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**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
LAFEY CONSTITUENCY**

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



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

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

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Core Values

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Abdikarim Ibrahim Hassan
2.	Sub-County Accountant	John Munyao Mutonya
3.	Chairman NGCDFC	Mohamed Madey Hassan
4.	Member NGCDFC	Amal Osman Haji

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF LAFEY Constituency Headquarters

P.O. Box 12-70300,
Opposite Lafey Sub-County Headquarters,
Mandera, KENYA

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(f) NGCDF LAFEY Constituency Contacts

Mobile: (254) 720409988
E-mail: cdlafey@cdf.go.ke
Website: www.go.ke

(g) NGCDF LAFEY Constituency Bankers

1. Equity Bank,
Mandera Branch,
P.O Box 536-70300,
Mandera.

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

BUDGET PERFORMANCE

The percentage of budget utilisation for LAFEY NG-CDF for the year is 65.6%. This is however, above 50% but it's not pleasing. Almost 34.4% of the budget was not utilised. Out of the funds ksh. 132,389,682 received and the balances from the previous year.it was fully utilised and by the end of the financial year only Ksh. 9,270,059 was the balance which was not utilised. The non-utilization was a result of funds not disbursed from the NG-CDF Board. By the end of the financial year Ksh.69,367,724 was not disbursed to the fund and could not be utilised. The Budget performance on the Payments slightly decreased from 67.6% of last year to 65.6%.

The budget performance was really affected by high inflation rates and price fluctuation of materials and labour force in the implementation of projects. The untimely release of funds from NG-CDF Board also affected the budget performance. If all the funds could have been released on time the budget performance would have been tremendous.

KEY ACHIEVEMENTS

During the year Lafey NG- CDF had achieved a lot in the implementation of projects in different sectors. The fund has developed schools, security Housing, water services in Schools, bursary for needy students in secondary Schools and universities.NG-CDF funds have really elevated the livelihoods of the constituents in the sense that its implemented at the grassroots level where all levels of the community participate and benefit in one way or another. For instance labour force and provision of materials and the middle level also benefited by getting contracts.

Lafey Technical & Vocational Training institute was started last year in collaboration with the National Government through the ministry of Education was also funded by Lafey Constituency.

EMERGING ISSUES

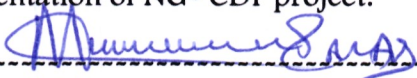
This year the release of funds from the board was a major problem since treasury was not releasing funds to the board. In fact the monies were released in small portions .This hampered the implementation of projects since the funds released by the board were not adequate. Compared to the previous year the funds increased from 109,040,875. to 137,367,724 which is 26 % increase. Lafey Constituency is only seven years old and there needs to be done a lot in terms of developments. It's very hard for it to catch up with other existing constituencies.

IMPLEMENTATION CHALLENGES

The insurgency of terror groups in the constituency was very rampant. Since the constituency is bordering Somalia which has a porous border. The corona pandemic also hindered the implementation of projects on time. The Project management committee do not have the capacity in implementing the projects as per the required regulations. Funds not being released on time from the board was also a challenge. Projects cannot be implemented within the financial year because of lack of funding. Lack of procurement personnel at the sub-county level to guide the committee on procurement procedures. Lack of electricity in the whole Constituency was also a predicament to smooth implementation of projects. The NG-CDF Board should Fars track and ensure adequate procurement personnel are posted to the sub-county. Lack of public works officers in the sub-county was also a challenge. The Honourable Member of Parliament to follow up with Kenya Power and Lightening Company to provide electricity in the whole Constituency. Lafey Constituency in consultation with the Member of Parliament brought hand sanitizers, soaps and masks to curb the spread of the infectious corona disease.

National government through the Ministry of interior to provide proper security for easy implementation of NG- CDF project.

Sign-----



CHAIRMAN NGCDF COMMITTEE



III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

Lafey Constituency was constituted under the Constituencies Development Fund (CDF) Act of 2013. The constituency was formed after the promulgation of the constitution of Kenya 2010. It was allocated CDF funds in the year 2013-2014. Lafey NG-CDF developed its first strategic plan in the 2018/2019. This plan envisions "*Model Constituency in Education and Security Outcomes*" through being a "*model constituency in implementing national government strategies towards affording Lafey Residents quality education and reliable security services through prudent management, and effective and efficient utilization of allocated funds*".

To realize this aspiration, the Lafey Constituency is committed to upholding unity and cohesion; inclusivity; integrity, transparency and accountability; equity and equality; non-discrimination; protection of the marginalized; sustainable development; efficient, effective and economic use of resources; involvement of the people in the process of policy making; professionalism and fair competition, as the guiding principles.

Since its formation, the constituency has implemented various programmes and projects towards affording constituents' quality life. It should be noted that with the devolved system of government, a total of 14 functions were transferred, translating to more than 50 percent of the Kenya Vision 2030 development agenda to the county governments. Key among the transferred functions and which the National Government Constituencies Development Fund (NG-CDF) catered for include water and health. Further to this, the National Government Constituencies Development Fund Act, 2015 was aligned with the constitution mid-way.

The key development objectives of NGCDF-LAFEY Constituency's 2018-2022 plan are to:

Strategic Area One: Education

Objective: The main Strategic objective was to improve access to quality education.

Initiative: Expansion of schools through rehabilitation/ Renovation/construction of classrooms in various primary and secondary schools in the constituency.

Initiative: Construction of laboratories in secondary schools in the constituency

Initiative: Construction of dormitories, Libraries, toilet blocks in primary and secondary schools

Initiative: Provision of bursary to needy and bright secondary school/tertiary institutions' students.

Strategic Area Two: Youth and Sports

Objective: The main objective of this strategy was to empower the youth and harness their talent.

Initiative: Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds.

Initiative: Funding of youth sporting initiatives.

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Strategic Area Three: Security

Objective: To enhance security in the constituency for better service delivery.

Initiative: Construction/Renovation of administration chief's offices

Initiative: Fencing of security offices, Construction of housing units, offices and fencing of police stations.

Strategic Area Four: Environment

Objective: To promote environmental sustainability.

Initiative: Provision of tree seedlings to institution.

Initiative: Construction of water tanks and installation of gutters for rain water harvesting

Strategic Area Five: Tracking of results

Objective: To improve tracking of Implementation NG-CDF programmes at the right time and information used in decision making.

Initiative: Capacity Building of NG-CDFC's and PMC's.

Initiative: Organising regular projects monitoring field visits.

