

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 18 JUN 2025

DAY: Wednesday

TABLED BY:

Hon. Owen Bayo, MP
Deputy Majority Leader
Lomale

OF CLERK-AT THE-TABLE:

PARLIAMENT OF KENYA LIBRARY

THE AUDITOR-GENERAL

ON

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

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
LAGDERA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2024

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background Information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Yussuf Kilas Aden
2.	National Sub-County Accountant	Victor N. Muindi
3.	Chairman NGCDFC	Dagane Abdullahi Daib
4.	Member NGCDFC	Hassan Aden Mohamed

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Lagdera Constituency Headquarters

P.O. Box 659-70100
Kisimayu Avenue/Road/Highway
GARISSA KENYA.

(f) NGCDF Lagdera Constituency Contacts

Telephone: (254) 0723504365
E-mail: cdflagdera@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Lagdera Constituency Bankers

Equity Bank
Garissa Branch
Account Number: 0580283860216

(h) Independent Auditor

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

(i) Principal Legal Adviser

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

3. NG-CDFC Chairman's Report



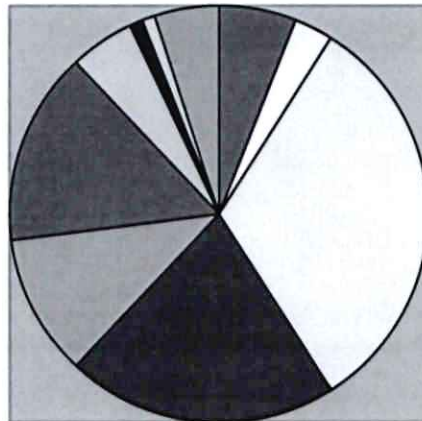
Lagdera national government constituency development funds as mandated by NG-cdf act, prioritized on projects for funding during the financial year 2023/2024.

The committee after carrying out the needed assessments and in consultation with other stake holders came up with projects for funding and forwarded to the board for approval.

The following is the summary breakdown of proposed projects for funding during the financial year 2023/2024.

S/NO	PROPOSED NAME	AMOUNT ALLOCATED	%ALLOCATION
1.	Office administration	11,047,794.00	6
2.	Monitoring and evaluation	5,523,897.00	3
3.	Bursary	63,055,465.00	32
4.	Primary projects	38,900,000.00	21
5.	Secondary school projects	20,847,517.00	11
6.	Security projects	22,100,000.00	15
7.	Emergency reserve	9,691,047.00	5
8.	Junior secondary projects	2,383,166.00	1
9.	Environmental projects	322,598.00	0
10.	Assets	2,000,000.00	1
11.	Others	9,500,000.00	5
	TOTAL	185,321,484.00	100

Percentage of sector allocation



- ADMIN
- OFFICE ADMINISTRATION
- MONITORING & EVALUATION
- BURSARY
- PRIMARY PROJECTS
- SECONDARY PROJECTS
- SECURITY PROJECTS
- EMERGENCY
- Junior secondary projects
- ENVIRONMENTAL PROJECTS
- Assets
- Others
-

During the financial year the committee received amount of Kshs.206,349,053 from the board . The committee further managed to disburse funds and the expenditure as follows:

ITEM	AMOUNT SPENT
Compensation of employees	3,703,544
Committee Expenses	2,657,905
Use of goods and services	4,684,060
Transfers to Other Government Units	79,847,517
Other grants and transfers	93,394,125
Others	2,000,000
TOTAL PAYMENTS	186,287,151

National Government Constituencies Development Fund (NGCDF)
Lagdera Constituency
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Below are some of the projects implemented during the financial year 2023/2024





**CHAIRMAN
NG-CDF LAGDERA
P. O. Box 659-1111
GARISSA**

.....
Dagane Abdullahi Daib
Chairman NGCDF Committee

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

Introduction

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

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

- a) To improve access, affordability and availability of quality education.
- b) To harness talent and empower youths.
- c) To cater for any unforeseen occurrences in the constituency.
- d) To promote environmental sustainability in the constituency.
- e) To enhance security in the constituency.
- f) To improve tracking of implementation of NG-CDF programmes
- g) To promote performance management and smooth running of the NG-CDF office

Progress on the attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education Accessibility	To improve access, affordability and availability of quality education	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary beneficiaries at all levels	In FY 23/24 -we increased the number of classrooms by 8 and staff houses by 4 in various schools/institutions - provision of desks and bursary (2300)

*National Government Constituencies Development Fund (NGCDF)
Lagdera Constituency
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				beneficiaries both secondary and tertiary
Security	To enhance security in the constituency	Reduced number of insecurity cases in the constituency	Number of usable physical infrastructures built in NG-CDF offices, ACC offices and chiefs' offices	-we constructed additional number of chiefs' offices (2), rehabilitation of police stations, AP and police offices and houses. -NG-CDF office fenced and ACC offices constructed
Environment	To promote environmental sustainability	Increase in the number of trees and proper collection of garbage and disposal of sewerage waste	Conservation of soil by trees and usable pit latrines	We constructed additional number of pit latrines and planted trees
Sports	To empower the youth and harness their talent	Increase in the number of youth groups and active sporting initiatives	Increase in development projects among the youth and increase in the number of forums held. Ease of access on devolved funds	We create awareness among the youth on the establishment of youth groups and allow ease of access to devolved funds
Emergency support	To cater for unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency	Prompt response in case of any occurrences	We set aside funds for any emergencies

National Government Constituencies Development Fund (NGCDF)
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Tracking of results	To improve tracking of implementation of CDF programmes	Quality work is achieved	Efficiency in work performance and within the specified period	We organise capacity building programmes for NGCDFC'S and PMC's -we organise regular projects monitoring field visits
Institutional strengthening	To promote performance management and smooth running of CDF office	Well planned and organised work is achieved	Increase in the number of usable physical tools and equipments Employee satisfaction and availability of reports	We purchase working tools and equipments to make work easy and of quality We strategically plan for the future

