

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

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THE OFFICE OF THE AUDITOR-GENERAL	ASSEMBLY PAPERS LAST
DATE:	10 June 2024
TABLED BY:	Hon. Owen Bayo, MP
CLERK-AT-THE-TABLE:	Deputy leader of majority together ngonyo

**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE, 2024**



Revised 30<sup>th</sup> June 2024



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**  
**TESO NORTH CONSTITUENCY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED**  
**30<sup>th</sup> JUNE 2024**

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

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

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**1. Acronyms and Definition of Key Terms**

**A. Acronyms**

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

**B. Definition of Key Terms**

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

**Comparative Year**- Means the prior period.

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

## 2. Key Constituency Information and Management

### (a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2023. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

### Mandate

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

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realisation of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;

- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and, in particular, expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

#### **Vision**

Equitable Socio-economic development countrywide.

#### **Mission**

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

#### **Core Values**

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

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**Functions of NG-CDF Committee**

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

**(b) Key Management**

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

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

**(c) Fiduciary Management**

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

No	Designation	Name
1.	AIE holder	Winston A. Lihanda
2.	National Sub-County Accountant	Michael Odhiambo
3.	Chairman NGCDFC	Mary Ijaa Oshoromo
4.	Member NGCDFC	Mary Wanjiru

**(d) Fiduciary Oversight Arrangements**

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

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**(e) NGCDF Teso North Constituency Headquarters**

P.O. Box 255-50408  
NG-CDF Complex  
Nairobi-Uganda Highway  
Kamuriai, KENYA

**(f) NGCDF Teso North Constituency Contacts**

Telephone: (254) 722771719  
E-mail: [cdftesonorth@ngcdf.go.ke](mailto:cdftesonorth@ngcdf.go.ke)  
Website: [www.ngcdftesonorth.go.ke](http://www.ngcdftesonorth.go.ke)

**(g) NGCDF Teso North Constituency Bankers**

1. Equity Bank Kenya Limited  
Malaba Branch  
A/C No. 1050278831272  
P O Box 247-50408  
Malaba Kenya.

**(h) Independent Auditor**

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

### 3. NG-CDFC Chairperson's Report



*MARY IAA OSHOROMO*

- On behalf of Teso North NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2023/2024 annual report and financial statements for the fund.
- Teso North NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposals as proposed by the residents of Teso North constituency and ensure that all approved projects meet the requirements of sec 24 of the NG-CDF Act 2015, Capacity building of the project management committees (PMC`s), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (PMC), projects monitoring and regular NG CDF committee meetings.
- Teso North NG-CDF committee registered exemplary performance in the year under review as demonstrated by implementation of projects, programmes and activities in the sectors of Education, security, sports and environment which fall within the mandate of the Fund established by the NGCDF ACT 2015(as amended in 2016).
- The fund augmented the national government`s infrastructure development in education sector through construction, renovation and equipping of schools.
- The fund`s contribution towards education infrastructure across the constituency supported the 100% government transition policy.

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- In addition, the fund supported retention of students in secondary and tertiary institutions through issuance of bursary. A total of Kes. 87,140,791 was awarded as bursary to needy students in the constituency. NG-CDF Teso North committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

**A). Budget Performance**

In the financial year ended June 30 2024, NG-CDF Teso North had a cumulative approved budget of Kes 196,990,534 and the budget received from the NG-CDF Board except for funds pending approval was 139,000,000.

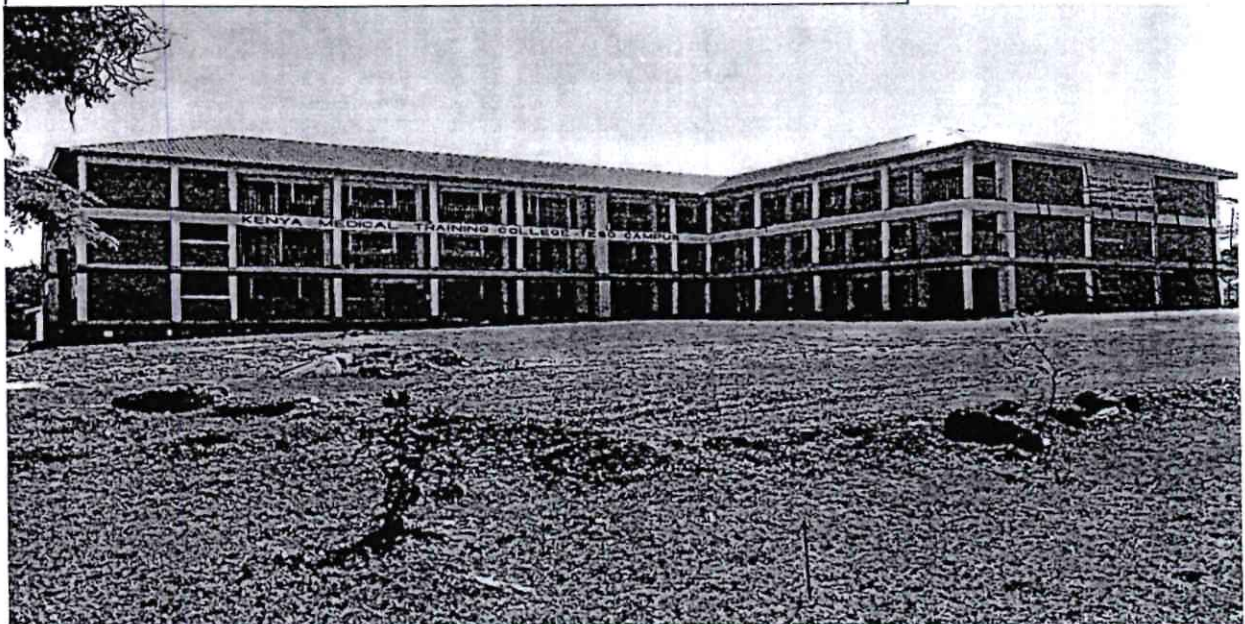
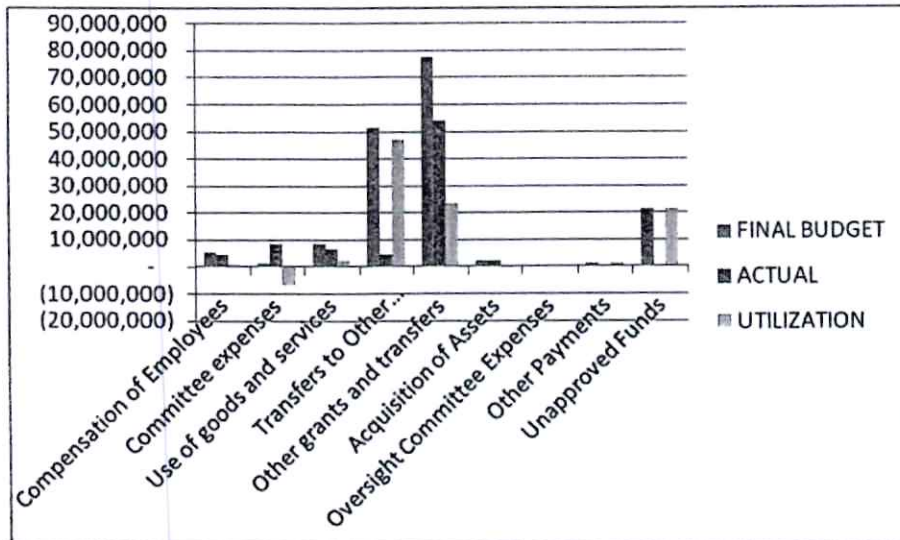
NG-CDFC Teso North disbursed the received funds as follows;

- Kshs.4,600,000 was disbursed to various schools and other government agencies for implementation of the approved projects,
- Kshs.50,370,953 was issued as bursaries to needy students in the constituency,
- Kshs.8,225,000 was used in payment of NG-CDF committee expenses,
- Kshs.6,473,979 was paid towards use of goods and services,
- Kshs.4,296,803 was used in payment of NG-CDFC staff salaries and gratuity,
- Kshs.3,039,203 was disbursed to NG-CDFC sports project to fund sporting activities,
- Kshs.840,000 was used to fund emergency occurrences in the constituency,
- Kshs.1,985,000 was paid towards refurbishment of constituency office.

The performance during the year is summarised as follows;

	FINAL BUDGET	ACTUAL	UTILIZATION	
Compensation of Employees	5,408,756	4,630,400	778,357	86%
Committee expenses	3,861,835	2,517,100	1,344,735	65%
Use of goods and services	11,170,540	10,684,149	486,392	96%
Transfers to Other Government Units	149,945,772	45,279,685	104,666,087	30%
Other grants and transfers	116,255,145	92,564,791	23,690,354	80%
Acquisition of Assets	15,000	-	15,000	0%
Other Payments	1,500,000	1,495,814	4,186	100%
Unapproved Funds	-	-	-	0%

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***KMTC Kocholya: Construction of KMTC building to completion***

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Asst chief Chelelemuk in Angurai Center

**B). Emerging issues related to NG-CDF in Teso North Constituency are:**

- ❖ Education, Security, Sports, Environment, Water and Roads sectors almost entirely depend on NG-CDF on infrastructure development.
- ❖ Prioritization of projects to fund is becoming more difficult due to the numerous high impact and deserving projects being proposed by the residents.
- ❖ Increase in population is piling pressure on NG-CDF to allocate more funds to various development infrastructure to cater for the residents.
- ❖ There's a growing Need to compete with the county government in infrastructure development to justify the long existence of NG-CDF.

