

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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| NATIONAL ASSEMBLY | |
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| CLERK AT THE TABLE: | Modo |

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2021**

Revised Template 30th June 2021



TURKANA NORTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

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*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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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.

Functions of NG-CDF Committee

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

(b) Key Management

The *Turkana North Constituency* NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

| No | Designation | Name |
|----|-----------------------|------------------------|
| 1. | A.I.E holder | Mathew Kipsanai |
| 2. | Sub-County Accountant | Washington J.O Hakungu |
| 3. | Chairman NGCDFC | Michael Egelan |
| 4. | Member NGCDFC | Liwan Maxwell Machu |

(d) Fiduciary Oversight Arrangements

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

(e) *Turkana North* Constituency NGCDF Headquarters

P.O. Box 1- 30504
DDO's Offices
Lokitaung

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

Telephone: (254) 722 161839
E-mail: turkananorth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) *Turkana North* Constituency NGCDF Bankers

1. Kenya Commercial Bank
P.O. Box 150- 30500
LODWAR

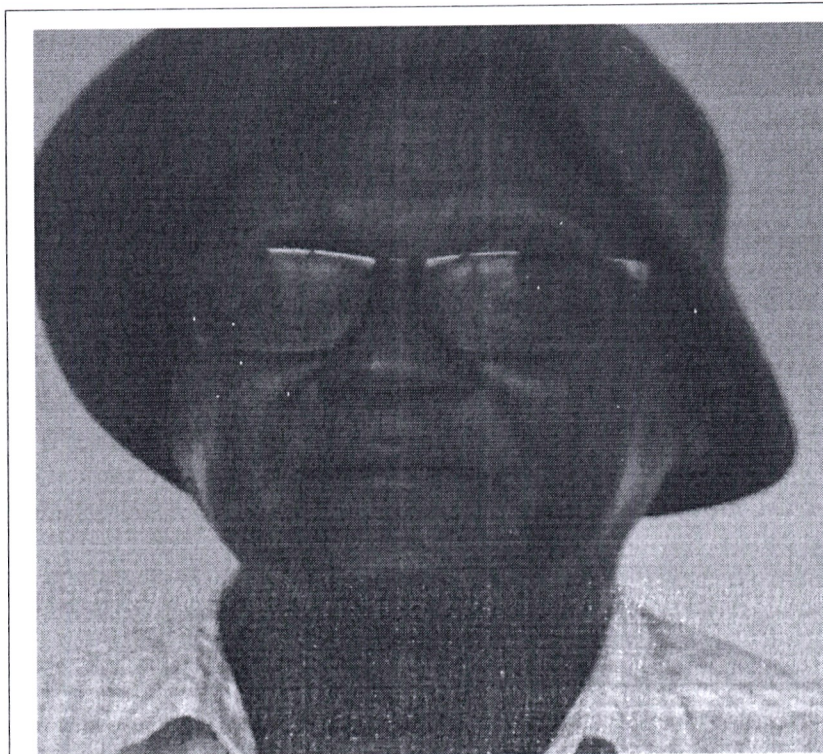
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT



**MICHAEL EKWAR EGIELAN
CHAIRPERSON
TURKANA WEST NGCDFC**

This report and financial statement represents the financial position of Turkana North constituency for the financial year 2020/21. It lays down the receipts and expenditures of all the funds that Turkana North NG-CDFC received from the NG-CDF Board.

I wish to make the following remarks;

a). Year Performance

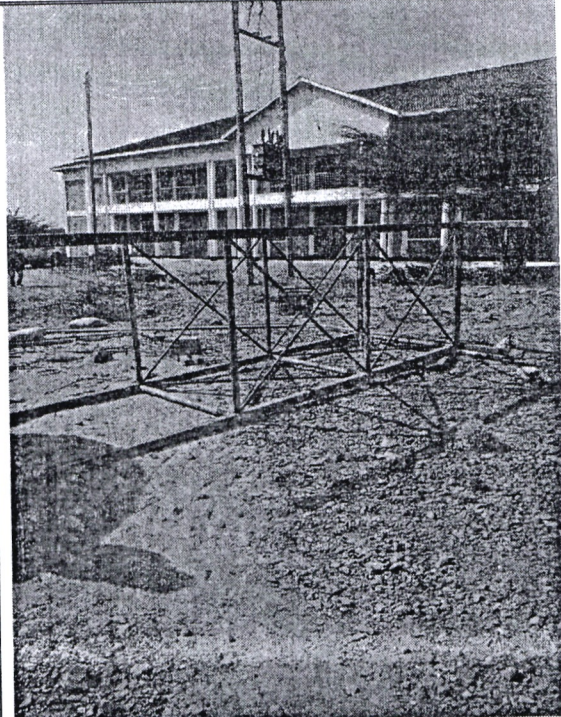
In the financial year 2020/21 Turkana North NG- CDF was able to achieve the following comparative performance in various sectors

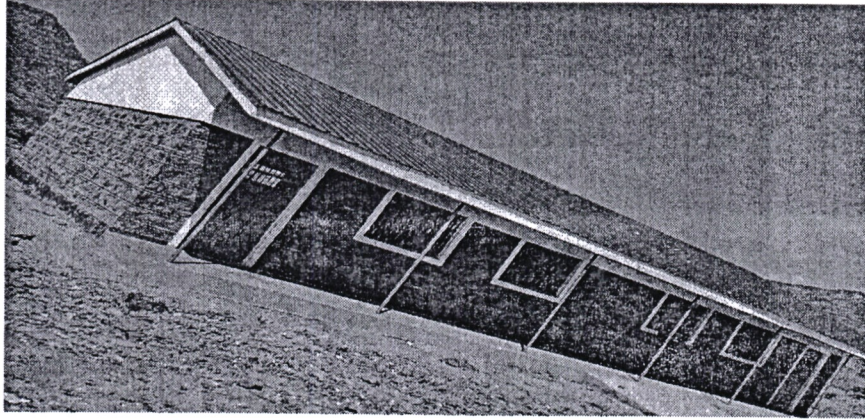
| Receipt/Expense Item | Final Budget | Expenditure | % of Utilisation |
|------------------------------|--------------|-------------|------------------|
| | c=a+b | d | f=d/c % |
| RECEIPTS | | | |
| Transfers from NG-CDF Board | 210,746,990 | 165,658,139 | 78.6% |
| Proceeds from Sale of Assets | 0 | - | 0.0% |

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| | | | |
|-------------------------------------|--------------------|--------------------|--------------|
| Other Receipts | 0 | - | 0.0% |
| TOTAL RECEIPTS | 210,746,990 | 165,658,139 | 78.6% |
| PAYMENTS | | | |
| Compensation of Employees | 4,798,323 | 4,104,763 | 85.5% |
| Use of goods and services | 7,798,821 | 9,503,657 | 118.4% |
| Transfers to Other Government Units | 106,377,902 | 48,077,900 | 45.2% |
| Other grants and transfers | 78,371,944 | 51,993,600 | 66.7% |
| Acquisition of Assets | 13,400,000 | 12,060,359 | 90.0% |
| Other Payments | 0 | - | #DIV/0! |
| TOTAL | 210,746,990 | 125,740,279 | 59.7% |