5. Governance Statement

Appointment of NGCDF Members

- i. The formation of the NG-CDFC Members is guided by the NG-CDF Act Section 43(1) (2) (3) & (4).
 - a. This procedure shall start upon receipt of the guidelines on formation of NG CDFC from the NG CDF Board,
 - b. The FAM shall write a letter to the DCC and Constituency Office Manager requesting for the nomination of members of the selection panel as per the guidelines and maintain a record confirming receipt
 - c. The DCC shall nominate in writing an officer or his/her representative who will be the chairperson to the NG CDFC selection panel.
 - d. The Constituency Office Manager shall nominate in writing two persons of either gender to be members of the selection panel.
 - e. The chair shall then convene the first selection panel meeting to document criteria for selection of the four members to the NG-CDFC (Male and female adults, male and female youth) and advertise (the applicants shall be given two weeks to submit their applications).
 - f. The FAM shall then write to the Constituency Office Manager requesting for the nomination of two persons of either gender as per the guidelines issued by the NG-CDF Board to be members of the NG-CDFC maintain a record confirming receipt
 - g. The Constituency Office Manager shall then nominate in writing the two members to the NG-CDFC.
 - h. The FAM shall write to a registered group representing people with disabilities in the constituency as per the guidelines as issued by the NG-CDF Board requesting for nomination of one person with disability to sit in the NG-CDF committee and maintain a record confirming receipt
 - i. The PWD organization shall nominate in writing a member to the NG-CDFC.
 - j. Applications are received at the NG-CDF office and recorded in the application register.
 - k. Within one week after the closure of the advertisement, the Selection panel shall convene to shortlist the suitable candidates as per the criteria in the advert. The successful candidates shall then be called for interviews within seven days.
 - l. The Selection panel shall hold the interviews of the invited candidates and come up with the final list of qualified nominees to the NG-CDFC.
 - m. The FAM shall then submit to the NG-CDF Board the report of the selection panel which includes seven nominees and the Nominee of the Board to the NG-CDFC as per the guidelines within seven days.
 - n. The FAM shall ensure that the timelines set out in the regulations are adhered to during the process of selection and appointment of NGCDF Committees
- ii. The selected members are forwarded to parliament through CEO of the board for purpose of gazettelement
- iii. Upon gazettelement the DCC or the FAM shall for the first meeting where the chairperson and secretary are elected

NG-CDFC Handing Over Processes

Paragraph 24(1) of the NG-CDF Regulations 2016 states that the officer of the board seconded to the constituency shall preside over the handover from one Constituency committee to another and shall submit a report on the hand over within fourteen days from the date of the hand over.

Removal of members is as in the act 2015 section 13, a,b,c,d,e f and g

'A member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;
- (f) Causing disharmony within the committee;
- (g) Physical or mental infirmity.

Roles and function of the committee

- Build the capacity of PMCs and sensitise the community on operations of the fund
- Consider project proposals from all wards in the constituency
- Ensure that all proposed projects that are approved for funding meet the sec 24 of the Act
- Consult with relevant line ministries in the implementing the projects
- Ensure adequate funding of the proposed projects
- Ensure project reports are prepared and forwarded to the board
- Submit financial reports to the board within stipulated time

Induction and Training

The committee on being inaugurated are taken for induction by the Board and subsequent training are done the constituency as per there training plan

Meetings

The committee is to have a maximum of 24 meetings and a minimum of 12 in a financial year as per the 2015 Act

The committee members declare conflict of interest in any matter as the procurement and disposal Act by a standard form at the time of the matter

The committee members are remunerated from the fund at Kshs 5,000 for members and 7000 for the chairman.

Ethics and Conduct

The Anticorruption sub committee was formed on the first meeting and members have been trained on the same, the conduct of members is also the act as some of the reasons for removing a member from the committee

Risk Management

Risk management is a tool by the board to gauge on the risks that the constituency goes though which is attested on monthly basis by the staff. The report is discussed at the meeting by the committee

6. Environmental and Sustainability Reporting

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

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

such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

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

2. Environmental performance

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.

3. Employee welfare

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

Lagdera Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

Public Awareness

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

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


.....
Yussuf Kilas Aden
Fund Account Manager.

7. Statement of Management Responsibilities

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

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

The Accounting Officer in charge of the NGCDF-Lagdera Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency*'s financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2024, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Lagdera 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 Lagdera 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- Lagdera Constituency financial statements were approved and signed by the Accounting Officer on 26/11 2024.



.....
Dagane Abdullahi Daib
Chairman – NGCDF Committee

CHAIRMAN
NG-CDF LAGDERA
P. O. Box 659-70103
GARISSA



.....
Yussuf Kilas Aden
Fund Account Manager

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NAIROBI

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Lagdera Constituency set out on pages 1 to 47, which

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

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

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

Basis for Qualified Opinion

Unaccounted for Bursary Grants

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects an amount of Kshs.93,394,125 in respect to other grants and transfers. Included in the amount are bursary disbursements of Kshs.41,358,065 and Kshs.37,336,060 to secondary schools and tertiary institutions respectively. However, review of payment records provided for audit revealed that bursary disbursements amounting to Kshs.1,182,000 were not supported by acknowledgment receipts and students' fees statement from the institutions that received the bursaries.

In the circumstances, the accuracy and completeness of the transfers to secondary schools of Kshs.1,182,000 for the year ended 30 June, 2024 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual as comparable basis of Kshs.301,022,796 and Kshs.245,701,312 respectively, resulting in an underfunding of Kshs.55,321,484 or 18% of the approved budget. Similarly, the Fund

spent an amount of Kshs.186,287,151 against total receipts of Kshs.245,701,312, resulting in an under-utilization of Kshs.59,414,161 or 24% of the total available funds.

The underfunding and under-utilization may have impacted negatively on delivery of services to the public.

My opinion is not modified in respect of this matters.

Key Audit Matters

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

Other Matter

1. Project Implementation Status

During the year under review, National Government Constituencies Development Fund – Lagdera Constituency allocated Kshs.171,484,103 to projects in various sectors including primary schools, secondary schools, security and emergencies within the Constituency. Analysis as per the Project Implementation Status report and expenditure returns indicated that forty-four (44) projects amounting to Kshs.94,547,517 were completed, while thirty-eight (38) projects allocated a total amount of Kshs.76,936,586 had not been started.

Failure to implement and delayed completion of planned projects may have impacted negatively on service delivery to the residents of Lagdera Constituency.

2. Unresolved Prior Year Matters

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

In the circumstances, Management was in breach of Section 31(a) of the Public Audit Act, 2015 which requires that as a preliminary step, the entity must submit a report on how it has addressed the recommendations and findings of the previous year's audit.

Other Information

The Management is responsible for the other information set out on page iii to xxii which comprise of Key Entity Information and Management, Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental

and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Report to the Board on the Utilization of Emergency Reserve Grants

The statement of receipts and payments and as disclosed in Note 6 to the financial statements reflects other grants and transfers amount of Kshs.93,394,125. Included in the amount is Kshs.2,700,000 incurred from emergency reserve. However, Management did not report to the National Constituencies Development Fund Board the utilization of the emergency funds within thirty (30) days as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides that the utilization of the emergency reserve shall be reported to the Board within thirty (30) days of the occurrence of the emergency, in the format prescribed by the Board.

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

2. Failure to Open Deposit Holding Account

The Fund did not open a deposit holding account as required by Section 7(1)(A) of the National Government Constituencies Development Fund (Amendment) Act, 2022 which provides that each Constituency shall open one (1) deposit account for holding third party monies which shall so be designated and such an account shall be known by the name of the Constituency for which it is opened.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Ownership Documents and Disclosure of Assets

Annex 4 of the financial statements reflects summary of fixed assets register with historical cost balance of Kshs.27,626,142 as at 30 June, 2024. Although the Management maintained a fixed asset register, the register did not contain all information required including Identification or serial number, acquisition date, description of asset, location, class, cost of acquisition, accumulated depreciation, net book value and assets tag identification codes. Further, the fixed assets register reflected an accumulated balance of Kshs.11,516,424 compared to Kshs.27,626,142 disclosed Annex 4 of the financial statements creating unexplained and unreconciled difference of Kshs.16,109,718. In addition, ownership documents for land owned by the Fund were not provided.