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To improve access to quality education	Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children.	-Number of usable physical infrastructure build in primary, secondary, and tertiary institutions	-Number of classrooms increased from 200 to 300 -Number of laboratories increased from 2 to 5 -Number of dormitories increased from 5 to 12 -Number of administration blocks increased from 8 to 14. Number of tertiary institution increased from 0 to 1
Security	To enhance security in the	-Construction/Renovation of administration chief's	-Number of usable	-Number of Construction of

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	constituency for better service delivery.	offices - Fencing of security offices, Construction of housing units, offices and fencing of police stations.	physical infrastructure built in locations, sub locations and police stations -Number of police stations fenced.	chiefs' offices increased from 5 to 15. -Number of assistant chiefs' offices increased from 2 to 10 -Number of police stations fenced increased from 0 to 5
Environment	To promote environmental sustainability.	-Provision of tree seedlings and nurseries to institution. - Construction of water tanks and installation of gutters for rain water harvesting.	-Number of institutions with provided with seedlings and nurseries. -Number of institutions with water harvesting facilities.	-Number of institutions provided with seedlings and nurseries increased from 5 to 10 -Number of institution with water harvesting facilities increased from 3 to 8
Youth and Sports	To empower the youth and harness their talent	- Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds - Funding of youth sporting initiatives	-Number of Youth groups empowered. - Number of youth groups funded.	- Number of youth groups empowered and trained increased from 4 to 10. -Number of youth groups funded increased from 4 to 10
Tracking of results	To improve tracking of Implementation NG-CDF programmes at the right time and information used in decision making.	- Capacity Building of NG-CDFC's and PMC's. -Organising regular projects monitoring field visits	-Number of times capacity building of PMC's and NG-CDF'S was done. -Number of time project monitoring is done.	- The capacity building of PMCS and NG-CDF's has been improved from one in a year to two times in a year. -Monitoring of Projects and field visits has improved from quarterly monitoring to monthly monitoring.

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IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF – Lafey Constituency just like any Government entity has the responsibility of ensuring public involvement in project identification, prioritization of projects and adequate allocation of funds to the projects. In undertaking the aforementioned, the Lafey NG-CDF Committee always highlights Corporate Responsibility as a tool with relevance for public policy actualization with the aim of enhancing sustainable and inclusive development programmes in the constituency. The financial prudence has a lot of weight in development agenda which drives on a delicate thread of enormous community expectations. In enhancing the financial trust in various sectors, we assessed the risks factors, long term and short term performance. We further looked at performance on responsible leadership with clear undertone on the interest of the constituents and stakeholders and sufficient respect for environmental, social and governance issues.

This is aimed at ensuring efficient and effective management of public resources at the grassroots level thus transformation of livelihoods. It remains our purpose and the driving force behind everything we do. It's what guides us to deliver our strategies, which is founded on social sector, namely; Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. SUSTAINABILITY STRATEGY AND PROFILE

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

Model	Definition	Relevance to sustainable strategy
Vision	Model Constituency in Education and Security Outcomes	What the constituency is striving for in the future that influence the strategies, purpose and aspirations put in place.
Mission	To implement national government strategies towards affording Lafey residents quality education and reliable security services through prudent management, effective and efficient utilization of allocated funds	This communicates what the office does to attain sustainable developments
Core Values	Honesty and integrity, Efficiency and effectiveness, Innovativeness and creativity, Inclusiveness, Equity and equality. Accountability and transparency.	These are the norms , principles and beliefs that the office upholds in order to follow the right path towards attainment of the set objectives

To realize effective suitability, the constituency relied on the set targets as a sign of performance ambition. The Goals as provided in our strategic plan remained the focal point for inside and outside Stakeholders with a clear set of objectives for management, and a yardstick by which external audiences can judge our progress and achievements against their expectations. The frameworks under which we operated included projects identification, allocation of funds, approval, implementation and monitoring

2. ENVIRONMENTAL PERFORMANCE

Environment Policy and Action Plan

Protection of the environment in which we live and operate is part of Lafey NG-CDF initiatives. Care for the environment is one of our key responsibilities and an important aspect in the way in which we carry out our operations.

Our Environmental Policy.

In this policy statement Lafey NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our NG-CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation
- Monitoring and continuously improving our environmental performance.
- Seeking to leverage our environmental impact by encouraging stakeholders to improve their environmental performance

Our Environmental Action Plan

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

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

Impact Area	Approach
Capacity Building	<ul style="list-style-type: none">• Promote environmental awareness by sensitizing the Lafey NG-CDFC, NG-CDFC staff and PMCs on good conservation practices• To encourage, through regular communication to Lafey NG-CDFC, staff, and other stakeholders changes in individual behaviour to reduce usage
Conservation of Energy and Resources	<ul style="list-style-type: none">• To maximize use of available technologies to remove the need to use paper• To encourage our clients to engage with us using electronic means where possible• To maximize on rain water harvesting• To make energy efficiency a key factor in the selection of any new energy device being purchased

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	<ul style="list-style-type: none">• To invest in available energy saving technologies and devices within our existing premises
Environmental Protection and Conservation	<ul style="list-style-type: none">• To promote use of volt guards to control power surges• We have constructed culverts and gabions to prevent soil erosion• To encourage tree planting in the constituency to improve the forest cover.• To promote purchase and installation of fire extinguishers to aid in extinguishing and controlling fires
Pollution Control and Waste Management	<ul style="list-style-type: none">• To ensure that all paper waste is recycled• To ensure segregation of waste• To ensure proper human waste disposal through construction of pit latrines, septic and soak pit tanks

2. EMPLOYEES WELFARE

TERMS AND CONDITIONS OF SERVICE

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

Categories of Employment

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

Recruitment Procedure

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

The Advertisement contains the following:

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

Appointment of a selection and Interview subcommittee

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

Interviews

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

Offer of Appointment

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

Letters of Appointment

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

Orientation and Induction of employees

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

Promotions

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

3. HEALTH, SAFETY AND WELL BEING.

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

Guidelines to General Safety

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

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

Emergency Preparedness.

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

Fire precautions

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

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

Provision of protective equipment and clothing

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

Reporting of an Accident

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

Guidance and Counselling

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

Health Care Services

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

HIV/AIDS:

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

HIV/AIDS shall be treated like any other challenging issue at the workplace. All officers of the Institute shall have a role to play in the wider struggle to mitigate the effects of the pandemic.

An officer shall not be discriminated or stigmatized on the basis of HIV status. It is an offence for any person to discriminate another on the ground of actual, perceived or suspected HIV status.

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

HIV/AIDS screening shall not be a requirement for job seekers, recruitment or for persons in employment. Screening shall be confidential, voluntary and shall be after counselling. There shall be no disclosure of HIV/AIDS test results of any related assessment results to any person without the written consent of the officers.

Drug and Substance Abuse

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

Persons Living with Disability

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

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

Sexual harassment and other Forms of Harassment

Any staff of the office should not harass another officer sexually through, direct or indirect request for favours, use of language whether written or spoken of a sexual nature, use visual material of a sexual nature and show physical behaviour of a sexual nature which directly or indirectly subjects the person to behaviour that is unwelcome or offensive.

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

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

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

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

Reporting Harassment Cases.

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

4. MARKET PLACE PRACTICES

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

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

a) Responsible competition practice.

