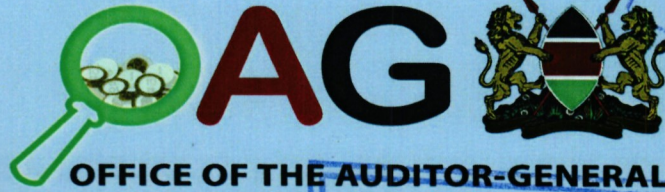


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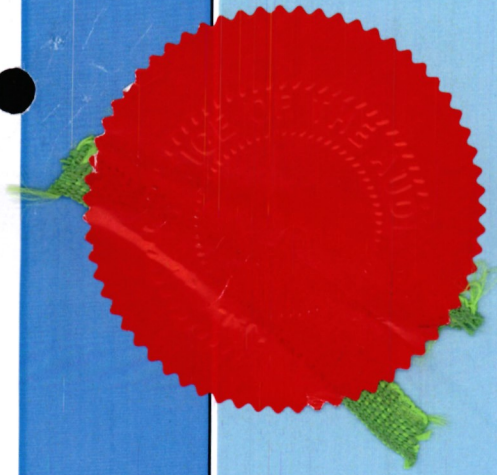
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| TABLED BY: | The majority whip |
| CLERK-AT THE-TABLE: | Hon E Wangwe, MP Benson Inzofu. |

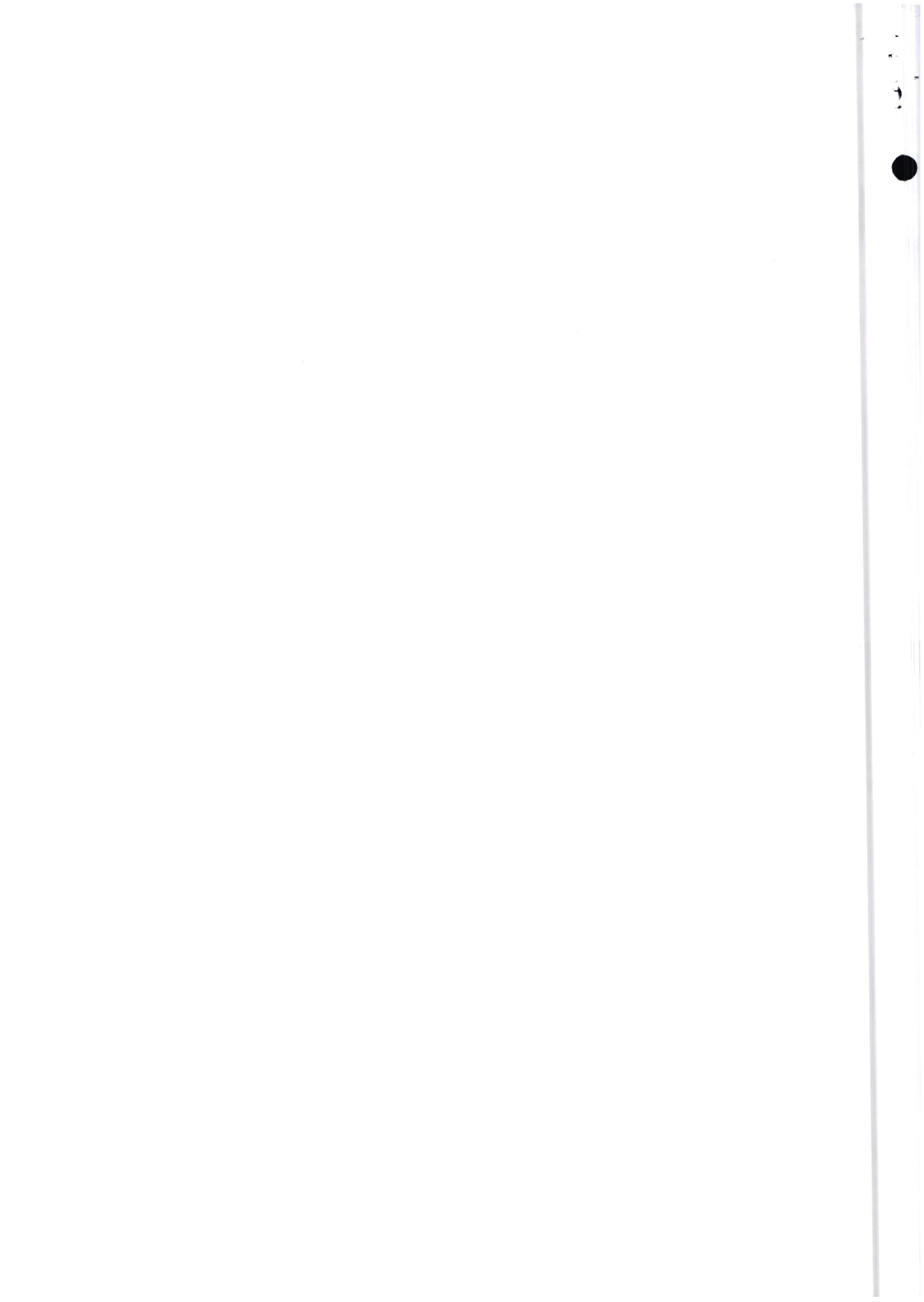
THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
TURKANA CENTRAL CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2020**







**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -
TURKANA CENTRAL CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2020**



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

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TURKANA CENTRAL CONSTITUENCY
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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA
CENTRAL CONSTITUENCY**

**Reports and Financial Statements
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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

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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.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2020 and who had direct fiduciary responsibility were:

| N | Designation | Name |
|----------|-----------------------|-------------------------|
| o | | |
| 1. | A.I.E holder | Ekeno R.Ng'uleny |
| 2. | Sub-County Accountant | Okumu Henry |
| 3. | Chairman NGCDFC | Ruth Kuya |
| 4. | Member NGCDFC | Lomoti Joseph |

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF TURKANA CENTRAL Constituency Headquarters

P.O. Box 512=30500
NG-CDF Turkana Central
Nawoitrong Road
Lodwar.

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(f) NGCDF TURKANA CENTRAL Constituency Contacts

Telephone: (254) 728482257
E-mail: turkanacentral@ngcdf.go.ke
Website: www.go.ke

(g) NGCDF TURKANA CENTRAL Constituency Bankers

1. Kenya Commercial Bank...
Lodwar Branch
A/C NO 1107296684

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

The constituency had received about half of the full funding at the close of the financial year which brought about the low level of implementation of the projects. However,with quick release of funds from the Board,we will be able to improve on project implementation.

From the table below, we allocated more funds to bursary to enable students be in schools and decided to delay other sectors like environment and sports until release of the balances.

In emergency, we were able to respond to disasters like flooding caused by the April rains.

In education ,8 classes were built in various schools all furnished with desks 2 dormitories fully equipped with beds.

In security, out of 4 chief's offices we were able to build one to completion.

Among the challenges realized in projects implementation include;delay in release of funds from the Board which translates to low implementation of projects in the constituency

Other challenge includes low funding of projects which leads to lack of completion in some instances.

| SECTOR | BUDGET PERFORMANCE |
|---|-------------------------------|
| ADMINISTYRATION | 79.6% |
| EDUCATION(INFRASTUCTURE DEVELOPMENT) | 45.1% |
| SECURITY(INFRASTURE) | 87.7% |
| BURSARY | 69.1% |
| ENVIRONMENT | 100% |
| SPORTS | 100% |
| EMERGENCY | 100% |
| TOTAL | 68.79% |

Sign



CHAIRMAN NGCDF COMMITTEE

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) TURKANA
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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

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 NGCDF-TURKANA CENTRAL Constituency's 2018-2022 plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

- a) All-inclusive, quality pupil/student centred education
- b) Enhanced security and peaceful co-existence
- c) Integrated robust infrastructure
- d) Sustainable environment for responsive development

