

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

REPORT

OF

THE AUDITOR-GENERAL

ON

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

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

PARLIAMENT
OF KENYA
LIBRARY

NATIONAL ASSEMBLY

DATE: 10 AUG 2023

THURS

Hon Owen Bayo, MP
Deputy Leader, majority party
Gertinde chebet



TESO SOUTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT
FUND

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
30th JUNE 2022

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

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I. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Edwin K.Serem
2.	Sub-County Accountant	Duke Ongera
3.	Chairperson NGCDFC	Christine Omina
4.	Member NGCDFC	Alawiya Otwane

(d) Fiduciary Oversight Arrangements

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

P.O. Box 19-50403

NGCDF Building
Amukura, KENYA

(f) Teso South Constituency NGCDF Contacts

Telephone: (254) 768950894
E-mail: cdftesosouth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Teso South Constituency NGCDF Bankers

Equity Bank of Kenya (0780261905493)
Busia Branch
P.o Box 553-50400,
BUSIA

(h) Independent Auditors

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

(i) Principal Legal Adviser

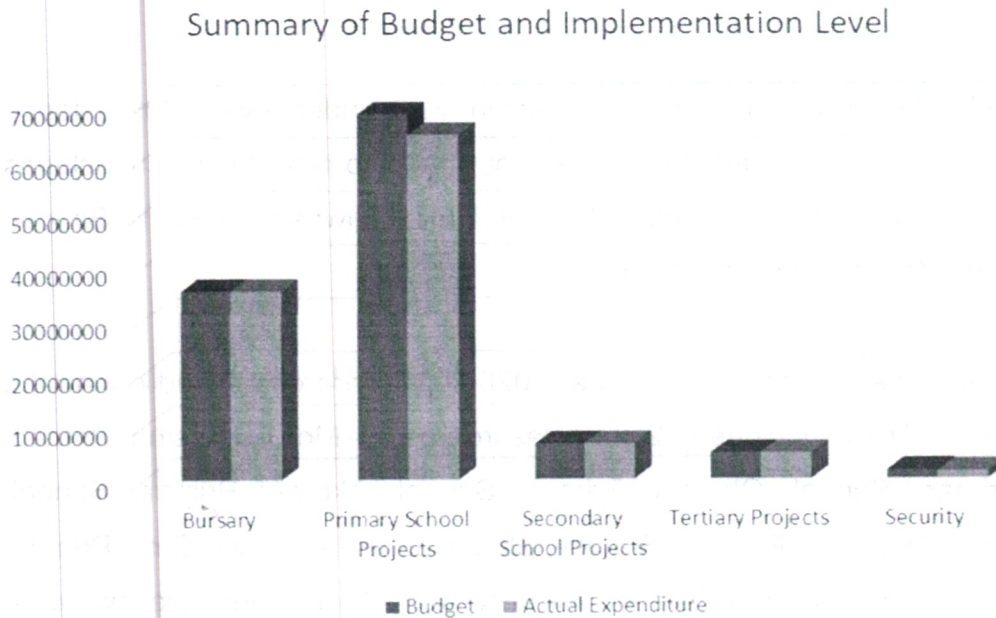
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

II. NG-CDFC Chairperson's Report



The financial year 2021/2022 that ended on 30th June 2022 was a great success in terms of implementation of the various projects within the constituency. The table below shows a summary of the budget and the implementation level

No	SECTOR	BUDGET	ACTUAL EXPENDITURE
1.	Bursary	35,500,000	35,491,510
2.	Primary School Projects	68,600,000	64,711,121
3.	Secondary School Projects	6,800,000	6,800,000
4.	Tertiary Institution Projects	5,000,000	5,000,000
5.	Security Projects	1,700,000	1,500,000



From the above analysis, the performance of Teso South NG-CDF has been exemplary and this is as a result of teamwork among the NG-CDFC and the various stakeholders. We intend to perform better in the coming financial year so that the residents of Teso South can get the value for money and better services.

During the financial year under review, Teso South NGCDF Committee achieved quite a lot key among them are listed below;

- I. Teso South NGCDF constructed Pit-latrines across various schools within the constituency thereby improving their sanitary conditions.
- II. Morden classrooms complete with tiles were constructed and renovated for both primary schools and secondary schools across the constituency. The students and teachers are now able to learn under conducive environment.

III. Bursaries were issued to over 5,000 needy students across the constituency. The students were able to learn without interruption.

Key Achievements

Teso South NGCDF achieved so much during the financial year under review, for instance we were able to make tremendous progress in some of our flagship projects which includes the likes of 2 storey buildings in Kaliwa Primary School, Busia Township Primary School, Kotur Primary School and Kochek Primary School.

A number of classrooms started in the financial year 2020/2021 were completed during the 2021/2022 financial year. These included; 2 no. classrooms at Morukamosing Primary School, Keriamata Primary School, Otimong Primary School, Akoreet Primary School, Ongaroi Primary School, Obucuun Primary School, St. Joseph's Amukura Girls Primary School, Morukeyan Primary School and Okisimo Primary School. Furthermore, we were able to complete the construction of 4 classrooms at Kamunoi Primary School, St. Pius Katelynyang primary School and Osuret Primary School, all of which were began during this financial year.

We also managed to complete the construction of 4 classrooms in Kabosokipi Primary School after receiving the additional funds during the financial year.

Key projects under security were completed as well, for example the Lukolis Division Assistant County Commissioner's office.

Under environment & sanitation, we were able to construct and complete a 4 door pit latrine in Kwangamor Primary School, a 4 door pit latrine in Aterait Primary School, a 4 door pit latrine in Opokoto Primary School, a 4 door pit latrine in Akatagoroit Primary School, and a 6 door pit latrine in St. Mark Machakusi Girls Secondary School.

We were able to conduct a successful bursary disbursement exercise despite the increase in number of applicants across the constituency.

The following are some of the best projects that Teso South NGCDF Committee implemented during the financial year under the review;



Figure 1: Kamunoit Primary School – Construction of 4 no. classrooms



Figure 2: St. Pius Katelenyang Primary School – Construction of 4 no. classrooms with Administration Block