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

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

b) Responsible Supply chain and supplier relations

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

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

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

d) Product stewardship

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

5. COMMUNITY ENGAGEMENTS

Public Participation in Project Identification and Implementation and Monitoring

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) LAFEY
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Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

Public's engagement is a vital part of many projects and the benefits of it are well documented, such as better outcomes for all stakeholders, community ownership and lower project costs. When the public is involved in a project, they feel motivated to work together, recognize the benefits of their involvement and have ownership of the projects and the decision making process, which is key to a successful project outcome and their sustainability.

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

In summary stakeholders participation is important since:

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

Public Awareness

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

Public Awareness and Sensitisation Exercise Provide

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

Covid-19 Mitigation Measures

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

- The office purchased 80 hand wash pots and basins that were distributed to the Government offices within the constituency.
- Printing of brochures disseminating information regarding Corona Virus protection measures.
- We have provided hand Sanitizers, soaps and water tabs at designated areas in our offices and all our clients and at different institutions.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) LAFEY
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- Suspended capacity building for N-CDF Committee, Staff and Project Management Committees since it results in the formation of groups that may increase the risk of contamination of staff and committees.
- Through the initiative of Area MP the office distributed 4,000 facial masks to Community

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) LAFEY CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

V. STATEMENT OF NG-CDF LAFEY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 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-LAFEY Constituency is responsible for the preparation and presentation of the NG-CDF LAFEY financial statements, which give a true and fair view of the state of affairs of NG-CDF LAFEY for and as at the end of the financial year (period) ended on June 30, 2020. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of LAFEY NG-CDF; (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 NG-CDF LAFEY; (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-LAFEY Constituency accepts responsibility for NG-CDF LAFEY 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 NG-CDF LAFEY financial statements give a true and fair view of the state of NG-CDF LAFEY transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-LAFEY Constituency further confirms the completeness of the accounting records maintained for NG-CDF LAFEY which have been relied upon in the preparation of NG-CDF LAFEY financial statements as well as the adequacy of the systems of internal financial control.

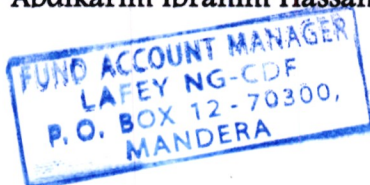
The Accounting Officer in charge of the NGCDF-LAFEY Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that NG-CDF LAFEY 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

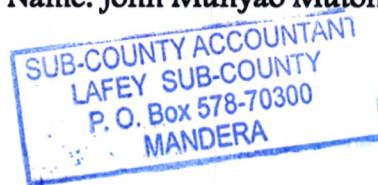
The NGCDF-LAFEY Constituency financial statements were approved and signed by the Accounting Officer on 16th March, 2021



Fund Account Manager
Name: Abdikarim Ibrahim Hassan



Sub-County Accountant
Name: John Munyao Mutonya



REPUBLIC OF KENYA

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Lafey Constituency set out on pages 19 to 37, which comprise the statement of financial assets and liabilities as at 30 June, 2020 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Lafey Constituency as at 30 June, 2020 and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and complies with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management, 2012.

Basis for Qualified Opinion

1. Unconfirmed Transfers to Secondary Schools

The statement of receipt and payment reflects transfers to other government entities of Kshs.70,475,222 and as reflected in Note 4 to the financial statements. Included is an amount of Kshs.26,552,250 relating to transfers to secondary school projects. Examination of payment vouchers and other supporting documents revealed that the Fund spent Kshs.16,452,250 on transfers to secondary schools. However, the payments were not supported with Project Management Committees' bank statements.

Further, the Fund procured desks and double decker beds worth Kshs.2,000,000 for various schools within the Constituency. The payments were not supported with stores ledger, counter receipt vouchers (S13), counter requisition and issue vouchers (S11) and inspection and acceptance certificates.

In addition, the Fund procured school bus worth Kshs.7,452,250 for Lafey secondary school. However, the log book for the motor vehicle was not provided for audit review to confirm ownership.

Under the circumstances, the accuracy, completeness and ownership of the expenditure amounting to Kshs.16,452,250 on transfer to secondary schools could not be confirmed.

2. Unconfirmed Acquisition of Assets

The statement of receipts and payments reflects an amount of Kshs.6,000,000 on construction of buildings and as disclosed in Note 6 to the financial statements. Examination of payment vouchers, project file and other tender documents revealed that the Fund constructed office block at Lafey town. The construction works were procured through open tender at a contract sum of Kshs.12,000,000. During the year the management made a payment amounting to Kshs.6,000,000. However, the payment was not supported with certificate of partial completion. Further, the Fund Management through a letter ref no. LAFEY NG-CDF/OFFICEBLOCK/VOLI(002) requested for allocation of land from Lafey Sub County land administrator, However, Management started the procurement process of the works and constructed the new office block before the approval and subsequent allocation of the land. Management did not provide ownership documents for audit verification.

Consequently, the ownership and validity of the expenditure amounting to Kshs.6,000,000 on construction of buildings could not be confirmed.

3. Unsupported Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.39,398,750 and as disclosed in Note 5 to the financial statements includes an amount of Kshs.7,850,000 incurred on bursary disbursements to secondary schools. However, examination of payment records and other supporting documents provided for audit revealed that bursary payments amounting to Kshs.982,000 were not supported with acknowledgement receipts.

Under the circumstances, the accuracy and completeness of the expenditure of Kshs.982,000 on bursary disbursements could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Lafey Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit

evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of comparative budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.201,757,405 and Kshs.132,389,682 respectively resulting to an under-funding of Kshs. 69,367,723 or 34% of the budget. Similarly, the Fund expended Kshs.123,119,623 against an approved budget of Kshs.201,757,405 resulting to an under-expenditure of Kshs.78,637,782 or 39% of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution based on the audit procedures performed except for the matter described in the Basis for Qualified Opinion 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

Non-Implementation of Projects

During the financial year under the review the Fund allocated Kshs.95,773,464 to 59 projects in various sectors including Education, Security, Emergency, Environment and Others. However forty-four (44) projects under security and education with a total value of Kshs.58,752,250 had not been started. No justification was provided for the delay in implementation of the approved projects.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

In addition to the audit of the financial statements, a compliance review is planned and performed to express a conclusion with limited assurance as to whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

15 February, 2022

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) LAFEY CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board	1	123,040,876	108,784,483
TOTAL RECEIPTS		123,040,876	108,784,483
PAYMENTS			
Compensation of employees	2	3,111,071	2,802,700
Use of goods and services	3	4,134,580	7,723,160
Transfers to Other Government Units	4	70,475,222	52,671,235
Other grants and transfers	5	39,398,750	38,363,252
Acquisition of Assets	6	6,000,000	-
Other Payments	7	-	4,000,000
TOTAL PAYMENTS		123,119,623	105,560,347
SURPLUS/(DEFICIT)		(78,748)	3,224,136