In the circumstances, the ownership status of the fixed assets and existence of effective internal controls on fixed assets could not be confirmed.

The audit was conducted in accordance with ISSAIs 2315 and 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal 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 the 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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's, ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards for Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with IFPP will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness

of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7 (1) (a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 December, 2024


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

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

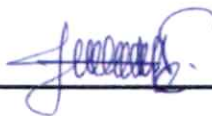
	Note	2023-2024	2022-2023
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	206,349,053	88,000,000
Total Receipts		206,349,053	88,000,000
Payments			
Compensation of Employees	2	3,703,544	1,672,920
Committee expenses	3	2,657,905	2,527,400
Use of Goods and Services	4	4,684,060	3,378,275
Transfers to Other Government Units	5	79,847,517	4,940,000
Other Grants and Transfers	6	93,394,125	46,302,628
Acquisition of Assets	7	-	210,028
Other Payments	8	2,000,000	-
Total Payments		186,287,151	59,031,252
Surplus/(Deficit)		20,061,903	28,968,748

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

The Constituency financial statements were approved by the NGCDFC on 26/11 2024 and signed by:



Chairman NG-CDF
Committee
Dagane Abdullahi Daib



Fund Accountant Manager
Yussuf Kilas Aden



National Sub-County
Accountant
Victor N. Muindi
ICPAK M/No: 20606

CHAIRMAN
NG-CDF LAGDERA
P. O. Box 655 70100
GARISSA

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

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

	Note	2023-2024	2022-2023
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	9	60,402,410	39,352,258
Total Cash and Cash Equivalents		60,402,410	39,352,258
Accounts Receivable			
Outstanding Imprests		-	-
TOTAL FINANCIAL ASSETS		60,402,410	39,352,258
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention		-	-
NET FINANCIAL ASSETS		60,402,410	39,352,258
REPRESENTED BY			
Fund balance b/fwd 1st July...		39,352,258	10,383,510
Prior year adjustments	10	988,250	-
Surplus/Deficit for the year		20,061,903	28,968,748
NET FINANCIAL POSITION		60,402,410	39,352,258

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on ^{26/11/}.....2024 and signed by:

.....
Chairman NG-CDF
Committee
Dagane Abdullahi Daib

.....
Fund Accountant Manager
Yussuf Kilas Aden

.....
National Sub-County
Accountant
Victor N. Muindi
ICPAK M/No: 20606

**CHAIRMAN
NG-CDF LAGDERA
P. O. Box 659-70100,
GARISSA**

National Government Constituencies Development Fund (NGCDF)
Lagdera Constituency
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11. Statement Of Cash Flows for the Year Ended 30th June 2024

		2023-2024	2022-2023
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	206,349,053	88,000,000
		206,349,053	88,000,000
Payments for operating activities			
Compensation of Employees	2	3,703,544	1,672,920
Committee expenses	3	2,657,905	2,527,400
Use of goods and services	4	4,684,060	3,378,275
Transfers to Other Government Units	5	79,847,517	4,940,000
Other grants and transfers	6	93,394,125	46,302,628
Other Payments	7	2,000,000	-
		186,287,151	58,821,224
Adjusted for:			
Prior year Adjustments	10	988,250	-
Net Adjustments		988,250	-
Net cash flow from operating activities		21,050,152	29,178,776
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	7	-	(210,028)
Net cash flows from Investing Activities		-	(210,028)
NET INCREASE IN CASH AND CASH EQUIVALENT		21,050,152	28,968,748
Cash and cash equivalent at BEGINNING of the year	9	39,352,258	10,383,510
Cash and cash equivalent at END of the year		60,402,410	39,352,258

National Government Constituencies Development Fund (NGCDF)
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12. Summary Statement of Appropriation for The Year Ended 30th June 2024

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
	2023-2024	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2023-2024	2023-2024		
Receipts	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Transfers From NGCDF Board	185,321,484	39,352,258	76,349,053	301,022,796	245,701,312	55,321,484	
Proceeds From Sale of Assets	-			-	-	-	0.0%
Other Receipts	-			-	-	-	-
Totals	185,321,484	39,352,258	76,349,053	301,022,796	245,701,312	55,321,484	81.6%
Payments							
Compensation of Employees	6,009,468	3,609,378	-	9,618,846	3,703,544	5,915,302	38.5%
Committee Expenses	7,362,223	5,015,745	217,704	12,595,673	2,657,905	9,937,768	
Use of Goods and Services	3,200,000	3,172,312	-	6,372,312	4,684,060	1,688,253	73.5%
Transfers to Other Government Units	62,130,683	3,129,273	63,021,349	128,281,305	79,847,517	48,433,788	62.2%
Other Grants and Transfers	95,119,110	24,425,550	11,110,000	130,654,660	93,394,125	37,260,535	71.5%
Acquisition of Assets	2,000,000	-	-	2,000,000	-	2,000,000	0.0%
Other Payments	3,500,000	-	2,000,000	5,500,000	2,000,000	3,500,000	36.4%
Funds Pending Approval**	6,000,000	-	-	6,000,000	-	6,000,000	0.0%
Totals	185,321,484	39,352,258	76,349,053	301,022,796	186,287,151	114,735,645	61.9%

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

Compensation of Employees underutilisation is due to balances from previous financial year
 Committee Expenses underutilisation is due to balances from previous financial year
 Use of Goods and Services underutilisation is due to late disbursement of funds
 Transfers to Other Government Units underutilisation is due to late disbursement of funds
 Other Grants and Transfers underutilisation is due to late disbursement of funds

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	114,735,645
Less undispursed funds receivable from the Board as at 30th June 2024	55,321,484
	59,414,161
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	988,250
Cash and Cash Equivalents at the end of the FY 2023/2024	60,402,410

National Government Constituencies Development Fund (NGCDF)

Lagdera Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2024

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements		comparable basis	
					Kshs	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	6,009,468	3,609,378	-	9,618,846	3,703,544	5,915,302
1.2 Committee allowances	2,838,326	2,112,765	-	4,951,091	2,195,200	2,755,891
1.3 Use of goods and services	2,200,000	1,733,368	-	3,933,368	3,699,060	234,308
Sub-total	11,047,794	7,455,511	-	18,503,305	9,597,804	8,905,501
2.0 Monitoring and evaluation						
2.1 Capacity building	1,140,000	1,016,175	-	2,156,175	741,000	1,415,175
2.2 Committee allowances	3,383,897	1,641,805	-	5,025,702	-	5,025,702
2.3 Use of goods and services	1,000,000	1,438,944	-	2,438,944	244,000	2,194,944
Sub-total	5,523,897	4,096,924	-	9,620,821	985,000	8,635,821
3.0 Constituency Oversight Committee (Itemize as per budget)						
3.1 COC Allowances	-	245,000	-	245,000	245,000	-
3.2 Training materials	-	-	217,704	217,705	217,705	-