NG-CDF Turkana North was able to achieve the following the following key activities during; Implementation of more than 10 primary school construction projects during the FYR2020/2021, one secondary Schools project and three tertiary institution projects

| | |
|--|---|
|  | <p>Lokitaung TTI</p> <p>Constructed college fence, toilets, drilling and installation of borehole</p> |
|--|---|



Kaekongo Primary school

Construction of two classrooms
and supply of desks

c). Emerging issues related to NG-CDF in Turkana North Constituency are;

1. All learning institutions i.e. secondary and primary schools depend on NG-CDF 100% on development as directed by ministry of education
2. Need to compete with other counties to justify the long existence of NG-CDF
3. There is need for an office as we are still housed by department of planning that has been devolved to the county.

d). NG-CDF Implementation challenges in Turkana North Constituency are;

1. Overdependence on the fund by the public on all development related issues.
2. Funds disbursement from the board was not on time thus leading to delayed implementation of Key projects.
3. Effects of the COVID 19 pandemic that has hampered disbursement of bursaries to needy Students.

Through my leadership, NG-CDFC Turkana North constituency will endeavour to fulfil its mandate when funds are disbursed and monitoring of projects funds as per the guide lines of the NG-CDF ACT 2015

**Michael Egielan
NGCDFC CHAIRPERSON**

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 *Turkana North Constituency 2018-2022* plan are to:

1. to guarantee equitable/equity in resource distribution for the inhabitant of Turkana north and to be the leading constituency in poverty reduction by providing quality education and security for sustainable development.
2. To create firm foundation for youth participation in development and conserve environment for prosperity.
3. To establish a stable foundation towards a developed and prosperous constituency that is secure and self-reliant

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 have all children of school going age attending school | Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions | Classrooms, dormitories and dining halls completed | In FY 20/21 we built approximately 25 classrooms and two dormitories in primary and secondary schools |
| Environment | To improve sanitation facilities in the constituency | Increased number of toilets in the constituency | Construction of VIP latrines | Constructed approximately 15 ablution blocks in primary schools and secondary schools |
| Sports | To empower the youth and sensitize them on drug and alcohol abuse | Sports activities in the constituency | Carry out sports activities in the constituency | In fy 2020/2021 we sponsored two sports tournaments in the constituency |

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

The constituency has allocated funds as part of the annual budget to environmental programme. This allocation is used mainly to educational institutions for the construction of pit latrines

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Turkana North Constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues,

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

4. Market place practices-

Turkana North NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

Public Awareness

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

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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


The Accounting Officer in charge of the NGCDF- Turkana North Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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 North Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Turkana North Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

Approval of the financial statements

The NGCDF- Turkana North Constituency financial statements were approved and signed by the Accounting Officer on 24/8/2022.



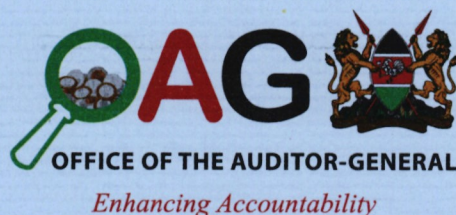
Chairman NGCDF Committee
Name: PETER MWANJELI



Fund Account Manager
Name: MATHEW KIRANAI

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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Monrovia Street
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TURKANA NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Turkana North Constituency set out on

pages 14 to 50, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Turkana North Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Bank Balances - Unpresented Cheques

The statement of assets and liabilities reflects bank balance of Kshs.39,917,860 as disclosed in Note 10A to the financial statements. Review of bank reconciliation statement for the month of June, 2021 revealed long outstanding cheques amounting to Kshs.3,643,654 which were stale and have remained unpresented from 2018. Management did not provide an explanation for failure to reverse the transactions.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.39,917,860 could not be confirmed.

2. Unsupported Project Management Committee Bank Balance

Note 17.4 to the financial statements reflects twenty-nine (29) Project Management Committee bank account balances totalling Kshs.6,020,011 as analyzed in Annex 5. However, these balances have not been supported by bank reconciliation statements, certificates of bank balance and cash books.

In the circumstances, the accuracy and completeness of Project Management Committee bank account balances totalling Kshs.6,020,011 could not be confirmed.

3. Understated Expenditure on Use of Goods and Services

The statement of receipts and payments reflects use of goods and services amount of Kshs.9,503,657 as disclosed in Note 5 to the financial statements. Review of payment vouchers and cashbook provided for audit revealed that Kshs.240,000 was spent to purchase fuel, oil and lubricants. However, the expenditure has been disclosed as Nil in Note 5 to the financial statements. Further, motor vehicle work tickets, fuel register and

supplier statements to record drawing of fuel and use in support of the expenditure were not provided for audit.

In the circumstances, the accuracy and completeness of the use of goods and services amount of Kshs.9,503,657 could not be confirmed.

4. Award of Bursaries

The statement of receipts and payments reflects other grants and transfers amount of Kshs.51,993,600 as disclosed in Note 7 to the financial statements. The amount includes bursary to secondary schools and tertiary institutions of Kshs.29,996,600 and Kshs.13,862,650 respectively. However, the sub-committee formed to deliberate on needy and deserving students excluded a member from the area education office and an officer seconded from Ministry of Education. Further, acknowledgements for receipt of funds from secondary schools and tertiary institutions were not provided for audit. In addition, review of schedules and payment vouchers for bursary to tertiary institutions revealed an amount of Kshs.10,566,850 resulting to an unexplained variance of Kshs.3,295,800.

In the circumstances, the accuracy and completeness of bursary to secondary and tertiary institutions totalling Kshs.43,859,250 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 North Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual receipts on a comparable basis of Kshs.210,746,990 and Kshs.165,658,139 respectively, resulting to an underfunding of Kshs.45,088,851 or 21% of the budget. Similarly, the Fund spent Kshs.125,740,279 against approved budget of Kshs.210,746,990 resulting to an underperformance of Kshs.85,006,711 or 40% of the budget.

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

2. Unresolved Prior Year Audit Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Transfers to Secondary Schools

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.48,077,900 as disclosed in Note 6 to the financial statements. The amount includes a transfer to Kokuro Boys Secondary School of Kshs.10,561,678 for completion of various projects. The Project Management Committee sent requests for quotations to three (3) contractors for the installation of pipes from a nearby borehole. However, four (4) projects that include fencing of twenty (20) acres of school land Kshs.2,300,000, construction of two (2) classrooms, eighty (80) capacity dormitory to completion and dining hall for Kshs.2,400,000 each were not supported by procurement records to confirm identification, selection and awards of firms that won the tenders.

In the circumstances, value for money may not be achieved.