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LAFEY Constituency financial statements were approved on 16th March, 2021 and signed by:



Fund Account Manager
Name: Abdikarim Ibrahim Hassan




Sub-County Accountant
Name: John Munyao Mutonya



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) LAFEY CONSTITUENCY

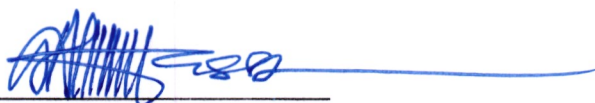
Reports and Financial Statements

For the year ended June 30, 2020

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2019-2020	2018-2019
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8A	9,270,059	9,348,806
Total Cash and Cash Equivalents		9,270,059	9,348,806
TOTAL FINANCIAL ASSETS		9,270,059	9,348,806
FINANCIAL LIABILITIES			
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		9,270,059	9,348,806
REPRESENTED BY			
Fund balance b/fwd.	9	9,348,806	6,124,470
Prior year adjustments	10	-	200
Surplus/Deficit for the year		(78,748)	3,224,136
NET FINANCIAL POSITION		9,270,059	9,348,806

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LAFEY Constituency financial statements were approved on 16th MARCH, 2021 and signed by:



Fund Account Manager
Name: Abdikarim Ibrahim Hassan




Sub-County Accountant
Name: John Munyao Mutonya



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) LAFEY CONSTITUENCY

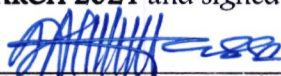
Reports and Financial Statements

For the year ended June 30, 2020

IX. STATEMENT OF CASHFLOW

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
Receipts for operating income			
Transfers from NGCDF Board	1	123,040,876	108,784,483
Total receipts		123,040,876	108,784,483
Payments for operating expenses			
Compensation of Employees	2	3,111,071	2,802,700
Use of goods and services	3	4,134,580	7,723,160
Transfers to Other Government Units	4	70,475,222	52,671,235
Other grants and transfers	5	39,398,750	38,363,252
Other Payments	7	-	4,000,000
Total payments		117,119,623	105,560,347
Total Receipts Less Total Payments		5,921,253	3,224,136
Adjusted for:			
Prior year adjustments	10	-	200
Net Adjustments		-	200
Net cash flow from operating activities		5,921,253	3,224,336
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	6	(6,000,000)	-
Net cash flows from Investing Activities		(6,000,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(78,748)	3,224,336
Cash and cash equivalent at BEGINNING of the year	9	9,348,806	6,124,470
Cash and cash equivalent at END of the year		9,270,059	9,348,806

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-LAFEY Constituency financial statements were approved on 16th MARCH 2021 and signed by:



Fund Account Manager
Name: Abdikarim Ibrahim Hassan




National Sub-County Accountant
Name: John Munyao Mutonya



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from NGCDF Board	137,367,724	64,389,681	201,757,405	132,389,682	69,367,724	65.6%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
TOTAL RECEIPTS	137,367,724	64,389,681	201,757,405	132,389,682	69,367,724	65.6%
PAYMENTS						
Compensation of Employees	3,600,000.00	2,512,580.00	6,112,580	3,111,071	3,001,509	50.9%
Use of goods and services	6,315,557.00	852,965.00	7,168,522	4,134,580	3,033,942	57.7%
Transfers to Other Government Units	66,875,223.00	26,157,760.00	93,032,983	70,475,222	22,557,761	75.8%
Other grants and transfers	60,576,944.00	21,286,390.00	81,863,334	39,398,750	42,464,584	48.1%
Acquisition of Assets	-	13,500,050.00	13,500,050.00	6,000,000	7,500,050.00	44.4%
Other Payments	-	79,936.00	13,579,936.00	-	79,936.00	0.0%
TOTALS	137,367,724.00	64,389,681.00	201,757,405	123,119,623	78,637,782	61.0%

Explanations

- There was no AIA for the fund for the financial year 2019/2020
- There was underutilization in all the respective categories (i.e. below 90 %.) This happened due to the following reasons:-
- The NG-CDF board did not disburse funds on time for it to be utilized.
- All the categories are below the required utilization of 90% and above.
- Compared to the previous year 2018/2019 the overall percentage of utilization has slightly decreased from 62.1% to 61.0%
- The adjustments are unutilized funds and is composed of funds not disbursed from NG-CDF Board to the constituency of **Ksh.55,040,875** and closing balances for the financial year ended 30th June, 2019 of **Ksh.9,348,806** which totals to **ksh.64,389,681**

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

The NGCDF-LAFEY Constituency financial statements were approved on 16th MARCH, 2021 and signed by:



Fund Account Manager
Name: Abdikarim Ibrahim Hassan

FUND ACCOUNT MANAGER
LAFEY NG-CDF
P. O. BOX 12 - 70300,
MANDERA



Sub-County Accountant
Name: John Munyai Mutonya

SUB-COUNTY ACCOUNTANT
LAFEY SUB-COUNTY
P. O. Box 578-70300
MANDERA

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

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

XI. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2019/2020 Kshs	Adjustments Kshs	Final Budget 2019/2020 Kshs	Actual on comparable basis 30/06/2020 Kshs	Budget utilization difference Kshs
1.0 Administration and Recurrent					
1.1 Compensation of employees	3,600,000.00	2,512,580.00	6,112,580.00	3,111,071.00	3,001,509.00
1.2 Use of goods and services	1,147,751.00	640.00	1,148,391.00	972,380.00	176,011.00
1.3 Committee allowances	1,300,000.00	-	1,300,000.00	1,157,000.00	143,000.00
1.4 Purchase of computers	200,000.00	-	200,000.00	-	200,000.00
Sub-Total	6,247,751.00	2,513,220.00	8,760,971.00	5,240,451.00	3,320,520.00
2.0 Monitoring and evaluation					
2.1 Capacity building	1,130,000.00	814,237.00	1,944,237.00	879,200.00	1,065,037.00
2.2 Committee allowances	1,300,000.00	-	1,300,000.00	567,000.00	733,000.00
2.3 Use of goods and services	1,237,807.00	38,088.00	1,275,895.00	559,000.00	716,895.00
Sub-Total	3,667,807.00	852,325.00	4,520,132.00	2,005,200.00	2,514,932.00
3.0 Emergency					
3.0 Emergencies					
	7,198,241.00	5,756,159.00	12,954,400.00	12,750,000.00	204,400.00
Sub-Total	7,198,241.00	5,756,159.00	12,954,400.00	12,750,000.00	204,400.00
4.0 Bursary and Social Security					
4.1 Primary Schools	-	-	-	-	-
4.2 Secondary Schools	8,000,000.00	-	8,000,000.00	7,850,000.00	150,000.00
4.3 Tertiary Institutions	-	-	-	-	-
4.4 Universities	24,078,703.00	306.00	24,079,009.00	-	24,079,009.00
4.5 Social Security	-	-	-	-	-
Sub-Total	32,078,703.00	306.00	32,079,009.00	7,850,000.00	24,229,009.00
5.0 Sports					
5.1 Lafey sports Tournament	-	1,307.00	1,307.00	-	1,307.00
Sub- Total	-	1,307.00	1,307.00	-	1,307.00
6.0 Environment					