**National Government Constituencies Developments Fund (NGCDF)
Lagdera Constituency
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Sub-total	-	245,000	217,704	462,705	462,705	-
4.0 Emergency						
4.1 Primary Schools	9,691,047	806,751	-	10,497,798	2,700,000	7,797,798
4.2 Secondary schools	-	-	-	-	-	-
4.3 Tertiary institutions	-	-	-	-	-	-
4.4 Security projects	-	-	-	-	-	-
Sub-total	9,691,047	806,751	-	10,497,798	2,700,000	7,797,798
5.0 Bursary and Social Security						
5.1 Primary Schools	-	-	-	-	-	-
5.2 Secondary Schools	33,005,465	15,097,739	-	48,103,204	41,358,065	6,745,139
5.3 Tertiary Institutions	30,000,000	7,336,060	-	37,336,060	37,336,060	-
5.4 Universities	-	-	-	-	-	-
5.5 Education Support Programmes	-	-	-	-	-	-
5.6 Social Security	-	1,080,000	-	1,080,000	-	1,080,000
Sub-total	63,005,465	23,513,799	-	86,519,264	78,694,125	7,825,139
6.0 Sports						
6.1 constituency sports tournament	-	-	600,000	600,000	-	600,000
6.2 constituency sports tournament	-	-	10,000	10,000	-	10,000
Sub-total	-	-	610,000	610,000	-	610,000
7.0 Environment						
7.1 Modogashe girls secondary school	172,598	-	-	172,598	-	172,598
7.2 shantaabaq secondary school	150,000	-	-	150,000	-	150,000

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

Sub-total	322,598	-	-	322,598	-	322,598
8.0 Primary Schools Projects						
(List all the Projects)						
8.0 dadfarow primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.1 bulla hidig primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.2 bullo sheikh primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.3 dihle primary school	-	-	3,500,000	3,500,000	3,500,000	-
8.4 elan primary school	-	-	1,200,000	1,200,000	1,200,000	-
8.5 hadun primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.6 janju primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.7 kambi samaki primary school	-	-	237,700	237,700	237,700	-
8.8 maalimin primary school	-	-	1,200,000	1,200,000	1,200,000	-
8.9 madina primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.10 modogashe primary school	-	-	3,500,000	3,500,000	3,500,000	-
8.11 rigdam primary school	-	-	3,500,000	3,500,000	3,500,000	-
8.12 sarta primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.13 Goreale primary school	-	-	3,000,000	3,000,000	3,000,000	-
8.14 sheikh hajir primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.15 tinas primary school	-	-	1,000,000	1,000,000	1,000,000	-
8.16 wayamo jibril primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.17 bulla sheikh primary school	-	1,000,000	1,000,000	2,000,000	2,000,000	-

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

8.18 maalimin primary school	-	1,000,000	2,500,000	3,500,000	3,500,000	-
8.19 denka primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.20 geylab primary school	-	100,000	-	100,000	-	100,000
8.21 hagare primary school	-	-	2,000,000	2,000,000	2,000,000	-
8.22 barkuke primary school	-	7,794	-	7,794	-	7,794
8.23 languyato primary school	-	578,651	1,421,349	2,000,000	2,000,000	-
8.24 skanska primary school	-	68,878	-	68,878	-	68,878
8.25 elan primary school	-	28,850	-	28,850	-	28,850
8.26 janju primary school	-	10,000	-	10,000	-	10,000
8.27 togdub primary school	-	50,000	-	50,000	-	50,000
8.28 afweine primary school	1,000,000	-	-	1,000,000	1,000,000	-
8.29 ahmed tukale primary school	1,000,000	-	-	1,000,000	-	1,000,000
8.30 bulla hidig primary school	600,000	-	-	600,000	-	600,000
8.31 daarisalam primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.32 dalehe primary school	600,000	-	-	600,000	-	600,000
8.33 elan primary school	1,000,000	-	-	1,000,000	-	1,000,000
8.34 garafura primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.35 geylab primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.36 gutale primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.37 hagare primary school	600,000	-	-	600,000	-	600,000
8.38 jilango primary school	2,000,000	-	-	2,000,000	-	2,000,000

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

8.39 kambi samaki primary school	1,500,000	-	-	1,500,000	-	1,500,000
8.40 kiwanja primary school	600,000	-	-	600,000	-	600,000
8.41 labile primary school	600,000	-	-	600,000	-	600,000
8.42 lafagari primary school	1,000,000	-	-	1,000,000	-	1,000,000
8.43 lehely primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.44 lolol primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.45 maalimin primary school	4,000,000	-	-	4,000,000	4,000,000	-
8.46 makkah primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.47 maalimin primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.48 modogashe primary school	1,400,000	-	-	1,400,000	1,400,000	-
8.49 mowlid primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.50 tugere primary school	2,000,000	-	-	2,000,000	-	2,000,000
8.51 skanksa primary school	1,000,000	-	-	1,000,000	-	1,000,000
8.52 tinas primary school	2,000,000	-	-	2,000,000	-	2,000,000
Sub-total	38,900,000	2,844,173	44,059,049	85,803,222	53,037,700	32,765,522
9.0 Secondary Schools Projects (List all the Projects)						
9.0 benane secondary school	-	-	2,000,000	2,000,000	2,000,000	-
9.1 afweine secondary school	-	-	3,000,000	3,000,000	3,000,000	-
9.2 afweine secondary school	-	-	1,200,000	1,200,000	1,200,000	-
9.3 modogashe girls secondary school	-	-	9,000,000	9,000,000	9,000,000	-

National Government Constituencies Development Fund (NGCDF)

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9.4 modogashe secondary school	-	-	2,000,000	2,000,000	2,000,000	-
9.5 shanta abaq sec sch	-	30,000	-	30,000	-	30,000
9.6 modogashe girls secondary school	-	3,100	-	3,100	-	3,100
9.7 modogashe secondary school	-	252,000	-	252,000	-	252,000
9.8 modogashe girls secondary school	3,000,000	-	-	3,000,000	-	3,000,000
9.9 modogashe girls secondary school	1,500,000	-	-	1,500,000	-	1,500,000
9.10 afweine secondary school	2,000,000	-	-	2,000,000	-	2,000,000
9.11 afweine secondary school	500,000	-	-	500,000	-	500,000
9.12 Benane secondary school	4,000,000	-	-	4,000,000	-	4,000,000
9.13 Benane secondary school	2,160,000	-	-	2,160,000	2,160,000	-
9.14 Benane secondary school	1,680,000	-	-	1,680,000	1,680,000	-
9.15 modogashe secondary school	2,000,000	-	-	2,000,000	-	2,000,000
9.16 modogashe secondary school	2,327,517	-	-	2,327,517	2,327,517	-
9.17 modogashe secondary school	1,680,000	-	-	1,680,000	1,680,000	-
9.18 modogashe girls secondary school	-	-	762,300	762,300	762,300	-
Sub-total	20,847,517	285,100	17,962,300	39,094,917	25,809,817	13,285,100
10.0 Tertiary institutions Projects (List all the Projects)						
10.1 lagdera technical&vocational college	-	-	550,000	550,000	550,000	-
10.2 lagdera technical&vocational college	-	-	450,000	450,000	450,000	-