2. Transfers to Primary Schools

The statement of receipts and payments reflects transfer to other Government entities amount of Kshs.48,077,900 which includes transfer to primary schools amount of Kshs.27,516,222 as disclosed in Note 6 to the financial statements. Review of a sample of Project Management Committee files revealed that Kshs.12,450,000 was used to implement projects. However, the project files lacked work plans, handover reports to the Constituency committee, cash books and bank reconciliation statements and duly certified interim completion certificates for work done. The expenditure returns and reports were not supported to confirm utilization of funds as provided by Regulation 15 of the National Government Constituencies Development Fund Regulations, 2016.

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

3. Emergency Projects

The statement of receipts and payments reflects other grants and transfers of Kshs.51,993,600 which comprises of emergency projects amount of Kshs.5,701,870 as

disclosed in Note 7 to the financial statements. Records provided revealed that Kshs.2,986,000 was spent on projects that were not supported by work plans, handover reports to the Constituency committee, cash books, bank reconciliation statements and duly certified interim completion certificates for work done, expenditure returns and reports. This is contrary to Regulation 15 of the National Government Constituencies Development Fund Regulations, 2016.

In the circumstances, Management was in breach of law.

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, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal controls would not necessarily disclose all matters in the internal 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 controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of

effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

20 September, 2022

*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

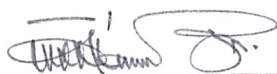
VII. STATEMENT OF RECEIPTS AND PAYMENTS

| | Note | 2020 - 2021 | 2019 - 2020 |
|-------------------------------------|------|--------------------|--------------------|
| | | | Kshs |
| RECEIPTS | | | |
| Transfers from NGCDF Board | 1 | 161,367,752 | 123,040,876 |
| Proceeds from Sale of Assets | 2 | - | - |
| Other Receipts | 3 | - | 66,000 |
| TOTAL RECEIPTS | | 161,367,752 | 123,106,876 |
| PAYMENTS | | | |
| Compensation of employees | 4 | 4,104,763 | 4,856,398 |
| Use of goods and services | 5 | 9,503,657 | 9,757,716 |
| Transfers to Other Government Units | 6 | 48,077,900 | 93,900,000 |
| Other grants and transfers | 7 | 51,993,600 | 18,836,452 |
| Acquisition of Assets | 8 | 12,060,359 | 694,000 |
| Other Payments | 9 | - | - |
| TOTAL PAYMENTS | | 125,740,279 | 128,044,566 |
| SURPLUS/DEFICIT | | 35,627,473 | (4,937,690) |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- *Turkana North* Constituency financial statements were approved on 24/8/2022 and signed by:



Fund Account
Manager
Name: MATHEW KIPSANPAT



National Sub-County
Accountant
Name: Washington Hailungu
ICPAK M/No: 025943



Chairman NG-CDF
Committee
Name: PETER ABIEL

*Turkana North Constituency
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VIII. STATEMENT OF ASSETS AND LIABILITIES

| | Note | 2020 – 2021 | 2019 - 2020 |
|---|------|-------------------|------------------|
| | | Kshs | Kshs |
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (as per the cash book) | 10A | 39,917,860 | 4,290,387 |
| Cash Balances (cash at hand) | 10B | - | - |
| Total Cash and Cash Equivalents. | | 39,917,860 | 4,290,387 |
| Accounts Receivable | | | |
| Outstanding Imprests | 11 | - | - |
| TOTAL FINANCIAL ASSETS | | 39,917,860 | 4,290,387 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable (Deposits) | | | |
| Retention | 12A | - | - |
| Gratuity | 12B | - | - |
| NET FINANCIAL SSETS | | 39,917,860 | 4,290,387 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 13 | 4,290,387 | 9,228,077 |
| Prior year adjustments | 14 | - | - |
| Surplus/Defict for the year | | 35,627,473 | (4,937,690) |
| NET FINANCIAL POSITION | | 39,917,860 | 4,290,387 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Turkana North Constituency financial statements were approved on 24/8/2022 and signed by:



Fund Account Manager

Name: MATHEN KIPSAI



National Sub-County
Accountant

Name: Nalangua Hakiungu
ICPAK M/No: 25943



Chairman NG-CDF Committee

Name: P. ABUEL

*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
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STATEMENT OF CASHFLOW

| | | 2020 - 2021 | 2019-20 |
|--|----|---------------------|--------------------|
| | | Kshs | Kshs |
| Receipts from operating activities | | | |
| Transfers from NGCDF Board | 1 | 161,367,752 | 123,040,876 |
| Other Receipts | 3 | - | 66,000 |
| | | 161,367,752 | 123,106,876 |
| Payments for operating activities | | | |
| Compensation of Employees | 4 | 4,104,763 | 4,856,398 |
| Use of goods and services | 5 | 9,503,657 | 9,757,716 |
| Transfers to Other Government Units | 6 | 48,077,900 | 93,900,000 |
| Other grants and transfers | 7 | 51,993,600 | 18,836,452 |
| Other Payments | 9 | - | - |
| | | 113,679,920 | 127,350,566 |
| 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 | | 47,687,832 | (4,243,690) |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Proceeds from Sale of Assets | 2 | - | - |
| Acquisition of Assets | 8 | 12,060,359 | (694,000) |
| Net cash flows from Investing Activities | | (12,060,359) | (694,000) |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | 35,627,473 | (4,937,690) |
| Cash and cash equivalent at BEGIN | | | |
| | 10 | 4,290,387 | 9,228,077 |
| NING of the year | | | |
| Cash and cash equivalent at END of the year | | 39,917,860 | 4,290,387 |

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- *Turkana North* Constituency financial statements were approved on 24 | 8 | 2022 and signed by:

Fund Account Manager

National Sub-County
Accountant

Chairman NG-CDF Committee

Name: MATHEN KIPSONAT

Name: WASHINGTON
HAKUNGU
ICPAK M/No: 25943

Name: PETER ABUEL

**National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

IX. SUMMARY STATEMENT OF APPROPRIATION

| Receipt/Expense Item | Original Budget | Opening Balance (C/Bk) and AIA | 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 | | | Previous years Outstanding Disbursements | | | | |
| Transfers from NG-CDF Board | 137,088,879 | 4,290,387 | 69,367,724 | 210,746,990 | 165,658,139 | 45,088,851 | 78.6% |
| Proceeds from Sale of Assets | | | | 0 | - | - | 0.0% |
| Other Receipts | | | | 0 | - | - | 0.0% |
| TOTAL RECEIPTS | 137,088,879 | 4,290,387 | 69,367,724 | 210,746,990 | 165,658,139 | 45,088,851 | 78.6% |
| PAYMENTS | | | v | | | | |
| Compensation of Employees | 4,580,871.40 | 217,452 | | 4,798,323 | 4,104,763 | 693,560 | 85.5% |
| Use of goods and services | 7,702,225 | 96,596 | | 7,798,821 | 9,503,657 | (1,434,836) | 118.4% |
| Transfers to Other Government Units | 83,266,223 | | 23,111,679 | 106,377,902 | 48,077,900 | 58,300,002 | 45.2% |
| Other grants and transfers | 41,539,560 | 3976339 | 32,856,045 | 78,371,944 | 51,993,600 | 26,108,344 | 66.7% |
| Acquisition of Assets | | | 13,400,000 | 13,400,000 | 12,060,359 | 1,339,641 | 90.0% |
| Other Payments | 0 | | | | - | - | #DIV/0! |
| TOTAL | 137,088,879 | 4,290,387 | 69,367,724 | 210,746,990 | 125,740,279 | 85,006,711 | 59.7% |