Progress on attainment of Strategic development objectives

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

| Constituency Program | Objective | Outcome | Indicator | Performance |
|-----------------------------|---|---|---|---|
| Education | To improve access to education and transferable skills | Provision of bursary to needy and bright primary/secondary/tertiary institution students Lobby for deployment of additional teachers Carry out public enrollment drives with the local administration | No. of students benefiting No. of teachers posted No. of new students enrolled | 279 tertiary institutions students benefitted from bursary allocation. 1800 Secondary students allocated with bursary. |
| Infrastructure | To develop and sustain proper infrastructure for conducive learning environment | Rehabilitation/ Renovation of classrooms in various primary schools Construction of classrooms in various primary/secondary schools | No. of class rooms Rehabilitated/ Renovated No. of class rooms constructed No. of | 20 classrooms constructed for primary schools 6 dormitories. |

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| | | | laboratories constructed No. of schools | |
|--------|--|---|---|--|
| ICT | To improve access and use of ICT infrastructure | Work with corporate institutions to establish an ICT hub in the constituency Enhance computer literacy among the youth Expand telecommunication services to cover the entire constituency | No. of ICT hubs established No. of youth that have access to ICT services % of the constituents able to access telecommunication services | Established 1No. ICT hubs at Lodwar 300 youth to access and utilize telecommunication services. |
| Sports | To build the skills and talent of youth through sports | Sponsor sports tournaments right from the wards Provision of sports equipment to youth and make them available in sporting facilities | No. of institutions supported with equipment % of tenders awarded to youth No. of youth forums held No. of tournaments held in the constituency No. of teams provided with sports equipment | 5 ward tournaments with 8 teams each supported with equipments |

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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – **TURKANA CENTRAL** Constituency 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

The TURKANA CENTRAL NG-CDF Committee endeavoured to work within the existing policy guidelines that helped in focusing on the service deliver and drive to better performance with the involvement of both internal and external stakeholders on matters development. The relevance of this was attributed to our vision, mission and core values as provided for in our strategic plan.

| Model | Definition | Relevance to sustainable strategy |
|-------------|---|---|
| Vision | To be renowned Constituency in advocating for all round socio-economic development and sustainability. | What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place |
| Mission | To involve all the stakeholders in the development process of the Constituency in order to achieve desires development goals. | This communicates what the office does to attain sustainable developments |
| Core Values | Accountability, Transparency, Integrity, Honesty, Equality, Equity | These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives |

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition.

2. ENVIRONMENT

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of TURKANA CENTRAL NG-CDF initiatives

Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

Our Environmental Policy

In this policy statement TURKANA CENTRAL NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water

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- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our Environmental Action Plan

TURKANA CENTRAL NG-CDF has identified four areas in which we as an office have direct or indirect environmental impact, and where we can implement initiatives to manage and reduce these impacts.

These four areas together with our approach and targets for each are shown below:

| Impact Area | Approach |
|---|---|
| Capacity Building | <ul style="list-style-type: none"> • Promote environmental awareness by sensitizing the TURKANA CENTRAL NG-CDFC, NG- CDFC staff and PMCs on good conservation practices • To encourage, through regular communication to TURKANA CENTRAL NG-CDFC, staff , and other stakeholders changes in individual behaviour to reduce usage |
| Conservation of Energy and Resources | <ul style="list-style-type: none"> • To maximize use of available technologies to remove the need to use paper • To encourage our clients to engage with us using electronic means where possible • To maximize on rain water harvesting • To make energy efficiency a key factor in the selection of any new energy devise being purchased • To invest in available energy saving technologies and devices within our existing premises |
| Environmental Protection and Conservation | <ul style="list-style-type: none"> • To promote use of volt guards to control power surges • We have constructed culverts and gabions to prevent soil erosion • To encourage tree planting in the constituency to improve the forest cover. • To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires |
| Pollution Control and Waste Management | <ul style="list-style-type: none"> • To ensure that all paper waste is recycled • To ensure segregation of waste • To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks |

3. EMPLOYEES WELFARE TERMS AND CONDITIONS OF SERVICE

This highlights the general rules governing employment of NG-CDFC staff in such matters as appointments, promotions and related matters.

Categories of Employment

TURKANA CENTRAL NG-CDFC offers only categories of employment, which are Contract employees who are employed for 3 years on a renewable contract. Such employees are eligible for employee benefits in line with the statutory requirements. Casual employees are hired to perform specific duties on a daily or weekly basis on a piece rate payment system. Casuals are not allowed to work continuously for more than three (3) months and are not eligible for any employee benefits in line with statutory requirements.

Recruitment Procedure

The Fund Account Manager declares vacancies in the office through the NG-CDFC, an approval is then sought for advertisement within the constituency to be done

The Advertisement contains the following:

- Job title
- Main purpose of the job
- A brief description of the key responsibilities of the job
- Education, experience, skills and competencies required for the job
- Clear instructions on how to apply and information to be submitted in the application
- Closing date for receipt of applications

Appointment of a selection and Interview subcommittee

A selection and interview subcommittee is appointed to oversee the selection strategy for application review, determination of testing methodology, administration of tests and scoring, and reference check criteria.

Interviews

Interviews for staff employment are conducted in a manner that complies with the office's commitment to equal employment opportunity, to ensure that qualified candidates are not discriminated based on ethnicity, religion, gender, age, disability, status etc.

Offer of Appointment

A person appointed to the office will be given the appropriate letter of offer of appointment, as the case may be, which may be accepted or rejected by the candidate within the stipulated time.

Letters of Appointment

A written contract of service that is signed by the Fund Account Manager and the NG-CDFC Chairman is then issued, which states particulars of employment which include, the name and address of the employee, job description, date of commencement of the job, form and duration of the contract, place of work, hours of work, remuneration, termination, terms and conditions of employment which the employee is entitled to.

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Orientation and Induction of employees

The NG-CDFC ensures orientation and induction of new employees. This is carried out in order to familiarize the employees with the mandate, vision, mission and operations of the office and how their jobs contribute to this.

Induction and orientation is done within the first three months of employment.

Promotions

In selecting candidates for promotion, regard is given to merit and extra ordinary ability as reflected in work performance and results after the annual performance appraisal Recommendations for promotion is only made by the NG-CDFC resolution

HEALTH, SAFETY AND WELL BEING

This provides guidelines on the health, safety and well-being of the office staff

Guidelines to General Safety

The office has maintain healthy and safe working conditions for its employees to ensure there is no personal injury caused by accidents.

All the staff must always consider safety to themselves and others when performing their duties. They should not compromise on quality, cause injury, ill health, loss or environmental damage.

Emergency Preparedness

Every Department depending on the nature of work and services shall plan for foreseeable incidents such as accidents, explosions, fire, floods etc. and prepare and outline procedures to be followed in such events.

Fire precautions

The fire protection facilities have been provided both inside and outside the building and they are adequate and maintained annually

General information on fire precautions and fire equipment is contained in stickers on the wall next to the fire extinguishers

Provision of protective equipment and clothing

The Fund Account Manager ensures that officers who are employed in any process involving exposure to wet or to any injurious or offensive substances are provided with adequate, effective and suitable protective clothing and appliances.

Reporting of an Accident

Immediately an accident or development of an occupational disease resulting in death or injury to an officer comes to the notice of the officer under whom he/she is directly deployed, the supervisor should make a claim for compensation in accordance with the procedure set out in the Occupational Safety and Health Act 2007 and Work Injury Benefits act 2007.

Guidance and Counselling

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The current challenges in the workplace and family environment affects the performance and wellbeing of an officer. To address these challenges, the office undertakes guidance and counselling of the affected staff however, consultation with family members or support system may be sought when deemed necessary.

Health Care Services

The staff, including spouses and children, are eligible to affordable health care services and to benefit from the NHIF medical scheme as statutory deductions are done and remitted on a monthly basis

HIV/AIDS

HIV and AIDS is a major challenge facing officers in and out of the Institute. It poses a big threat to the individual, the family and the public Service. It is in cognizance of this that the Institute has put in place care and support programs for the infected and affected officers to enable them remain productive.

HIV/AIDS shall be treated like any other challenging issue at the workplace. All officers of the Institute shall have a role to play in the wider struggle to mitigate the effects of the pandemic. An officer shall not be discriminated or stigmatized on the basis of HIV status. It is an offence for any person to discriminate another on the ground of actual, perceived or suspected HIV status.