**C). NG-CDF Implementation challenges in Teso North Constituency are:**

- ❖ Overdependence on the fund by the public and National government functions on all development related needs.

(To overcome this, NG-CDF Teso North Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency).

- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets occasioning unnecessary budgetary adjustments and delays in the implementation of approved projects.

(NG-CDF Teso North committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC`s) as soon as it receives).

- ❖ Many projects are allocated funds (thinly spread projects)- leading to projects receiving insufficient funds

(To overcome this challenge, NG-CDF Teso North is focusing on allocating enough funds to complete the project within at most 2 years).

Moving forward NG-CDF Teso North Committee remains steadfast in delivering on our mandate of transforming lives (maendeleo Kwa wote) thus creating a better society for all.



.....  
**Mary Ijaa Oshoromo**  
**CHAIRPERSON NGCDF COMMITTEE**

#### 4. Statement of Performance Against Predetermined Objectives for FY 2023/24

##### Introduction

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

The key development objectives of the *NGCDF Teso North Constituency 2023-2027* plan are to:

*(Enumerate the key objectives of the constituency as per the Strategic Plan)*

##### Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	During the financial year 2023-2024 Teso North Constructed NYS Barack at Achiya Echakara, 16 Classrooms in secondary schools and 20 classrooms in primary schools
Security	To ensure all Ass. chiefs, chiefs and the Ass. County	Access to quality services	- number of usable physical infrastructure build	During the financial year 2023-2024 Teso North NG-CDF constructed 2

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	Commissioners' have an office To have modern police stations and posts at the Constituency	Reduced crime rate	at the locational levels  Number of crimes reported	police posts, 1 modern police station and an ongoing Deputy County Commissioners' Headquarter,
Environment	Environment	To have health and clean environment	Access to good health and sanitation	During the financial year 2023-2024, Teso North NGCDFC constructed 19 sanitary facilities factored with PWDs facilities. And planted assorted trees in different schools
Emergency	Emergency	Catering for any unforeseen occurrences in the Constituency	Preparedness to unforeseen occurrences	Teso North constituency in the financial year 2023-2024 renovated 3 classrooms at Amagoro primary school.
Others (Specify)				

## 5. Governance Statement

### Process of appointment of NG-CDF Member

1. Members of the Constituency committee are selected under section 43(2) (b), (c) and (d) of the Act.
2. The constituency committee members are selected by a constituency selection panel established under paragraph (4) in the event of vacancy.
3. A vacancy occurs in the constituency upon the
  - ❖ Commencement of a new parliamentary term
  - ❖ Dissolution of the committee
  - ❖ Removal of a member
  - ❖ Or occurrence of a vacancy
4. The selection panel reviews applications and selects 5 applicants based on various factors, including age, gender, special interest group and regional balance.
5. The officer seconded to the constituency submits selected candidates' names and the selection panel's report the board.
6. The board co-opts a person to ensure equitable representation in the committee's membership.
7. The board request the National assembly's clerk to nominate 2 individuals of either gender for the committee.
8. The board submits the names of 7 selected persons to the national assembly for approval, in accordance with the Act provisions.
9. After approval, the board appoints Constituency Committee members within 14 days though gazettes notice.

NO	NAME	CATEGORY	WARD
1.	Florah Kitui	Female (Adult)	Angurai East
2.	Mary Wanjiru	Female (Youth)	Malaba Central

### Nominee of the Body representing Persons with Disability

NO	NAME	NOMINATING ORGANIZATION	NATURE OF PHYSICAL IMPAIRMENT	WARD
1.	Pasilano Ikoito	Teso North Disabled Group	Ambulatory	Malaba North

### Nominee of the Constituency Office

NO	NAME	CATEGORY	OCCUPATION	WARD
1.	Phanice Jacka	Female	Business Lady	Angurai North
2.	Mike Sigoli	Male	Farmer	Malaba South

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The above committee was gazetted on 16th December 2022 by the Chief Executive Officer of the Board via Gazette Notice Vol. CXXIV-No. 276

The members took over the office on the first meeting on 15<sup>th</sup> December 2022 and went through the process electing the chairperson and the secretary of the committee. The following members were elected.

- |                |                     |                 |
|----------------|---------------------|-----------------|
| 1. Chairperson | -Mrs. Mary Oshoromo | ID No. 13529927 |
| 2. Secretary   | -Mrs. Mary Wanjiru  | ID No. 38001594 |

During its first meeting, a Constituency Committee established Sub-Committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two subcommittee are as follows:

- i. Bursary Sub Committee
- ii. Complaints Resolution Sub Committee
- iii. Sports and Environment Sub Committee

The following were appointed to the different committee

**a. Bursary committee**

- |                    |               |
|--------------------|---------------|
| 1. Stephen Wambura | - DCC         |
| 2. Mary Oshoromo   | - Chairperson |
| 3. Mary Wanjiru    | - Secretary   |

**b. Complaints Resolution Committee**

- |                 |          |
|-----------------|----------|
| 1. Florah Kitui | - Member |
| 2. Mike Sugoli  | - Member |

**c. Sports and Environment Sub Committee**

- |                 |          |
|-----------------|----------|
| 1. Mary Wanjiru | - Member |
| 2. Mike Sigoli  | - Member |

The chairperson and the secretary are members of all the committees. The DCCs are members of the complaints committee, while representative from the ministry of education office is also coopted to be in the Bursary committee.

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

#### **Qualifications of an NG-CDF Member**

1. Is a citizen of Kenya
2. Ordinarily a resident and a voter within the constituency
3. Able to read and write and communicate in English and Kiswahili
4. Meets the requirement of chapter 6 of the constitution
5. Available to participate in the activities of constituency committee
6. Persons who served in constituency committee constituted under fund manager or served in leadership position in the community will have and added advantage.

#### **NG-CDF Committees, Composition and roles**

Section 43 of the NG-CDF Act establishes the NG-CDF Committee (NG- CDFC) for every constituency, composed of: -

- the National Government official responsible for co-ordination of national government functions;
- Two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment.
- Two women nominated in accordance with subsection (3). one of whom shall be a youth at the date of appointment:
- One person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3)
- Two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act
- The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex official member without a vote.
- One member co-opted by the Board in accordance with Regulations made by the Board

#### **Roles of the NG-CDF Committee**

1. Capacity build Project Management Committees and sensitize the Community on the operations of the Fund
2. Consider all project proposals from all wards in the constituency and any other projects which the Committee considers beneficial to the constituency
3. Ensure that all projects proposed and approved for funding meets the requirements of Section 24 of the Act.
4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans
5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic

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6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level
8. Ensure labelling of projects as per guidelines issued by the Board
9. Recruit staff as per Section 45 of the Act.

**: Number of Meetings Held**

According to the NG-CDF Act 2015, Section 43(1), the NGCDF Committee is required to hold a maximum of 24 meetings in a year including any subcommittee meetings. Teso North Constituency Held a total of 12 meetings in the financial year 2023-2024 and the attendance was as follows.

The committee is required to convene a minimum of six meetings and a maximum of twenty-four, including sub-committee meetings.

NO.	NG-CDFC COMMITTEE MEMBERS	4 <sup>th</sup> July 2023	30 <sup>th</sup> Aug 2023	12 <sup>nd</sup> Oct 2023	28 <sup>th</sup> Nov 2023	29 <sup>th</sup> Dec 2023	31 <sup>st</sup> Jan 2024	27 <sup>th</sup> Feb 2024	21 <sup>st</sup> March 2024	24 <sup>th</sup> April 2024	17 <sup>th</sup> May 2024	4 <sup>th</sup> June 2024	28 <sup>th</sup> June 2024
1	Mary Oshoromo	√	√	√	√	√	√	√	√	√	√	√	√
2	Mary Wanjiru	√	√	√	√	√	√	√	√	√	√	√	√
3	Stephen Wambura	√	√	√	√	√	√	√	√	√	√	√	√
4	Winston Lihanda	√	√	√	√	√	√	√	√	√	√	√	√
5	Phanice Jacka	√	√	√	√	√	√	√	√	√	√	√	√
6	Pasiliano Ikoita	√	√	√	√	√	√	√	√	√	√	√	√
7	Crescent Wafula	√	√	√	√	√	√	√	√	√	√	√	√
8	Florah Kitui	√	√	√	√	√	√	√	√	√	√	√	√
9	William Okalio	√	√	√	√	√	√	√	√	√	√	√	√
10	Mike Sigoli	√	√	√	√	√	√	√	√	√	√	√	√

**Member Removal:**

Grounds for removing a committee member include:

- i. Lack of integrity
- ii. Gross misconduct

- iii. Embezzlement of public funds
- iv. Bringing disrepute to the committee through unethical practices or unbecoming personal conduct
- v. Causing disharmony within the committee, or physical or mental infirmity.