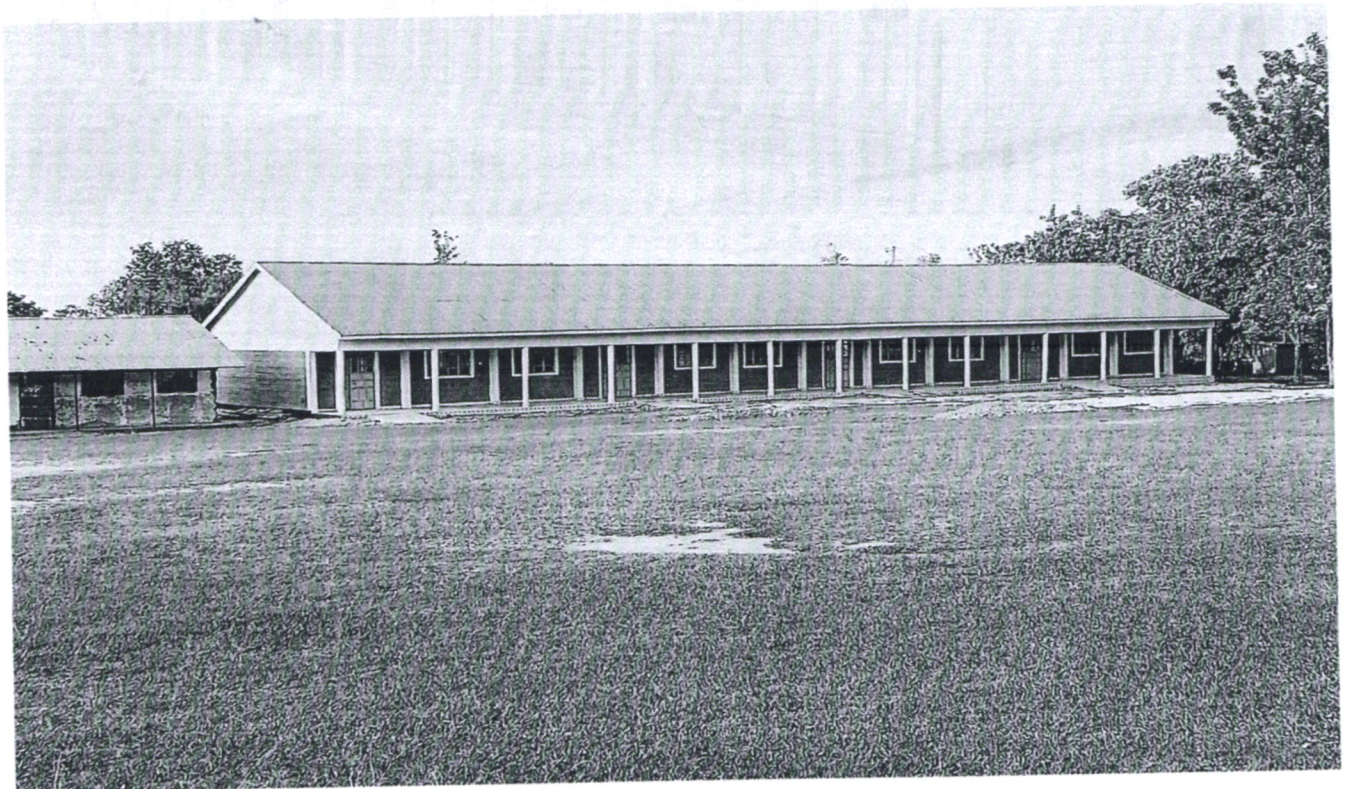


Figure 3: Osuret Primary School – Construction of 4 no. classrooms



Figure 4 Ongoing two-storey building at Kaliwa Primary School

Emerging Issues

During the financial year under review, the following were the emerging issues that the NGCDFC had to handle;

- I. The campaign period which kicked off towards the end of the financial year that affected the pace at which various projects were being undertaken.
- II. The new Competency Based Curriculum (CBC) programme which increased demand for infrastructure in the various secondary schools within the constituency.

Challenges

Major challenges faced by the Fund include;

- 1) Delay in disbursement of funds from the board.
- 2) Infrastructural demands being higher than the amount allocated as a result of the Covid 19 pandemic and the new CBC programme which requires the schools to have more classrooms and sanitation.
- 3) Inadequate capacity of the project management committee.

Way forward

Board needs to release funds in good time, secondly the Board needs to lobby for increase of funding to every constituency and finally the various institutions need to lobby for funding from other agencies including the NGOs to avoid overreliance on the NGCDF funding.



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**Name: Judith Otieng
CHAIRPERSON NGCDF COMMITTEE**

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

Introduction

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

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

a) Education.

Objective: Improve the academic performance, infrastructure and the enrolment rate in all learning institutions.

Initiative: Infrastructure has been improved in schools through construction of modern classrooms housing 45 students each and purchase of land for schools which required land expansion.

Bursaries have been awarded to needy students in various learning institutions.

b) Security.

Objective: Improve the overall security of all residents and reduce crimes.

Initiative: Chiefs offices have been constructed in several locations.

Funds have been allocated for installation of solar lighting

c) Environment & Sanitation.

Objective: Increase access to safe water, improved sanitation and conservation of natural resources.

Initiative: Modern pit latrines have been constructed in several learning institutions in order to improve of sanitation.

Wooden desks have been purchased for several primary schools to curb the spread of jiggers in schools.

d) Electrification.

Objective: Improve accessibility and access to electricity for continued economic development.

Initiative: Teso South NG-CDFC had a memorandum of understanding with Rural Electrification Authority for mutual funding in provision of electricity maximization in rural areas, funded in faces to several identified villages.

e) Disaster management

Objective: Ensure transparent, accountable, responsive governance and sustainable use of public resources.

Initiative: Most schools within the constituency have benefited through emergency fund in situations where their pit latrines collapsed due to rains.

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:

Constituen cy Sector	Objective	Outcome	Indicator	Performance
Education	To improve the academic,	Increased enrolment in	number of usable physical	-A number of classrooms which were started in the

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	performance, infrastructure and the enrolment rate in all the learning institutions	primary schools and improved transition to secondary schools and tertiary institutions	infrastructure build in primary, secondary, and tertiary institutions. number of bursary's beneficiaries at all levels	financial year 2020/2021 were completed in the current financial year. These included; 2 no. classrooms in Morukamosing Primary School, Keriamata Primary School, Otimong Primary School, Akoreet Primary School, Ongaroi Primary School, Obucuun Primary School, St. Joseph's Amukura Girls Primary School, Morukeyan Primary School and Okisimo Primary School. At the same time, classrooms budgeted for the financial year 2021/2022 also progressed. This included 4 classrooms at Osuret Primary School, 3 classrooms at Aderema Primary School, 4 classrooms at Kamunoi Primary School. -During the financial year we supplied 100 desks to 3 schools within the constituency namely, Kochek Primary School, Okame Primary School and Papa Primary School. -over 3000 students benefited from bursary at all levels.
Security	Improve the overall security of all residents and reduce crimes.	Enhanced presence of security personnel	% coverage of security personnel and Number of facilities constructed	We increased the security infrastructure by completing the construction of lukolis Division ACC's Office.
Environment	Increase access to safe water, improved sanitation and conservation of natural	Clean environment conducive for humanity Access to water	Water pump and the number of pit latrines constructed.	-Pit latrines of four doors each have been constructed in 21 schools across the constituency.

	resources.			
Emergency	To cater for unforeseen events		Presence of physical infrastructure constructed in various institutions.	-We constructed emergency pit latrines in various institutions during the financial year. Some of these include Akatagorait Primary School (4 door pit latrine), Kwangamor Primary School (4 door pit latrine) and St. Mark Machakusi Secondary School (6 door pit latrine).

IV. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Teso South 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 that arose from the effects of Covid- 19 that 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

Environmental Context: The Constituency is abundantly endowed with environmental resources namely: water, fertile soils, hills, natural building materials, vegetation and clean air. One emerging issue that needs to be mitigated is increased pressure on land, NG-CDFC has facilitated conservation and preservation of these resources to avoid adverse depletion by allocating adequate fund through planting of tree seedlings.

NG-CDFC have also ensured there is adequate pit latrines in schools for purpose of sanitation and clean environment.