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
6.1 Lafey Primary school	900,000.00	-	900,000.00	900,000.00	-
6.2 Fino Primary School	900,000.00	-	900,000.00	900,000.00	-
6.3. Lafey Environmental Group	-	702.00	702.00	-	702.00
Sub-total	1,800,000.00	702.00	1,800,702.00	1,800,000.00	702.00
7.0 Primary Schools Projects (List all the Projects)					
7.1 Lafey primary School	2,200,000.00	-	2,200,000.00	600,000.00	1,600,000.00
7.2 Kahare Primary School	2,300,000.00	6,400,000.00	8,700,000.00	7,000,000.00	1,700,000.00
7.3 Digdar Primary School	1,600,000.00		1,600,000.00	1,600,000.00	-
7.4 Kabo Primary School	5,600,000.00		5,600,000.00	5,600,000.00	-
7.5 Damasa Primary School	500,000.00		500,000.00	500,000.00	-
7.6 Kamor Liban Primary School	1,200,000.00	2,000,000.00	3,200,000.00	2,000,000.00	1,200,000.00
7.7 Fino Primary School	2,200,000.00	2,200,000.00	4,400,000.00	2,800,000.00	1,600,000.00
7.8 Kheira Ali Primary School	1,600,000.00	1,816,000.00	3,416,000.00	1,800,000.00	1,616,000.00
7.9 Warankara Primary School	500,000.00		500,000.00	-	500,000.00
7.9.0 Bambo Primary School	5,000,000.00	2,200,000.00	7,200,000.00	7,200,000.00	-
7.9.1 Gari Primary School	1,100,000.00	1,600,000.00	2,700,000.00	2,200,000.00	500,000.00
7.9.2 Jabi East Primary School	1,200,000.00	2,000,000.00	3,200,000.00	2,000,000.00	1,200,000.00
7.9.3 Nurulyaqin integrated Primary School	-	2,400,000.00	2,400,000.00	2,400,000.00	-
7.9.4 Migag Primary School	-	2,400,000.00	2,400,000.00	2,400,000.00	-
7.9.5 Sala Primary School	2,500,000.00	1.00	2,500,001.00	500,000.00	2,000,001.00
7.9.6 Alungu Primary School	2,100,000.00	-	2,100,000.00	-	2,100,000.00
7.9.7 Sheikh Barrow Primary School	3,000,000.00	-	3,000,000.00	-	3,000,000.00
Sub-Total	32,600,000.00	23,016,001.00	55,616,001.00	38,600,000.00	17,016,001.00
8.0 Secondary Schools Projects (List all the Projects)					
8.1 Lafey Boys Secondary School	13,952,250.00	400,000.00	14,352,250.00	12,352,250.00	2,000,000.00
8.2 Lafey Girls Secondary School	5,000,000.00	2,700,000.00	7,700,000.00	7,700,000.00	-
8.3 Gari Secondary School	10,000,000.00	-	10,000,000.00	6,500,000.00	3,500,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

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

Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
Sub-Total	28,952,250.00	3,100,000.00	32,052,250.00	26,552,250.00	5,500,000.00
9.0 Tertiary institutions Projects (List all the Projects)					
9.1 Lafey TIVET	5,322,972.00	-	5,322,972.00	5,322,972.00	5,322,972.00
Sub-Total	5,322,972.00	-	5,322,972.00	5,322,972.00	5,322,972.00
10.0 Security Projects					
10.1 Harertur Chief's Office	-	2,000,000.00	2,000,000.00	2,000,000.00	-
10.2 Gari Chief's office	1,400,000.00	-	1,400,000.00		
10.3 Alungu Police Station	3,700,000.00	3,800,000.00	7,500,000.00	3,800,000.00	3,700,000.00
10.4 Lafey Police Station	2,500,000.00	2,700,001.00	5,200,001.00	2,700,000.00	2,500,001.00
10.5 Gari Police Station	3,000,000.00	3,000,000.00	6,000,000.00	3,000,000.00	3,000,000.00
10.6 Fino Police Station	5,000,000.00	-	5,000,000.00	-	5,000,000.00
10.7 Sala Police Station	2,000,000.00	-	2,000,000.00	-	2,000,000.00
10.8 Warankara Assistant County Commissioner	-	1,000,000.00	1,000,000.00	1,000,000.00	-
10.9 SaLa Assistant County Commissioner	-	3,000,000.00	3,000,000.00	3,000,000.00	-
10.0 Lafey Deputy County Commissioner	1,900,000.00	-	1,900,000.00	1,498,750.00	401,250.00
10.1.1 Kamor Liban Police Post.	-	2,500.00	2,500.00	-	2,500.00
Sub- Total	19,500,000.00	15,502,501.00	35,002,501.00	16,998,750.00	18,003,751.00
11.0 Acquisition of assets					
11.1 Motor Vehicles (including motorbikes)					
11.2 Construction of CDF office	-	13,500,000.00	13,500,000.00	6,000,000.00	7,500,000.00
11.3 Purchase of furniture and equipment		50.00	50.00	-	50.00
11.4 Purchase of computers	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-
Sub - Totals	-	13,500,050.00	13,500,050.00	6,000,000.00	7,500,050.00
12.0 Others					
12.1 Roads and bridges					
12.1.1 Warankara Damasa Road	-	12,000.00	12,000.00	-	12,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

**Reports and Financial Statements
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Programme/Sub-programme	Original Budget 2019/2020	Adjustments	Final Budget 2019/2020	Actual on comparable basis 30/06/2020	Budget utilization difference
12.1.2 Warankara – Gari Road	-	9,140.00	9,140.00	-	9,140.00
12.1.3 Fino- Dawa duba Road	-	2,800.00	2,800.00	-	2,800.00
Sub-Totals	-	23,940.00	23,940.00	-	23,940.00
12.2 Water & Sanitation					
12.2.1 Alungu Borehole	-	1,000.00	1,000.00	-	1,000.00
12.2.2 Damasa Borehole	-	420.00	420.00	-	420.00
12.2.3 Kabo Borehole	-	20.00	20.00	-	20.00
12.2.4 Fino Borehole	-	35.00	35.00	-	35.00
Sub-Totals	-	1,475.00	1,475.00	-	1,475.00
12.3 Constituency Audit					
12.3.1 Constituency Audit	-	79,936.00	79,936.00	-	79,936.00
Sub-total	-	79,936.00	79,936.00	-	79,936.00
12.4 Health Projects					
12.4.1 Damasa Dispensary	-	379.00	379.00	-	379.00
12.4.2 Sala Dispensary	-	41,380.00	41,380.00	-	41,380.00
Sub-total	-	41,759.00	41,759.00	-	41,759.00

NB: This statement is a disclosure statement indicating the utilisation in the same format at NG-CDF LAFEY budgets which are programme based.)