*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
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- (a) The overall underutilization of funds for the financial year 2020-2021 was occasioned by effects of COVID-19 pandemic low disbursement from the board of 78.6% of the budget and as a result most projects for the financial year could not be undertaken
- The construction of CDF office (acquisition of assets) had not begun as at the end of the financial year thus the low disbursement of 5.1%
- (b) The changes between the original budget and the final budget are as a result of funding of Kshs. 69,367,724 related to the balances received from the Board for financial year 2019-2020 as well as the vote book balances brought forward from that year.

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|---|------------|
| Description | Amount |
| Budget utilisation difference totals | 85,006,711 |
| Less undisbursed funds receivable from the Board as at 30th June 2021 | 45,088,851 |
| | 39,917,860 |
| Add Accounts payable | 0 |
| Less Accounts Receivable | 0 |
| Add/Less Prior Year Adjustments | 0 |
| Cash and Cash Equivalents at the end of the FY 202021 | 39,917,860 |

The NGCDF- Turkana North Constituency financial statements were approved on 24/8/2022 and signed by:



Fund Account Manager

Name: MATHEW KIPSANYI



National Sub-County
Accountant

Name: Washington Hakaung
ICPAK M/No: 25943

Chairman NG-CDF Committee

Name: MICHAEL EGIELAN

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

| Programme/Sub-programme | Original Budget(a) | Adjustments(b) | | Final Budget c = (a+b) | Actual on comparable basis(d) | Budget utilization difference(e = c-d) | % of Utilisation (f=d/c %) |
|----------------------------------|--------------------|--------------------------------|--|------------------------|-------------------------------|--|----------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| | 2020/2021 | | | 2020/2021 | 30/06/2021 | | |
| | Kshs | | Kshs | Kshs | Kshs | Kshs | |
| 1.0 Administration and Recurrent | | | | | | | |
| 1.1 Compensation of employees | 4,580,871 | 217,452 | | 4,798,323 | 4,104,763 | 693,560 | 85.5% |
| 1.2 Committee allowances | 1,460,000 | | | 1,460,000 | 1,185,975 | 274,025 | 81 |
| 1.3 Use of goods and services | 2,161,192 | 96,596 | | 2,257,788 | | (928,335) | 141 |
| Total | 8,202,063 | 314,048 | - | 8,516,111 | 8,476,861 | 39,250 | |
| 2.0 Monitoring and evaluation | | | | | | | |
| 2.1 Capacity building | 1,200,000 | | | 1,200,000 | 1,635,460 | (435,460) | 136 |
| 2.2 Committee allowances | 1,460,000 | | | 1,460,000 | 2,131,799 | (671,799) | 146 |
| 2.3 Use of goods and services | 1,421,031 | | | 1,421,032 | 1,094,300 | 326,732 | 77 |
| Total | 4,081,031 | - | - | 4,081,032 | 4,861,559 | (780,527) | |
| 3.0 Emergency | | | | | | | |
| 3.1 Primary Schools | 1,700,000.00 | | | 1,700,000 | 1,700,000 | - | 100 |
| 3.2 Secondary schools | | | | - | | - | |

Turkana **th Constituency**
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

| | | | | | | | | | | |
|---------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|-------------------|------------------|-----------|---|---|
| 3.3 Tertiary institutions | | - | - | - | - | - | - | - | - | - |
| 3.4 Security projects | 5,492,206 | - | - | - | 5,492,206 | 4,001,870 | 1,490,336 | 73 | | |
| 3.5 Unutilised | | 1,011,638 | - | - | 1,011,638 | | 1,011,638 | - | | |
| Total | 7,192,206 | 1,011,638 | - | - | 8,203,844 | 5,701,870 | 2,501,974 | 70 | | |
| 4.0 Bursary and Social Security | | | | 1581618 | - | | | - | | |
| 4.1 Secondary Schools | 18,000,000 | 2,964,701 | 14,979,820 | 35,944,521 | 29,996,600 | 5,947,921 | 83 | | | |
| 4.2 Tertiary Institutions | 14,000,000 | - | 14,675,030 | 28,675,030 | 14,132,650 | 14,542,380 | 49 | | | |
| 4.3 Social Security | | | - | - | - | - | - | - | | |
| 4.4 Special Needs | | - | - | - | - | - | - | - | | |
| Total | 32,000,000 | 2,964,701 | 29,654,850 | 64,619,551 | 44,129,250 | 20,490,301 | 68 | | | |
| 5.0 Sports | | | | | | | | | | |
| 5.1 | 2,347,35 | - | 2,851,195 | 5,198,549 | 2,082,480 | 3,116,069 | 40 | | | |
| Total | 2,347,354 | - | 2,851,195 | 5,198,549 | 2,082,480 | 3,116,069 | 40 | | | |
| 6.0 Environment | | | | | | | | | | |
| 6.21 Kapotea Primary School | - | | 350,000 | 350,000 | 350,000 | 350,000 | - | 100 | | |
| Total | - | - | 350,000 | 350,000 | 350,000 | 350,000 | - | - | | |
| 7.0 Primary Schools Projects | | | | | | | | | | |
| Koyasa Primary School | 2,550,000 | - | - | 2,550,000 | 2,550,000 | 2,550,000 | - | 100 | | |
| Nakimomet Primary School | 2,400,000 | - | - | 2,400,000 | 2,400,000 | 2,400,000 | - | 100 | | |
| Ekicheles Primary School | 2,400,000 | | - | 2,400,000 | 2,400,000 | 2,400,000 | - | - | | |
| Iokumwae Primary School | 2,400,000 | | - | 2,400,000 | 2,400,000 | 2,400,000 | - | - | | |