#### **Policy on Conflict of Interest**

Teso North NG- CDF is dedicated to upholding the highest standards of integrity and accountability in all its operations. To this end, we maintain a robust conflict of interest policy that obliges all NG- CDFC members, employees and stakeholders to declare any potential conflicts of interest promptly. We emphasize that the fundamental principle of this policy is to avoid conflict of interest all together, thus ensuring that decisions and actions are made solely in the best interest of our community and without any personal gain. We are proud to report that, to date, no conflict of interest has been identified, affirming our commitment to transparency and ethical conduct in the pursuit of our development goals.

#### **Risk management**

##### **IMPORTANT CONCEPTS**

**Risk Management** - Is the process of dealing with uncertainty and trying to achieve the best outcome possible for the organization. This process includes:

**Risk Analysis** - Identifying risks, analysing potential consequences, and setting priorities for action. **Risk Response**

- Developing and implementing an action plan to address risk

**Risk Assessment** - Is the methodology of determining the nature and extent of risk by analysing potential hazards and evaluating existing conditions of vulnerability that together could potentially harm exposed people, property, services, livelihoods and the environment on which they depend.

**Risk Reduction** - Is the concept and practice of reducing disaster risks through systematic efforts to analyse and manage the casual factors of disasters, including though reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events

##### **PURPOSE OF Teso North NG- CDF RISK MANAGEMENT POLICY**

The purpose of this is to outline the procedures and organizational arrangements that will embed/establish and maintain risk management at Teso North NG-CDF so as to address unanticipated and unintended losses to Teso North NG-CDF human resources, financial assets, and property without unnecessarily limiting the activities that advance the mission and goals. Some level of risk is not only expected in normal everyday activities but can be beneficial

The risk management policy is built on the premise of continual improvement in order to facilitate prudent assessment and treatment of risks that the office may encounter in the pursuit of its mandate.

However, acceptance of risk shall not include:

1. Wilful exposure of projects, employees' assets to unsafe environments or activities
2. Intentional violation of law
3. Wilful violation of contractual obligations
4. Unethical behaviour.

Categories of risks managed through the Risk Management Policy Framework include:

- o Compliance Risk - Affect compliance with laws and regulations, staff safety, environmental issues, litigation, conflicts of interest etc.
- o Reputational Risks - Affect reputation, public perception
- o Political Risks – Affect stability of political structure and policies
- o Financial Risk - Affect loss of funds and inability to account for the funds
- o Operational Risk - Affect on-going management processes and procedures
- o Environmental Risk - Affect air, water, soil or biological food chains to man

#### **INTENT**

The Teso North NG-CDF Risk Management Policy shall provide a commitment to a culture in which opportunities may be seized and risks taken, in a risk aware manner across the entire Authority, with risk management being fundamental/deep seated to management practice.

#### **SCOPE**

This policy shall apply to all NG-CDF stakeholders and also apply strategic and operational activities.

#### **OBJECTIVES**

The objectives of the Teso North NG- CDF Risk Management Policy are to provide a strategy against which:

1. The NG-CDF team leads by example with sound risk management practice
2. All NG-CDF staff support a risk aware culture
3. All the high inherent risk are identified, analysed, managed, monitored and reported on continuously.

Teso North NG-CDF RISK MANAGEMENT (RM) PRINCIPLES. The aim of Risk Management Policy is to strengthen the proper management of risks through proactive risk identification, risk management, and risk acceptance pertaining to all activities carried out by Teso North NG-CDF.

The Risk Management Policy is intended to:

1. Ensure that major risks are reported to the NG-CDFC and the NG-CDF board for review and acceptance

2. Result in the management of those risks that may significantly affect the pursuit of the stated strategic goals and objectives.
3. Embed a culture of evaluating and identifying risks at multiple levels
4. Provide a consistent risk management framework in which the risks pertaining to NG-CDF activities and functions are identified, considered, and addressed in key approval, review and control processes
5. Inform and improve on timely decision-making
6. Meet legal and regulatory requirements
7. Assist in safeguarding NG-CDF assets to include people, finance, property and reputation
8. Ensure that existing and emerging risks are identified and managed within acceptable risk tolerances
9. To establish a policy/legal and institutional framework for management of disasters, including promotion of a culture of disaster risk reduction, at all levels
10. To ensure that the institutions and activities for disaster risk management are coordinated, focused to foster participatory partnerships between the government and other stakeholders at all levels.
11. To promote linkage between risk management and sustainable development for reduction of vulnerability to hazards and disasters.
12. To mobilise resources, including establishment of specific funds for disaster risk reduction strategies and programs like the emergency reserve fund

#### **IMPLEMENTATION FRAMEWORK 5 AND PROCEDURES**

It is expected that risk management processes will be embedded into the NGCDF's management systems and processes.

All risk management efforts will be focused on supporting the institution's objectives. Therefore the risk management framework and associated procedures will include:

1. Formal and on-going identification of risk that impact the institution's goals
2. Development of risk management plans
3. Monitoring the progress of managing risk
4. Periodic updates of risk management plans
  
5. An organization process for risk analysis and response
6. Assignment of specific risk responsibilities and performance accountability.
7. A workplace culture where every employee understands risk and their role in addressing it. RISK

#### **MANAGEMENT METHODOLOGY**

Risk may be managed by using one or more of the following methods:

1. Avoid (eliminate, withdraw from or do not become involved in an activity creating risk)
2. Retain (accept the risk and plan for the expected impact creating risk)
3. Transfer/share (move the risk to another party by hedging against undesired outcome or reduce the risk through processes such as insurance) and,
4. Reduce (control the risk through additional or optimized controls)

#### **OVERSIGHT**

The risk management ad hoc subcommittee shall have sufficient authority to ensure high-level management of the institution's risk management efforts and shall provide oversight to implementation of the risk management policy and review major risks on behalf of the NG-CDF

#### **ACCOUNTABILITY**

The NG-CDF management framework and procedures shall be reviewed annually. Periodic reviews for compliance with the system wide guidelines shall also be conducted by the district internal audit, Kenya National Audit Office and NG-CDF Board Internal Audit or a similar accountability responsibility

#### **COMMITMENT TO EFFECTIVE RISK AT Teso North NG-CDF**

Teso North NG-CDF is committed to building an organisational culture where risk awareness and active and effective risk management form an integral part of NGCDFC's activities and a core management responsibility

Effect risk management requires: }

- A strategic focus }
- Forwarding thinking and proactive approaches to management }
- Adequate consideration of the cost of managing risk with the expected benefits }
- Contingency planning for the eventually in case the threats materialize

#### **REPORTING TO THE NG-CDF**

The NG-CDF shall submit reports on risk management to the NG-CDF Board on quarterly basis on the risk management process, in order to seek the boards " concurrence on action taken or further guidance.

## 6. Environmental and Sustainability Reporting

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

### 1. Sustainability strategy and profile -

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

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

has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

## 2. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*

## 3. Employee welfare

We invest in providing the best working environment for our employees. Teso North constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Teso North constituency invests in capacity building programs for employees. These include courses on technical

competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

#### **4. Market place practices-**

Teso North Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

**5. Community Engagements-**

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

**Public Participation in Project Identification and Implementation and Monitoring**

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

**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

**Public Awareness**

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

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

.....  
**Name: Winston Lihanda  
Fund Account Manager.**



## 7. 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 North Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2024. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Teso North Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Teso North Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

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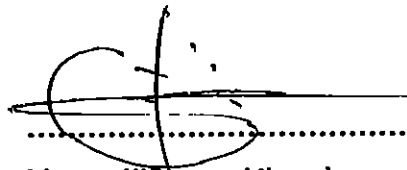
The Accounting Officer in charge of the NGCDF Teso North Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used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

**Approval of the financial statements**

The NGCDF- Teso North Constituency financial statements were approved and signed by the Accounting Officer on 20<sup>th</sup> September, 2024.



.....  
**Name: Mary Ijaa Oshoromo**  
**Chairman – NGCDF Committee**



.....  
**Name: Winston Lihanda**  
**Fund Account Manager**

# REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Teso North Constituency set out on pages 1 to 49,

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

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Teso North Constituency as at 30 June, 2024 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015 (Amended 2022).

### **Basis for Qualified Opinion**

#### **1. Unsupported Project Management Committee Account Balances**

Note 19.4 and Annex 5 to the financial statements reflect Project Management Committee (PMC) accounts balances totalling Kshs.15,323,742. However, the PMC bank accounts certificates and reconciliation statements for the schools' accounts were not provided for audit.

In the circumstances, accuracy and completeness of the PMC bank balances of Kshs.15,323,742 could not be confirmed.