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received.

Transfers from the Exchequer

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

SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

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

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LAFEY CONSTITUENCY**

Reports and Financial Statements

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XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO. B 047220 2018/2019	1	46,840,876.00	
AIE NO. B 047328 2018/2019	2	8,200,000.00	
AIE NO. B 047496 2019/2020	3	4,000,000.00	
AIE NO. B 041305 2019/2020	4	18,000,000.00	
AIE NO. B 047725 2019/2020	5	5,000,000.00	
AIE NO. B 049343 2019/2020	6	15,000,000.00	
AIE NO. B 104367 2019/2020	7	15,000,000.00	
AIE NO. B 096592 2019/2020	8	11,000,000.00	
AIE NO. B 005112 2017/2018	1		54,784,483.00
AIE NO. B 030191 2018/2019	2		10,000,000.00
AIE NO. B 030468 2018/2019	3		10,000,000.00
AIE NO. B 030492 2018/2019	4		6,000,000.00
AIE NO. B 036415 2018/2019	5		14,000,000.00
AIE NO. B 042925 2018/2019	6		14,000,000.00
TOTAL		123,040,876	108,784,483.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LAFEY CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. COMPENSATION OF EMPLOYEES

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	2,776,795.00	2,675,584.00
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	-	-
Employer Contributions Compulsory national social security schemes	334,276.00	127,116.00
Total	3,111,071.00	2,802,700.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LAFEY CONSTITUENCY**

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For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

	2019-2020	2018-2019
	Kshs	Kshs
Committee Expenses	1,724,000.00	2,791,400.00
Utilities, supplies and services	320,000.00	400,000.00
Communication, supplies and services	559,000.00	419,460.00
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	113,390.00	1,000,000.00
Rentals of produced assets	-	-
Training expenses	879,200.00	900,000.00
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	300,000.00
Office and general supplies and services	500,000.00	900,000.00
Other operating expenses	-	334,000.00
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
Bank Service Commission and Charges	38,990.00	78,300.00
Total	4,134,580.00	7,723,160.00

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	38,600,000.00	40,794,208.00
Transfers to secondary schools (see attached list)	26,552,250.00	7,200,000.00
Transfers to tertiary institutions (see attached list)	5,322,972.00	4,677,027.00
Transfers to health institutions (see attached list)	-	-
TOTAL	70,475,222	52,671,235

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LAFEY CONSTITUENCY**

Reports and Financial Statements

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5. OTHER GRANTS AND OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Bursary – secondary schools	7,850,000.00	11,500,000.00
Bursary – tertiary institutions	-	21,664,000.00
Bursary – special schools	-	-
Security projects	16,998,750.00	2,895,387.00
Sports projects	-	1,734,900.00
Environment projects	1,800,000.00	-
Emergency projects	12,750,000.00	568,965.00
Total	39,398,750.00	38,363,252.00

6. ACQUISITION OF ASSETS

	2019-2020	2018-2019
	Kshs	Kshs
Construction of Buildings	6,000,000.00	-
Total	6,000,000.00	-

7. OTHER PAYMENTS

	2019-2020	2018-2019
	Kshs	Kshs
Strategic plan	-	4,000,000.00
Total	-	4,000,000.00

8A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Equity Bank, Mandera Branch. Lafey NG-CDF</i>		
<i>A/C No. 1000261220622</i>	9,270,059.00	9,348,806.00
Total	9,270,059.00	9,348,806.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
LAFEY CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2020

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. BALANCES BROUGHT FORWARD

	2019-2020	2018-2019
	Kshs	Kshs
Bank accounts	9,348,806	6,124,470
Cash in hand	-	-
Imprest	-	-
Total	9,348,806	6,124,470

The balances brought forward only comprised of bank account balances of the fund as there was no cash in hand and imprests.

10. PRIOR YEAR ADJUSTMENTS

	2019 - 2020	2018 - 2019
Description of the error	Kshs	Kshs
Bank account Balances	-	200.00
Cash in hand	-	-
Accounts Payables	-	-
Receivables	-	-
Others (<i>specify</i>)	-	-
Total	-	200.00

11. OTHER IMPORTANT DISCLOSURES

11.1: PENDING STAFF PAYABLES (See Annex 1)

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff(Gratuity)	718,367.00	665,017.00
Others (<i>specify</i>)	-	-
Total	718,367.00	665,017.00

- pending staff payables was outstanding gratuity accrued during the financial year for NGCDFC staffs.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
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11.2: UNUTILIZED FUND (See Annex 2)

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	3,001,509	2,512,380.00
Use of goods and services	3,033,942	852,965.00
Amounts due to other Government entities (see attached list)	22,557,761	26,157,760.00
Amounts due to other grants and other transfers (see attached list)	42,464,584	21,286,390.00
Acquisition of assets	7,500,050.00	50.00
Others (<i>specify</i>)	79,936.00	13,579,936.00
Total	78,637,782.00	64,389,481.00

11.3: PMC account balances (See Annex 5)

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	38,298,120.00	24,927,192.00
Total	38,298,120.00	24,927,192.00

The above balances comprises of bank account balances of respective project management committee as at 30th June, 2020.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY
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ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	b	c	d=a-c	
Senior Management						
1.						
2.						
3.						
Sub-Total						
Middle Management						
4.Abdikheir Said Adan	Accounts Assistant	127,447.00	-	0	127,447.00	Outstanding Gratuity
5.Sauda Yussuf Noor	Office Secretary	73,544.00	-	0	73,544.00	Outstanding Gratuity
6.Dahaba Mohamed M.	Office Clerk	53,903.00	-	0	53,903.00	Outstanding Gratuity
7.Muhumed Adan Sheikh	Security Guard	46,537.00	-	0	46,537.00	Outstanding Gratuity
8.Yussuf Osman Ali	Security Guard	46,537.00	-	0	46,537.00	Outstanding Gratuity
9.Moulid Noor Mathey	Receptionist	46,537.00	-	0	46,537.00	Outstanding Gratuity
10.Mohamed Salat Adan	Subordinate staff	46,537.00	-	0	46,537.00	Outstanding Gratuity
11.Mohamed A. Hassan	Security Guard	46,537.00	-	0	46,537.00	Outstanding Gratuity
12.Mohamud Ahmed Hillow	Subordinate Staff	46,537.00	-	0	46,537.00	Outstanding Gratuity
13.Fatuma Sheikh Abdi	Subordinate Staff	46,537.00	-	0	46,537.00	Outstanding Gratuity
14.Kiman Issack Billow	Subordinate staff	46,537.00	-	0	46,537.00	Outstanding Gratuity
15.Ibrahim Adan Abdow	Office messenger	46,537.00	-	0	46,537.00	Outstanding Gratuity
16.Hassan Mohamed	Subordinate staff	44,640.00	-	0	44,640.00	Outstanding Gratuity
Grand Total						
		718,367.00	-	0	718,367.00	Outstanding Gratuity