Teso South NG-CDFC have sensitized the members of the public on the importance of conserving the environment for example avoiding sand harvesting along the river banks.

3. Employee welfare

We invest in providing the best working environment for our employees. Teso South NG-CDF 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 are 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. Teso South NG-CDF 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-

Teso South NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

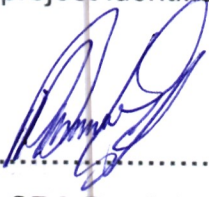
The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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



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

The Accounting Officer in charge of the NGCDF-Teso South Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Teso South 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.

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

Approval of the financial statements

The NGCDF- Teso South Constituency financial statements were approved and signed by the Accounting Officer on 16/09/2022.



.....
Name: Judith Otieng
Chairperson – NGCDF Committee



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Name: CPA Patrick Lidovolo
Fund Account Manager



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Enhancing Accountability

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of the National Government Constituencies Development Fund – Teso South Constituency set out on pages 27 to 70, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the

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

statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Transfers from National Government Constituencies Development Fund Board

The summary statement of appropriation reflects Transfers from National Government Constituencies Development Fund Board amount of Kshs.171,912,773 which differs from the amount of Kshs.170,088,879 reflected in the statement of receipts and payments. The variance of Kshs.1,823,894 has not been explained or reconciled.

In the circumstances, the accuracy and completeness of the summary statement of appropriation could not be confirmed.

2. Unsupported Transfers to Other Government Units

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects an amount of Kshs.104,022,276 in respect of transfers to other Government units. However, supporting documents including ledgers and schedules were not provided for audit review.

In the circumstances, the accuracy and completeness of transfers to other Government units amount of Kshs.104,022,276 could not be confirmed.

3. Construction of Classrooms at Kabosokipi Primary School

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflect transfers to other Government units of Kshs.104,022,276 which includes an amount of Kshs.88,922,276 in respect of transfers to primary schools which further includes an amount of Kshs.4,298,010 disbursed to Kabosokipi Primary School for construction of four (4) classrooms. The contract was awarded to a local company at a contract sum of Kshs.4,298,010. However, supporting documents including expenditure returns, procurement records, inspection and acceptance reports and interim payment certificates were not provided for audit review.

In the circumstances, the propriety of the expenditure of Kshs.4,298,010 could not be confirmed.

4. Unsupported Expenditure on Compensation of Employees

The statement of receipts and payments and as disclosed in Note 4 to the financial statements reflects an amount of Kshs.3,124,026 in respect of compensation of employees. However, supporting documents including ledgers and payrolls were not provided for audit review.

In the circumstances, the accuracy and completeness of compensation of employees amount of Kshs.3,124,026 could not be confirmed.

5. Unsupported Other Grants and Transfers

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects an amount of Kshs.45,872,633 in respect of other grants and transfers. However, supporting documents including ledgers were not provided for audit review.

In the circumstances, the propriety of other grants and transfers amount of Kshs.45,872,633 could not be confirmed.

6. Unsupported Gratuity

The statement of assets and liabilities and as disclosed in Note 12B to the financial statements reflects a balance of Kshs.791,870 in respect of gratuity. However, Note 17.2 and Annex 2 to the financial statements reflect gratuity balances of Kshs.538,544 resulting to a difference of Kshs.253,326 which has not been explained or reconciled.

In the circumstances, the accuracy and completeness of gratuity balance of Kshs.791,870 could not be confirmed.

7. Unsupported Project Management Committee (PMC) Account Balances

Note 17.4 to the financial statements reflects a balance of Kshs.22,938,920 under PMC bank account balances which as disclosed in Annex 5 represents account balances held by various Project Management Committees in one hundred and six (106) bank accounts. However, cash books, bank confirmations certificates and bank reconciliation statements were not provided to support the balances.

In the circumstances, the accuracy and completeness of the balance of Kshs.22,938,920 could not be confirmed

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund – Teso South Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the

ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects receipts budget and actual on comparable basis amount of Kshs.184,078,652 and Kshs.171,989,773 respectively, resulting to under-funding of Kshs.12,088,879 or 7% of the budget.

Similarly, the statement reflects actual expenditure of Kshs.164,638,934 against approved budget of Kshs.184,078,652 resulting to under-performance of Kshs.19,439,718 or 11% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and 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 intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Because of its inherent limitations, internal control may not prevent or detect misstatements and instances of 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the

financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

10 July, 2023

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


	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers from NGCDF Board	1	170,088,879	161,367,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	77,000	55,000
Total Receipts		170,165,879	161,422,724
Payments			
Compensation of Employees	4	3,124,026	2,898,522
Use of Goods and Services	5	11,619,999	11,725,544
Transfers to Other Government Units	6	104,022,276	65,000,000
Other Grants and Transfers	7	45,872,633	76,133,340
Acquisition of Assets	8	-	96,900
Other Payments	9	-	5,000,000
Total Payments		164,638,934	160,854,307
Surplus/(Deficit)		5,526,945	568,418

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 16/09/2022 and signed by:


Fund Account Manager

Name: CPA Patrick
Lidovolo
ICPAK M/No:


National Sub-County
Accountant

Name: CPA Michael Ogola
ICPAK M/No:


Chairperson NG-CDF
Committee

Name: Judith Otieng




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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	8,142,709	2,077,220
Cash Balances (Cash at Hand)	10B	-	-
Total Cash and Cash Equivalents		8,142,709	2,077,220
Accounts Receivable			
Outstanding Imprests	11	-	-
Total Financial Assets		8,142,709	2,077,220
Financial Liabilities			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	791,870	253,326
Total Financial Liabilities		791,870	253,326
Net Financial Assets		7,350,839	1,823,894
Represented By			
Fund Balance B/Fwd	13	1,823,894	1,255,477
Prior Year Adjustments	14	-	-
Surplus/Deficit for The Year		5,526,945	568,418
Net Financial Position		7,350,839	1,823,894

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 16/09/2022 and signed by:



Fund Account Manager



National Sub-County
Accountant



Chairperson NG-CDF
Committee

Name: CPA Patrick
Lidovolo
ICPAK Member Number.

Name: CPA Michael Ogola
ICPAK M/No:

Name: Judith Otieng

IX.



Statement of Cash Flows for the Year Ended 30th June 2022


	Notes	2021 - 2022	2020 - 2021
		Kshs	Kshs
Receipts from Operating Activities			
Transfers from NGCDF Board	1	170,088,879	161,367,724
Other Receipts	3	77,000	55,000
Total Receipts		170,165,879	161,422,724
Payments			
Compensation of Employees	4	3,124,026	2,898,522
Use of Goods and Services	5	11,619,999	11,725,544
Transfers to Other Government Units	6	104,022,276	65,000,000
Other Grants and Transfers	7	45,872,633	76,133,340
Other Payments	9	-	5,000,000
Total Payments		164,638,934	160,757,407
Total Receipts Less Total Payments		5,526,945	665,317
Adjusted For:			
Decrease/(Increase) In Accounts Receivable	15	-	-
Increase/(Decrease) In Accounts Payable	16	538,544	253,326
Prior Year Adjustments	14	-	-
Net Cash Flow from Operating Activities		6,065,489	918,643
Cashflow From Investing Activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(-)	96,900
Net Cash Flows from Investing Activities		-	(96,900)
Net Increase in Cash and Cash Equivalent		6,065,489	821,743
Cash & Cash Equivalent at Start of The Year	10	2,077,220	1,255,477
Cash & Cash Equivalent at End of The Year	10	8,142,709	2,077,220

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 16/09/2022 and signed by:



Fund Account Manager



National Sub-County Accountant

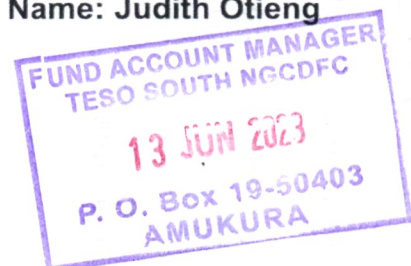


Chairperson NG-CDF Committee

Name: CPA Patrick Lidovolo
ICPAK Member Number.