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Sub-total	-	-	1,000,000	1,000,000	1,000,000	-
11.0 Security Projects						
11.1 benane chiefs office	-	-	2,000,000	2,000,000	2,000,000	-
11.2 gurufa chiefs office	-	-	2,000,000	2,000,000	2,000,000	-
11.3 gurufa police station	-	-	1,000,000	1,000,000	1,000,000	-
11.4 shantaabaq chiefs office	-	-	2,000,000	2,000,000	2,000,000	-
11.5 maalimin assistant county commissioners office	-	-	3,500,000	3,500,000	3,500,000	-
11.6 modogashe police station	-	33,000	-	33,000	-	33,000
11.7 barkuke chief's office	-	40,000	-	40,000	-	40,000
11.8 kambi samaki chief's office	-	32,000	-	32,000	-	32,000
11.9 Benane deputy county commissioners office	4,000,000	-	-	4,000,000	-	4,000,000
11.10 Benane deputy county commissioners residence	3,500,000	-	-	3,500,000	-	3,500,000
11.11 lagdera deputy county commissioners residence	1,000,000	-	-	1,000,000	-	1,000,000
11.12 maalimin assistant county commissioners residence	2,500,000	-	-	2,500,000	-	2,500,000
11.13 maalimin assistant county commissioners office	1,500,000	-	-	1,500,000	1,500,000	-
11.14 maalimin chiefs office	1,000,000	-	-	1,000,000	-	1,000,000
11.15 modogashe police station	2,400,000	-	-	2,400,000	-	2,400,000
11.16 modogashe police station	1,200,000	-	-	1,200,000	-	1,200,000
11.17 shanta abaq deputy county commissioners residence	5,000,000	-	-	5,000,000	-	5,000,000
Sub-total	22,100,000	105,000	10,500,000	32,705,000	12,000,000	20,705,000

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12.0 Acquisition of assets								
12.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-	-	-
12.2 Construction of CDF office	2,000,000	-	-	-	2,000,000	-	-	2,000,000
12.3 Purchase of furniture and equipment	-	-	-	-	-	-	-	-
12.4 Purchase of computers	-	-	-	-	-	-	-	-
12.5 Purchase of land	-	-	-	-	-	-	-	-
Sub-total	2,000,000	-	-	-	2,000,000	-	-	2,000,000
13.0 Others								
13.1 Strategic Plan	-	-	2,000,000	-	2,000,000	-	2,000,000	-
13.2 Innovation Hub	-	-	-	-	-	-	-	-
13.3 lagdera subcounty education office	2,000,000	-	-	-	2,000,000	-	-	2,000,000
13.4 lagdera khadis office	1,500,000	-	-	-	1,500,000	-	-	1,500,000
13.5 Funds pending approval**	6,000,000	-	-	-	6,000,000	-	-	6,000,000
Sub-total	9,500,000	-	2,000,000	-	11,500,000	-	2,000,000	9,500,000
14.0 junior secondary school								
14.1 Benane primary school	1,191,583	-	-	-	1,191,583	-	-	1,191,583
14.2 Benane primary school	1,191,583	-	-	-	1,191,583	-	-	1,191,583
Sub-total	2,383,166	-	-	-	2,383,166	-	-	2,383,166
Total	185,321,484	39,352,258	76,349,053	301,022,796	186,287,151	114,735,646		

14. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Recognition of Receipts

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

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

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

b. Proceeds from the Sale of Assets

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

c. Other receipts

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

d. Unutilized Funds from PMCs.

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

e. External Assistance

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

5. Recognition of payments

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

a) Compensation of Employees

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

b) Use of Goods and Services

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

c) Acquisition of Fixed Assets

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

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

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

6. In-kind contributions

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

7. Cash and Cash Equivalents

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

8. Accounts Receivable

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

9. Accounts Payable

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

10. Pending Bills

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

11. Unutilized Fund

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

12. Budget

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

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

13. Comparative Figures

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

14. Subsequent Events

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

15. Prior Period Errors

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

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

16. Related Party Transactions

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

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15. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2023-2024	2022-2023
NGCDF Board	Kshs	Kshs
AIE NO. B 206230		28,000,000
AIE NO. B 206173		5,000,000
AIE NO. B 206439		12,000,000
AIE NO. B 205949		12,000,000
AIE NO. B 207669		16,000,000
AIE NO. B 207829		15,000,000
AIE NO. B 214332	63,960,174	
AIE NO. B 214122	12,088,879	
AIE NO. B 214200	300,000	
AIE NO. B 225101	30,000,000	
AIE NO. B 226099	30,000,000	
AIE NO. B 226467	30,000,000	
AIE NO. B 214802	40,000,000	
TOTAL	206,349,053	88,000,000

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2. Compensation Of Employees

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,344,164	1,554,120
Employer Contributions Compulsory national social security schemes	359,380	118,800
Total	3,703,544	1,672,920

3. Committee Expenses

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
A. NG CDFC		
Sitting allowance	2,195,200	1,705,400
Other committee expenses	-	822,000
Sub total	2,195,200	2,527,400
B. Constituency Oversight Committee		
Allowances	245,000	-
Other committee expenses	217,705	-
Sub total	462,705	-
Total (A+B)	2,657,905	2,527,400

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4. Use of Goods and services

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Utilities, supplies and services	18,736	375,308
Communication, supplies and services	18,900	151,000
Domestic travel and subsistence	244,000	514,000
Office rent	800,000	400,000
Training expenses	741,000	-
Hospitality supplies and services	-	311,100
Office and general supplies and services	2,861,424	1,245,035
Bank Charges	-	63,332.39
Other operating expenses	-	318,500
Total	4,684,060	3,378,275

5. Transfer To Other Government Units

Description	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Transfers To Primary Schools	53,037,700	4,940,000
Transfers To Secondary Schools	25,809,817	-
Transfers To Tertiary Institutions	1,000,000	-
Total	79,847,517	4,940,000

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6. Other Grants and Other transfers

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Bursary – secondary schools	41,358,065	11,700,400
Bursary – tertiary institutions	37,336,060	21,497,632
Security projects	12,000,000	-
Sports projects	-	2,429,203
Environment projects	-	3,039,203
Emergency projects	2,700,000	7,636,190
Total	93,394,125	46,302,628

7. Acquisition Of Assets

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Construction of Buildings	-	210,028
Total	-	210,028

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8. Other Payments

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Strategic plan	2,000,000	-
Total	2,000,000	-