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY
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ANNEX 2 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees	Payment of salaries and gratuity	3,001,509.00	2,512,380.00	
Use of goods & services	Committee sitting allowances, transport, conferences. Trainings, office expenses	3,033,942.00	852,965.00	
Amounts due to other Government entities				
Lafey primary school	Renovation of 4 NO.classrooms (plastering of walls, fixing of doors & windows, flooring and painting)	1,600,000.00	-	
Kahare Primary School	Construction of 2 door .pit latrines to completion	400,000.00	-	
Kahare Primary School	Construction of 25,000 liters underground water tank to completion.	800,000.00	-	
Kahare Primary School	Purchase of Office furniture:	500,000.00	-	
Kamorliban Primary School	Construction of Bookstore with shelves to completion.	1,200,000.00	-	
Alungu primary school	Renovation of 4 NO.classrooms to (plastering of walls, Fixing of doors & windows, flooring and painting)	1,600,000.00	-	
Alungu primary school	Purchase of Office furniture:	500,000.00	-	
Fino Primary School	Renovation of 4 NO.classrooms to (plastering of walls, Fixing of doors & windows, flooring and painting)	1,600,000.00	-	
Sheikh Barrow Primary School	Construction of 2 no. classrooms to completion.	2,000,000.00		
Sheikh Barrow Primary School	Construction of 2 door pit latrines to completion.	400,000.00		
Sheikh Barrow Primary School	Purchase of 100 No. desks	600,000.00		
Kheira Ali primary School	Construction of 25,000 liters underground Water tank to completion.	800,000.00		
Kheira Ali primary School	Construction of 4 door pit Latrines to completion.	800,000.00		
Warankara primary School	Purchase of Office furniture:	500,000.00		
Gari Primary School	Purchase of Office furniture:	500,000.00		
Sala primary School	Construction of 4 door pit latrines to	800,000.00		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Sala primary School	completion. Renovation of 3 NO.classrooms to (plastering of walls, Fixing of doors & windows, flooring and painting)	1,200,000.00	-	
Jabi East Primary School	Construction of 25,000 liters underground Water tank to completion.	800,000.00	-	
Jabi East Primary School	Construction of 2 door pit latrines to completion.	400,000.00	-	
Lafey Boys Secondary School	Purchase of 100 double decker beds.	1,300,000.00	-	
Lafey Boys Secondary School	Purchase of 100 no. Lockers and chairs	700,000.00	-	
Gari Boys Secondary School	Construction of Dining Hall, annex kitchen and stores to completion.	2,000,000.00	-	
Gari Boys Secondary School	Purchase of furniture for dining hall (20.no.tables and 200 NO. Chairs)	1,500,000.00	-	
Kahare Primary School	Renovation of 2NO.classrooms to (plastering of walls, flooring and painting	-	800,000.00	
Kahare Primary School	Purchase and supply of 100 No. desks	-	600,000.00	
Kahare Primary School	Fencing of compound with chain link with concrete poles(1,200m) to completion	-	5,000,000.00	
Kamor Liban Pry School	Construction of underground water tank(25,000m2)	-	800,000.00	
Kamor Liban Pry School	Construction of Food store to completion	-	1,200,000.00	
Fino Primary School	Construction of 2doors. Toilets to completion.	-	400,000.00	
Fino Primary School	Construction of 2 No. staff house	-	1,800,000.00	
Kheira Ali Primary School	Construction of 2rooms. Staff house to completion.	-	1,800,000.00	
Bambo Primary School	Construction of 2 rooms. Staff houses to completion.	-	1,800,000.00	
Bambo Primary School	Construction of 2 doors. Toilets to completion.		400,000.00	
Gari Primary School	Construction of Bookstore to completion		1,200,000.00	
Gari Primary School	Construction of 2 doors. toilets to completion		400,000.00	
Jabi East Primary School	Construction of 2 NO. Classrooms to	-	2,000,000.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2020

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
	completion			
Nurulyagin integrated primary School	Construction of 2 NO. Classrooms to completion	-	2,000,000.00	
Nurulyagin integrated primary School	Construction of 2 doors toilets to completion		400,000.00	
Migag Primary School	Construction of 2 No. Classrooms to completion	-	2,000,000.00	
Migag Primary School	Construction of 2 doors toilets to completion	-	400,000.00	
Lafey Boys Secondary School	Construction of 2 doors toilets to completion	-	400,000.00	
Lafey Girls Secondary School	Construction of 2No. classrooms to completion	-	2,000,000.00	
Lafey Girls Secondary School	Purchase and supply of 100 no. Lockers and chairs	-	700,000.00	
Kheira Ali Primary School	Construction of 2 no. toilets	16,000.00	16,000.00	
Damasa Dispensary	Construction of staff house	379.00	379.00	
Sala Dispensary	Construction of staff house	41,380.00	41,380.00	
Sala Primary School	Fencing of compound with chain link with Concrete poles to completion.(1,000m)	1.00	1.00	
Lafey Technical & Vocational Training College	Completion of technical College	1.00	-	
Sub-Total		22,557,761.00	26,157,760.00	
Amounts due to other grants and other transfers				
Lafey Police Station	Construction of 2 door Pit latrines to completion.	400,000.00	-	
Lafey Police Station	Water Piping System from borehole to station (Laying of pipes, GI Pipes, gate valves and tabs)	600,000.00	-	
Lafey Police Station	Construction of 25,000 liters Underground Water tank to completion.	800,000.00	-	
Lafey Police Station	Installation of Electricity and wiring to 5offices & 5 staff houses.(Dropping of Mains Electricity wire, Main Switch, General wiring, sockets, switches, Bulbs	700,000.00	-	
Lafey Deputy County Commissioner	Construction of 2 door. pit latrines to completion	401,250.00	-	
Alungu Police station.	Construction of 2 .Offices to completion.	2,500,000.00	-	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – LAFEY CONSTITUENCY