Name: CPA Michael Ogola
ICPAK M/No:

Name: Judith Otieng



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

Receipts/Payments	Original Budget a	Adjustments b		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements				
Receipts	2021/2022			2021/2022	30/06/2022		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	1,823,894	45,088,879	184,001,652	171,912,773	12,088,879	93.4 %
Proceeds from Sale of Assets	-	-	-	-	-	-	0 %
Other Receipts (AIA)	-	77,000	-	77,000	77,000	-	100 %
Totals	137,088,879	1,900,894	45,088,879	184,078,652	171,989,773	12,088,879	93.4 %
Payments							
Compensation of Employees	2,650,000	473,993	66	3,124,059	3,124,026	33	100 %
Use of Goods and Services	9,646,672	1,044,901	928,426	11,619,999	11,619,999	-	100 %
Transfers to Other Government Units	80,400,000	250,000	39,350,000	120,000,000	104,022,276	15,977,724	86.7 %
Other Grants and Transfers	44,392,207	-	4,810,387	49,202,594	45,872,633	3,329,961	93.2 %
Acquisition of Assets	-	-	-	-	-	-	0 %
Other Payments	-	-	-	-	-	-	0 %
Funds Pending Approval** (AIA)	-	132,000	-	132,000	-	132,000	0 %
Totals	137,088,879	1,900,894	45,088,879	184,078,653	164,638,934	19,439,718	89.4 %

i. 86.7% underutilization of Transfers to other Government units is due to delay in funds from the board

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities

Description	Amount
Budget utilisation difference totals	19,439,718
Less undispursed funds receivable from the Board as at 30 th June 2022	(12,088,879)
Add Accounts payable	7,350,839
Less Accounts Receivable	791,870
Add/Less Prior Year Adjustments	(0)
Cash and Cash Equivalents at the end of the FY 2021/2022	8,142,709

The Constituency financial statements were approved on 16/09/2022 and signed by:

 Fund Account Manager
 National Sub-County Accountant
 Chairperson NG-CDF Committee

Name: CPA Patrick Lidovolo Name: CPA Michael Ogola Name: Judith Otieng
 ICPAK Member Number: ICPAK M/No:

FUND ACCOUNT MANAGER
 TESO SOUTH NGCDFC
 13 Jun 2023
 P. O. Box 19-50403
 AMUKURA

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,650,000	473,993	66	3,124,059	3,124,026	33
1.2 Committee allowances	1,800,000	-	-	1,800,000	1,800,000	-
1.3 Use of goods and services	3,734,006	1,044,901	900,000	5,678,907	5,678,907	-
Total	8,184,006	1,518,894	900,066	10,602,966	10,602,933	33
2.0 Monitoring and evaluation						
2.1 Capacity building	2,000,000	-	-	2,000,000	2,000,000	-
2.2 Committee allowances	1,000,000	-	-	1,000,000	1,000,000	-
2.3 Use of goods and services	1,112,666	-	28,426	1,141,093	1,141,093	-
Total	4,112,666	-	28,426	4,141,093	4,141,093	-
3.0 Emergency						
3.1 Primary Schools						
3.11 Akatagorait Primary School	400,000	-	-	400,000	400,000	-
3.12 Kamarinyang Primary School	250,000	-	-	250,000	250,000	-
3.13 Kwangamor Primary	400,000	-	-	400,000	400,000	-

Teso South Constituency

National Government Constituencies Development Fund (NGCDF)

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School								
3.14 Aterait Primary School	400,000	-	-	400,000	400,000	-		-
3.15 Papa Primary School	400,000	-	-	400,000	400,000	400,000		-
3.16 Opokoto Primary School	400,000	-	-	400,000	400,000	400,000		-
3.2 Secondary schools								
3.21 St. Mark Machakusi Secondary School	650,000	-	-	650,000	650,000	650,000		-
3.22 Kodedema Girls Secondary School	600,000	-	-	600,000	600,000	600,000		-
3.23 St. Paul's Amukura Girls Secondary School	50,000	-	-	50,000	50,000	50,000		-
3.3 Tertiary institutions								
3.4 Security projects								
3.41 Teso South DCC Office	100,000	-	-	100,000	100,000	100,000		-
3.42 Teso South DCC Office	100,000	-	-	100,000	100,000	100,000		-
3.43 Teso South DCC Office	400,000	-	-	400,000	400,000	400,000		-
3.5 Unutilized								
3.51 Unutilized	3,042,207	-	-	3,042,207	-	-		3,042,207
3.52 Unutilized	-	-	79,264	79,264	79,264	-		79,264
Total	7,192,207	0	79,264	7,271,471	4,150,000	3,121,471		
4.0 Bursary and Social Security								
4.1 Primary Schools	23,500,000	-	131,123	23,631,123	23,631,123	-		-
4.2 Secondary Schools	12,000,000	-	-	12,000,000	11,991,510	8,490		
4.3 Tertiary Institutions								
4.4 Universities								
4.5 Social Security								
Total	35,500,000	-	131,123	35,631,123	35,622,633	8,490		
5.0 Sports								

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6.0 Environment										
7.0 Primary Schools Projects (List all the Projects)										
7.1 Aderema Primary School	3,300,000	-	-	3,300,000	3,300,000	-	3,300,000	3,300,000	-	-
7.2 Busia Township Primary School	11,000,000	-	-	11,000,000	11,000,000	-	11,000,000	11,000,000	-	-
7.3 Kaliwa Primary School	20,000,000	-	-	20,000,000	16,811,121	-	20,000,000	16,811,121	3,188,879	-
7.4 Kamunoit Primary School	4,400,000	-	-	4,400,000	4,400,000	-	4,400,000	4,400,000	-	-
7.5 Kochek Primary School	11,000,000	-	-	11,000,000	11,000,000	-	11,000,000	11,000,000	-	-
7.6 Kochek Primary School	350,000	-	-	350,000	350,000	-	350,000	350,000	-	-
7.7 Kotur Primary School	11,000,000	-	-	11,000,000	11,000,000	-	11,000,000	11,000,000	-	-
7.8 Kwangamor Primary School	350,000	-	-	350,000	350,000	-	350,000	350,000	350,000	-
7.9 Okame Primary School	350,000	-	-	350,000	350,000	-	350,000	350,000	-	-
7.10 Okatekok Primary School	1,000,000	-	-	1,000,000	1,000,000	-	1,000,000	1,000,000	-	-
7.11 Okook Primary School	350,000	-	-	350,000	350,000	-	350,000	350,000	350,000	-
7.12 Osuret Primary School	4,400,000	-	-	4,400,000	4,400,000	-	4,400,000	4,400,000	-	-
7.13 Kabosokipi Primary School	1,100,000	-	-	1,100,000	1,100,000	-	1,100,000	1,100,000	-	-
7.14 Papa Primary School (Reallocation from Angorom Chief's Office, 250,000 & Emergency, 100,000)	-	250,000	100,000	350,000	350,000	-	350,000	350,000	-	-
7.15 Aderema Primary School	-	-	200,000	200,000	200,000	-	200,000	200,000	-	-
7.16 Akoret Primary School	-	-	2,200,000	2,200,000	2,200,000	-	2,200,000	2,200,000	-	-
7.17 Amukura Girls Primary School	-	-	1,511,155	1,511,155	1,511,155	-	1,511,155	1,511,155	-	-