#### **2. Variance in Fund Balance Brought Forward**

The statement of assets and liabilities reflects fund balance brought forward of Kshs.24,221,829 which differs from Kshs.24,799,407 reflected in Note 15 to the financial statements resulting unexplained variance of Kshs.577,578.

In the circumstances, the accuracy and completeness of the fund balance brought forward of Kshs.24,221,829 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 North Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Emphasis of Matter**

#### **Budgetary Control and Performance**

The summary statement of appropriation reflects approved final receipts budget and actual on comparable basis of Kshs.288,157,048 and Kshs.226,759,579 respectively

resulting to an under-funding of Kshs.61,397,469 or 21% of the budget. Similarly, the fund spent Kshs.157,171,938 against an approved budget of KShs.288,157,048 resulting to under- expenditure of Kshs.130,985,110 or 45% of the budget.

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

My opinion is not modified in respect of this matter.

### **Key Audit Matters**

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

### **Other Matter**

#### **Unresolved Prior Year Matters**

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

### **Other Information**

Management is responsible for the other information set out on page iii to xxvii which comprise of Key Entity Information and Management, NG-CDFC Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES**

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm

that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

### **Basis for Conclusion**

#### **1. Failure to Insure Fixed and Movable Assets**

Annex 4 on summary of fixed assets register reflects total fixed assets balance of Kshs.24,727,374. However, the supporting documents to proof that the assets were insured against possible risks was not provided for audit review. This was contrary to Section 36(3) of the National Government Constituencies Development Fund Act, 2015 (Amended 2022) which requires all assets to be insured in the name of the Board.

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

#### **2. Construction of Two Lecture Rooms at Akiriamet Technical College**

The statement of receipts and payments reflects transfers to other Government units amounting to Kshs.45,279,685 as disclosed in Note 7 to the financial statements. The amount includes a transfer of Kshs.3,500,000 to Akiriamet Technical College for construction of two lecture rooms. Physical verification of the project conducted on 22 November, 2024 revealed that two lecture rooms were constructed to completion. However, the college was not operational and amenities such as administration block and washrooms had not been constructed. Additionally, supporting documents to show a budget to operationalize the college were not provided

In the circumstances, value for money for the construction of the lecture rooms of Kshs.3,500,000 could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

### **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

#### **Conclusion**

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

#### **Basis for Conclusion**

##### **Lack of Ownership Documents**

Annex 4 to the financial statements reflects a balance of Kshs.24,727,374 in respect of fixed assets register. The balance includes Kshs.5,740,000 relating to transport

equipment, out of which, an amount of Kshs.120,000 relates to a motor cycle. However, the ownership documents for the motor cycle was not provided for audit.

In the circumstances, the ownership status of the motor cycle could not be confirmed.

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

### **Responsibilities of Management and those Charged with Governance**

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error

and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

31 December, 2024

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


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

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts</b>			
Transfers From NGCDF Board	1	201,960,173	87,641,000
Proceeds From Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>Total Receipts</b>		<b>201,960,173</b>	<b>87,641,000</b>
<b>Payments</b>			
Compensation of Employees	4	4,630,400	4,296,803
Committee expenses	5	2,517,100	8,225,000
Use of Goods and Services	6	10,684,149	6,473,979
Transfers to Other Government Units	7	45,279,685	4,600,000
Other Grants and Transfers	8	92,564,791	54,250,156
Acquisition of Assets	9	-	1,985,000
Other Payments	10	1,495,814	-
<b>Total Payments</b>		<b>157,171,939</b>	<b>79,830,938</b>
<b>Surplus/(Deficit)</b>		<b>44,788,235</b>	<b>7,810,062</b>

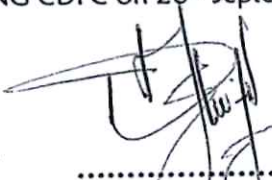
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NG CDFC on 20<sup>th</sup> September, 2024 and signed by:

  
 .....  
**Chairman NG-CDF  
 Committee**  
 Name: Mary Ijaa Oshoromo

  
 .....  
**Fund Accountant Manager**  
 Name: Winston Lihanda



  
 .....  
**National Sub-County  
 Accountant**  
 Name: Michael Odhiambo  
 ICPAK M/No:




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

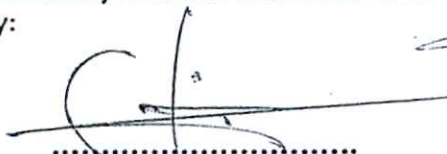
**10. Statement of Assets and Liabilities as at 30th June, 2024**

	Note	2023-2024	2022-2023
		Kshs	Kshs
<b>Financial Assets</b>			
<b>Cash And Cash Equivalents</b>			
Bank Balances	11A	70,354,618	24,799,407
Cash Balances	11B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>70,354,618</b>	<b>24,799,407</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	12	-	-
<b>Total Financial Assets (A)</b>		<b>70,354,618</b>	<b>24,799,407</b>
<b>Financial Liabilities</b>			
<b>Accounts Payable</b>			
Retention	13	99,250	99,250
Gratuity	14	1,245,303	478,327
<b>Total Financial Liabilities (B)</b>		<b>-</b>	<b>-</b>
<b>Net Financial Assets (A-B)</b>		<b>69,010,065</b>	<b>24,221,829</b>
<b>Represented By</b>			
Fund Balance B/Fwd	15	24,221,829	15,402,580
Prior Year Adjustments	16	-	1,009,188
Surplus/(Deficit) for The Year		44,788,235	7,810,061
<b>Net Financial Position</b>		<b>69,010,064</b>	<b>24,221,829</b>


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 20<sup>th</sup> September, 2024 and signed by:



.....  
**Chairman NG-CDF  
 Committee**  
 Name: Mary Ijaa Oshoromo



.....  
**Fund Accountant-Manager**  
 Name: Winston Lihanda



.....  
**National Sub-County  
 Accountant**  
 Name: Michael Odhiambo  
 ICPAK M/No:



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

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

	Notes	2023-2024	2022-2023
		Kshs	Kshs
<b>Receipts From Operating Activities</b>			
Transfers From NGCDF Board	1	201,960,173	87,000,000
Other Receipts	3		641,000
<b>Total Receipts</b>		<b>201,960,173</b>	<b>87,641,000</b>
<b>Payments</b>			
Compensation of Employees	4	4,630,400	4,296,803
Committee Expenses	5	2,517,100	8,225,000
Use of Goods and Services	6	10,684,149	6,473,979
Transfers to Other Government Units	7	45,279,685	4,600,000
Other Grants and Transfers	8	92,564,791	54,250,156
Other Payments	10	1,495,814	-
<b>Total Payments</b>		<b>157,171,938</b>	<b>77,845,939</b>
<b>Total Receipts Less Total Payments</b>			
Adjusted For:			
Prior Year Adjustments	16	-	1,009,188
Decrease/(Increase) in Accounts Receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	766,976	577,577
<b>Net Cash Flow from Operating Activities</b>		<b>45,555,211</b>	<b>11,381,826</b>
<b>Cashflow From Investing Activities</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	(1,985,000)
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>	<b>(1,985,000)</b>

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Net Increase in Cash & Cash Equivalentents		45,555,211	9,396,826
Cash & Cash Equivalent at Start of the Year	11	24,799,406	15,402,580
Cash & Cash Equivalent at End of the Year	11	70,354,617	24,799,406

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**12. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2024**

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	A	B		c=a+b	D	e=c-d	f=d/c %
	2023-2024	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2023-2024	2023-2024		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
<b>Receipts</b>							
Transfers From NGCDF Board	196,990,534	24,799,406	66,367,108	288,157,048	226,759,579	61,397,469	79%
Proceeds From Sale of Assets	-	-	-	-	-	-	0%
Other Receipts	-	-	-	-	-	-	0%
<b>Totals</b>	<b>196,990,534</b>	<b>24,799,406</b>	<b>66,367,108</b>	<b>288,157,048</b>	<b>226,759,579</b>	<b>61,397,469</b>	<b>79%</b>
<b>Payments</b>							
Compensation of Employees	5,251,891	-	156,865	5,408,756	4,630,400	778,357	86%
Committee Expenses	3,048,335	313,500	500,000	3,861,835	2,517,100	1,344,735	65%
Use of Goods and Services	7,463,728	1,934,190	1,772,622	11,170,540	10,684,149	486,392	96%
Transfers to Other Government Units	93,583,573	-	56,362,199	149,945,772	45,279,685	104,666,087	30%
Other Grants and Transfers	87,643,007	22,551,716	6,060,422	116,255,145	92,564,791	23,690,354	80%
Acquisition of Assets	-	-	15,000	15,000	-	15,000	0%
Other Payments	-	-	1,500,000	1,500,000	1,495,814	4,186	100%
Funds Pending Approval**	-	-	-	-	-	-	0%
<b>Totals</b>	<b>196,990,534</b>	<b>24,799,406</b>	<b>66,367,108</b>	<b>288,157,048</b>	<b>157,171,938</b>	<b>130,985,110</b>	<b>55%</b>