9. Cash and Cash Equivalents

Name of Bank, Account No. & currency	2023-2024	2022-2023
	Kshs (30/6/2024)	Kshs (30/6/2023)
Equity Bank-Garissa Branch-NGCDF Lagdera A/C no.0580283860216	54,657,352	33,845,397
Premier Bank Bank A/C no.0009576701	5,745,058	5,506,861
TOTAL	60,402,410	39,352,258

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10. Prior Year Adjustments

	2023-2024	2022-2023
	Kshs	Kshs
Reversed cheques	988,250	0
Fund Balance Brought Forward	988,250	0

11. Fund Balance B/F

	2023-2024	2022-2023
	Kshs	Kshs
Bank accounts	39,352,258	10,383,510
Fund Balance Brought Forward	39,352,258	10,383,510

12. Changes In Accounts Receivable – Outstanding Imprests

	2023-2024	2022-2023
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	5,948,800	4,492,400
Imprest surrendered during the Year (C)	5,948,800	4,492,400

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19.3: Unutilized Fund (See Annex 3)

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Compensation of employees	5,915,302	3,674,179
Committee expense	9,937,768	6,500,113
Use of goods and services	1,688,253	2,615,360
Amounts due to other Government entities	48,433,788	66,150,622
Amounts due to other grants and other transfers	37,260,535	34,760,918
Acquisition of assets	2,000,000	120
Other Payments (specify)	3,500,000	2,000,000
Funds pending approval	6,000,000	-
Total	114,735,646	115,701,312

19.4: PMC account balances (See Annex 5)

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
PMC account balances	2,962,872	-
Total	2,962,872	-

19.5 Related Party Transactions

	<i>2023-2024</i>	<i>2022-2023</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,195,200	2,527,400
Total	2,195,200	2,527,400

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16. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

No pending accounts payables

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Annex 2 – Analysis of Pending Staff Payables

No pending staff payables

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2023-2024	2022-2023	
Compensation of employees	Staff salaries	5,915,302	3,674,179	Pending Disbursement
Committee expenses	committee expenses	9,196,768	2,615,360	Pending Disbursement
Use of goods & services	Use of goods & services	2,429,253	6,037,408	Pending Disbursement
Amounts due to other Government entities				
7.1 Biyobombi Primary School	Construction of 2 classrooms to completion	-	2,000,000	Pending Disbursement
7.2 Bulla hidig Primary School	Construction of twin pit latrines	600,000	2,000,000	Pending Disbursement
7.3 Bulla sheikh Primary School	Construction of 2 classrooms to completion	-	2,000,000	Pending Disbursement
7.6 Dihle Primary School	Construction of administration block to completion	-	3,500,000	Pending Disbursement
7.8 Elan Primary School	Purchase & supply of desks	-	1,200,000	Pending Disbursement
7.10 Geylab Primary School		-	-	Pending Disbursement
7.11 Hadun Primary School	Construction of 2 classrooms to completion	-	2,000,000	Pending Disbursement
7.12 Shantaabaq Primary School	Construction of school fence with chain link	-	3,000,000	Pending Disbursement

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7.13 Ahmed tukale Primary School	Renovation of 2 classrooms	1,000,000	-	Pending Disbursement
7.14 Maalimin Primary School	Purchase, supply & installation of 3kva solar system	-	3,500,000	Pending Disbursement
7.15 Maalimin ACCs residence	Construction of 2 bedroom house to completion	1,500,000	-	Pending Disbursement
7.16 Barkuke Primary School	Renovation of classrooms	7,794	7,794	Pending Disbursement
7.17 Madina Primary School		-	-	Pending Disbursement
7.18 Janju Primary School	Construction to Completion of Two Roomed Staff quarters	-	2,000,000	Pending Disbursement
7.19 Sarta Primary School	Construction of 2 classrooms to completion	-	2,000,000	Pending Disbursement
7.20 Sheikh Hajir Primary School	Construction of 2 classrooms to completion	-	2,000,000	Pending Disbursement
7.21 Skansa Primary School	Renovation of Classrooms	68,878	68,878	Pending Disbursement
7.22 Dahele Primary School	Construction of twin pit latrines	600,000	-	Pending Disbursement
7.23 Wayamo Jibril Primary School	Renovation of Four Classrooms	-	2,000,000	Pending Disbursement
7.24 Tinas Primay School	Purchase & Supply of 200 Desks	-	1,000,000	Pending Disbursement

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7.25 Kambi samaki Primary School	Renovation of Five Classrooms	1,500,000	-	Pending Disbursement
7.26 Lagdera Primary Schools		-	-	Pending Disbursement
7.27 Tinas Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.28 Barkuke Primary School		-	-	Pending Disbursement
7.29 Rigdam Primary School	Construction to Completion of Administration Block	-	3,500,000	Pending Disbursement
7.30 Skanksa Primary School	Renovation of Four Classrooms	1,000,000	-	Pending Disbursement
7.31 Jilango Primary School		-	-	Pending Disbursement
7.32 Maalimin Primary School	Construction to Completion of Four Pit Latrines & Bathrooms	-	1,200,000	Pending Disbursement
7.33 Elan Primary School	Renovation of Classrooms	28,850	28,850	Pending Disbursement
7.34 Madina Primary School		-	-	Pending Disbursement
7.35 Geylab Primary School	Renovation of Classrooms	100,000	100,000	Pending Disbursement
7.36 Tugere Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.37 Mowlid Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.38 Kiwanja Primary School	Completion of 2 classrooms	500,000	-	Pending Disbursement

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7.39 Garafura Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.40 Jilango Primary School	Construction to Completion of Two Roomed Staff House	2,000,000	-	Pending Disbursement
7.41 Kambi Samaki Primary School	Renovation of Four Classrooms	-	1,000,000	Pending Disbursement
7.42 Gutale Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.43 Makkah Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.44 Lolol Primary School	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.45 Janju Primary School		-	-	Pending Disbursement
7.46 Geylab Primary School	Construction to Completion of Two Roomed Staff House	2,000,000	-	Pending Disbursement
7.47 Modogashe Primary School	Construction to Completion of Administration Block	-	3,500,000	Pending Disbursement
7.48 Madina Primary School	Construction to Completion of Two Single Roomed Staff Quarters	-	2,000,000	Pending Disbursement

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7.49 Janju Primary School	Renovation of Classrooms	10,000	10,000	Pending Disbursement
7.50 Togdub Primary School	Renovation of Classrooms	50,000	50,000	Pending Disbursement
7.51 ama primary school		-	-	Pending Disbursement
7.52 Lehely primary school	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.53 Lafagari primary school	Construction of Twin Pit Latrines	1,000,000	-	Pending Disbursement
7.54 Bulla sheikh primary school	Construction to Completion of one Classroom & twin toilets	-	1,300,000	Pending Disbursement
7.55 Daralagam primary school	Construction to Completion of Two Classrooms	2,000,000	-	Pending Disbursement
7.56 Denka primary school	Construction to Completion of Two Classrooms	-	2,000,000	Pending Disbursement
7.57 Elan primary school	Renovation of Four Classrooms	1,000,000	-	Pending Disbursement
7.58 Hagare primary school	Construction of Twin Pit Latrines & Construction of Two Classrooms to Completion	600,000	2,000,000	Pending Disbursement
7.59 Languate primary school	Construction of Two Classrooms to Completion	-	2,000,000	Pending Disbursement