It is the responsibility of the Fund Account Manager in liaison with NG-CDFC to minimize the risk of HIV/AIDS transmission by adopting first aid/universal infection control precautions at the workplace.

Drug and Substance Abuse

Addiction to drugs or substance will be treated like any other disease. An officer who is determined to deal with drug and substance abuse problem by engaging in rehabilitation services will be referred by the office by a Government doctor for evaluation, within the limits and budgets endorsed by the NG-CDFC.

Persons Living with Disability

An employee with an impairment in his/her body will be expected to confirm their disability status with a doctor after medical examination. Once it is confirmed that he/she is disabled, the employee will register with the National Council for Person with Disabilities. The employee will then present the registration certificate from the National Council for Persons with Disabilities to the Institute which will then recognize them as employees living with disabilities

The office shall provide facilities and effect such modification, whether physical, administrative or otherwise, in the workplace as may be reasonably required to accommodate persons with disabilities

Sexual harassment and other Forms of Harassment

Any staff of the office should not harass another officer sexually through, direct or indirect request for favors, use of language whether written or spoken of a sexual nature,

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use visual material of a sexual nature and show physical behavior of a sexual nature which directly or indirectly subjects the person to behavior that is unwelcome or offensive.

Disciplinary action will be taken against an officer of the Institute for harassing another person.

Harassment may be based on racial, tribal, gender, marital status, religious or ethical belief, disability, age, political opinion, employment status, family status, sexual orientation, or involvement in the activities of an employee's organization.

The improper use of power based on administrative or Managerial status (i.e. the use of a position to insult, bully, dominate, manipulate, disadvantage or discriminate) may also constitute harassment.

Bullying – which means repeated, deliberate and targeted conduct by a person towards a staff member which is offensive, intimidating or humiliating and which detrimentally affects that member's well-being.

Reporting Harassment Cases

Any staff who believes that they have experienced some form of harassment should report harassment cases as outlined in the office complaints procedures manual

4. MARKET PLACE PRACTICES

NG-CDFC fund was designed to support constituency-level, grass-root development projects. It is aimed to achieve equitable distribution of development resources across regions and to control imbalances in regional development brought about by partisan politics. It targets all constituency-level development projects, particularly those aiming to combat poverty at the grassroots and entrench equitable distribution of development in line with the NG-CDFC Act 2015 provisions

The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

a) Responsible competition practice.

During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects.

How the organisation ensures responsible competition practices with issues like anti- corruption, responsible political involvement, fair competition and respect for competitors

b) Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents

c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices

Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders

d) Product stewardship

In order to safeguard consumer rights and interests, the TURKANA CENTRAL NG-CDF came up with a service charter and the complaints handling policy, principles and procedures brochure. The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling policy, principles and procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible

5. COMMUNITY ENGAGEMENTS

Public Participation in Project Identification and Implementation and Monitoring

The NG-Constituency Development Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NG-CDFC shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.

The NG-CDFC shall then deliberate on project proposals from all the wards in the constituency and any other projects which the Constituency Committee considers beneficial to the constituency, including joint projects with other constituencies, consider the national development plans and policies and the constituency strategic development plan, and identify a list of priority projects, both immediate and long term, out of which the list of projects to be submitted in accordance with the Act shall be drawn from. There after the list of proposed constituency based projects to be covered under this Act shall be submitted by NG-CDFC to the Board.

Public's engagement is a vital part of many projects and the benefits of it are well documented, such as better outcomes for all stakeholders, community ownership and lower project costs.

When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability.

Effective public engagement is about recognising that involving the public in a project is no longer about information dissemination and telling the people what is being done, but is a two- way information sharing tool. The more views gathered in the process of making a decision, the more likely the final product will meet the most needs and address the most concerns possible.

In summary stakeholders participation is important since:

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- Providing information helps them understand the issues, options, and solutions available for the projects
- Consulting with the public aids in obtaining their feedback on alternatives or decisions
- Involving the public to ensures their concerns are considered throughout the decision process, particularly in the development of decision criteria, options and preferred solutions that are workable, efficient and sustainable .

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

Public Awareness and Sensitisation Exercise Provide

- A menu of options for including individuals and organizational actors in identifying development priorities and selecting NG-CDF projects.
- Ensuring implementation of NG-CDF funded projects are transparent and known to everybody within the community.
- Increase accountability hence ensure local citizens gain skills and confidence to carryout social audits as means to enhanced accountability in management of other devolved funds apart from NG-CDF at constituency and other levels within the constituency.
- Increase public participation at all stages of project cycle funded under NG-CDF kitty
- Identify control and report any irregularities witnessed during NG-CDF project implementation cycle
- Measure the impact of the projects funded by NG-CDF
- Enable people to exercise their rights by instilling democratic culture through enhanced social accountability and transparency among state and non state actors.
- Promote awareness creation on constitution and devolved governance system in Kenya

Covid-19 Mitigation Measures

Taking into consideration the current Corona Virus epidemic, in line with the Governments directive on reducing the chances of being infected or spreading COVID-19, the office resolved in aiding by taking the following precautionary measures.

- Through Kenya Pipeline Corporation distributed 4,000 bottles of 250mls sanitizers to the community free of charge.
- The office purchased 120 hand wash pots and basins that were distributed to the Government offices within the constituency
- Through The National Youth Service the office distributed 4,000 facial masks
- Printing of brochures disseminating information regarding Corona Virus protection measures

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V. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

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

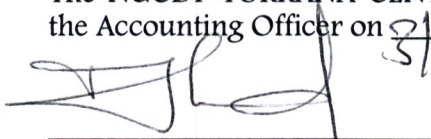
The Accounting Officer in charge of the NGCDF-TURKANA CENTRAL Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-TURKANA CENTRAL 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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-TURKANA CENTRAL Constituency further confirms the completeness of the accounting records maintained for the *entity*, 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.

The Accounting Officer in charge of the NGCDF-TURKANA CENTRAL Constituency confirms that the entity 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 entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF-TURKANA CENTRAL Constituency financial statements were approved and signed by the Accounting Officer on 31/8/2020 2020.



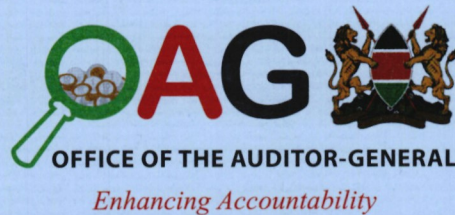
Fund Account Manager
Name:



Sub-County Accountant
Name:
ICPAK Member Number:

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: info@oagkenya.go.ke
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P.O. Box 30084-00100
NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TURKANA CENTRAL CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2020

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Turkana Central Constituency set out on pages 18 to 46, which comprise the statement of assets and liabilities as at 30 June, 2020, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation: Recurrent and Development combined 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, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of the National Government Constituencies Development Fund - Turkana Central Constituency as at 30 June, 2020, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards and does not comply with the National Government Constituencies Development Fund Act, 2015.

Basis for Adverse Opinion

1.0 Use of Goods and Services

As disclosed in Note 5 to the financial statements, the statement of receipts and payments reflects use of goods and services balance of Kshs.23,451,067. However, the following observation were made:-

1.1 Committee Allowances and Other Expenses

Included in use of goods and services balance is an amount of Kshs.12,596,832 and Kshs.7,020,500 being Committee allowances and other expenses respectively. The allowances were however not supported.

1.2 Routine Maintenance of Vehicles

Similarly, included in use of goods balance is an amount of Kshs.1,021,455 relating to routine maintenance of vehicles and other transport equipment. However, the expenses were also not supported.

In the circumstances, the validity and completeness of the use of goods and services balances of Kshs.23,451,067 as at 30 June, 2020 could not be confirmed.

2.0 Transfers to Other Government Entities

2.1 Unsupported Payments - Procurement of Works

As disclosed in Note 6 to the financial statements, the statement of receipts and payments for the year ended 30 June, 2020 reflects transfers to other Government units balance of Kshs.53,420,000 which includes transfers to primary schools of Kshs.35,800,000. Out of this balance, an amount of Kshs.23,460,000 was paid to various contractors. However, the payments were not supported.

