurunit Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Sarima Primary School	1,500,000.00			1,500,000	1,500,000.00	-
Dadab Timalab Primary School(Gangeisa)			1,500,000.00	1,500,000	1,500,000	-
Bagasi Primary School(Gangeisa)			1,350,000.00	1,350,000	1,350,000	-
Arge Primary School			1,850,000.00	1,850,000	1,850,000	-

Laisamis Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Hafare Primary School	2021/2022			1,850,000.00	1,850,000	-
Goborre Primary School				1,350,000.00	1,350,000	-
Bagasi Primary School				1,000,000.00	1,000,000	-
Primary School			27,842.38	27,842		27,842
Korr primary school (Tanks)				1,422,219.83	1,422,220	272,220
Kambinye Primary School				500,000.00	500,000	-
Burri Aramia Primary School				1,850,000.00	1,850,000	-
Gudas primary school desk				150,000.00	150,000	-
8.0 Secondary Schools Projects (List all the Projects)						
Loiyangalani Secondary School	1,500,000.00			1,500,000	1,500,000.00	-
Merrile Mixed Day Secondary School	1,500,000.00			1,500,000	1,500,000.00	-
Korolle Boys Secondary School	4,500,000.00			4,500,000	4,500,000.00	-
Loglogo Mixed Day Secondary School	2,900,000.00			2,900,000	2,900,000.00	-
Loglogo Mixed Day Secondary School	2,000,000.00			2,000,000	2,000,000.00	-
Laisamis Secondary School	1,500,000.00			1,500,000	1,500,000.00	-
Loglogo Primary School-Loglogo Day Mixed Sec		500,200.00	4,500,000.00	5,000,200	5,000,000.00	200
Ngurunit Secondary School			1,000,000.00	1,000,000	1,000,000.00	-
Loiyangalani Secondary School	1,500,000.00			1,500,000	1,500,000.00	-
9.0 Tertiary institutions Projects (List all the Projects)						

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Programme/Sub-programme	Original Budget	Adjustments	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
9.1	2021/2022	Opening Balance (C/Bk) and AIA				
9.2						
9.3						
9.4						
10.0 Security Projects						
Kargi Administration Police Line	500,000.00			500,000	500,000	-
Gatab Chiefs Office	1,500,000.00			1,500,000	1,500,000	-
Mt Kulal Administration Police Post	800,000.00			800,000	800,000	-
Mt Kulal Administration Police Post	2,000,000.00			2,000,000	2,000,000	-
Laisamis Deputy County Commissioner office	1,000,000.00			1,000,000	1,000,000	-
Loglogo Assistant County Commissioner (ACC) Resident	1,500,000.00			1,500,000	1,500,000	-
Loglogo Police Post			500,000.00	500,000	250,000	250,000
Namarei AP line			2,000,000.00	2,000,000	2,000,000	-
Merille Police Road Block-Laisamis OCCPD PMC			500,000.00	500,000	500,000	-
Yell-Olturot Security Road PMC			3,000,000.00	3,000,000	3,000,000	-
Kurkum-Yell Security Road			4,500,000.00	4,500,000	4,500,000	-
Gatab Chief office			3,600,000.00	3,600,000	3,600,000	-
Ogicho-Kambinye Security Road			3,000,000.00	3,000,000	3,000,000	-
Larachi-Sarima Security Road			2,500,000.00	2,500,000	2,500,000	-

Laisamis Constituency
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Programme/Sub-programme	Original Budget	Adjustments	Previous Years' Outstanding Disbursements	Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
Loglogo Police Post	2021/2022	Operating Balance (C/BK) and AIA		1,500,000.00	1,500,000	1,500,000
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)						
11.2 Construction of CDF office	4,000,000.00			4,000,000	4,000,000	
11.2 Construction of CDF office	-	9,386,351	-	11,492,716	3,862,073	
11.3 Purchase of furniture and equipment						
11.4 Purchase of computers	320,000		-	320,000	320,000	-
11.5 Purchase of land						
12.0 Others						
12.1 Strategic Plan		500,000.00		500,000	500,000	-
12.2 Innovation Hub		2,338,513.60		2,338,514		2,338,513.60
12.2						
Funds pending approval**						
Total	137,088,879	19,364,234	45,088,879	201,541,992	191,087,454	10,454,538

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

XI. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 10th June 2021 for the period 1st July 2021 to 30th June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2022.