**National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

| | | | | | | | | | |
|-------------------------------|-----------|---|---|-----------|-----------|-----------|--|-----------|-----|
| Kajukjuk Primary School | 2,400,000 | - | - | 2,400,000 | | 2,400,000 | | 2,400,000 | - |
| Maisa Primary School | 2,400,000 | - | - | 2,400,000 | | 2,400,000 | | 2,400,000 | - |
| Nalemsekou Primary School | 2,550,000 | - | - | 2,550,000 | | 2,550,000 | | 2,550,000 | - |
| Sasame Primary School | 2,400,000 | - | - | 2,400,000 | | 2,400,000 | | 2,400,000 | - |
| Karebur Primary School | 3,200,000 | - | - | 3,200,000 | 800,000 | 2,400,000 | | 2,400,000 | 25 |
| Natukobenyo Primary School | 8,600,000 | - | - | 8,600,000 | | 8,600,000 | | 8,600,000 | - |
| Nakapelewoi Primary School | 3,600,000 | - | - | 3,600,000 | 3,600,000 | | | - | 100 |
| Kang'akipur Primary school | 4,800,000 | - | - | 4,800,000 | | 4,800,000 | | 4,800,000 | - |
| Ataerika Primary School | 700,000 | - | - | 700,000 | 700,000 | | | - | 100 |
| Nakare Arengak Primary School | 700,000 | - | - | 700,000 | | 700,000 | | 700,000 | - |
| Naurkorio Primary School | 2,900,000 | - | - | 2,900,000 | | 2,900,000 | | 2,900,000 | - |
| Mulango Primary School | 2,900,000 | - | - | 2,900,000 | | 2,900,000 | | 2,900,000 | - |
| Lokitoenyala Primary School | 2,900,000 | - | - | 2,900,000 | | 2,900,000 | | 2,900,000 | - |
| Akatorongot Primary School | 2,900,000 | - | - | | 2,900,000 | | | - | 100 |
| Kalisep Primary School | 2,900,000 | - | - | | | | | 2,900,000 | - |
| St Bhakita Primary School | 2,550,000 | - | - | | | | | 2,550,000 | - |
| Katiko Primary School | 2,300,000 | - | - | | | | | 2,300,000 | - |

Jurkana *th* *Constituency*
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

| | | | | | | | | | |
|------------------------------------|--------------------|---|---|-------------------|-------------------|-------------------|-------------------|---|-----|
| Narengewoi Primary School | 2,300,000 | - | - | - | - | 2,300,000 | - | - | 100 |
| Liwan Primary School | 516,222 | - | - | - | - | 1,316,223 | (0) | - | 100 |
| Karioreng Primary School | - | - | - | - | - | 3,900,000 | - | - | 100 |
| Kokuro Primary School | - | - | - | - | - | 2,400,000 | - | - | 100 |
| Kapotea Primary School | - | - | - | - | - | 2,550,000 | - | - | 100 |
| Lochor Edome Primary School | - | - | - | 2,900,000 | 2,900,000 | 2,900,000 | - | - | 100 |
| Total | 63,266,222 | - | - | 12,550,000 | 75,816,223 | 28,316,223 | 47,500,000 | - | 37 |
| 8.0 Secondary Schools Projects | - | - | - | - | - | - | - | - | - |
| Kokuro Boys Sec. School | - | - | - | 10,561,679 | 10,561,679 | 10,561,679 | - | - | 100 |
| Kaleng Secondary School | 5,000,000 | - | - | - | 5,000,000 | - | 5,000,000 | - | - |
| Nariokotome Girls Secondary School | 5,000,000 | - | - | - | 5,000,000 | - | 5,000,000 | - | - |
| Total | 10,000,000. | - | - | 10,561,679 | 20,561,679 | 10,561,679 | 10,000,000 | - | 51 |
| 9.0 Tertiary institutions Projects | - | - | - | - | - | - | - | - | - |
| Loktaung TTI | 10,000,000 | - | - | - | 10,000,000 | 10,000,000 | - | - | 100 |
| Total | 10,000,000. | - | - | - | 10,000,000 | 10,000,000 | - | - | - |
| 10.0 Security Projects | - | - | - | - | - | - | - | - | - |
| Total | 10,000,000. | - | - | - | 10,000,000 | 10,000,000 | - | - | - |
| #DIV/0! | - | - | - | - | - | - | - | - | - |

*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

| | | | | | | | | |
|--|-------------|-----------|------------|-------------|---------------|------------|-----------|---------|
| Total | - | - | - | - | - | - | - | #DIV/0! |
| 11.0 Acquisition of assets | | | | | | | | |
| 11.1 Motor Vehicles | - | | - | | | | | |
| 11.2 Construction of CDF office | - | | 13,400,000 | | 13,400,000.00 | 12,060,359 | 1,339,641 | 90 |
| 11.3 Purchase of furniture and equipment | - | | - | | - | - | - | |
| 11.4 Purchase of computers | - | | - | | - | - | - | |
| Total | - | | 13,400,000 | | 13,400,000 | 12,060,359 | 1,339,641 | |
| 12.0 Other payments | | | | | | | | |
| Total | - | | - | | - | - | - | |
| 13.0 unallocated fund | | | | | | | | |
| Unapproved projects | - | | - | | - | - | - | |
| ALA | - | | - | | - | - | - | |
| PMC savings | - | | - | | - | - | - | |
| Total | - | | - | | - | - | - | |
| | 137,088,878 | 4,290,387 | 69,367,724 | 210,746,989 | 125,740,279 | 85,006,711 | | |

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

*Turkana North Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. 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.

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 10th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021

14. Errors

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

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

15. Related Party Transactions

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

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

| | Description | | 2020 - 2021 | 2019 - 2020 |
|----------------|---------------------------------|------------------|--------------------|--------------------|
| | | | Kshs | Kshs |
| | | AIE NO. B047193 | | 55,040,876 |
| 1330407 | Normal Allocation | AIE NO. B041232 | | 4,000,000 |
| | | AIE NO. B041348 | | 18,000,000 |
| | | AIE NO. B047764 | | 5,000,000 |
| | | AIE NO. B049194 | | 6,000,000 |
| | | AIE NO. B104170 | | 14,000,000 |
| | | AIE NO. B096507 | | 21,000,000 |
| | | AIE NO. B 119660 | 45,000,000 | |
| | | AIE NO. B 124681 | 24,367,724 | |
| | | AIE NO. B 124681 | 9,000,000 | |
| | | AIE NO. B 119670 | 8,500,000 | |
| | | AIE NO. B 128302 | 6,900,000 | |
| | | AIE NO. B 140756 | 12,000,000 | |
| | | AIE NO. B 128302 | 6,000,000 | |
| | | AIE NO. B 132356 | 6,000,000 | |
| | | AIE NO. B 120025 | 13,000,000 | |
| | | AIE NO. B 126317 | 7,000,000 | |
| | | AIE NO. B 110709 | 12,000,000 | |
| | | AIE NO. B 105112 | 11,600,000 | |
| 1330408 | Conditional Grants | | | |
| 1330409 | Receipt from other Constituency | | | |
| | TOTAL | | 161,367,724 | 123,040,876 |

2. PROCEEDS FROM SALE OF ASSETS

| | 2020-2021 | 2019-2020 |
|--|-----------|-----------|
|--|-----------|-----------|

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| | 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 | - | - |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

| Description | 2020 - 2021 | 2019 - 2020 |
|---|--------------------|--------------------|
| | Kshs | Kshs |
| Interest Received | | - |
| Rents | | - |
| Receipts Sale of Tender Documents | - | 66,000 |
| Hire of plant/equipment/facilities | - | - |
| Unutilized funds from PMCs | | - |
| Other Receipts Not Classified Elsewhere (specify) | - | - |
| TOTAL | - | 66,000 |