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7.60 Bulla sheikh primary school	Completion of 2 classrooms	-	700,000	Pending Disbursement
7.61 Labile primary school	Construction of Twin Pit Latrines	600,000	-	Pending Disbursement
7.62 Kiwanja primary school	Construction of Twin Pit Latrines	600,000	-	Pending Disbursement
8.0 Secondary Schools Projects				
8.1 Modogashe Secondary School	Renovation of Classrooms	252,000	252,000	Pending Disbursement
8.2 Modogashe Girls Secondary School	Construction to Completion of Three Roomed Staff House	3,000,000	-	Pending Disbursement
8.3 Modogashe girls Secondary School	Renovation of 120 Bed capacity Dormitory	1,500,000	-	Pending Disbursement
8.4 Modogashe Girls Secondary School	Renovation of Classrooms	3,100	3,100	Pending Disbursement
8.5 Benane Secondary School	Construction to Completion of 800 Meters School Fence With Concrete Poles & Chain Link	4,000,000	-	Pending Disbursement
8.6 Shantaabak Sec Sch	Renovation of Classrooms	30,000	30,000	Pending Disbursement
8.7 Modogashe Secondary School	Construction to Completion of Modern School Gate	2,000,000	2,000,000	Pending Disbursement
8.8 Modogashe Girls Secondary School	Purchase of 51 Seater Isuzu School Bus	-	9,000,000	Pending Disbursement

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8.9 Afweine Secondary School	Construction to Completion of Administration Block & Construction to Completion of Two Roomed Staff House	2,000,000	3,000,000	Pending Disbursement
8.1. Afweine Secondary School	Completion of Administration	500,000	1,200,000	Pending Disbursement
8.11 Benane Secondary School		-	-	Pending Disbursement
8.12 Benane Secondary School	Construction to Completion of Two Roomed Staff Quarters	-	2,000,000	Pending Disbursement
8.13 Modogashe secondary school		-		Pending Disbursement
8.14 Modogashe secondary school		-		Pending Disbursement
Junior secondary school				
8.15 Benane primary school	Construction to Completion of One Classroom for JSS	1,191,583		Pending Disbursement
8.16 Benane primary school	Construction to Completion of One Classroom for JSS	1,191,583		Pending Disbursement
Tertiary institutions		-	-	
9.1 Lagdera technical&vocational college	Purchase & Supply of 10 Desktop Computers	-	550,000	
9.2 Lagdera technical&vocational college	Construction to	-	450,000	

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	Completion of Three Door Pit Latrines			
Sub-Total		65,975,110	78,477,569	
Amounts due to other grants and other transfers				
3.0 Emergency				
3.1 Emergency	To Cater for Unseen Occurances	7,797,798	806,750	Pending Disbursement
4.0 Bursary And Social Security		-	-	
4.2 Secondary Schools	Bursary for Secondary Schools	6,745,139	15,406,557	Pending Disbursement
4.3 Tertiary Institutions	Bursary for Tertiary Institutions	-	6,252,610	Pending Disbursement
4.4 social security	Provision of Medical Insurance Cover for 180 Vulnerable Families	1,080,000	1,080,000	Pending Disbursement
10.0 Security Projects				
10.1 Gurufa Police Station	Renovation of Two Rooms	-	1,000,000	Pending Disbursement
10.2 Gurufa Chief's Office	Construction to Completion of Chief's Office	-	2,000,000	Pending Disbursement
10.5 Shantaabak Administration Police Post		-	-	Pending Disbursement
10.6 Maalimin Assistant Sub-county Commissioner office	Construction to Completion of ACC's Office	-	3,500,000	Pending Disbursement

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10.7 Modogashe Police Station	Construction of Office	33,000	-	Pending Disbursement
10.9 Modogashe Police Station	Construction to Completion of Eight Pit Latrines	2,400,000	-	Pending Disbursement
10.15 Modogashe Police station	Construction to Completion of Four Bathrooms	1,200,000	-	Pending Disbursement
10.17 Benane Chief's Office	Construction to Completion of Chief's Office	-	2,000,000	Pending Disbursement
10.18 Barkuke Chief's Office	Construction of Office	40,000	40,000	Pending Disbursement
10.19 Shanta Abaq Adm Police		-	-	Pending Disbursement
10.2 Modogashe police station	Construction of Office	-	33,000	Pending Disbursement
10.21 Maalimin chief's office	Renovation of Chiefs Office	1,000,000	-	Pending Disbursement
10.22 Kambi samaki chief's office	Construction of Office	32,000	32,000	Pending Disbursement
10.23 Shantaabaq chiefs office	Construction to Completion of Chief's Office	-	2,000,000	Pending Disbursement
10.24 Baraki chief's office		-	-	Pending Disbursement
10.25 Benane deputy county commissioners office	Construction to Completion of DCCs Office	4,000,000	-	Pending Disbursement
10.26 Benane deputy county commissioners residence	Construction to Completion of Three Bedroom Self Contained House	3,500,000	-	Pending Disbursement
10.27 Lagdera deputy county commissioners residence	Purchase	1,000,000	-	Pending Disbursement

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	& Installation of 3KVA Solar System			
10.28 Maalimin Assistant Sub-county Commissioner residence	Construction to Completion of Two Bedroom Self Contained House	2,500,000	-	Pending Disbursement
10.29 Shantaabak deputy county Commissioners residence	Construction to Completion of Self Contained Three Bedroom House & Security Guard Room	5,000,000	-	Pending Disbursement
10.30 Lagdera district headquarters		-	-	Pending Disbursement
11.1 Sports	Carryout Sports Tournaments	610,000	610,000	Pending Disbursement
12.1 Environment	Planting of 220 Indeginous Trees	322,598	-	Pending Disbursement
13.1 Strategic plan	To Facilitate Review & Development of 5 Year Strategic Plan 2023-2027	-	2,000,000	Pending Disbursement
14.1 Purchase of furniture	Purchase of furniture	-	120	Pending Disbursement
14.2 Construction of cdf office	Purchase & Installation of 5KVA Solar System	2,000,000	-	Pending Disbursement
14.3 Other payments				Pending Disbursement

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Lagdera sub county education office	Purchase of Office Furniture	2,000,000		Pending Disbursement
Lagdera khadis office	Purchase & Installation of 3KVA Solar System	1,500,000		Pending Disbursement
14.4 unapproved projects				Pending Disbursement
Eldere Assistant county Commissioners office	Construction of ACCs office	3,500,000		Pending Disbursement
Eldere Assistant county Commissioner residence	Construction of Two roomed staff house	2,500,000		Pending Disbursement
COC Expenses				
15.1 coc allowance	coc expenses	-	245,000	Pending Disbursement
16.1 other coc expenses	coc expenses	-	217,705	Pending Disbursement
Sub-total		48,760,535	37,223,742	
Grand totals		114,735,646	115,701,311	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	20,523,300	-	-	20,523,300
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	4,802,842	-	-	4,802,842
ICT Equipment, Software and Other ICT Assets	2,258,000	-	-	2,258,000
Other Machinery and Equipment	42,000	-	-	42,000
Total	27,626,142	-	-	27,626,142