Significant Accounting Policies continued

14. Errors

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

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

15. Related Party Transactions

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

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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO. B 104732		20,000,000.00
AIE NO. A 823663		35,000,000.00
AIE NO. B 104822		14,367,724.10
AIE NO. B 124585		9,000,000.00
AIE NO. B 119536		8,500,000.00
AIE NO. B 119926		13,000,000.00
AIE NO. B 128167		6,900,000.00
AIE NO. B 128480		7,000,000.00
AIE NO. B 132224		6,000,000.00
AIE NO. B 138892		12,000,000.00
AIE NO. B 126186		7,000,000.00
AIE NO. B 126481		10,600,000.00
AIE NO. B 140624		12,000,000.00
AIE NO. B 105335	33,000,000.00	
AIE NO. B 105492	44,000,000.00	
AIE NO. B 105839	22,000,000.00	
AIE NO. B 128586	5,000,000.00	
AIE NO. B 128898	12,000,000.00	
AIE NO. B 154095	12,000,000.00	
AIE NO. B 164431	18,000,000.00	
AIE NO. B 155867	24,088,879.00	
AIE NO. B 155981	12,088,879.31	
TOTAL	182,177,758	161,367,724

2. Proceeds from Sale of Assets

Description	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-

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

3. Other Receipts

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

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,440,536.00	1,452,016
Personal allowances paid as part of salary	-	-
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	1,340,896
Employer Contributions Compulsory national social security schemes	-	-
Total	2,440,536.00	2,792,912

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	-	213,450
Electricity	-	-
Water & sewerage charges	-	-
Office rent	420,000.00	420,000
Communication, supplies and services	640,150.00	0
Domestic travel and subsistence	3,877,800.00	0
Printing, advertising and information supplies & services	-	0
Rentals of produced assets	-	-
Training expenses	1,560,000.00	2,205,000
Hospitality supplies and services	-	0
Other committee expenses	990,000.00	849,399
Committee allowance	4,020,000.00	6,007,800
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	80,000.00	0
Fuel , oil & lubricants	500,000.00	0
Other operating expenses	-	0
Bank service commission and charges	175,677.00	25,484
Other Operating Expenses	-	-

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Security operations	-	-
Routine maintenance - vehicles and other transport equipment	761,100.00	384,698
Routine maintenance- other assets	-	0
Total	13,024,727.00	10,105,831

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Notes to The Financial Statements (Continued)

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools	68,100,000.00	39,475,000
Transfers To Secondary Schools	19,900,000.00	9,000,000
Transfers To Tertiary Institutions	-	-
Total	88,000,000.00	48,475,000

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools	19,498,466.44	24,323,000
Bursary – tertiary institutions	17,865,652.09	21,442,662
Bursary – special schools	-	-
Mock & CAT	-	-
Social Security programmes (NHIF)	-	-
Security projects	28,150,000.00	11,900,000
Sports projects	2,411,000.00	2,459,385
Environment projects	3,000,000.00	2,000,000
Emergency projects	8,015,000.00	6,663,900
Total	78,940,118.53	68,788,947

8. Acquisition of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	7,862,072.68	18,957,284
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	320,000.00	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	8,182,072.68	18,957,284

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Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	500,000.00	-
ICT Hub	-	-
	500,000.00	-

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)	13,099,782.19	21,470,599
<i>Kenya Commercial Bank, Marsabit Branch. Laisamis NG-CDF A/C no.1102625191</i>		
Total	13,099,782.19	21,470,599
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

11: Outstanding Imprests

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

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

Notes to the Financial Statement Continued

12A. Retention

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)	2,106,365	-
Retention held during the year (B)	538,879.27	2,106,365
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	2,645,244	2,106,365

[Provide short appropriate explanations as necessary.]