4. COMPENSATION OF EMPLOYEES

| Description | 2020 - 2021 | 2019 - 2020 |
|--|--------------------|--------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 3,197,814 | 2,808,972 |
| Personal allowances paid as part of salary | | - |
| House allowance | - | |
| Transport allowance | - | - |
| Leave allowance | - | 1,814,146 |
| Gratuity-contractual employees | 906,949 | 233,280 |
| Employer Contributions Compulsory national social security schemes | - | - |
| TOTAL | 4,104,763 | 4,856,398 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

| | Description | 2020 - 2021 | 2019 - 2020 |
|---------|--|--------------------|--------------------|
| | | Kshs | Kshs |
| 2210100 | Utilities, supplies and services | | 328,306 |
| 2210101 | Electricity | 0 | 0 |
| 2210102 | Water & sewerage charges | 0 | 0 |
| 2210104 | Office rent | 0 | 0 |
| 2210200 | Communication, supplies and services | 0 | 147,330 |
| 2210300 | Domestic travel and subsistence | 0 | 870,600 |
| 2210500 | Printing, advertising and information supplies & services | 0 | 80,790 |
| 2210600 | Rentals of produced assets | 0 | 0 |
| 2210700 | Training expenses | 1,635,460 | 390,000 |
| 2210800 | Hospitality supplies and services | 0 | 168,000 |
| 2210802 | Other committee expenses | 2,131,799 | 1,365,410 |
| 2210809 | Committee allowance | 1,185,975 | 1,544,200 |
| 2210900 | Insurance costs | 0 | 351,615 |
| 2211000 | Specialised materials and services | 0 | 481,700 |
| 2211100 | Office and general supplies and services | 3,456,123 | 1,149,730 |
| 2211200 | Fuel , oil & lubricants | 0 | 689,730 |
| 2211300 | Other operating expenses | 1,094,300 | 1,004,015 |
| 2211301 | Bank service commission and charges | 0 | |
| 2211310 | Other Operating Expenses | 0 | 0 |
| 2211313 | Security operations | 0 | 0 |
| 2220100 | Routine maintenance - vehicles and other transport equipment | 0 | 719,010 |
| 2220200 | Routine maintenance- other assets | 0 | 467,280 |
| | TOTAL | 9,503,657 | 9,757,716 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

| Description | 2020 - 2021 | 2019 - 2020 |
|------------------------------------|--------------------|--------------------|
| | Kshs | Kshs |
| Transfers to Primary Schools | 27,516,222 | 76,900,000 |
| Transfers to Secondary Schools | 10,561,678 | 17,000,000 |
| Transfers to Tertiary Institutions | 10,000,000 | - |
| TOTAL | 48,077,900 | 93,900,000 |

7. OTHER GRANTS AND OTHER PAYMENTS

| Description | 2020 - 2021 | 2019 - 2020 |
|---|--------------------|--------------------|
| | Kshs | Kshs |
| Bursary - Secondary (see attached list) | 29,996,600 | 3,639,597 |
| Bursary -Tertiary (see attached list) | 13,862,650 | 952,000 |
| Bursary- Special Schools | - | - |
| Mocks & CAT (see attached list) | - | - |
| Social Security programmes (NHIF) | - | - |
| Security Projects (see attached list) | - | - |
| Sports Projects (see attached list) | 2,082,480 | 1,536,700 |
| Environment Projects (see attached list) | 350,000 | 5,245,905 |
| Emergency Projects (see attached list) | 5,701,870 | 7,462,250 |
| TOTAL | 51,993,600 | 18,836,452 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

| 310000 | 8 ACQUISITION OF ASSETS | | |
|---------------|--|--------------------|--------------------|
| | Non Financial Assets | 2020 - 2021 | 2019 - 2020 |
| | | Kshs | Kshs |
| 3110102 | Purchase of Buildings | - | - |
| 3110202 | Construction of Buildings | 12,060,359 | - |
| 3110302 | Refurbishment of Buildings | - | - |
| 3110701 | Purchase of Vehicles Vehicles and Other Transport Equipment | - | - |
| 3110704 | Purchase of Bicycles & Motorcycles | - | - |
| 3110801 | Overhaul of Vehicles and Other Transport Equipment | - | - |
| | Purchase of Household Furniture and Institutional Equipment | - | - |
| | Purchase of office furniture and and General Equipment | -- | 389,000 |
| | Purchase of computers ,printers and other IT equipments | - | 305,000 |
| | Purchase of ICT Equipment, Software and Other ICT Assets | - | - |
| | Purchase of Specialized Plant, Equipment and Machinery | - | - |
| | Rehabilitation and Renovation of Plant, Machinery and Equip. | - | - |
| | Acquisition of Land | - | - |
| | Acquisition of Intangible Assets | - | - |
| | TOTAL | 12,060,359 | 694,000 |

9. OTHER PAYMENTS

| | 2020-2021 | 2019-2020 |
|----------------|------------------|------------------|
| | Kshs | Kshs |
| Strategic plan | - | - |
| ICT Hub | - | - |
| | - | - |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

| Name of Bank, Account No. & currency | Account Number | 2020 - 2021 | 2019 - 2020 |
|---|----------------------|---------------------|---------------------|
| | | Kshs (30/6/2021) | Kshs (30/6/2020) |
| Kenya Commercial Bank, Lodwar Branch . Turkana North NG-CDF. | A/C No. 110 729 6994 | 39,917,860 | 4,290,387 |
| TOTAL | | 39,917,860 | 4,290,387 |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

| 11: OUTSTANDING IMPRESTS | | | | |
|---------------------------------|---------------------------|---------------------|---------------------------|----------------------------|
| <i>Name of Officer</i> | | <i>Amount Taken</i> | <i>Amount Surrendered</i> | <i>Balance (30/6/2020)</i> |
| | Date imprest taken | <i>Kshs</i> | <i>Kshs</i> | <i>Kshs</i> |
| TOTAL | | - | - | - |

12A. RETENTION

| 12A Retention | 2020-2021 | 2019-2020 |
|---|------------------|------------------|
| | KShs | KShs |
| Retention as at 1st July (A) | - | - |
| Retention held during the year (B) | - | - |
| Retention paid during the Year (C) | - | - |
| Closing Retention as at 30th June D= A+B-C | - | - |
| | 1,339,641 | - |

12B. GRATUITY

| | 2020-2021 | 2019-2020 |
|---|------------------|------------------|
| | KShs | KShs |
| Gratuity as at 1 st July (A) | 890,940 | |
| Gratuity held during the year (B) | 890,940 | |
| Gratuity paid during the Year (C) | 890,940 | |
| Closing Gratuity as at 30 th June D= A+B-C | 890,940 | 890,940 |