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7.18Amukura Girls Primary School	-	-	688,845	688,845	688,845	-
7.19Apegei Special Primary School	-	-	550,000	550,000	550,000	-
7.20Kamarinyang Primary School	-	-	2,000,000	2,000,000	2,000,000	-
7.21Morukeyan Primary School	-	-	2,200,000	2,200,000	2,200,000	-
7.22Obucuun Primary School	-	-	2,200,000	2,200,000	2,200,000	-
7.23Okisimo Primary School	-	-	2,200,000	2,200,000	2,200,000	-
7.24Ongaroi Primary School	-	-	2,200,000	2,200,000	2,200,000	-
7.25Otimong Primary School	-	-	2,200,000	2,200,000	2,200,000	-
7.26Kochek Primary School	-	-	400,000	400,000	400,000	-
7.27Kotur Primary School	-	-	5,311,155	5,311,155	5,311,155	-
7.28Amerikwai Primary School	-	-	3,000,000	3,000,000	-	3,000,000
7.29Asiriam Primary school	-	-	2,000,000	2,000,000	-	2,000,000
7.30Omoloi Primary School	-	-	2,200,000	2,200,000	-	2,200,000
7.31Ongariama Primary School	-	-	2,200,000	2,200,000	-	2,200,000
7.32Kotur Primary School	-	-	688,845	688,845	-	688,845
Total	68,600,000	250,000	34,050,000	102,900,000	88,922,276	13,977,724
8.0 Secondary Schools Projects (List all the Projects)						
8.1 Katelynyang Secondary School	3,500,000			3,500,000	3,500,000	-
8.2 Akobwait Secondary	700,000			700,000	700,000	-

**Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
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School							
8.3 Fr. Okodoi Secondary School	1,000,000				1,000,000	1,000,000	-
8.4 Okame Secondary School	1,100,000				1,100,000	1,100,000	-
8.5 St. Ann Machakusi Secondary School	500,000				500,000	500,000	-
8.6 Katelynyang Secondary School			2,100,000		2,100,000	2,100,000	-
8.7 Father Erapu Secondary School			1,200,000		1,200,000	1,200,000	-
Total	6,800,000	0	3,300,000		10,100,000	10,100,000	-
9.0 Tertiary institutions Projects (List all the Projects)							
9.1 Amukura Teachers Training College	5,000,000				5,000,000	5,000,000	-
9.2 Amukura Teachers Training College			2,000,000		2,000,000	-	2,000,000
Total	5,000,000		2,000,000		7,000,000	5,000,000	2,000,000
10.0 Security Projects							
10.1 Amukura Police Station HQ	1,500,000	-	-		1,500,000	1,500,000	-
10.2 Kotur Chief's Office	200,000	-	-		200,000	-	200,000
10.3 Lukolis Assistant County Commissioner/Chiefs office	-	-	4,000,000		4,000,000	4,000,000	-
10.4 Asinge Location Chiefs Office	-	-	600,000		600,000	600,000	-
Total	1,700,000	0	4,600,000		6,300,000	6,100,000	200,000
11.0 Acquisition of assets							
11.1 Motor Vehicles (including motorbikes)	-	-	-		-	-	-
11.2 Construction of CDF office	-	-	-		-	-	-

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

11.3 Purchase of furniture and equipment	-	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-	-	-
12.0 Others							
12.1 Strategic Plan	-	-	-	-	-	-	-
12.2 Innovation Hub	-	-	-	-	-	-	-
Funds pending approval**							
13.0 Unallocated fund							
13.1 Unapproved projects	-	-	-	-	-	-	-
13.2 AIA	-	132,000	-	-	132,000	-	132,000
13.3 PMC savings	-	-	-	-	-	-	-
Total	-	132,000	-	-	132,000	-	132,000
Total	137,088,879	1,900,894	45,088,879	184,078,653	164,638,934	19,439,718	

(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-Teso South Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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.

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

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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.

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Board		
AIE NO B105299	33,000,000	
AIE NO B105567	68,000,000	
AIE NO B154250	5,000,000	
AIE NO B163874	12,000,000	
AIE NO B154219	15,000,000	
AIE NO B154439	18,000,000	
AIE NO B154494	19,088,879	
AIE NO. B104508		15,000,000
AIE NO. B 104679		19,000,000
AIE NO. B 823729		35,367,724
AIE NO. B 124673		9,000,000
AIE NO. B 119658		8,500,000
AIE NO. B 128047		13,000,000
AIE NO. B 132050		6,000,000
AIE NO. B 132344		6,000,000
AIE NO. B 126013		13,000,000
AIE NO. B 128290		6,900,000
AIE NO. B 126305		7,000,000
AIE NO. B 105100		10,600,000
AIE NO. B 140744		12,000,000
TOTAL	170,088,879	161,367,724

2. Proceeds from Sale of Assets

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

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	77,000	55,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	77,000	55,000

4. Compensation of Employees

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,175,562	2,006,008
Personal allowances paid as part of salary		
House Allowance	294,000	276,500
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	538,544	504,774
Employer Contributions Compulsory national social security schemes	115,920	111,240
Total	3,124,026	2,898,522

Notes To the Financial Statements (Continued)

5. Use of Goods and Services

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	504,890	700,250
Electricity	-	-
Water & sewerage charges	9,590	20,614
Office rent	-	-
Communication, supplies and services	259,430	45,820
Domestic travel and subsistence	81,000	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,394,840	1,797,600
Hospitality supplies and services	-	245,465
Other committee expenses	4,723,850	4,363,666
Committee allowance	2,032,100	3,516,800
Insurance costs	-	89,857
Specialised materials and services	-	-
Office and general supplies and services	389,550	-
Fuel , oil & lubricants	270,000	540,000
Other operating expenses	-	-
Bank service commission and charges	28,200	30,571
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	926,549	374,901
Routine maintenance- other assets	-	-
Total	11,619,999	11,725,544

6. Transfer to Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to Primary Schools (See Attached List)	88,922,276	48,050,000
Transfers to Secondary Schools (See Attached List)	10,100,000	12,950,000
Transfers to Tertiary Institutions (See Attached List)	5,000,000	4,000,000
Total	104,022,276	65,000,000

Notes To the Financial Statements (Continued)

7. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	23,631,123	30,992,670
Bursary – tertiary institutions (see attached list)	11,991,510	30,992,670
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	6,100,000	6,473,000
Sports projects (see attached list)	-	-
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	4,150,000	7,675,000
Total	45,872,633	76,133,340

8. Acquisition of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
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	-	96,900
Purchase of Specialized Plant, Equipment and Machinery	-	-
Acquisition of Land	-	-
Total	-	96,900

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
Electricity	-	5,000,000
	-	5,000,000

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Notes To the Financial Statements (Continued)

10: Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Busia Branch. Teso South NG-CDF, A/C no.0780261905493</i>	8,142,709	2,077,220
Total	8,142,709	2,077,220
10 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

11: Outstanding Imprests

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

Notes To the Financial Statements (Continued)

12A. Retention

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

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	253,326	1,015,111
Gratuity held during the year (B)	538,544	504,774
Gratuity paid during the Year (C)	-	1,266,560
Closing Gratuity as at 30 th June D= A+B-C	791,870	253,326

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	1,823,894	1,255,477
Cash in hand	-	-
Imprest	-	-
Total	1,823,894	1,255,477

Notes To the Financial Statements (Continued)

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)	-	-
Deposit and Retentions held during the year (B)	538,544	253,326
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	538,544	253,326
Changes in Accounts Payable E= D-E	538,544	253,326

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	538,544	253,326
Others (<i>specify</i>)	-	-
Total	538,544	253,326

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	33	1,110,000
Use of goods and services	-	1,313,099
Amounts due to other Government entities (see attached list)	15,977,724	39,250,000
Amounts due to other grants and other transfers (see attached list)	3,329,961	4,988,618
Acquisition of assets	-	143,973
Others (<i>specify</i>)	-	-
Sale of Tenders	132,000	55,000
Robin Hood Tax	-	2,000
Roads	-	50,083
Funds pending approval	-	-
Total	19,439,718	46,912,773

17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	22,938,920	58,646,559
Total	22,938,920	58,646,559

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Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1. Mathew Philip Wege	Clerk of Works	22/02/2018	108,261	
2. John Paul Ekisa	Accounts Assistant	21/10/2020	73,379	
3. Simon Aura Etyang	Clerical Officer	19/02/2018	73,379	
4. Benard Ogwana Panyako	Driver	22/02/2018	73,379	
5. Imai Ekassiba Jentrix	Receptionist	01/02/2018	73,379	
6. Susan Emojong	Records Officer	19/02/2018	73,379	
7. Benard Nicky Barasa	IT Officer	29/06/2020	63,388	
Sub-Total			538,544	
Grand Total			538,544	

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Annex 3 – Unutilized Fund*

Name	Brief Transaction Description	Outstanding Balance 2021/22	Outstanding Balance 2020/2021	Comments
Compensation of employees				
NHIF	Payment of N.H.I.F deductions	33	137,916	
NSSF	Payment of N.S.S.F deductions	-	113,342	
Staff Salaries	Payment of staff salaries	-	858,742	
	Sub-Total	33	1,110,000	
Use of goods & services				
Admin & recurrent. Goods and Services	Purchase of fuel, repairs and maintenance, printing, stationery, telephone, travel and subsistence, office tea.	-	625,797	
Monitoring and Evaluation. Goods and Services	Purchase of fuel, repairs and maintenance, printing, stationery, airtime, travel and subsistence.	-	228	
Monitoring and Evaluation. Capacity Building	Training of the PMCS/NG-CDFCS on NG-CDF related issues	-	581,073	
Committee Allowances	Payment of committee sitting allowances	-	106,000	
	Sub-Total	-	1,313,099	
Amounts due to other Government entities				
Primary Schools				
Aderema Primary School	Purchase of one acre of land	-	200,000	
Akoret Primary School	Construction of two classrooms	-	2,200,000	
Amerikwai Primary School	Construction of one storey building housing 2 classrooms	3,000,000	3,000,000	
Amukura Girls Primary School	Construction of two classrooms	-	2,200,000	

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Apegei Special Primary School	Completion of 60 capacity dormitory	-	550,000
Asiriam Primary School	Construction of administration block	2,000,000	2,000,000
Kamarinyang Primary School	Construction of administration block	-	2,000,000
Morukeyan Primary School	Construction of two classrooms	-	2,200,000
Obucuun Primary School	Construction of two classrooms	-	2,200,000
Okisimo Primary School	Construction of two classrooms	-	2,200,000
Omoloi Primary School	Construction of two classrooms	2,200,000	2,200,000
Ongariama Primary School	Construction of two classrooms	2,200,000	2,200,000
Ongaroi Primary School	Construction of two classrooms	-	2,200,000
Otimong Primary School	Construction of two classrooms	-	2,200,000
Kochek Primary School	Additional funds for completion of two storey building	-	400,000
Kotur Primary School	Additional funds for completion of two storey building	688,845	6,000,000
Okook Primary School	Purchase of 100 wooden desks	350,000	-
Kwangamor Primary School	Purchase of 100 wooden desks	350,000	-
Kaliwa Primary School	Additional funds for completion of two storey building	3,188,879	-
Secondary Schools			
Katelenyang Secondary School	Construction of administration block	-	2,100,000
Father Erapu Girls Secondary School	Purchase of 1.48 acres of land	-	1,200,000
Tertiary			
Amukura Teachers Training College	Construction of tuition block	2,000,000	2,000,000
	Sub-Total	15,977,724	39,250,000
Amounts due to other grants and other transfers			
Lukolis Assistant County	Construction of ACC's office	-	4,000,000

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Commissioner's Office					
Asinge Location Chief's Office	Purchase of land	-	600,000		
Angorom Location Chiefs Office	Construction of 2-door pit latrine	-	250,000		
Emergency	To cater for unforeseen occurrences	3,121,471	138,618		
Kotur Chief's Office	Construction of OB area	200,000	-		
Bursary – Secondary & Tertiary	Provision of bursary awards to needy students	8490	-		
	Sub-Total	3,329,961	4,738,618		
Acquisition of assets					
Motorbike	Purchase of Motorbike	-	37,743		
Construction of Pit latrine	Construction of Pit Latrine	-	5,104		
Purchase of Furniture	Purchase of furniture	-	101,126		
	Sub-Total	-	143,973		
Others (specify)					
Robin Hood Tax	Robin Hood Tax reversal	-	2,000		
Roads	Grading of roads	-	50,083		
A.I.A (Sale of Tenders)	Sale of Tenders	132,000	55,000		
	Sub-Total	132,000	107,083		
Funds pending approval					
Grand Total		19,439,718	46,912,773		

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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	685,000	-	-	685,000
Buildings and structures	13,694,896	-	-	13,694,896
Transport equipment	6,141,257	-	-	6,141,257
Office equipment, furniture and fittings	2,806,642	-	-	2,806,642
ICT Equipment, Software and Other ICT Assets	1,942,612	-	-	1,942,612
Other Machinery and Equipment	1,077,542	-	-	1,077,542
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	26,347,949			26,347,949