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

*Explanatory Notes.*

- (a) The underutilization was as a result of late disbursement of funds to the Constituency.  
(b) The adjustment column is the opening balance of Ksh. 24,799,406 as at 1st July, 2023 while Ksh. 66,367,108 is the amount owing to the constituency as at 30th June 2023 of the year under review.  
(c) Ksh. 130,985,110 is utilization difference during the year, Ksh. 70,354,618 is the cash book balance as at 30th June, 2024 plus the amount owing to the Constituency as at 30th June, 2024 of Ksh. 61,397,469*

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

<b>Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities</b>	
<b>Description</b>	<b>Amount</b>
Budget utilisation difference totals	130,985,110
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2024	61,397,469
	69,587,641
Increase/(decrease) Accounts payable	766,976
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2024	70,354,617

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13. Budget Execution By Sectors And Projects For The Year Ended 30<sup>th</sup> June 2024

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	5,251,891		156,865	5,408,756	4,630,400	778,357
1.2 Committee allowances	1,660,000		500,000	2,160,000	1,136,600	1,023,400
1.3 Use of goods and services	3,805,225	553,000	185,857	4,544,082	3,232,654	1,311,428
Sub-total	10,717,116	553,000	842,722	12,112,838	8,999,654	3,113,185
2.0 Monitoring and evaluation						
2.1 Capacity building	2,011,200	123,890	1,586,765	3,721,855	3,469,600	252,255
2.2 Committee allowances	1,388,335	313,500		1,701,835	1,380,500	321,335
2.3 Use of goods and services	1,647,303	1,257,300		2,904,603	3,981,895	(1,077,292)
Sub-total	5,046,838	1,694,690	1,586,765	8,328,293	8,831,995	(503,702)
4.0 Emergency						
4.1 Primary Schools	9,691,047	1,000,000	1,746,658	12,437,705	3,412,000	9,025,705
Amagoro primary school				90,000	900,000	
Nakurikit primary School				150,000	150,000	
Akiriemet Primary school				150,000	150,000	
Chelemuk Primary School				1,112,000	1,112,000	

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Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
4.2 Secondary schools				-		-
4.3 Tertiary institutions				-		-
Achiya Echakara NYS				600,000	600,000	
Achiya Echakara NYS				900,000	900,000	
4.4 Security projects				-		-
<b>Sub-total</b>	<b>9,691,047</b>	<b>1,000,000</b>	<b>1,746,658</b>	<b>12,437,705</b>	<b>3,412,000</b>	<b>9,025,705</b>
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	25,000,000	21,551,716	4,313,764	50,865,480	39,269,956	11,595,524
5.3 Tertiary Institutions	46,000,000			46,000,000	46,870,835	(870,835)
5.4 Special School	1,451,960			1,451,960	1,000,000	451,960
5.5 Education Day						
5.6 Education Support Programmes						
5.7 Social Security	1,200,000			1,200,000	312,000	888,000
<b>Sub-total</b>	<b>73,651,960</b>	<b>21,551,716</b>	<b>4,313,764</b>	<b>99,517,440</b>	<b>87,452,791</b>	<b>12,064,649</b>
6.0 Sports						
6.10						

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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
6.20				-		
Sub-total	-	-	-	-	-	-
7.0 Environment						
St. Pauls Kakemar Secondary	120,000	120,000	120,000	120,000	120,000	120,000
Changara Secondary	120,000	120,000	120,000	120,000	120,000	120,000
Aloet Primary	120,000			120,000	120,000	120,000
Kocholya KMTC	220,000			220,000	220,000	220,000
Akapijan primary	120,000	120,000	120,000	120,000	120,000	120,000
Kamalo Primary	120,000	120,000	120,000	120,000	120,000	120,000
Kangelemuge Primary	120,000	120,000	120,000	120,000	120,000	120,000
Katalama Secondary	120,000	120,000	120,000	120,000	120,000	120,000
Aboloi Secondary	120,000	120,000	120,000	120,000	120,000	120,000
St. Elizabeth Osasame Pri	120,000	120,000	120,000	120,000	120,000	120,000
Kakoli Primary	120,000	120,000	120,000	120,000	120,000	120,000
Kaukotoit Primary	120,000	120,000	120,000	120,000	120,000	120,000
Malaba Secondary	120,000	120,000	120,000	120,000	120,000	120,000
Akariamasi Primary	120,000	120,000	120,000	120,000	120,000	120,000

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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
Kadek Primary	120,000	120,000	120,000	120,000	120,000	120,000
Chemelemuk Boys SeC Sch	120,000	120,000	120,000	120,000	120,000	120,000
Katotoi Primary	120,000	120,000	120,000	120,000	120,000	120,000
Apokor Secondary	120,000			120,000	120,000	120,000
Achiya Enchakara NYS	220,000	220,000	220,000	220,000	220,000	220,000
Rwatama K.I.H&B	220,000			220,000	220,000	220,000
				-	-	-
<b>Sub-total</b>	<b>2,700,000.00</b>	<b>-</b>	<b>-</b>	<b>2,700,000.00</b>	<b>-</b>	<b>2,700,000.00</b>
<b>8.0 Primary Schools Projects</b>						
<b>(List all the Projects)</b>						
Kamuriai Primary School	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Kalalaran Primary School	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Katotoi Primary School	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Kakurikit Primary School	2,000,000			2,000,000	2,000,000	2,000,000
Kakamer Primary School	15,000,000			15,000,000	15,000,000	15,000,000
Akudiet Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719

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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
Kasogol Kakapel Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719
Amagoro Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719
Akiriamasit Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719
Osasame Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719
Arthur Odera Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719
St. Gabriel Moru Primary School (Junior Secondary School)	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719	1,071,719
Kabukui Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kagutio Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kaejo Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kisiombe Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Akibui Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719

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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
Akudiet Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kasogol Kakapel Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Amagoro Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Akiriamasit Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kisiombe Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Akibui Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
St. Gabriel Moru Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kabukui Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kagutio Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
Kaejo Primary School (Junior Secondary School)	1,071,719			1,071,719	1,071,719	1,071,719
KISIOMBE PRIMARY JUNIOR SEC	1,071,719			1,071,719	1,071,719	1,071,719

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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			
AKIBUI JUNIOR SEC	1,071,719			1,071,719	1,071,719	1,071,719
Kakapel Primary School			3,500,000	3,500,000	3,500,000	-
<b>Sub-total</b>	<b>48,721,273</b>	<b>-</b>	<b>3,500,000</b>	<b>52,221,273</b>	<b>3,500,000</b>	<b>48,721,273</b>
<b>9.0 Secondary Schools Projects (List all the Projects)</b>						
St. Thomas Amagoro Girls Secondary School	9,762,300			9,762,300	-	9,762,300
Moding Secondary School	500,000			500,000		500,000
SA Kolanya Girls National School	4,000,000			4,000,000		4,000,000
St. Augustine Kamolo SEC.			1,106,334	1,106,334		1,106,334
CHEPLEMUK SECONDARY			1,112,000	1,112,000	1,112,000	-
<b>Sub-total</b>	<b>14,262,300</b>	<b>-</b>	<b>2,218,334</b>	<b>16,480,634</b>	<b>-</b>	<b>16,480,634</b>
<b>10.0 Tertiary institutions Projects (List all the Projects)</b>						
Achiya Echakara National Youth Service	8,600,000			8,600,000	2,000,000	6,600,000

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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
Achiya Echakara National Youth Service	19,000,000			19,000,000		19,000,000
Akiriomet Technical Teachers Trainers College	3,000,000			3,000,000	3,000,000	3,000,000
Achiya Echakara National Youth Service			6,000,000	6,000,000	6,000,000	-
Achiya Echakara National Youth Service			500,000	500,000	-	500,000
Achiya Echakara National Youth Service.			600,000	600,000	-	600,000
Akiriomet Technical Teachers Trainers College			3,000,000	3,000,000	3,000,000	-
Chamasiri Technical & Vocational College			9,762,300	9,762,300	9,762,300	-
Kocholya Kenya Medical Training College			7,247,390	7,247,390	7,247,390	-
Kocholya Kenya Medical Training College			3,500,000	3,500,000	-	3,500,000
Rwatama Kenya Insitute of Highways and B.Technology.			5,000,000	5,000,000	5,000,000	-
Chamasiri Technical & Vocational College			700,000	700,000	700,000	-
Achiya Echakara NYS			3,577,395	3,577,395	3,577,395	-
KENYA SCHOOL FYI			890,280	890,280	-	890,280

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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
Achiya Echakara NYS			1,800,000	1,800,000	1,800,000	-
KMTC TESO			5,373,900	5,373,900	5,373,900	-
Rwatama Kenya Insitute of Highways and Building Technology.			2,692,600	2,692,600	2,692,600	-
Sub-total	30,600,000	-	50,643,865	81,243,865	41,779,685	39,464,180
<b>11.0 Security Projects</b>						
DCC Office Compound	900,000			900,000	1,000,000	(100,000)
DCC Office Building	700,000			700,000	700,000	-
Sub-total	1,600,000	-	-	1,600,000	1,700,000	(100,000)
<b>12.0 Acquisition of assets</b>						
12.1 Motor Vehicles (including motorbikes)					-	-
CDF OFFCE	-		15,000	15,000		
12.2 Construction of CDF office					-	-
12.3 Purchase of furniture and equipment					-	-
12.4 Purchase of computers					-	-

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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
12.5 Purchase of land				-		-
Sub-total	-	-	15,000	15,000	15,000	15,000
13.0 Others						
STRATEGIC PLAN			1,500,000	1,500,000	1,495,814	4,186
13.2 Innovation Hub				-		-
13.3 Electricity Projects				-	-	-
Sub-total	-	-	1,500,000	1,500,000	1,495,814	4,186
Funds pending approval**				-		-
Sub-total				-		-
<b>Total</b>	<b>196,990,534</b>	<b>24,799,406</b>	<b>66,367,108</b>	<b>288,157,048</b>	<b>157,171,938</b>	<b>130,985,110</b>

*(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. This statement totals should time to totals of statement in schedule 12*

#### 14. Significant Accounting Policies

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

##### 1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for;

- Receivables that include imprests
- Payables that include gratuity and retentions.