13. BALANCES BROUGHT FORWARD

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| 13 BALANCES BROUGHT FORWARD | | |
|------------------------------------|------------------------|------------------------|
| | 2020- 2021 | 2019- 2020 |
| | Kshs (1/7/2020) | Kshs (1/7/2019) |
| Bank accounts | 4,290,387 | 9,228,077 |
| Cash in hand | | |
| Imprest | | |
| TOTAL | 4,290,387 | 9,228,077 |

14. PRIOR YEAR ADJUSTMENTS

| Description of the error | Balance b/f FY 2019/2020 as per Audited Financial statements | Adjustments | | Adjusted Balance** b/f FY 2019/2020 |
|---------------------------|---|-------------|------|---|
| | Kshs | Kshs | Kshs | Kshs |
| Bank account Balances | - | - | - | - |
| Cash in hand | - | - | - | - |
| Accounts Payables | - | - | - | - |
| Receivables | - | - | - | - |
| Others (<i>specify</i>) | - | - | - | - |
| TOTAL | - | - | - | - |

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST'

| | 2020-2021 | 2019-2020 |
|--|------------------|------------------|
| | KShs | KShs |
| Outstanding Imprest as at 1 st July (A) | - | - |
| Imprest issued during the year (B) | - | - |
| Imprest surrendered during the Year (C) | - | - |
| closing accounts in account receivables D= A+B-C | - | - |

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

| | 2020 – 2019 | 2018 - 2019 |
|--|--------------------|--------------------|
|--|--------------------|--------------------|

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| | KShs | KShs |
|---|------|------|
| Deposit and Retentions as at 1 st July (A) | - | - |
| Deposit and Retentions held during the year (B) | - | - |
| Deposit and Retentions paid during the Year (C) | - | - |
| closing account receivables D= A+B-C | - | - |

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

| | 2020- 2021 | 2019- 2020 |
|-----------------------------|------------|------------|
| | Kshs | Kshs |
| Construction of buildings | | - |
| Construction of civil works | - | - |
| Supply of goods | - | - |
| Supply of services | - | - |
| TOTAL | - | - |

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.2: PENDING STAFF PAYABLES (See Annex 2)

| | 2020-2021 | 2019-2020 |
|--------------|-----------|-----------|
| | Kshs | Kshs |
| NGCDFC Staff | - | - |
| Others | - | - |
| | - | - |

17.3: UNUTILIZED FUND (See Annex 3)

| | 2020-2021 | 2019-2020 |
|---|-------------------|------------|
| Compensation of employees | 693,560 | 217,452 |
| Use of goods and services | - | 638,499 |
| Amounts due to other Government entities (see attached list) | 58,300,002 | 23,111,679 |
| Amounts due to other grants and other transfers (see attached list) | 26,108,344 | 34,380,416 |
| Acquisition of assets | 1,339,641 | 13,400,000 |
| Others (<i>specify</i>) | - | - |
| Funds pending approval | 122,000 | 66,000 |
| | 85,006,711 | 71,814,044 |

*Turkana North Constituency
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

| | 2020- 2021 | 2019- 2020 |
|--|-------------------|-------------------|
| | Kshs | Kshs |
| PMC account balances (see attached list) | | 26,600,601 |
| | 6,020,011 | 26,600,601 |

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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 | | | | | |

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

| Name of Staff | Designation | Date employed | Outstanding Balance 30 th June 2021 | Comments |
|----------------------|-------------|---------------|--|----------|
| NG-CDFC Staff | | | | |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| Sub-Total | | | | |
| Grand Total | | | | |

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ANNEX 3 – UNUTILIZED FUND

| Name | Brief Transaction Description | Outstanding Balance | | Comments |
|--|-------------------------------|---------------------|-----------|----------|
| | | 2020/21 | 2019/20 | |
| Compensation of employees | Salaries | 693,560 | 217,452 | |
| Use of goods & services | Admin, M&E, Comm. Exp, | - | 638,499 | |
| Amounts due to other Government entities | | | | |
| Karioreng Primary School | 2 classrms, latrine, desks | - | 2,900,000 | |
| Karioreng Primary School | completion of kitchen | - | 1,000,000 | |
| Kokuro Primary School | 2 classrms | - | 2,400,000 | |
| Kapotea Primary School | 2 classrms, desks | - | 2,550,000 | |
| Liwan Primary school | Kitchen to lintel | - | 800,000 | |
| Lochor Edome Primary School | 2 classrms, latrine, desks | - | 2,900,000 | |
| Ekiyeles Primary School | 2 classrms | 2,400,000 | - | |
| lokumwae Primary School | 2 classrms | 2,400,000 | - | |
| Kajukiuk Primary School | 2 classrms | 2,400,000 | - | |
| Maisa Primary School | 2 classrms | 2,400,000 | - | |
| Nalemsekon Primary School | 2 classrms, desks | 2,550,000 | - | |

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| | | | |
|------------------------------------|-----------------------------------|-------------------|-------------------|
| Sasame Primary School | 2 classrms | 2,400,000 | - |
| Karebur Primary School | 2 classrms | 2,400,000 | - |
| Natukobenyo Primary School | 3 classrms and dorm | 8,600,000 | - |
| Kang'akipur Primary school | 4 classrms | 4,800,000 | - |
| Nakare Arengak Primary School | | 700,000 | - |
| Naurkorio Primary School | 2 classrms, latrine, desks | 2,900,000 | - |
| Mulango Primary School | 2 classrms, latrine, desks | 2,900,000 | - |
| Lokitoenyala Primary School | 2 classrms, latrine, desks | 2,900,000 | - |
| Kalisep Primary School | 2 classrms, latrine, desks | 2,900,000 | - |
| St Bhakita Primary School | | 2,550,000 | - |
| Katiko Primary School | | 2,300,000 | |
| Sub-Total | | 47,500,000 | 12,550,000 |
| Transfers to Secondary Schools | | | |
| Kokuro Boys Sec. School | 2 classrms, dorm, kitchen, piping | - | 10,561,679.00 |
| Nariokotome Girls Secondary School | laboratory | 5,000,000 | - |
| Kaaleng Secondary School | | 5,000,000 | - |
| Sub-Total | | 10,000,000 | 10,561,679 |

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| | | | |
|---|----------------------------|-------------------|-------------------|
| Amounts due to other grants and other transfers | | | |
| Bursary Secondary | | 5,947,921 | 15,432,500 |
| Bursary Tertiary | | 14,542,380 | 14,675,030 |
| Emergency | | 2,501,974 | 1,011,638 |
| Constituency Sports | | 3,116,069 | 2,851,195 |
| Environment | | - | 410,051 |
| Sub-Total | | 26,108,344 | 34,380,414 |
| Acquisition of assets | | | |
| Construction of CDF office | Construction of CDF office | 1,339,641 | - |
| Others (specify) | | | |
| Sub-Total | | 1,339,641 | - |
| Funds pending approval | | | |
| Grand Total | | 85,006,711 | - |