12B. Gratuity

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

[Provide short appropriate explanations as necessary]

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	19,364,234	9,222,849
Cash in hand	-	-
Imprest	-	-
Total	19,364,234	9,222,849

[Provide short appropriate explanations as necessary]

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14. Prior Year Adjustments

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

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

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	2,106,365	-
Deposit and Retentions held during the year (B)	538,879.27	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	2,645,244.12	-
Changes in Accounts Payable E= D-E	538,879.27	-

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

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

17.2: Pending Staff Payables (See Annex 2)

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

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	677,300	-
Use of goods and services	628,802	1,100,000.00
Amounts due to other Government entities	300,262	19,172,219.83
Amounts due to other grants and other transfers	985,382	24,816,659.48
Acquisition of assets	5,524,279	-
Funds pending approval	-	-
Total	10,454,538	45,088,879

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	9,792,576.75	25,165,486.75
Total	9,792,576.75	25,165,486.75

Laisamis Constituency

National Government Constituencies Development Fund (NG-CDF)

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

Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

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

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees		677,300		
Use of goods & services	NG-CDFC and PMC Capacity Building	628,802	1,100,000.00	
Amounts due to other Government entities				
Proposed Gaborre Primary School	Construction of one classroom @1.2M, supply of 20 metal frame desk @150,000, Installation of pipes, gutters @20,000 and water tank 10,000L with Septic concrete slab @130,000 to completion		1,500,000.00	
Proposed Burri Aramia primary School	Construction of one classroom @1.2M, supply of 20 metal frame desk @150,000, Installation of pipes, gutters @20,000 and water tank 10,000L@130,000, Construction of one double door toilet@500,000 to completion		2,000,000.00	
Proposed Hafare Primary School	Construction of one classroom @1.2M, supply of 20 metal frame desk @150,000, Installation of pipes, gutters @20,000 and water tank 10,000L@130,000, Construction of one double door toilet@500,000 to completion		2,000,000.00	
Tirrim Primary School	Fencing of 900 metres length with metallic poles and barbed wires, wide steel gate on a concrete post to completion		1,500,000.00	
Proposed Dadab Timalab Primary School	Fencing of 900 metres length with metallic poles and barbed wires, wide steel gate on a concrete post to completion		1,500,000.00	
Arge Primary School	Construction of one classroom @1.2M, supply of 20 metal frame desk @150,000, Installation of pipes, gutters @20,000 and water tank 10,000L@130,000, Construction of one double door toilet@500,000 to completion		2,000,000.00	
Proposed Bagasi Primary School	Construction of one classroom @1.2M, supply of 20 metal frame desk @150,000, Installation of pipes,		1,500,000.00	

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Proposed Bagasi Primary School	gutters @20,000 and water tank 10,000L with Septic concrete slab @130,000 to completion Construction of 2 No. double door pit latrines for teachers and students to completion		1,000,000.00	
Marti Primary School	Renovation of 5 classrooms :walling,Painting, Plastering,Flooring, installation of pipes,gutters and water tank 10,000L to completion (school closed down due to poor infrastructure by Ministry of Education)		250,000.00	
Proposed Gudaa Primary School	Construction of one classroom @1.2M, supply of 20 metal frame desk @150,000, Installation of pipes, gutters @20,000 and water tank 10,000L with Septic concrete slab @130,000 to completion		300,000.00	
Proposed Kambingye Primary School	Construction of one double door pit latrines to completion		122,219.83	
Loglogo Mixed Day Secondary School	Construction of administration block:Principal office,Deputy office, store and staff room @4,500,000 to completion		4,500,000.00	
Ngurunit Secondary School	Installation of piping system 2KM distance @900,000 and water storage tank 10,000L @100,000		1,000,000.00	
Laisamis Primary School	desk	300,262		
Sub-Total		300,262.21	19,172,219.83	
Amounts due to other grants and other transfers				
Loglogo Police Post	double pit latrine	250,000		
Emergency Reserve	To cater for any unforeseen occurrences in the constituency during the financial year	4,785	805,206.04	
Sports Activities	Purchase of sports kits i.e.100 number Balls,10 number trophies, 300 piece full branded uniforms kit for the following registered team	453	2,411,453.44	
Merville Police Road Block-Environment Activities	Construction of one double door pit latrines to completion		500,000.00	