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

PMC	Bank	Account number	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Busia Township Primary School	National Bank	01022205801600	09/04/2018	3,496,820	6,302,052
Ngelechom Primary School	National Bank	01022036542700	07/02/2019	30,344	30,464
Alupe Primary School	National Bank	4237093601	07/04/2016	12,405	12,405
Angorom Primary School	National Bank	01022227786500	17/07/2020	2330	2,330
Okatekok Primary School	National Bank	2036823900	29/08/2012	164,621	21,722
Palama Primary School	National Bank	01047018075400	26/11/2014	84	84
Amoni Primary School	National Bank	01022216868500	24/06/2019	4970	4,970
St Pauls Amerikwai Primary School	National Bank	01022038358300	27/03/2019	12,327	12,327
Chakol Girls Primary School	National Bank	01022036529200	09/11/2018	3,030	3,030
		Sub-Total		3,726,931	6,389,384
Acunet Primary School	Equity Bank	1050279117587	22/01/2014	332	141,952
Osasamet Primary School	Equity Bank	0780278650219	04/03/2014	5817	5,817
Apatit Primary School	Equity Bank	1050279091488	10/05/2014	3818	3,818
Ojamii Primary School	Equity Bank	0780279087273	13/01/2015	8205	8,205
Obekai Primary School	Equity Bank	1050279072312	18/03/2015	7407	264,149
Okerebwa Primary School	Equity Bank	0780279071882	03/02/2015	3415	112,660
Katelenyang Primary School	Equity Bank	1050279055687	08/01/2016	63,240	1,173,340
Okatekok Secondary School	Equity Bank	0780279096956	10/07/2014	1,006	1,007

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Kodedema Girls Secondary School	Equity Bank	1050278833666	14/08/2014		3,733,435
Angorom Secondary School	Equity Bank	0780279828676	14/04/2015	48,262	165,105
Amukura Chief's Office	Equity Bank	1050279076811	31/07/2019	0	4,113
Kaujakitto Chief's Office	Equity Bank	1050279770552	30/07/2019	648	647
Teso South NGCDF Lands PMC Chakol Division	Equity Bank	1050277243285	14/6/2018	767	7,508
Kotur Chief's Office	Equity Bank	1050279825641	03/11/2020	249	737,476
Kwang'amor Chief's Office	Equity Bank	1050279825634	16/6/2018	0	43,732
Sports Amukura Division	Equity Bank	1050277174879	27/2/2018	5,843	5,843
Teso South NG-CDF Sports Chakol Division	Equity Bank	1050277175008	17/1/2018	1,163	1,163
Kochek Primary School	Equity Bank	1050279202158	02/05/2019	7,797	7,518,510
Kwang'amor Primary School	Equity Bank	1050279600006	11/12/2013	34,345	252,503
Omoloi Primary School	Equity Bank	1050279961629	18/3/2013	0	33
Olepito Primary School	Equity Bank	0780279832307	17/7/2013	285	285
Okame Primary School	Equity Bank	0780279896161	27/6/2014	14,170	14,170
Aderema Primary School	Equity Bank	1050279829703	22/1/2014	39,151	133
Teso South NGCDF Desks PMC	Equity Bank	1050279043532	01/10/2017	86,595	2,639,121
Teso South DCC Office	Equity Bank	1050277158050	05/10/2017	26,515	18,615
Kabosokipi Primary	Equity Bank	1050297245370	04/04/2011	138,428	4,328,098
Airstrip Primary	Equity Bank	0780277572929	06/11/2018	20,419	20,419
Osuret Primary	Equity Bank	1050277624398	17/9/2014	221,059	52,226
Apegei Special School	Equity Bank	105027778692	29/7/2014	53,805	3,835

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Kodedema Secondary School	Equity Bank	1050277175161	14/08/2014	-	3,835
Amukura TTC	Equity Bank	1050277350371	17/5/2014	234,040	1,839,055
Okame Technical Training Institute	Equity Bank	1050277362056	01/10/2018	66,229	66,229
Kaliwa Chiefs Office	Equity Bank	1050277755575	23/4/2018	-	820
Aremit Chief's Office	Equity Bank	1050277755565	21/3/2018	-	14,559
Ang'orom Chief's Office	Equity Bank	1050277175574	09/10/2018	14,559	14,559
Ochude AP Camp	Equity Bank	1050277174933	23/1/2014	1,945	1,945
Environment PMC Amukura Division	Equity Bank	1050277300672	16/1/2018	2,504	2,504
Environment PMC Chakol Division	Equity Bank	1050277175380	02/12/2018	3,403	3,403
Kodedema Primary School	Equity Bank	1050278833666	14/08/2014	1,227,233	3,733,435
Papa Primary School	Equity Bank	1050278823911	16/10/2014	400,100	100
Karisa primary school	Equity Bank	0780264688412	16/8/2017	1,714	240,570
St. Pauls Amukura high school	Equity Bank	1050280737091	18/7/2017	75,070	948,530
Apokor Special School	Equity Bank	0780280230341	13/11/2014	4,430	4,430
St Marys Amukura Girls Secondary school	Equity Bank	1050299700626	16/12/2014	11,463	26,464
St lukes Amoni Primary school	Equity Bank	0780280573461	06/12/2014	1,240	5,765
Kaliwa Primary school	Equity Bank	1050280855627	15/7/2014	334,695	4,999,550
Teso South NGCDF PMC –OKAME Technical and Vocational Training	Equity Bank	1050277362048	03/08/2016	80	80
Teso South NG-CDF Sports	Equity Bank	1050277174879	27/2/2018	-	5,843
Teso South NG-CDF Strategic Plan	Equity Bank	1050277324046	17/4/2018	520	520
Teso South NG-CDF PMC lands	Equity Bank	1050277175161	02/12/2018	3,835	3,835

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Amukura Division								
Chakol Division Assistant County Commissioners office	Equity Bank	0780280174331	28/12/2019	89,791	400,152			
Okiporo Primary School	Equity Bank	0780264386884	20/3/2018	3,210	3,210			
Kamunoit Primary School	Equity Bank	1050281987046	17/2/2015	259,221	-			
Amukura Police Station Headquarters	Equity Bank	1050281767756	02/02/2022	485,008	-			
Aterait Primary School	Equity Bank	0780264688139	25/1/2018	10,944	-			
Lukolis Division ACC	Equity Bank	1050281253544	10/01/2021	9,175	-			
		Sub-Total		4,033,150	33,577,309			
Irukan Primary School	Co-operative Bank	01141130167100	10/04/2011	38,436	38,556			
Oburi Primary School	Co-operative Bank	01141130598500	07/04/2016	163	8,163			
Akiriamas Primary School	Co-operative Bank	01141011829600	01/10/2012	3,155	3,155			
St. Thomas Chakol Boys Primary School	Co-operative Bank	01022205801600	17/5/2011		650			
Ochude Primary School	Co-operative Bank	01139235142500	18/6/2014	6,504	6,504			
Opokoto Primary School	Co-operative Bank	01141130223500	14/2/2011	80,246	66,719			
Goria Primary School	Co-operative Bank	01141058637800	09/10/2012	91,770	186,120			
Ojaamong Primary School	Co-operative Bank	01139236478400	13/5/2013	4,644	137,246			
St. Charles Lwanga Otimong Secondary School	Co-operative Bank	01139235824400	09/11/2011	7,529	7,529			
Busia Township Secondary School	Co-operative Bank	01141238578300	15/1/2018	28,104	28,104			
Apokor Secondary School	Co-operative Bank	01139058632300	17/3/2015	45,607	154,426			