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

##### 2. Reporting Entity

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

##### 3. Reporting Currency

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

##### 4. Recognition of Receipts

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

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

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

##### b. Proceeds from the Sale of Assets

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

**c. Other receipts**

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

**d. Unutilized Funds from PMCs.**

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

**e. External Assistance**

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

**5. Recognition of payments**

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

**a) Compensation of Employees**

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

**b) Use of Goods and Services**

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

**c) Acquisition of Fixed Assets**

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

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asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

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

**6. In-kind contributions**

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

**7. Cash and Cash Equivalents**

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

**8. Accounts Receivable**

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

**9. Accounts Payable**

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

#### **10. Pending Bills**

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

#### **11. Unutilized Fund**

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

#### **12. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30 June 2023 for the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

#### **13. Comparative Figures**

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

#### **14. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2024.

#### **15. Prior Period Errors**

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by i. restating the comparative

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amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restate the opening balances of assets, liabilities, and net assets/equity for the earliest prior period presented. During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

**16. Related Party Transactions**

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

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15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023-2024	2022-2023
	Kshs	Kshs
NGCDF Board		
AIE NO. B 140878		7,000,000
AIE NO. B 105430		21,000,000
AIE NO. B 105758		5,000,000
AIE NO. B 132490		12,000,000
AIE NO. B 128802		12,000,000
AIE NO. B 154400		15,000,000
AIE NO. B 154293		15,000,000
B214437	45,724,953	-
B214707	15,196,017	-
B214939	30,000,000	-
B225234	30,000,000	-
B225296	2,039,203	-
B225416	2,000,000	-
B225424	7,000,000	-
B226229	40,000,000	-
B233906	30,000,000	-
<b>TOTAL</b>	<b>201,960,173</b>	<b>87,000,000</b>

2. Proceeds From Sale of Assets

	2023-2024	2022-2023
	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)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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**3. Other Receipts**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Interest Received		-
Rent		-
Receipts from sale of tender documents	-	141,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs account	-	500,000
Other Receipts Not Classified Elsewhere ( <i>specify</i> )	-	-
<b>Total</b>	-	<b>641,000</b>

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4. Compensation Of Employees

	2023-2024	2022-2023
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,353,854	2,376,540
Personal allowances paid as part of salary		
House Allowance	340,200	304,200
Transport Allowance	-	-
NHIF	-	-
Gratuity to contractual employees	815,802	1,516,163
Employer Contributions Compulsory national social security schemes	71,220	99,900
Employer Contributions Compulsory Housing levy	44,374	-
Employer contributions to National Industrial Training Authority	4,950	-
<b>Total</b>	<b>4,630,400</b>	<b>4,296,803</b>

5. Committee Expenses

	2023-2024	2022-2023
	Kshs	Kshs
<b>A. NG CDFC</b>		
Sitting allowance	866,000	4,107,600
Other committee expenses	1,380,500	4,117,400
<b>Sub total</b>	<b>2,246,500</b>	<b>8,225,000</b>
<b>B. Constituency Oversight Committee</b>		
Allowances	89,600	-
Other committee expenses	181,000	-
<b>Sub total</b>	<b>-</b>	<b>-</b>
<b>Total (A+B)</b>	<b>2,517,100</b>	<b>8,225,000</b>

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6. Use of Goods and services

	2023-2024	2022-2023
	Kshs	Kshs
Utilities, supplies and services	36,250	-
Communication, supplies and services	302,500	39,450
Domestic travel and subsistence	1,746,000	327,100
Printing, advertising and information supplies & services	950,029	-
Rentals of produced assets	-	-
Training expenses	2,179,950	1,330,000
Hospitality supplies and services	1,723,600	226,200
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	993,963	2,871,588
Fuel, oil & lubricants	748,684	500,000
Other operating expenses	548,581	1,103,200
Bank Charges	8,127	76,441
Security Operations	208,000	
Routine maintenance – vehicles and other transport equipment	837,134	
Routine maintenance – other assets	401,331	
<b>Total</b>	<b>10,684,149</b>	<b>6,473,979</b>

7. Transfer To Other Government Units

Description	2023-2024	2022-2023
	Kshs	Kshs
Transfers To Primary Schools	3,500,000	-
Transfers To Secondary Schools	-	4,600,000
Transfers To Tertiary Institutions	41,779,685	-
<b>Total</b>	<b>45,279,685</b>	<b>4,600,000</b>

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8. Other Grants and Other transfers

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Bursary – secondary schools	39,269,956	17,434,494
Bursary – tertiary institutions	46,870,835	32,936,459
Bursary – special schools	1,000,000	-
Bursary- education support programmes	-	-
Social Security programmes (NHIF)	312,000	-
Security projects	1,700,000	-
Sports projects	-	3,039,203
Environment projects	-	-
Emergency projects	3,412,000	840,000
Roads projects	-	-
<b>Total</b>	<b>92,564,791</b>	<b>54,250,156</b>

9. Acquisition Of Assets

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	1,985,000
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	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>1,985,000</b>

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**10. Other Payments**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Strategic plan	1,495,814	-
ICT Hub	-	-
Others ( <i>specify</i> )		
<b>Total</b>	<b>1,495,814</b>	<b>-</b>

**11. Cash and Cash Equivalents**

<b>Name of Bank and Account No.</b>	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
<b>11A: Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank Teso North NG-CDF No. 1050278831272</i>	70,354,618	24,799,407
<i>Operation account pending closure (Indicate name &amp; account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit)</i>	-	-
<b>Total</b>	<b>70,354,618</b>	<b>24,799,407</b>
<b>11B: Cash Balances</b>		
Location 1	-	-
Location 2	-	-
Other Locations ( <i>Specify</i> )	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<i>[Provide Cash Count Certificates for Each]</i>	<b>70,354,618</b>	<b>24,799,407</b>

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**12. Outstanding Imprests**

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

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

**13. Retention**

	<i>2023-2024</i>	<i>2022-2023</i>
	<i>KShs</i>	<i>KShs</i>
Retention as at 1 <sup>st</sup> July (A)	99,250	-
Retention held during the year (B)	-	99,250
Retention paid during the Year (C)	-	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	99,250	99,250

**Retentions aging analysis.**

	<i>Insert 2023-2024</i>	<i>% of the total Retention</i>	<i>Insert Comparative FY</i>	<i>% of the total Retention</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

**14. Gratuity**

	<i>2023-2024</i>	<i>2022-2023</i>
	<i>KShs</i>	<i>KShs</i>
Gratuity as at 1 <sup>st</sup> July (A)	478,327	-
Gratuity held during the year (B)	766,976	1,516,163
Gratuity paid during the Year (C)	-	1,037,836
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	1,245,303	478,327

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**Gratuity aging analysis**

	Insert 2023-2024	% of the total Gratuity	Insert Comparative FY	% of the total Gratuity
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-		-	

*The total above should be equal to the Gratuity closing figures)*

**15. Fund Balance B/F**

	(1 <sup>st</sup> July 2023-1)	(1 <sup>st</sup> July 2022-2)
	Kshs	Kshs
Bank accounts	24,799,407	15,402,580
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>24,799,407</b>	<b>15,402,580</b>
<b>Less</b>		
Payables: - Retention	-	-
Payables – Gratuity	-	-
<b>Fund Balance Brought Forward</b>	<b>24,799,407</b>	<b>15,402,580</b>

*[Provide short appropriate explanations as necessary]*

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**16. Prior Year Adjustments**

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	15,402,580	-	15,402,580
Cash in hand	994,188	994,188	-
Imprests	-	-	-
Retentions	-	-	-
Gratuity	-	-	-
Others ( <i>specify</i> )	15,000	15,000	-
<b>Total</b>	<b>16,411,768</b>	<b>1,009,188</b>	<b>15,402,580</b>

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

**17. Changes In Accounts Receivable - Outstanding Imprests**

	2023-2024	2022-2023
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts in account receivables D= A+B-C	-	-
<b>Net changes in accounts Receivables D – A</b>	<b>-</b>	<b>-</b>