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

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Alungu Police station.	Purchase of Office furniture :	500,000.00	-	
Alungu Police station.	Installation of Solar Systems (Solar Panels Batteries, inverters) and General wirings to 5 staff houses and 4 offices.	700,000.00	-	
Gari Police station	Construction of 2 offices to completion.	2,500,000.00	-	
Gari Police station	Purchase of Office furniture :	500,000.00	-	
Gari Chief's office	Construction of social Hall to completion	1,400,000.00	-	
Fino police station	Fencing of compound with chain link and barbed wire with concrete poles (1,200m) to completion.	5,000,000.00	-	
Sala Police Station	Construction of Armoury to completion	2,000,000.00	-	
Harertur Chief's Office	Construction of Chief's office to completion	-	1,500,000.00	
Harertur Chief's Office	Construction of 2doors toilets to completion	-	500,000.00	
Alungu AP Camp	Construction of Armoury to completion	-	2,000,000.00	
Alungu AP Camp	Construction of 2 rooms Staff houses to completion	-	1,800,000.00	
Lafey Police Station	Construction of 2 doors. bathrooms to completion	-	300,000.00	
Lafey Police Station	Construction of 2 doors toilets to completion	-	400,000.00	
Lafey Police station	Construction of Armoury to completion	-	2,000,000.00	
Lafey Police station	Purchase and supply of office furniture	-	1.00	
Gari AP Camp	Fencing of compound with chain link with concrete poles(800m)	-	3,000,000.00	
Warankara Assistant County Commissioner	Renovation of 2 No. residential houses	-	1,000,000.00	-
Sala Assistant County Commissioner	Purchase and supply office furniture	-	300,000.00	
Sala Assistant County Commissioner	Construction of 3rooms. office block to completion	-	2,700,000.00	
Sports	Purchase of sports kits i.e. balls, uniforms, nets and trophies for teams in the constituency:-	1,307.00	1,307.00	

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

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Emergency	Lafey town, Gari town, Sala town and Fino town. To cater for any unforeseen occurrences in the constituency during the financial year	204,400.00	5,756,159.00	
Bursaries-Secondary & Tertiary	Payment of bursary to needy students	24,229,009.00	306.00	
Warankara –Damasa Road	Bush Clearing and grading?(3KM)	12,000.00	12,000.00	
Warankara- Gari Road	Gravelling and grading(5km)	9,140.00	9,140.00	
Fino -dawaduba Road	Bush clearing and grading(15km)	2,800.00	2,800.00	
Kamor liban Police Post	Fencing works of compound	2,500.00	2,500.00	
Alungu B/H	Construction of Elevated Water Tank	1,000.00	1,000.00	
Damasa B/H	Construction of Elevated Water Tank	420.00	420.00	
Kabo B/H	Construction of Trough	20.00	20.00	
Fino B/H	Construction of Trough	35.00	35.00	
Environment	Planting of trees at public institutions	702.00	702.00	
Sub-Total		42,464,584.00	21,286,390.00	
Acquisition of assets				
Lafey NG-CDF Office	Construction of Lafey NG-CDF Office	7,500,000.00	7,500,000.00	
Lafey CDF office furniture	Purchase of office furniture/ Equipment	50.00	50.00	
Sub-total		7,500,050.00	7,500,050.00	
Others (specify)				
Constituency Audit	Constituency Audit fees	79,936.00	79,936.00	
Sub-Total		79,936.00	79,936.00	
Grand Total		78,637,782.00	79,936.00	

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

ANNEX 3 –PMC BANK BALANCES AS AT 30TH JUNE 2020

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Fino Primary School Pmc	Equity	1000264394249	1,610,844.00	490.00
Sala Primary School Pmc	Equity	1000264391985	509,274.00	9,274.00
Kahare Primary School Pmc	Equity	1000264380640	894,100.00	2,605.00
Kabo Primary School Pmc	Equity	1000264381552	5,723,750.00	2,403,575.00
Damasa Primary School Pmc	Equity	1000264386660	700,360.00	4,000,410.00
Lafey West Primary School pmc	Equity	1000176430601	230.00	600,610.00
Lafey Girls Sec. School pmc	Equity	1000176431066	100,273.00	370.00
Lafey Primary School Pmc	Equity	1000264387057	4,542,160.00	5,901,405.00
Kamorliban Primary School	Equity	1000264521931	101,445.00	600,775.00
Warankara Primary School	Equity	1000264392933	251,515.00	5,001,160.00
Gari Primary School	Equity	1000264381746	83,290.00	602,056.00
Bambo Primary School	Equity	1000264394783	5,111,740.00	910.00
Kheira Ali Primary School	Equity	1000166032087	90,280.00	600,355.00
Lafey Boys Secondary School	Equity	1000264420854	11,975,322.00	3,401,590.00
Jabi East Primary School PMC	Equity	1000279002353	99,878.00	600,000.00
Nurulyaqin Intergrated Primary School PMC	Equity	1000278998060	121,180.00	600,000.00
Megag Primary School PMC	Equity	1000279004031	21,375.00	600,000.00
Digdar Primary School	Equity	1000278998193	1,600,200.00	-
Lafey Police Station PMC	Equity	1000171749007	120,534.00	227.00
Sala Community Dev Pmc	Equity	1000266002899	1,380.00	1,380.00
Gari Secondary School	Equity	1000264393942	4,001,465.00	-
Gari Community Pmc	Equity	1000264392161	1,925.00	-
Damasa Ap Camp Pmc	Equity	1000171614147	1,140.00	-
Fino AP PMC	Equity	1000265930109	975.00	-

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

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Alungu AP PMC	Equity	1000265951429	191,103.00	-
Damasa Chiefs Office	Equity	1000171520624	280.00	-
Fino Chiefs Office	Equity	1000171522053	950.00	-
Kabo Chiefs Office	Equity	1000171718368	780.00	-
Sheikh Barrow Chiefs Office	Equity	1000170911954	1,450.00	-
Lafey Chiefs Office	Equity	1000171845551	170.00	-
Lafey South Chiefs Office	Equity	1000171896539	280.00	-
Bulla Alungu Chiefs Office	Equity	1000171679530	280.00	-
Bamboo Community Dev. PMC	Equity	1000166069795	200.00	-
Alungu Primary School Pmc	Equity	1000264393327	980.00	-
Harertur Chief's Office	Equity	1000179496743	100,198.00	-
Gari AP Camp PMC	Equity	1000279639605	150,000.00	-
Sala Assistant County Commissioner	Equity	1000279647207	135,234.00	-
Warankara Assistant County Commissioner PMC	Equity	1000279639616	50,190.00	-
Warankara Chief's office	Equity	1000166084863	1,390.00	-
TOTAL			38,298,120.00	24,927,192.00

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2018/19	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2019/20
Land	-	-	-	-
Buildings and structures	3,000,000.00	6,000,000.00	-	9,000,000.00
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	2,399,950.00	-	-	2,399,950.00
ICT Equipment, Software and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	400,000.00	-	-	400,000.00
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	5,799,950.00	6,000,000.00	-	11,799,950.00

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

ANNEX 5: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

There were no issues to follow up since the Audit report for the financial year ending 30th June 2019 was not received by the time the financial statements were prepared.

Guideline Notes:

- (i) Use same reference numbers as contained in the external audit report.
- (ii) Obtain the “Issue /Observation” and” Management comments”, required above, from final external audit report that is signed by Management;

SIGNED BY



ABDIKARIM IBRAHIM HASSAN
FUND ACCOUNT MANAGER
LAFEY NG-CDF



SIGNED BY



JOHN MUNYAO MUTONYA
SUB-COUNTY ACCOUNTANT
LAFEY SUB-COUNTY