2.2 Unsupported Payments - Drilling of Borehole at Loturerei Secondary School

Similarly, the balance of transfers to other Government units includes transfers to secondary schools of Kshs.17,620,000. Out of this balance an amount of Kshs.2,480,000 was disbursed to Loturerei Secondary School for drilling of a 130M deep borehole and installation of hand pump. The contract was awarded at a contract sum of Kshs.2,509,080. However, the payment was not supported.

2.3 Design, Preparation of Bills of Quantities and Documentation for Projects

Included in the transfers to other government entities is transfers to secondary schools balance of Kshs.35,800,000. Included in this balance is an amount of Kshs.900,000 being payments towards design, preparation of bills of quantities and documentation for fund projects to the County Architect. The payments were however made to the architect in person and not the County Works Officer Appropriation in Aid account. In the circumstances, accuracy and validity of transfers to other government units balance of Kshs.53,420,000 as at 30 June, 2020 could not be ascertained.

3.0 Variances in the Financial Statements

A review of the financial statements revealed variances between the financial statements balance and supporting schedules. The details are provided below;

| Component | Financial Statement Figures (Kshs.) | Supporting Schedules Figures (Kshs.) | Variances (Kshs.) |
|---------------------------------|--|---|--------------------------|
| Domestic Travel and Subsistence | 1,767,000 | 1,780,000 | 13,000 |

| | | | |
|--------------------------------|------------|------------|-----------|
| Other Committee Expenses | 7,020,500 | 6,418,270 | 602,230 |
| Committee Allowances | 12,596,832 | 11,365,730 | 1,231,102 |
| Transfers to Primary Schools | 35,800,000 | 34,300,000 | 1,500,000 |
| Transfers to Secondary Schools | 17,620,000 | 15,420,000 | 2,200,000 |

Consequently, the accuracy and completeness of the financial statements balances as at 30 June, 2020 could not be confirmed.

4.0 Transfers from CDF Board

The statement of receipts and payments for the year ended 30 June, 2020 reflects transfers from CDF Board balance of Kshs.141,040,876. Review of records in support of the receipts revealed that an amount of Kshs.18,000,000 was received on 15 July, 2020 which was after the end of the financial year.

Consequently, the accuracy and completeness of the transfers from the CDF Board balance of Kshs.141,040,876 as at 30 June, 2020 could not be confirmed.

5.0 Bank Balances

As disclosed in Note 10A to the financial statements, the statement of assets and liabilities as at 30 June, 2020 reflects bank balance of Kshs.7,182,496. However, the bank reconciliation statements for the month of June, 2020 reflects unrepresented cheques of Kshs.11,460,208 which include stale cheques of Kshs.684,307 which were not reversed in the cashbook. Further, no documentary evidence was provided to show when the unrepresented cheques were cleared.

In addition, the bank reconciliation statement reflects payments in the bank statement not in the cash book amounting to Kshs.482,172. A review of the reconciliation statement revealed that these were bank charges. No reason has been provided for failure to record them in the cash book.

Consequently, the accuracy and completeness of the bank balance figure of Kshs.7,182,496 as at 30 June, 2020 could not be confirmed.

6.0 Project Management Committees Accounts

Annex 5 to the financial statements reflects PMC bank balances of Kshs.12,480 as at 30 June, 2020 in relation to five (5) project management committees accounts. A review of provided records revealed that the constituency funded thirty-one (31) project management committees with Kshs.41,070,000. However, all the project bank account balances have not been disclosed in the financial statements. Further, cashbooks, bank statements and certificates of bank balance for the accounts were not provided.

Consequently, the accuracy and completeness of the PMC bank balances of Kshs.12,480 as at 30 June, 2020 could not be confirmed.

7.0 Summary of Fixed Assets Register

Annex 4 to the financial statements reflects total assets worth Kshs.22,000,000. However, the fixed assets register was not provided.

Consequently, the accuracy, completeness and existence of the assets balance of Kshs.22,000,000 for the year ended 30 June, 2020 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 - Turkana Central Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Key Audit Matters

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

Other Matter

1.0 Budgetary Control and Performance

The summary statement of appropriation - Recurrent and Development Combined reflects final receipts budget and actual on comparable basis of Kshs.197,410,278 and Kshs.141,671,863 respectively resulting to an under-funding of Kshs.55,738,416 or 28.2% of the budget. The Project expenditure was limited to the amount realized.

Based on the approved estimates, under funding and expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

2.0 Project Verification Report

The project implementation status report indicated eighty (80) projects at a cost of Kshs.123,059,484. However, eighteen (18) projects with total disbursements amounting to Kshs.33,800,000 were physically verified. Out of the 18 projects visited, seven (7) were not labeled. One School bus for Kerio Secondary School worth Kshs.7,000,000 had not been delivered and motor bikes worth Kshs.500,000 were also not delivered.

In the circumstances, the Public did not realize value for money equivalent to Kshs.7,500,000. (Value of the Buss and Motor Bikes).

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Presentation and Disclosures of Financial Statements

An audit review of the financial statements for the year ended 30 June, 2020 and other information which should accompany them as prescribed by the Public Sector Accounting Standards Board revealed the following anomalies:

- i. Cover page indicates Revised Template 30 June, 2020 which is not relevant.
- ii. The forward by the Chairman NGCDF committee is a replication of the previous year's (2017-2018) forward and thus does not reflect the true view of the current year's status.
- iii. The statement of entity management responsibilities, statement of receipts and payments, statement of assets and liabilities and statement of cash flow do not include the ICPAK number of the Sub County Accountant.
- iv. The statement of assets and liabilities is for the year ended 30, June, 2020 instead of as at 30 June, 2020.
- v. Pages 1-17, 18-26,27-30 and 31.9-46 contains reports, financial statements, significant accounting policies and notes to the financial statements respectively whereas the header on all pages indicates reports and financial statements. The header therefore does not reflect the correct position of the relevant sections of the reports, financial statements, significant accounting policies and notes to the financial statements.
- vi. Note XXIII on Transfers from other Government entities does not contain totals.
- vii. The status of the issues on progress and follow up of auditor recommendations is indicated as resolved yet the report has not been tabled at the National Assembly and recommendations implemented.
- viii. Note 4 to the financial statements disclose basic wages of temporary employees of Kshs.4,014,536. However, pension and other social security contributions (gratuity) and employer contributions of compulsory National Social Security such as NSSF has not been disclosed.

- ix. Annex 4 – Summary of fixed asset register reflect total assets of Kshs.22,000,000 as at 30 June, 2020 which excludes additions of Kshs.2,000,000 during the year.
- x. The bank charges of Kshs.482,172 have not been reflected in the statement of receipts and payments as expenses.
- xi. The statement of receipts and payments reflected total bursaries of Kshs.24,734,047 whereas the supporting schedules has a balance of Kshs.24,492,050 resulting in unexplained variance of Kshs.241,997.

Consequently, the financial statements do not comply with the requirements of the IPSAS Cash and Public Sector Accounting Standards Board templates.

2.0 Other Grants and Transfers

2.1 Unsupported Bursaries to Secondary Schools and Tertiary Institutions

The statement of receipts and payments for the year ended 30 June, 2020 reflects other grants and transfers balance of Kshs.51,603,764 which includes bursary disbursement to secondary schools and tertiary institutions of Kshs.21,743,750 and Kshs.2,990,297 respectively. However, no records were provided to confirm compliance with the CDF Board circular Ref. CDF Board circulars/VOL 1/111 dated 13 September, 2010 provided.

Consequently, the Management is in breach of the law and the validity of the bursary disbursements to secondary schools and tertiary institutions amounting to Kshs.24,734,047 for the year ended 30 June, 2020 could not be confirmed.

2.2 Irregular Procurement of Services - Security Projects

Included in security projects balance of Kshs.6,740,000 under other grants and other transfers is Kshs.3,007,700 relating to construction of Ekitoeangikiliok chief's office as disclosed under Note 7 to the financial statements. However, review of the tender documents revealed that the contractor was not registered with National Construction Authority (NCA) and did not have a valid tax compliance certificate and hence did not qualify for evaluation and subsequent award of the contract.

Consequently, the Fund Management is in breach of the law.