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Namarei Police Post	Construction of 1 unit 3 rooms staff quarters @1.5M and one double door toilet @500,000		2,000,000.00	
Merrile Police Road Block	Construction of one double door pit latrines to completion		500,000.00	
Gudas Administration Police Post	Construction of 1 unit 3 rooms staff quarters @1.5M and one double door toilet to completion@500,000		2,000,000.00	
Gatab Chiefs Office	Construction of Gatab chiefs office with 3 offices including one boardroom,2,700,000, one double door pit latrines @550,000, Supply and deliver Executive Table and boardroom table,Executive Chairs.10 steel framed chairs with high density Cushion on seat cover and fix 3 wooded book cabinet@350,000 to completion		3,600,000.00	
Kurkum - Yell Security Road	Opening Up of new Security Road covering 28 KM; Bush Clearing and Removal of Boulders to Completion.		4,500,000.00	
Yell-Olturot Security Road	Opening Up of new Security Road covering 18 KM; Bush Clearing and Removal of Boulders to Completion.		3,000,000.00	
Ogicho-Kambinye Security Road	Opening Up of new Security Road covering 18 KM; Bush Clearing and Removal of Boulders to Completion.		3,000,000.00	
Larachi-Sarina Security Road	Opening Up of new Security Road covering 16 KM; Bush Clearing and Removal of Boulders to Completion.		2,500,000.00	
Bursary and Social Security		730,143		
Sub-Total		985,381.52	24,816,659.48	
Acquisition of assets				
NG-CDF office	Construction of NG-CDFC office	5,524,279		
Others (specify)				
ICT HUB	ICT HUB innovation	2,338,514		

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Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Sub-Total		7,862,792.39		
Funds pending approval				
Grand Total		10,454,538.07	45,088,879.31	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land				
Buildings and structures				
Transport equipment	9,925,000.00			9,925,000.00
Office equipment, furniture and fittings	287,000			287,000
ICT Equipment, Software and Other ICT Assets	709,508.00	320,000.00		1,029,508.00
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	10,921,508			11,241,508

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Annex 5 –PMC Bank Balances as at 30th June 2022

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Amalio Primary School	KCB	1239233736	8,308.00	1,920.00
Arapal AP Post	KCB	1266817859	10,738.00	9,464.00
Balah Primary School	KCB	1239971761	299,514.00	1,500,000.00
Faith Primary School	KCB	1239536119	972.00	1,218.00
Farakoren primary School	KCB	1127935127	1,013.35	1,139.35
Gangeisa Primary School	KCB	1239556063	158,167.00	151,714.00
Gatab Primary School	KCB	1267525355	2,034.00	2,160.00
Guuram Primary School	KCB	1240288018	644.00	770
Hadad Primary School	KCB	1240018657	1,500,000.00	24
Jijja Primary School	KCB	1254913556	2,000,872.00	500,998.00
Kamboe Primary School	KCB	1267666846	329.00	201,175.00
Kargi AP Line	KCB	1252310323	5,861.00	1,926,487.00
Kargi Primary School	KCB	1249754291	3,225.00	400
Korolle Boys Secondary School	KCB	1149510730	6,199.00	6,445.00
Korr AP Line	KCB	1271960133	4,099.00	502,634.00
Korr Day Mixed Secondary School	KCB	1259723771	801,161.00	3,500,038.00
Kulal Girls Secondary School	KCB	1252511949	1,494.00	1,494.00
Laisamis Primary School	KCB	1266559639	729.00	855

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PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
Laisamis Sport Activities	KCB	1246856883	353.00	1,679.00
Lbarok Primary School	KCB	1261423267	1,924.00	290
Lependera Primary School	KCB	1240270003	4,868.00	2,002,230.00
Loglogo Muslim Primary School	KCB	1258915499	143,818.00	1,499,984.00
Loglogo Primary School	KCB	1254931287	1,000,724.00	230
Loiyangalani DCC	KCB	1281606189	502,394.00	1,640.00
Losikiriachi Primary School	KCB	1286633761	500,754.00	1,500,000.00
Marti Primary School	KCB	1249923034	153,698.00	1,140.00
Merille Mixed Day Secondary School	KCB	1259948129	1,026.00	4,502,208.00
Merille primary School	KCB	1286403928	3,474.00	681,800.00
Ndikir Primary School	KCB	1252146531	1,502,161.00	2,000,109.00
Ngororoi Primary School	KCB	1239868367	501,843.00	644,769.00
Oltorot AP Line	KCB	1285185560	514.00	1,500,000.00
St. Dominic Savio Primary School	KCB	1141410664	668,698.40	2,023,778.40
Ulauli Primary School	KCB	1265720037	968.00	496,694.00
TOTAL			9,792,576.75	25,165,486.75

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
LAISAMIS NG-CDF IS YET TO RECEIVE FINAL CERTIFICATE FOR AUDITED REPORT OF FY: 2020/2021 AS AT 1 ST SEPTEMBER 2022				

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 SALIM HASSAN HUSSEIN
 FUND ACCOUNT MANAGER