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Annex 5 –PMC Bank Balances as at 30th June 2024

PMC	Bank	Account number	Bank Balance	Bank Balance
			2023-2024	2022-2023
Modogash secondary school pmc	Equity	580284485047	71,595	-
Modogashe girls secondary school pmc	Equity	580284653683	850	-
Benane secondary school pmc	Equity	580284587601	68,207	-
Modogashe boarding primary school pmc	Equity	580284480379	40,160	-
Goreale primary school pmc	Equity	580284489159	860	-
Bulla sheikh primary school pmc	Equity	580284489218	850	-
Tinass primary school pmc	Equity	580284492860	-	-
Maalimin assistant county commissioners' office pmc	Equity	580284492744	1,500,000	-
Gurufa police station pmc	Equity	580284492836	850	-
Gurufa chiefs office pmc	Equity	580284497255	850	-
Wayamajibril primary school pmc	Equity	580284498777	-	-
Bullo primary school pmc	Equity	580284509696	560	-
Denka primary school pmc	Equity	580284509710	850	-
Shantaabaq chief office pmc	Equity	580284509716	2,000	-
Lanquyato primary school pmc	Equity	58284509726	1,000	-
Afwein secondary school pmc	Equity	580284555905	2,850	-
Rig dam primary school pmc	Equity	580284555782	-	-
Lagdera technical and vocational college	Equity	580284565064	680	-

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Sheikh hajir primary school pmc	Equity	580284561452	1,000	-
Medina primary school pmc	Equity	580284565011	860	-
Benane chief office pmc	Equity	580284569742	800	-
Sarta primary school pmc	Equity	580284583431	800	-
Hadun primary school pmc	Equity	580284583514	500	-
Dihle nur primary school pmc	Equity	580284544347	1,050	-
Hagare primary school pmc	Equity	580284653683	1,000	-
Dadfarow primary school pmc	Equity	580285076798	1,000	-
Kambi Samaki primary school pmc	Equity	580285476651	237,700	-
Afwein primary school pmc	Equity	580285458554	1,000,000	-
Maalimin primary school	Equity	580284068883	26,000	-
Elan primary school	Equity	58028406866	-	-
Barkuke primary school	Equity	58028406768	-	-
TOTAL			2,962,872	-

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Annex 6: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/GRO/AUD/CDF/GSA/1(11) 4.1 Budgetary control and performance	The summary statement of appropriation reflects an original budget of Kshs.151,960,174 and adjustments of Kshs.22,772,389, being previous outstanding disbursements and opening bank balance resulting to a total budget of Kshs.174,732,563 for financial year 2022/2023 and actual receipts of Kshs.98,383,510, resulting to underfunding of Kshs.76,349,053. The total actual expenditure by the fund in the financial year was Kshs.59,031,252 resulting to an under expenditure of Kshs.115,701,311 or 66%	We acknowledge the audit findings. However, some funds were received from NGCDFB towards the end of the financial year hence low absorption.	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/GRO/AUD/CDF/GSA/1(11) 4.2 Project implementation status	<p>of the total approved budget.</p> <p>During the year review, NGCDF Lagdera constituency allocated Kshs. 75,518,406 to thirty-eight (38) projects in various sectors including, primary schools, secondary schools, tertiary institutions, security, sports, environment and emergencies within the constituency. However, the fund had completed nineteen (19) projects at a cost of Kshs.10,918,406 while twenty-nine (29) projects with a total budget of Kshs.64,600,000 had not been started as at 30 June 2023</p>	<p>The fund account manager will ensure that all the projects budgeted are implemented. However, delay in disbursement of funds from NGCDFB has led to delay in implementing of projects budgeted for the financial year 2022/2023.</p>	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>OAG/GRO/AUD/CDF/GSA/1(11) 4.3 Unaccounted for bursary grants</p>	<p>The statement of receipts and payments and note 6 to the financial statements reflects a balance of Kshs.46,302,628 for other grants and transfers. Included in the balance are expenditures of Kshs.11,700,400 and Kshs.21,497,632 for bursaries for secondary schools and tertiary respectively. Scrutiny of payment records availed for audit revealed that awarded bursaries amounting to Kshs.4,555,000 were not supported by acknowledgement receipts and students' fees statement from the institutions that received the bursaries</p>	<p>The fund account manager obtained acknowledgement receipts from various institutions which were provided for your audit review. However, payment voucher 58 for bursary to Uppsala university were refunded on date 22nd November 2023 by the institution as the student got scholarship from another institution.</p>	<p>Resolved</p>	<p>N/A</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/GRO/AUD/CDF/GSA/1(11) 4.4 Failure to report expenditure from emergency reserve to the board	<p>The statement of receipts and payments and note 6 of the financial statements reflects other grants and transfers balance of Kshs.46,302,628. Included in the balance is Kshs.7,636,190 incurred from emergency reserve. However, the management did not report to the NCDFB the utilisation of the emergency funds within thirty (30) days as required by regulations,2016 which provides that the utilisation of the emergency reserve shall be reported to the board within thirty days of the occurrence of the emergency, in the format prescribed by the board</p>	<p>The fund account manager will ensure that report on the utilization of emergency funds as provided by regulations20(2) of the NGCDF regulations,2016 is provided.</p>	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/GRO/AUD/CDF/GSA/1(11) 4.5 Unutilized projects	<p>The statement of receipts and payments and as disclosed in note 5 to the financial statements reflects transfer to other government entity of Kshs.4,940,000. Included in this expenditure is an amount of Kshs.1,500,000 disbursed to Maalimin primary school for supply and delivery of double deck beds and mattresses. However, audit inspection conducted on 19th February 2024 established that the project implemented during the year under review were not in use for almost one year after delivery. In the circumstances, the property and value for money for the expenditure of Kshs.1,500,000 on the projects for the year ended</p>	<p>The projects were identified through public participation during budget making process and the fund account manager carried need assessment on the same. The NGCDF Lagdera will liaise with the school management of Maalimin primary school to ensure that the project is put into use.</p>	Resolved	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/GRO/AUD/CDF/GSA/1(11) 4.6 Lack of a constituency oversight committee	30 th June 2023 could not be confirmed. NGCDF Lagdera constituency did not establish a constituency oversight committee during the year under review as required by section 53(1) of the NGCDF Act, 2015. The fund management was therefore in breach of the law	The fund account manager has constituted the constituency oversight committee as required under section 53(1) of the NGCDF Act, 2015.	Resolved	N/A

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 Yussuf Kilas Aden
 Fund Account Manager.