2.3 Irregular Procurement of Services - Sports Activities

Included in other grants and other transfers balance is an amount of Kshs.3,924,900 in relation to sports activities. Out of this balance, an amount of Kshs.2,144,900 was paid to a firm for the supply of sports uniforms and balls. However, a review of procurement documents revealed that the supplier did not satisfy the mandatory evaluation criteria. In addition, no evidence was provided to ascertain the sports teams supplied with the kits. Further, it was also noted that out of the total expenditure of Kshs.3,924,900 on sports activities, an amount of Kshs.1,780,000 was not supported.

Consequently, the award of the tender at a contract sum of Kshs.2,144,900 was irregular and the validity of the expenditure of Kshs.1,780,000 on sports activities could not be confirmed.

2.4 Unsupported Environment Projects

Included in other grants and other transfers balance is an amount of Kshs.4,054,317 in relation to environmental projects. Out of this balance, an amount of Kshs.1,450,000 was paid for supply of 6,500 seedlings and two pieces of 10,000 litres water tanks. However, a review of the tender documents revealed that the supplier did not meet the mandatory evaluation criteria. In addition, the payment was not supported.

Further, it was also noted that out of the total expenditure of Kshs.4,054,317 on environment activities, an amount of Kshs.2,604,317 was not supported.

Consequently, the award of the tender for supply of seedlings and water tanks was irregular and the validity of the expenditure of Kshs.2,604,317 could not be confirmed.

2.5 Unsupported Cultural Projects

Included in other grants and other transfers balance is an amount of Kshs.500,000 in relation to cultural projects. However, no documentation regarding the payment including payment vouchers was provided.

Therefore, the validity of expenditure of Kshs.500,000 on cultural projects could not be confirmed.

2.6 Irregular Expenditure - Emergency Projects

included in the grants and other transfer balance are disbursements to emergency projects amounting to Kshs.11,650,500. A review of financial records revealed that the amount of Kshs.11,650,500 was spent against an approved budget/allocation of Kshs.7,198,241 resulting into an unauthorized/unapproved expenditure of Kshs.4,452,259. In addition, a review of the emergency payments revealed that the Fund Management funded projects which were outside their mandate. Further, he expenditure could not be classified under emergency as stipulated under Section 8(3) of the National Government Constituencies Development Fund Act, 2015.

Therefore, the validity of expenditure of Kshs.11,650,500 on emergency projects could not be confirmed.

2.7 Procurement of Food Supplies

included in the other grants and transfer balance is an amount of Kshs.4,498,000 paid for supply and delivery of foodstuffs.

However, the expenditure was not supported. Further, the food distribution list to show how residents affected by drought were issued with food supplies was not provided.

Consequently, the validity of the expenditure of Kshs.4,498,000 on supply of food stuff could not be confirmed.

3.0 Acquisition of Assets

3.1 Irregular Procurement - Renovation of NG CDF Office

As disclosed in Note 8 to the financial statements, the statement of receipts and payments for the year ended 30 June, 2020 reflects acquisition of assets balance of Kshs.2,000,000. Out of this balance, an amount of Kshs.1,167,030 was incurred on renovations of the CDF Office. However, the contract for renovation of office was awarded to a firm that did not provide evidence of being registered with National Construction Authority, a valid compliance certificate from KRA and a performance bond. Further, the Management did not provide the procurement documents.

In the circumstances, the award of the tender was irregular.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, because of the significance of the matters discussed in the Basis for Adverse Opinion, Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources and Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance sections of my report, based on the audit procedures performed, I confirm that internal controls, risk management and governance were not effective.

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and the National Government Constituencies Development Fund Act, 2015 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 ability of the Fund to continue to sustain its services, disclosing, as applicable, matters related to using the going concern basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and overall governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose

all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.


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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

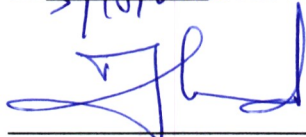
Nairobi

11 February, 2022

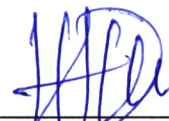
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**TURKANA CENTRAL CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2020****VII. STATEMENT OF RECEIPTS AND PAYMENTS**

| | Note | 2019 - 2020 | 2018 - 2019 |
|---|------|--------------------|--------------------|
| | | | Kshs |
| RECEIPTS | | | |
| Transfers from CDF board-AIEs' Received | 1 | 141,040,876 | 108,748,483 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | | - |
| | | | |
| TOTAL RECEIPTS | | 141,040,876 | 108,748,483 |
| | | | |
| PAYMENTS | | | |
| | | | |
| Compensation of employees | 4 | 4,014,536 | 3,541,678 |
| Use of goods and services | 5 | 23,451,067 | 9,941,416 |
| Transfers to Other Government Units | 6 | 53,420,000 | 37,872,000 |
| Other grants and transfers | 7 | 51,603,764 | 55,650,934 |
| Acquisition of Assets | 8 | 2,000,000 | 1,120,000 |
| Other Payments | 9 | - | - |
| | | | |
| TOTAL PAYMENTS | | 134,489,367 | 108,126,028 |
| | | | |
| SURPLUS/DEFICIT | | 6,551,509 | 622,455 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TURKANA CENTRAL Constituency financial statements were approved on 31/8/2020 2020 and signed by:



Fund Account Manager
Name:



National Sub-County Accountant
Name:
ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
TURKANA CENTRAL CONSTITUENCY**

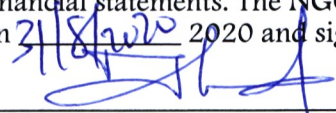
Reports and Financial Statements

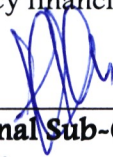
For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES

| | Note | 2019 - 2020 | 2018 - 2019 |
|--|------|------------------|----------------|
| | | Kshs | Kshs |
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (as per the cash book) | 10A | 7,182,496 | 630,987 |
| Cash Balances (cash at hand) | 10B | - | - |
| Total Cash and Cash Equivalents | | 7,182,496 | 630,987 |
| Current Receivables-Outstanding Imprests | 11 | - | - |
| TOTAL FINANCIAL ASSETS | | 7,182,496 | 630,987 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable-Retention | 12A | | |
| Gratuity | 12B | - | - |
| NET FINANCIAL SSETS | | 7,182,496 | 630,987 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 13 | 630,987 | 8,532 |
| Surplus/Defict for the year | | 6,551,509 | 622,455 |
| Prior year adjustments | 14 | - | - |
| NET FINANCIAL POSITION | | 7,182,496 | 630,987 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TURKANA CENTRAL Constituency financial statements were approved on 31/8/2020 2020 and signed by:


Fund Account Manager
Name:


National Sub-County Accountant
Name:
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

TURKANA CENTRAL CONSTITUENCY

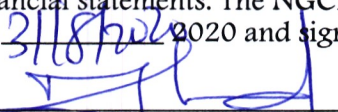
Reports and Financial Statements


For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW

| | NOTE | 2019 - 2020 | 2018 - 2019 |
|--|------|--------------------|--------------------|
| | | Kshs | Kshs |
| Receipts for operating income | | | |
| Transfers from NGCDF Board | 1 | 141,040,876 | 108,748,483 |
| Other Receipts | 3 | | - |
| | | 141,040,876 | 108,748,483 |
| Payments for operating expenses | | | |
| Compensation of Employees | 4 | 4,014,536 | 3,541,678 |
| Use of goods and services | 5 | 23,451,067 | 9,941,416 |
| Transfers to Other Government Units | 6 | 53,420,000 | 37,872,000 |
| Other grants and transfers | 7 | 51,603,764 | 55,650,934 |
| Other Payments | 9 | - | - |
| | | 132,489,367 | 107,006,028 |
| Adjusted for: | | | |
| Decrease/(Increase) in Accounts receivable | 15 | | |
| Increase/(Decrease) in Accounts Payable | 16 | - | - |
| Prior year Adjustments | 14 | - | - |
| Net Adjustments | | - | - |
| Net cash flow from operating activities | | 8,551,509 | 1,742,455 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | 2 | | - |
| Acquisition of Assets | 8 | 2,000,000 | 1,120,000 |
| Net cash flows from Investing Activities | | (2,000,000) | (1,120,000) |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | | |
| Cash and cash equivalent at BEGINNING of the year | 13 | 630,987 | 8,532 |
| Cash and cash equivalent at END of the year | | 7,182,496 | 630,987 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-TURKANA CENTRAL Constituency financial statements were approved on 31/8/2020 and signed by:


Fund Account Manager
Name:


National Sub-County Accountant
Name:
ICPAK Member Number:

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA CENTRAL CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

| Receipt/Expense Item | Original Budget | Adjustments | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|--------------------|-------------------|--------------------|----------------------------|-------------------------------|------------------|
| | a | b | c=a+b | d | e=c-d | f=d/c % |
| RECEIPTS | | | | | | |
| Transfers from NG-CDF Board | 137,367,724 | 60,042,554 | 197,410,278 | 141,671,863 | 55,738,416 | 71.8% |
| Proceeds from Sale of Assets | | | | - | - | 0.0% |
| Other Receipts | | | 0 | | - | |
| TOTAL RECEIPTS | 137,367,724 | 60,042,554 | 197,410,278 | 141,671,863 | 55,738,416 | 71.8% |
| PAYMENTS | | | | | | |
| Compensation of Employees | 3,600,000 | 1,313,939 | 4,913,939 | 4,014,536 | 899,403 | 81.7% |
| Use of goods and services | 7,308,406 | 2,270,423 | 9,578,829 | 23,451,067 | (13,872,238) | 244.8% |
| Transfers to Other Government Units | 73,552,250 | 46,133,534 | 119,685,784 | 53,420,000 | 66,265,784 | 44.6% |
| Other grants and transfers | 52,407,068 | 7,817,786 | 60,224,854 | 51,603,764 | 8,621,090 | 85.7% |
| Acquisition of Assets | 500,000 | 500,000 | 1,000,000 | 2,000,000 | (1,000,000) | 200.0% |
| Other Payments | 0 | 2,006,872 | 2,006,872 | - | 2,006,872 | 0.0% |
| TOTAL | 137,367,724 | 60,042,554 | 197,410,278 | 134,489,367 | 62,920,912 | 68.1% |

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

- i. Percentage utilization of goods and services is higher as a result of unbudgeted Covid 19 pandemic which resulted in borrowing to finance purchase of required materials and goods
- ii. Overall budget performance

**Reports and Financial Statements
For the year ended June 30, 2020**

The NGCDF-TURKANA CENTRAL Constituency financial statements were approved on 31/8/2020 2020 and signed by:



**Fund Account Manager
Name:**



**Sub-County Accountant
Name:
ICPAK Member Number:**

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA CENTRAL CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2020**

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

| Programme/Sub-programme | Original Budget 2019/2020 Kshs | Adjustments Kshs | Final Budget 2019/2020 Kshs | Actual on comparable basis 30/06/2020 Kshs | Budget utilization difference Kshs |
|---|--------------------------------------|---------------------|-----------------------------------|---|---|
| 1.0 Administration and Recurrent | | | | | |
| 1.1 Compensation of employees | 3,846,996 | 1,313,939 | 5,160,935 | | 5,160,935 |
| 1.2 Committee allowances | 2,000,000 | (2,270,423) | (270,423) | | (270,423) |
| 1.3 Use of goods and services | 2,210,169 | 500,000 | 2,710,169 | | 2,710,169 |
| 2.0 Monitoring and evaluation | | | | | |
| 2.1 Capacity building | 800,000 | | 800,000 | | 800,000 |
| 2.2 Committee allowances | 1,200,000 | | 1,200,000 | | 1,200,000 |
| 2.3 Use of goods and services | 1,905,084 | | 1,905,084 | | 1,905,084 |
| 3.0 Emergency | 7,198,241.38 | (66,506.55) | 7,131,735 | | 7,131,735 |
| 4.0 Bursary and Social Security | | | | | |
| 4.1 Primary Schools | | | | | |
| 4.2 Secondary Schools | 15,047,750 | 3,208,200 | 18,250,950 | | 18,250,950 |
| 4.3 Tertiary Institutions | 10,000,000 | 5,000,000 | 15,000,000 | | 15,000,000 |
| 4.4 Universities | | | | | |
| 4.5 Social Security | | | | | |
| 5.0 Sports | | | | | |
| 5.1 Turkana Central Sports PMC | 2,603,390 | | 2,603,390 | | 2,603,390 |
| 5.2 | | | | | |
| 5.3 | | | | | |
| 6.0 Environment | | | | | |
| 6.1 Turkana Central Environment PMC | 1,450,000 | | 1,450,000 | | 1,450,000 |
| 6.2 Lochor Esekon Fry | 553,844 | | 553,844 | | 553,844 |
| 6.3 | | | | | |
| 7.0 Primary Schools Projects (List all the Projects) | | | | | |

**Reports and Financial Statements
For the year ended June 30, 2020**

| Programme/Sub-programme | Original Budget 2019/2020 | Adjustments | Final Budget 2019/2020 | Actual on comparable basis 30/06/2020 | Budget utilization difference |
|---|--------------------------------------|--------------------|-----------------------------------|--|--|
| Kerio Pry School | 2,200,000 | | 2,200,000 | 2,200,000 | |
| Kairiama Pry | 1,100,000 | | 1,100,000 | 1,100,000 | |
| Kalokol Mixed | 1,500,000 | | 1,500,000 | 1,500,000 | |
| Nayanae Angikalalio Pry | 500,000 | | 500,000 | 500,000 | |
| Lodwar Mixed Pry school | 2,000,000 | | 2,000,000 | 2,000,000 | |
| Monti Pry school | 1,000,000 | | 1,000,000 | 1,000,000 | |
| Longech primary school | 700,000 | | 700,000 | 700,000 | |
| Nangolpus primary school | 1,100,000 | | 1,100,000 | 1,100,000 | |
| Lorecamatet primary school | 2,100,000 | | 2,100,000 | 2,100,000 | |
| Kalokol mixes primary school | 1,500,000 | | 1,500,000 | 1,500,000 | |
| Marian primary school | 2,000,000 | | 2,000,000 | 2,000,000 | |
| Lotukumo primary school | 1,000,000 | | 1,000,000 | 1,000,000 | |
| Kaikir primary school | 1,100,000 | | 1,100,000 | 1,100,000 | |
| Kapua primary school | 1,100,000 | | 1,100,000 | 1,100,000 | |
| Ile primary school | 1,100,000 | | 1,100,000 | 1,100,000 | |
| Lochor-esekon primary school | 1,100,000 | | 1,100,000 | 1,100,000 | |
| Namukuse primary school | 1,500,000 | | 1,500,000 | 1,500,000 | |
| Nataparkakono primary school | 2,000,000 | | 2,000,000 | 2,000,000 | |
| Kanan primary school | 2,200,000 | | 2,200,000 | 2,200,000 | |
| Mount loima constructors | 3,100,000 | | 3,100,000 | 3,100,000 | |
| Lopongo Pry | 2,000,000 | | 2,000,000 | 2,000,000 | |
| Alfred Powery pry | 200,000 | | 200,000 | 200,000 | |
| Lokipetot Pry | 200,000 | | 200,000 | 200,000 | |
| NataparKakono Pry | 2,000,000 | | 2,000,000 | 2,000,000 | |
| Kalotum Primary | 1,500,000 | | 1,500,000 | 1,500,000 | |
| Comboni Girls Sec | 2,000,000 | | 2,000,000 | 2,000,000 | |
| 8.0 Secondary Schools Projects (List all the Projects) | | | | | |

Reports and Financial Statements
For the year ended June 30, 2020

| Programme/Sub-programme | Original Budget 2019/2020 | Adjustments | Final Budget 2019/2020 | Actual on comparable basis 30/06/2020 | Budget utilization difference |
|-------------------------|------------------------------|-------------|---------------------------|---|-------------------------------------|
| 11.5 Purchase of land | | | | | |
| 12.0 Others | | | | | |
| 12.1 Strategic Plan | | | | | |
| 12.2 Innovation Hub | | | | | |
| 12.2 | | | | | |
| | | | | | |

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) –
TURKANA CENTRAL CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2020**

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) – TURKANA CENTRAL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the Entity 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 Entity 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.