Turkana West Constituency
National Government Constituencies Development Fund (NGCDF)
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

| Asset class | Historical Cost b/f (Kshs) 2019/40 | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) 2019/20 |
|--|---|--|--|---|
| Land | - | - | - | - |
| Buildings and structures | - | 12,060,359 | - | 12,060,359 |
| Transport equipment | 18,407,180 | - | - | 18,407,180 |
| Office equipment, furniture and fittings | 736,500 | - | - | 736,500 |
| ICT Equipment, Software and Other ICT Assets | 305,000 | - | - | 305,000 |
| Other Machinery and Equipment | - | - | - | - |
| Heritage and cultural assets | - | - | - | - |
| Intangible assets | - | - | - | - |
| Total | 19,448,680 | 12,060,359 | - | 31,509,680 |

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

| PMC | Bank | Account number | Bank Balance | Bank Balance |
|------------------------------------|------|----------------|------------------|-------------------|
| | | | 2020/21 | 2019/20 |
| Loruth Pri. School | KCB | 123 941 8671 | | |
| Kangaki Pri. School | KCB | 113 064 3395 | | |
| Nasechabuin Pri. School | KCB | 114 489 7807 | | |
| Koyasa Pri. School | KCB | 115 284 8011 | 1,111,341 | 200,570 |
| Nariokotome Sec. School | KCB | 117 830 8154 | | |
| Kaeris Sec. School | KCB | 113 069 0687 | | 2,206,404 |
| Kaikor Sec. School | KCB | 111 264 9980 | | 1,103,804 |
| Kibish Primary school | KCB | 114 677 8627 | | 718,543 |
| Shabaha Pri. School | KCB | 127 349 5195 | | 3,400,000 |
| Narengewoi Primary School | KCB | 119 759 1818 | | 751,194 |
| Naurendiria Primary School | KCB | 127 243 9720 | | 900,254 |
| Atapar Primary School | KCB | 127 297 4014 | 148,817 | 899,729 |
| Nachukui Primary School | KCB | 127 349 4865 | | 2,200,000 |
| Kankaala Pri. School | KCB | 127 349 6434 | | 899,880 |
| Kabilkeret pri. School | KCB | 127 349 6671 | 48,443 | 2,900,000 |
| Natooanam pri. School | KCB | 127 349 5837 | | 2,900,000 |
| Katiko pri. School | KCB | 113 059 0291 | | 2,100,665 |
| St. Leo Kakuma Boys Sec. School | KCB | 114 874 9136 | 19,084 | 2,519,810 |
| Longolemwar Pri. School | KCB | 127 349 6930 | | 2,899,748 |
| Nakinomet Primary school | KCB | 1152822098 | 2,386,314 | |
| Liwan Primary school PMC | KCB | 1265933308 | 100,622 | |
| KOPOTEA PRIMARY SCHOOL | KCB | 1275291880 | 414 | |
| ATAERIKA PRIMARY SCHOOL | KCB | 1150783354 | 14,090 | |
| KOKURO BOYS SECONDARY SCHOOL | KCB | 1279511982 | 1,864,072 | |
| KOKURO PRIMARY SCHOOL | KCB | 1130646580 | 4,224 | |
| NAKIORENG PRIMARY SCHOOL | KCB | 1151304697 | 873 | |
| LOCHOR EDOME PRIMARY SCHOOL PMC | KCB | 1275399762 | 1,388 | |
| Lokitaung TTI | | | 0 | |
| KAREBUR PRIMARY SCHOOL | KCB | 1146236069 | 320,329 | |
| Total | | | 6,020,011 | 26,600,601 |

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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 and subsequent progress made on the resolution of the issues.

| 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) |
|--|---|---|--|-----------------------------------|--|
| 1.0 | Transfers from the board-variances between total disbursements and amounts reported | The discrepancy between actual funding received and budgeted amount is due to funds budgeted for but received in the subsequent financial year (2018-2019) i.e. funding that was supposed to be received in the financial year 2017-2018 was received in 2018-2019. | James Echwa-FAM | Resolved | |
| 2.0 | Committee Expenses- vouchers not fully supported with schedules | Relevant vouchers were provided. Also supporting schedules were provided and attached to the vouchers. | James Echwa-FAM | Resolved | |
| 3.0 | Fuel and lubricants- lack of fuel register | Detail orders, fuel register and work tickets relating to purchase of bulk fuel were availed for review | James Echwa-FAM | Resolved | |

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| 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) |
|--|---|--|--|-----------------------------------|--|
| 4.0 | Bursary- Composition of the vetting subcommittee | Relevant arrangements have been made such that a representative of the Department of Education will be incorporated into a Subcommittee that will vet future bursary applications | James Echwa-FAM | Resolved | |
| 5.0 | Emergency Projects- Porvision of relevant documentation | Copies of counter requisition and issue vouchers (S11) and stores ledger and stock controls cards regarding the supply and delivery of emergency relief food were availed for review. | James Echwa-FAM | Resolved | |
| 6.0 | Cash and cash equivalents- Non-recognition of outstanding imprest and action on stale cheques | The necessary adjustment has been made in the financial report to separate the actual cash at bank and the outstanding imprest as at 30 th June 2018. Furthermore stale cheques have been reversed and bank charges taken into account. This is reflected in the Bank Reconciliation Statement as at 31 st march 2019 (copy | James Echwa-FAM | Resolved | |
| 7.0 | Budgetary performance Unexplained figure of Kshs. | As at the closure of the | James Echwa-FAM | Resolved | |

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| 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) |
|--|---|---|--|-----------------------------------|--|
| | <p>967,734.17 in projects code list</p> <p>Under absorption of final budget (64%)</p> | <p>financial year this figure that was supposed to go towards environmental projects had not been approved. Subsequently, the NG-CDF Board recommended that the figure be stated as "Unallocated funds/ Funds awaiting approval". Approval for the same was done in the financial year 2018-2019.</p> <p>This is due to failure by the NG-CDF Board to release funds on time i.e. funding that was supposed to be received in the financial year 2017-2018 was received in 2018-2019.</p> | | | |
| 8.0 | Lokitaung Tech. Training Institute-tender documentation | The procurement process and identification of the contractor for the said works was done by the Ministry Of | James Echwa-FAM | Resolved | |

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| 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) |
|--|--|--|--|-----------------------------------|--|
| 9.0 | Project Management Committee Bank Balances | Education Headquarters. As such details of bills of quantities, tender documents, evaluation and award minutes and such other relevant documents were not availed to Turkana North NG-CDF. The letter form the ministry confirming having procured the contractors services further instructed Turkana North NG-CDF to transfer the said sum of Kshs. 10,000,000.00 to the contractor. | The Fund Account Manager is liaising with the relevant PMC officials so that they can avail themselves in Lodwar to authorize the printing of Certificates of Bank Balance as at 30 th June 2018. | James Echwa-FAM | Resolved |