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Machakusi Girls Secondary School	Co-operative Bank	01141050738900	09/06/2011		191,862
Otimong Primary School	Co-operative Bank	01139050212000	06/08/2012	115,423	2
Kosera Primary School	Co-operative Bank	01141050781100	21/2/2012	6,055	6,055
Akites Primary School	Co-operative Bank	01139236210300	08/06/2012	19,397	19,397
Alupe Special School	Co-operative Bank	01139236202300	02/11/2014	3,333	3,333
Acit Primary School	Co-operative Bank	01139238426900	18/3/2014	38,135	38,135
Kamarinyang Primary School	Co-operative Bank	01141050775100	06/10/2011	495,142	73,684
Parater Primary School	Co-operative Bank	01141130168900	01/10/2011	48,947	48,947
Among'ura Primary School	Co-operative Bank	01139238431400	01/06/2015	599	9,099
St. Thomas Chakol Primary School	Co-operative Bank	01139235919700	17/5/2011	9,068	9,068
Aburi Primary School	Co-operative Bank	01139130186600	29/4/2015	558	558
St Josephs Amukara Girls Primary School	Co-operative Bank	01141058689200	11/04/2013	112,628	59
Okisimo Primary School	Co-operative Bank	01141050789500	19/2/2013	133,355	8,475
Apokor Primary	Co-operative Bank	01141050775700	03/05/2014	6,537	1,623
Kamarinyang Primary School	Co-operative Bank	01141050775100	06/10/2011		73,684
Machakusi Primary School	Co-operative Bank	01141058687700	14/6/2011	2,865	2,865
Asinge Primary	Co-operative Bank	01141050771500	03/03/2014	8,339	1,200,029
Osipata Primary School	Co-operative Bank	01141130615200	02/06/2014	1,760	1,760

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Morukeyan Primary School	Co-operative Bank	01141050743800	11/05/2012	15,757	3,202
Keriamata Primary School	Co-operative Bank	01139238497000	02/10/2015	86,552	2,202,012
Okiporo Primary School	Co-operative Bank	01141050775100	24/3/2015		73,684
Okokoru Primary School	Co-operative Bank	01139236484600	01/10/2017	3,261	44,425
Katelenyang Secondary School	Co-operative Bank	01141130587500	12/09/2016	1,177,110	53,328
St. James Kwangamor Secondary School	Co-operative Bank	01141011836600	24/2/2015	58,277	58,297
Fr. Okodoi Secondary School	Co-operative Bank	01141011830200	05/09/2011	1,037,629	90,129
St. Mark Machakusi Secondary School	Co-operative Bank	01141050738900	09/06/2011	122,272	191,862
Odoi Primary School	Co-operative Bank	01141050775000	10/11/2011	29,825	29,825
Kotur Primary School	Co-operative Bank	01141058669000	22/12/2014	10,467,895	7,767,126
Aterait Primary School	Co-operative Bank	01141050753601	15/3/2014	215	215
Akoreet Primary School	Co-operative Bank	01141011866900	01/07/2016	500	500
Morukamosing Primary School	Co-operative Bank	01141050757900	01/08/2020	150,370	2,200,000
Kidera Primary School	Co-operative Bank	01141011857100	25/2/2014	349,850	3,639,458
		Sub-Total		14,807,805	18,679,867
Akobwait Primary School	KCB Bank	1128501562	05/09/2011	2,006	-
St. Michael Apatit Secondary School	KCB Bank	1119507197	05/09/2014	1,209	-
St. Peter's Aterait Secondary School	KCB Bank	1235267350	03/04/2013	738	-

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St. Pauls Amukura Secondary School	KCB Bank	1154113469	01/04/2017	13,281	-
Sidelewa Primary School	KCB Bank	1131174569	15/8/2011	18,340	-
St. Jacob's Kaliwa Secondary School	KCB Bank	1285537408	10/07/2015	2,109	-
St. John's Akobwait Primary School	KCB Bank	1281411094	14/5/2014	98,028	-
Akoreet Primary School	KCB Bank	1173482407	01/07/2014	6,354	-
		Sub-Total		142,065	-
Ong'aroi Primary School	Family Bank	079000038381	18/11/2021	118,744	-
Obucuun Primary School	Family Bank	079000038385	29/09/2021	110,225	-
		Sub-Total		228,969	-
		Grand-Total		22,938,920	58,646,559

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)
1.	<p>Unsupported Project Management Committee Account Balances -the financial statements reflects PMC bank balances of Kshs.58,646,559 which as shown under Annex 5 to the financial statements, comprises bank balance held 104 accounts maintained by Project Management Committees. However, cashbooks, bank confirmation certificates and bank reconciliation statements were not provided to support the individual balances.</p> <p>Consequently, the accuracy and completeness of the balance of Kshs.58,646,559 could not be confirmed.</p>	<p>The PMC balances were obtained through a letter to the bank. The copy of the letter with the balances is attached for audit review.</p>	Resolved.	
2.	Budgetary Control and Performance-	The NGCDF board	Resolved	

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	<p>The summary statement of appropriation indicates that the Fund had an approved budget of Kshs. 207,767,080 but realized actual receipts of Kshs.162,678,201 (or about 78%). No explanation was provided for the under-funding of Kshs.45,088,879.</p> <p>Consequently, the residents of Teso South Constituency did not receive services and projects that had been planned during the year.</p>	<p>had not released Ksh 45,088,879 as at 30th June 2021 and was later disbursed. The residents have since received the services as required.</p>	
<p>3.</p>	<p>Land-The summary of fixed assets register under Annex 4 to the financial statements reflects a balance of Kshs.685,000 relating to land. However a title deed for the land was not provided for audit verification. Consequently, the ownership of the land valued at Kshs.685,000 could not be confirmed</p>	<p>The management is the process of getting the land title deed as required.A copy of confirmation letter on the ownership of the land from the Deputy County Commissioner has been provided for audit review.</p>	<p>Not Resolved</p> <p>30th June 2023</p>
<p>4.</p>	<p>Transfers to Other Government Units- The statement of receipts and payments reflects an amount of Kshs.65,000,000 under transfers to other Government units which as shown under note 6,</p>	<p>The project is currently ongoing (at the finishing stage). At the time of audit the contractor was not on site due to challenges occasioned by the rise in</p>	<p>Resolved</p>

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	<p>includes Kshs.48,050,000 as transfers to primary schools. The amount of Kshs.48,050,000 includes an amount of Kshs.6,000,000 disbursed to Busia Township primary school for construction of two storey building including an administration block. The project duration was extended by 24 months to 13 January 2021. However, an audit inspection carried out on 26 April, 2022 revealed that that the building was not complete and was at roofing level. The Contractor had abandoned the site. No explanation was provided on the inordinate delay and why the Contractor had abandoned the site.</p> <p>Consequently, value for money was not obtained from the project.</p>	<p>the cost of building materials. The issue has since been addressed by the project manager.</p>	
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Fund Account Manager.

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13 JUN 2023
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 AMUKURA