**18. Changes In Accounts Payable – Gratuities and Retentions**

	2023-2024	2022-2023
	KShs	KShs
Gratuities and Retentions as at 1 <sup>st</sup> July (A)	577,577	577,577
Gratuities and Retentions held during the year (B)	766,976	-
Gratuities and Retentions paid during the Year (C)	48,825	-
Closing account payables D= A+B-C	1,295,728	577,577
<b>Net changes in accounts payables D-A</b>	<b>718,151</b>	<b>-</b>

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**19. Other Important Disclosures**

**19.1: Pending Accounts Payable (See Annex 1)**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Aging Analysis for Pending Accounts Payables**

	<i>2023-2024</i>	<i>% of the total</i>	<i>2022-2023</i>	<i>% of the total</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>-</b>		<b>-</b>	

**19.2: Pending Staff Payables (See Annex 2)**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
NGCDFC Staff	-	478,327
Others ( <i>specify</i> )	-	99,250
<b>Total</b>	<b>-</b>	<b>577,577</b>

**Aging Analysis for staff Payables**

	<i>2023-2024</i>	<i>% of the total</i>	<i>2022-2023</i>	<i>% of the total</i>
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>-</b>		<b>-</b>	

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**19.3: Unutilized Fund (See Annex 3)**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Compensation of employees	778,357	156,863
Committee expenses	1,344,735	48,087
Use of goods and services	486,392	137,770
Amounts due to other Government entities	104,666,087	46,994,019
Amounts due to other grants and other transfers	23,690,354	19,194,791
Acquisition of assets	15,000	15,000
Oversight Committee Expenses	-	500,000
Other Payments (Strategic Plan)	4,186	1,500,000
Funds pending approval	-	21,033,220
<b>Total</b>	<b>130,985,110</b>	<b>89,579,750</b>

**19.4: PMC account balances (See Annex 5)**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
PMC account balances	15,323,742	38,788,943
<b>Total</b>	<b>15,323,742</b>	<b>38,788,943</b>

**19.5 Related Party Transactions**

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	-	-
<b>Transaction with the NGCDF Board</b>		
Receipts from the NGCDF Board during the year	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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**Annex 2 - Analysis of Pending Staff Payables**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2024	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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**Annex 3 – Unutilized Fund**

Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Compensation of employees	Payment of staff salaries	778,357	156,863	On-going
Committee Expense	Payment of committee allowance	486,392	813,500	On-going
Use of goods & services	Payment of goods and services	1,344,735	3,706,812	On-going
<b>Sub-total</b>		<b>2,609,484</b>	<b>4,677,177</b>	
<b>Amounts due to other Government entities</b>				
<b>a) TERTIARY INSTITUTION</b>				
Achiya Echakara National Youth Service	Completion of a construction of 100 students' capacity modern library;	600,000	800,000	Not started
Achiya Echakara National Youth Service.	Construction of a 3 storey administration block comprising of 14No. Classrooms, computer laboratory, administration office		8,077,395	Not started
Akiriamet Technical Teachers Trainers College	Construction of 1 classroom		3,000,000	Not started
Chamasiri Technical & Vocational College	Construction of 1 classroom		9,762,300	Complete
Kocholya Kenya Medical Training College	Construction to completion of 2No. lecture rooms		3,000,000	Complete
Rwatama Kenya Institute of Highways and Building Technology.	construction of the ground floor comprising of two classrooms, 6 offices and a 5 door toilets (Phase 2)		5,000,000	Complete
Chamasiri Technical Training Institute	Construction of lecture room		300,000	Complete

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Achiya Echakara NYS	Construction to completion of a 100 capacity barrack:			Complete
Achiya Echakara National Youth Service	Construction to completion of a 100 capacity barrack	6,600,000		Not started
Achiya Echakara National Youth Service	One off purchase of 18 acres of land @ Kes. 18,000,000 and cost of title deed processing @ Kes. 1,000,000	19,000,000		Not started
Akiriamet Technical Teachers Trainers College	Construction to completion of 2No. lecture rooms	3,000,000		Not started
KMTC TESO	Construction to completion of 2No. lecture rooms	5,651,422		
b) Secondary Schools		-	-	
St. Augustine Kamolo SEC.	One-off purchase of a 51 Seater Semi-Luxury Isuzu Bus	1,106,334	1,106,334	Not started
CHEPLEMUK SECONDARY	Completion of a construction of 100 students' capacity modern library;	1,112,000	1,112,000	Not started
St. Thomas Amagoro Girls Secondary School	Construction of a 3 storey administration block comprising of 14No. Classrooms, computer laboratory, administration office	9,762,300		Not Started
Moding Secondary School	One-off purchase of a 51 Seater Semi-Luxury Isuzu Bus	500,000		Not Started

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
SA Kolanya Girls National School	Completion of a construction of 100 students' capacity modern library;	4,000,000		Not Started
<b>b) Primary Schools</b>		-	-	
Kakapel Primary School	Construction to completion of 3 classrooms of 45 capacity each	2,800,000		On-going
Kamuriai Primary School	Construction to completion of 2No. Classrooms.	2,000,000		Not started
Kalalaran Primary School	Construction to completion of 2No. Classrooms.	2,000,000		Not started
Katotoi Primary School	Construction to completion of a classroom @ Kes. 1,000,000 and an administration block	2,000,000		Not started
Kakurikit Primary School	Construction to completion of 2No. Classrooms	2,000,000		Not started
Kakamer Primary School	Construction of a 2 storey building accommodating 8No. Classrooms,	15,000,000		Not started
Akudiet Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Kasogol Kakapel Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Amagoro Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Akiriamasit Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Osasame Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720	-	Not started
Arthur Odera Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
St. Gabriel Moru Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Kabukui Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Kagutio Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Kaejo Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Kisiombe Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Akibui Primary School (Junior Secondary School)	Construction to completion of one Classrooms	1,071,720		Not started
Kakapel Primary school	Construction of Admin Block		3,500,000	
<b>Sub-Total</b>		<b>89,992,696</b>	<b>35,658,029</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>a) Security Projects</b>				
DCC Office Compound	Renovation of DCC office			Complete
DCC Office Building				Complete
<b>b) Environment Projects</b>				
St. Pauls Kakemer Secondary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Changara Secondary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Aloet Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Kocholywa Kenya Medical Training college	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	220,000.00		Not started
Akapijan Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Kamalo Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Kangelemuge Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Katalama Secondary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Aboloi Secondary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
St. Elizabeth Osasame Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Kakoli primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Kaukotoit Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Malaba Secondary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Akiriamasit Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Kadek Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Chemelemuk Boys	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Katotoi Primary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Apokor secondary	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	120,000.00		Not started
Achiya Enchakara NYS	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	220,000.00		Not started
Rwatama K.I.H & B	Purchase, delivery and planting of assorted 500 tree seedlings @ Kes. 200 and transport at Kes. 20,000	220,000.00		Not started
c) Sports				
d) Emergency	Cater for unforeseen occurrences in the constituency	9,025,705	2,628,845	On-going
e) Bursary				

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
5.2 Secondary Schools	Payment of Bursary to needy students in sec. schools	11,595,524	25,865,480	Complete
5.3 Tertiary Institutions	Payment of Bursary to needy students in Tertiary Institutions	(870,835)		Complete
5.5 Universities	Payment of Bursary to needy students in University	451,960		Complete
5.6 Special Schools	Payment of Bursary to needy students in special schools	888,000	-	Complete
5.7 Education Day			-	
5.8 Education Support Programmes			-	
5.9 Social Security				
<b>Sub-Total</b>		<b>24,363,744</b>	<b>28,494,325</b>	
<b>Acquisition of assets</b>				
Teso North NG-CDF Office	Renovation of CDF offices	15,000	15,000	Complete
Purchase of Motor Vehicle				
<b>Sub-Total</b>		<b>15,000</b>	<b>15,000</b>	
<b>Others (specify)</b>				
Strategic Plan	Preparation of 5 years strategic plan	4,186	1,500,000	Complete
<b>Sub-Total</b>		<b>4,186</b>	<b>1,500,000</b>	
Funds pending approval		14,000,000	19,235,220	
<b>Sub-total</b>		<b>14,000,000</b>	<b>19,235,220</b>	

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Nam	Brief Transaction Description	Outstanding Balance 2023-2024	Outstanding Balance 2022-2023	Comments
Grand Total		130,985,110	89,579,749	

**Annex 4 – Summary of Fixed Asset Register**

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	800,000	-	-	800,000
Buildings and structures	14,277,810		-	14,277,810
Transport equipment	5,740,000		-	5,740,000
Office equipment, furniture and fittings	2,167,164		-	2,167,164
ICT Equipment, Software and Other ICT Assets	1,742,400		-	1,742,400
Other Machinery and Equipment	-		-	-
Intangible assets	-		-	-
<b>Total</b>	<b>24,727,374</b>			<b>24,727,374</b>

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 Annex 5 –PMC Bank Balances as at 30<sup>th</sup> June 2024

PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2023-2024
ABOLOI CHIEFS OFFICE	Equity	1050282671329	299,488	299,487
ACHIYA ECHAKARA NYS	Equity	1050282556295	4,740,000.00	6,057
ACHIYA ECHAKARA SECONDARY SCHOOL	Equity	1050279682424	30,013	30,013
ACHUNET PRIMARY SCHOOL	Equity	1050282595281	1,000,000	473
ACK CHEMASIRI PRIMARY SCHOOL	Equity	1050279915488	998,867	254
ADANYA PRIMARY SCHOOL-CLASSROOM	Equity	1050278981085	710.00	710
ADURUKOIT PRIMARY SCHOOL	Equity	1050282675846	599,487.50	3,076
AKADETEWAI PRIMARY SCHOOL	Equity	1050279852235	97.50	97
AKADOT PRIMARY SCHOOL	Equity	1050279009742	256	256
AKICHELESIT GSU CAMP	Equity	1050279908039	1,594,220.70	34,310
AKICHELESIT PRIMARY SCHOOL	Equity	1050279808477	150	153
AKICHELESIT PRIMARY SCHOOL	Equity	1050279904923	3,857	236
AKIRIAMASIT PR SCHOOL	Equity	1050297569757	17,604	17,604
AKIRIAMET PRIMARY SCHOOL	Equity	1050280189004	341,376	354
AKIRIAMET PRIMARY SCHOOL	Equity	1050279928562	21,089	21,088
AKOBWAIT CHA SEC SCH	Equity	1050279035063	977,945	244,287
AKOLONG PRIMARY SCHOOL	Equity	1050279769783	4,786.50	4,786
AKUDIET PRIMARY SCHOOL	Equity	1050279736676	1,569	1,568
AKULONY PRIMARY SCHOOL	Equity	1050278927929	618	618
ALOETE PRIMARY SCHOOL	Equity	1050278960124	30,050	30,050

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2023-2024
AMAGORO PRIMARY SCHOOL	Equity	1050279786100	614,885	98,112
AMONI PRIMARY SCHOOL	Equity	1050282819406	299,488	299,487
AMONI SECONDARY SCHOOL	Equity	1050278986616	338,890	7,387
CHAMASIRI TVC	Equity	1050279995296	1,014,810	996,005
CHANGARA CHIEFS OFFICE	Equity	1050279805755	1,828,508	1,828,507
CHELELEMUK ASSISTANT CHIEFS OFFICE	Equity	1050282651876	999,488	292
CHELELEMUK BOYS PRIMARY SCHOOL	Equity	1050279784294	175	175
DCC TESO NORTH OLD OFFICE	Equity	1050279818087	105	175
EKISEGERE PR SCHOOL	Equity	1050279091666	8,460	8,460
ELALAI PRIMARY SCHOOL	Equity	1050279767504	88	87
IKAPOLOK PRIMARY SCHOOL	Equity	1050278968980	94,780	1,599
KAEJO PRIMARY SCHOOL	Equity	1050282676150	300,000	188,600
KAGUTIO PR SCH	Equity	1050278931818	62,420	62,420
KAJEI PRIMARY SCHOOL	Equity	1050279064759	300,275	275
KAKAPEL PRIMARY SCHOOL	Equity	1050278895525	1,242	3,501,242
KAKAPEL SPECIAL SCHOOL	Equity	1050282648282	999,488	1,045
KAKEMER AP POLICE POST	Equity	1050280158444	1,501,257	1,501,256
KAKEMER RC PRIMARY SCHOOL	Equity	1050279818461	1,381,902	241,121
KAKERIAUT PRIMARY SCHOOL	Equity	1050278981906	2,148	2,147
KAKOLI PR SCHOOL	Equity	1050278899151	995	995
KALALARAN PRIMARY SCHOOL	Equity	1050278975803	9,489	2,436
KAMUNYELE PRIMARY SCHOOL	Equity	1050282648446	599,489	1,348
KAMURIAI CHIEFS OFFICE	Equity	1050278991549	400,350	400,350
KAMURIAI PR SCHOOL	Equity	1050278911852	1,560	1,560

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PMG	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2023-2024
KANGELEMUGE PRIMARY SCHOOL	Equity	1050278893129	868	868
KAPESUR PRIMARY SCHOOL	Equity	1050279724695	28,535	28,534
KATANYU PRIMARY SCHOOL	Equity	1050279785255	24,762	24,762
KATOTOI PRIMARY SCHOOL	Equity	1050282671015	619,488	3,828
KEKALET SECONDARY SCHOOL	Equity	1050278931144	500,657	500,657
KETEBAT PRIMARY SCHOOL	Equity	1050278982369	1,018,831	20,152
KMTC KOCHOLIA	Equity	1050279805702	3,911,404	2,758,076
KOCHOLYA CHIEFS OFFICE	Equity	1050278989288	320,623	86
KOKERI PRIMARY SCHOOL	Equity	1050279371109	1,640	1,640
KOLANYA BOYS HIGH SCH	Equity	1050276556805	94,965	94,965
KOLANYA BOYS PRIMARY SCHOOL	Equity	1050279008073	43,022	43,021
KOLANYA CHIEFS OFFICE	Equity	1050282649841	819,488	14,011
KOLANYA GIRLS PRIMARY SCHOOL	Equity	1050278902766	15,680	15,680
KOLANYA GIRLS PRIMARY SCHOOL	Equity	1050279911492	2,014,022	14,444
KONGOLOLO PRIMARY SCHOOL	Equity	1050278923894	512	512
KONGURAKOL PRIMARY SCHOOL	Equity	1050194459321	1,097	1,096
KORISAI PRIMARY SCHOOL	Equity	1050279741613	666,539	16,814
KORURUMA PR SCHOOL	Equity	1050278973866	125	124
MALABA POLICE STATION	Equity	1050282649834	2,219,488	11,189
MALABA TOWNSHIP PRIMARY	Equity	1050279052204	3,902	3,902
MALABA YOUTH EMPOWERMENT CENTRE	Equity	1050279368247	137,047	137,046
MATUMBAI PRIMARY SCHOOL	Equity	1050279914326	288	287
MODING CHIEFS OFFICE	Equity	1050279844096	24,959	810
MODING HIGH SCHOOL	Equity	1050263412349	1,001,670	1,001,670
MODING POLICE STATION	Equity	1050280070532	1,366	1,365

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2023-2024
OKULEU CHIEFS OFFICE	Equity	1050277448096	407,480	24,141
OKULEU PRIMARY SCHOOL	Equity	1050278984274	686,208	329
ONYUNYUR PRIMARY SCHOOL	Equity	1050282619857	1,000,000	20,539
OPAARE PR SCHOOL	Equity	1050279010326	1,100	1,100
OSASAME PRIMARY SCHOOL	Equity	1050278912424	10,475	10,475
OSOPOTOIT PR SCHOOL	Equity	1050278971639	960	960
RWATAMA – KIHBT	Equity	1050282516481	6,000,000	4,942
RWATAMA PRIMARY SCHOOL	Equity	1050279067915	81,707	81,706
SA ADANYA SECONDARY SCHOOL	Equity	1050279905706	1,001,499	87,161
SA AEDOMORU SEC SCH	Equity	1050279014854	304	303
SA KOLANYA GIRLS NATIONAL SCHOOL	Equity	1050279914653	3,404,298.50	403,035
ST BENARD KAKURIKIT SECONDARY SCHOOL	Equity	1050279781850	6,619	6,618
ST JOHN KAJEI SECONDARY SCHOOL	Equity	1050263524603	955	955
ST JUDE KORISAI GIRLS SECONDARY SCHOOL	Equity	1050278979886	1,586,355	93,519
ST LAWRENCE AKAPIJAN PRIMARY SCHOOL	Equity	1050279908979	1,648	1,647
ST MARYS OSAJAI PRIMARY SCHOOL	Equity	1050279788565	528	527
ST THOMAS AMAGORO GIRLS SECONDARY SCH	Equity	1050279818828	47,768	47,767
ST. JUDE ONYUNYUR SEC	Equity	1050278925678	780	780
TESO NORTH AP CAMP	Equity	1050279917329	724	723

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PMC	Bank	Account number	Bank Balance	Bank Balance
			2022-2023	2023-2024
TESO NORTH DCC & APOS;S OFFICE	Equity	1050279111028	10	10
TOTOKAKILE PRIMARY SCHOOL	Equity	1050279909493	409	408
<b>Total</b>			<b>38,789,362</b>	<b>15,323,742</b>

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**Annex 6: Progress On Follow Up of Auditor Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Unsupported PMC Account Balances	<p><b>Observation</b></p> <p>Note 19.4 to the financial statements Annex 5 reflects a balance of Kes. 38,789,362 in respect of ninety PMC bank accounts. However, bank statements, bank reconciliation statements and cash books were not provided to support the balances.</p>	<p>The bank statements, bank reconciliation statements and cash books were provided to support the balances.</p>	Unresolved	30.6.2025

  
 Winston Lihanda  
 Fund Account Manager.