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they 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 year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) – TURKANA CENTRAL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2019 for the period 1st July 2019 to 30th June 2020 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2020.

14. Errors

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

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

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) – TURKANA CENTRAL CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2020

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| 1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES | | | |
|---|-----------------|--------------------|--------------------|
| Description | | 2019 - 2020 | 2018 - 2019 |
| | | Kshs | Kshs |
| | B041072 | 52,860,058 | |
| Normal Allocation | B041429 | 2,180,818 | |
| | B104510 | 18,000,000 | |
| | B096505 | 21,000,000 | |
| | B041230 | 4,000,000 | |
| | B104167 | 14,000,000 | |
| | B049192 | 9,000,000 | |
| | B047665 | 20,000,000 | |
| | AIE NO. B005135 | | 49,348,276 |
| | AIE NO. B005397 | | 5,400,207 |
| | AIE NO. B030333 | | 10,000,000 |
| | AIE NO. B005492 | | 14,000,000 |
| | AIE NO. B007495 | | 6,000,000 |
| | AIE NO. B042633 | | 11,000,000 |
| | AIE NO. B047061 | | 13,000,000 |

2. PROCEEDS FROM SALE OF ASSETS

| | 2019-2020 | 2018-2019 |
|--|------------------|------------------|
| | 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 | - | - |
| | - | - |
| Total | - | - |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) – TURKANA CENTRAL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

| | 2019-2020 | 2018-2019 |
|---|-----------|-----------|
| | Kshs | Kshs |
| Interest Received | - | - |
| Rents | - | - |
| Receipts from Sale of tender documents | - | - |
| Other Receipts Not Classified Elsewhere | - | - |
| | - | - |
| Total | - | - |

4. COMPENSATION OF EMPLOYEES

| 4 COMPENSATION OF EMPLOYEES | | |
|---|------------------|------------------|
| Description | 2019 - 2020 | 2018 - 2019 |
| | Kshs | Kshs |
| Basic wages of temporary employees | 4,014,536 | 3,541,678 |
| Basic wages of casual labour | - | - |
| Personal allowances paid as part of salary | | |
| House allowance | - | - |
| Transport allowance | - | - |
| Leave allowance | - | - |
| Other personnel payments | - | - |
| Employer contribution to NSSF | - | - |
| Gratuity-contractual employees | - | - |
| TOTAL | 4,014,536 | 3,541,678 |
| | | |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) – TURKANA CENTRAL CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

| Description | 2019 - 2020 | 2018 - 2019 |
|--|-------------------|------------------|
| | Kshs | Kshs |
| Utilities, supplies and services | | |
| Electricity | - | 15,000 |
| Water & sewerage charges | - | 9,225 |
| Office rent | - | - |
| Communication, supplies and services | - | - |
| Domestic travel and subsistence | 1,767,000 | 388,800 |
| Printing, advertising and information supplies & services | - | - |
| Rentals of produced assets | - | - |
| Training expenses | 884,000 | 2,518,552 |
| Hospitality supplies and services | - | - |
| Other committee expenses | 7,020,500 | - |
| Committee allowance | 12,596,832 | 5,581,394 |
| Insurance costs | - | - |
| Specialised materials and services | 50,000 | - |
| Office and general supplies and services | 111,280 | 271,270 |
| Fuel , oil & lubricants | - | 362,408 |
| Other operating expenses | - | - |
| Bank service commission and charges | - | - |
| Other Operating Expenses | - | - |
| Security operations | - | - |
| Routine maintenance - vehicles and other transport equipment | 1,021,455 | 794,767 |
| Routine maintenance- other assets | - | - |
| TOTAL | 23,451,067 | 9,941,416 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
(NGCDF) – TURKANA CENTRAL CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2020**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

| 6 TRANSFER TO OTHER GOVERNMENT ENTITIES | | | |
|--|--|--------------------|--------------------|
| Description | | 2019 - 2020 | 2018 - 2019 |
| | | Kshs | Kshs |
| Transfers to Primary Schools | | 35,800,000 | 25,332,000 |
| Transfers to Secondary Schools | | 17,620,000 | 12,540,000 |
| Transfers to Tertiary Institutions | | | |
| Transfers to Health Institutions | | | |
| TOTAL | | 53,420,000 | 37,872,000 |

7. OTHER GRANTS AND OTHER PAYMENTS

| Description | | 2019 - 2020 | 2018 - 2019 |
|---------------------------|--|--------------------|--------------------|
| | | Kshs | Kshs |
| Bursary - Secondary | | 21,743,750 | 6,716,000 |
| Bursary - Tertiary | | 2,990,297 | 26,492,200 |
| Bursary- Special Schools | | - | - |
| Mocks & CAT | | - | - |
| Water | | - | - |
| Food Security | | - | - |
| Electricity | | - | - |
| Security | | 6,740,000 | 13,040,000 |
| Roads and Bridges | | - | - |
| Sports | | 3,924,900 | 1,736,200 |
| Environment | | 4,054,317 | 1,861,034 |
| Cultural Projects | | 500,000 | - |
| Agriculture | | - | - |
| Emergency Projects | | 11,650,500 | 5,805,500 |
| TOTAL | | 51,603,764 | 55,650,934 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
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Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

| Non Financial Assets | 2019 - 2020 | 2018 - 2019 |
|---|--------------------|--------------------|
| | Kshs | Kshs |
| Purchase of Buildings | - | - |
| Construction of Buildings | - | - |
| Refurbishment of Buildings | 1,000,000.00 | 920,000.00 |
| Purchase of Vehicles | - | - |
| Purchase of Bicycles & Motorcycles | 500,000.00 | - |
| Overhaul of Vehicles | - | - |
| Purchase of office furniture and fittings | 500,000 | - |
| Purchase of computers ,printers and other IT equipments | - | 200,000 |
| Purchase of photocopier | - | - |
| Purchase of other office equipments | - | - |
| Purchase of soft ware | - | - |
| Acquisition of Land | - | - |
| TOTAL | 2,000,000 | 1,120,000 |

9. OTHER PAYMENTS

| | 2019-2020 | 2018-2019 |
|----------------|------------------|------------------|
| | Kshs | Kshs |
| Strategic plan | - | - |
| ICT Hub | - | - |
| TOTAL | - | - |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
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Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

| Name of Bank, Account No. & currency | Account Number | 2019 - 2020 | 2018 - 2019 |
|--|-----------------------|-----------------------------|-----------------------------|
| | | Kshs (30/6/2019) | Kshs (30/6/2018) |
| <i>Kenya Commercial Bank, Lodwar Branch . Turkana Central NG-CDF</i> | <i>1107296684</i> | 7,182,496 | 622,655 |
| | | | |
| | | | |
| 10B: CASH IN HAND) | | | |
| | | | |
| | | 2019 - 2020 | 2018 - 2019 |
| | | Kshs (30/6/2019) | Kshs (30/6/2018) |
| Location 1 | | - | - |
| Location 2 | | - | - |
| TOTAL | | - | - |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
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Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: 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> |
| | | 0 | 0 | 0 |
| | | 0 | 0 | 0 |
| | | 0 | 0 | 0 |
| | | 0 | 0 | 0 |
| | | 0 | 0 | 0 |
| | | 0 | 0 | 0 |
| <i>Total</i> | | | | 0 |

12A. RETENTION

| | 2019 - 2020 | 2018-2019 |
|--------------|--------------------|------------------|
| | Kshs | Kshs |
| Supplier 1 | 0 | 0 |
| Supplier 2 | 0 | 0 |
| Supplier 3 | 0 | 0 |
| | 0 | 0 |
| Total | 0 | 0 |

12B. GRATUTTY DEPOSITS

| | 2019 - 2020 | 2018-2019 |
|--------------------|--------------------|------------------|
| | Kshs | Kshs |
| Name 1 | 0 | 0 |
| Name 2 | 0 | 0 |
| Name 3 | 0 | 0 |
| Add as appropriate | 0 | 0 |
| Total | 0 | 0 |

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13. BALANCES BROUGHT FORWARD

| 13 BALANCES BROUGHT FORWARD | | | |
|------------------------------------|--|------------------------|------------------------|
| | | | |
| | | 2019 - 2020 | 2018 - 2019 |
| | | Kshs (1/7/2019) | Kshs (1/7/2018) |
| Bank accounts | | 622,655 | 8,532 |
| Cash in hand | | | |
| Imprest | | | |
| TOTAL | | 622,655 | 8,532 |

14. PRIOR YEAR ADJUSTMENTS

| 14. PRIOR YEAR ADJUSTMENTS | | | | |
|-----------------------------------|--|---|-------------------|---|
| | | Balance b/f FY2019 - 2020 per Financial statements | Adjusments | Adjusted balance b/f 2018 - 2019 |
| Description of the error | | Kshs | Kshs | Kshs |
| Bank accounts balances | | - | - | - |
| Cash in hand | | - | - | - |
| Accounts Payable | | - | - | - |
| Receivables | | - | - | - |
| Others (specify) | | - | - | - |
| TOTAL | | | | |

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST

| | 2019 - 2020 | 2018 - 2019 |
|---|--------------------|--------------------|
| | KShs | KShs |
| Outstanding Imprest as at 1 st July 2019 (A) | - | - |
| Imprest issued during the year (B) | - | - |
| Imprest surrendered during the Year (C) | - | - |
| Net changes in account receivables D= A+B-C | - | - |

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

| | 2019 - 2020 | 2018 - 2019 |
|--|------------------------|------------------------|
| | KShs | KShs |
| Deposit and Retentions as at 1 st July 2019 (A) | - | - |
| Deposit and Retentions held during the year (B) | - | - |
| Deposit and Retentions paid during the Year (C) | - | - |
| Net changes in account receivables D= A+B-C | - | - |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

| | 2019-2020 | 2018-2019 |
|-----------------------------|-----------|-----------|
| | Kshs | Kshs |
| Construction of buildings | - | - |
| Construction of civil works | - | - |
| Supply of goods | - | - |
| Supply of services | - | - |
| | - | - |

17.2: PENDING STAFF PAYABLES (See Annex 2)

| | 2019-2020 | 2018-2019 |
|---------------------------|-----------|-----------|
| | Kshs | Kshs |
| NGCDFC Staff | - | - |
| Others (<i>specify</i>) | - | - |
| | - | - |

17.3: UNUTILIZED FUND (See Annex 3)

| | 2019-2020 | 2018-2019 |
|---|------------|------------|
| | Kshs | Kshs |
| Compensation of employees | - | 1,313,939 |
| Use of goods and services | - | 2,270,423 |
| Amounts due to other Government entities (see attached list) | 60,914,040 | 46,133,534 |
| Amounts due to other grants and other transfers (see attached list) | - | 7,817,786 |
| Acquisition of assets | - | 500,000 |
| Others (<i>specify</i>) | 2,006,872 | 2,006,872 |
| | 62,920,912 | 60,042,554 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

| | 2019-2020 | 2018-2019 |
|--|------------------|------------------|
| | Kshs | Kshs |
| PMC account Balances (see attached list) | 12,480 | 693,196 |
| | | |
| | 12,480 | 693,196 |

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

| Supplier of Goods or Services | Original Amount a | Date Contracted b | Amount Paid To-Date c | Outstanding Balance 2020 d=a-c | Comments |
|------------------------------------|----------------------|----------------------|--------------------------|-----------------------------------|----------|
| Construction of buildings | | | | | |
| 1. | | | | | |
| 2. | | | | | |
| 3. | | | | | |
| Sub-Total | | | | | |
| Construction of civil works | | | | | |
| 4. | | | | | |
| 5. | | | | | |
| 6. | | | | | |
| Sub-Total | | | | | |
| Supply of goods | | | | | |
| 7. | | | | | |
| 8. | | | | | |
| 9. | | | | | |
| Sub-Total | | | | | |
| Supply of services | | | | | |
| 10. | | | | | |
| 11. | | | | | |
| 12. | | | | | |
| Sub-Total | | | | | |
| Grand Total | | | | | |

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA CENTRAL CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

| Name of Staff | Job Group | Original Amount | Date Payable Contracted | Amount Paid To-Date | Outstanding Balance 2020 | Comments |
|------------------------------|-----------|-----------------|-------------------------|---------------------|--------------------------|----------|
| | | a | b | c | d=a-c | |
| Senior Management | | | | | | |
| 1. | | | | | | |
| 2. | | | | | | |
| 3. | | | | | | |
| Sub-Total | | | | | | |
| Middle Management | | | | | | |
| 4. | | | | | | |
| 5. | | | | | | |
| 6. | | | | | | |
| Sub-Total | | | | | | |
| Unionisable Employees | | | | | | |
| 7. | | | | | | |
| 8. | | | | | | |
| 9. | | | | | | |
| Sub-Total | | | | | | |
| Others (specify) | | | | | | |
| 10. | | | | | | |
| 11. | | | | | | |
| 12. | | | | | | |
| Sub-Total | | | | | | |
| Grand Total | | | | | | |

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ANNEX 3 – UNUTILIZED FUND

| Name | Brief Transaction Description | Outstanding Balance 2019/20 | Outstanding Balance 2018/19 | Comments |
|--|-------------------------------|-----------------------------|-----------------------------|----------|
| Compensation of employees | | 0 | 1,313,939 | |
| Use of goods & services | | 0 | 2,270,423 | |
| Amounts due to other Government entities | | | | |
| PRIMARY SCHOOLS | | 46,914,040 | | |
| SECONDARY | | 14,000,000 | | |
| | | | | |
| Sub-Total | | 60,914,040 | 46,133,534 | |
| Amounts due to other grants and other transfers | | | | |
| | | | | |
| | | | | |
| | | | | |
| Sub-Total | | - | 7,817,786 | |
| Sub-Total | | 60,914,040 | | |
| Acquisition of assets | | | 500,000 | |
| | | | | |
| Others (specify) | | | | |
| | | 2,006,912 | 2,006,554 | |
| | | | | |
| | | | | |
| | | | | |
| Sub-Total | | 2,006,912 | | |
| Grand Total | | 62,920,912 | 60,042,554 | |

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

| Asset class | Historical Cost Kshs 2019/2020 | Additions during the year | Disposals during the year | Historical Cost Kshs 2018/2019 |
|--|---------------------------------------|----------------------------------|----------------------------------|---------------------------------------|
| Land | | | | |
| Buildings and structures | 12,000,000 | | | 12,000,000 |
| Transport equipment | 8,500,000 | | | 8,500,000 |
| Office equipment, furniture and fittings | 1,000,000 | | | 1,000,000 |
| ICT Equipment, Software and Other ICT Assets | 500,000 | | | 500,000 |
| Other Machinery and Equipment | | | | |
| Heritage and cultural assets | 0 | | | |
| Intangible assets | 0 | | | |
| Total | 22,000,000 | 0 | 0 | 22,000,000 |

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2020

| PMC | Bank | Account number | Bank Balance 2019/20 | Bank Balance 2018/1 9 |
|-------------------------------|-------------|-----------------------|-------------------------------------|--|
| Kaikir Primary | KCB | 1257967150 | 1,294 | |
| Lotukumo Primary | KCB | 1267001240 | 4,634 | |
| Nangolpus Primary | KCB | 1266510656 | 2,008 | |
| Wakanda Girls | KCB | 1239294824 | 3,896 | |
| Ille Priamry | KCB | 1118153812 | 648 | |
| Eliye Boy's Sec School | KCB | 1146510136 | | 6,338 |
| Longech Pry School | KCB | 1171020732 | | 683,200 |
| Nakiria Pry School | KCB | 1118957792 | | 3,658 |
| Total | | | 12,480 | 693,196 |

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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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Focal Point person to resolve the issue (Name and designation) | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|---|--|---|---|--|---|
| | Irregular procurement of goods | Procedure for procurement of goods was marred with irregularities | FAM | resolved | |
| | Bank Balances errors | Delayed bank reconciliations Misstatements | DA | resolved | |
| | | | | | |
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