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REPORT

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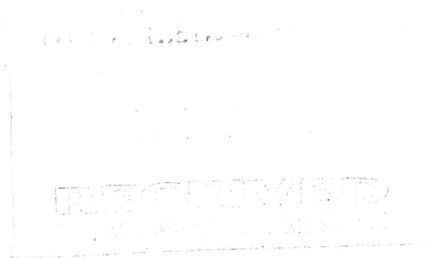
NATIONAL ASSEMBLY	
DATE: 23 NOV 2022	DAY: Wednesday
TABLED OF	Majority Whip
CLERK AT THE TABLE:	Christine

THE AUDITOR-GENERAL

ON

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

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



LAGDERA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

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

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Hassan Billow Ismail
2.	Sub-County Accountant	Evans E. Mugwang'a
3.	Chairman NGCDFC	Adan Mohamed Ahmed
4.	Member NGCDFC	Sundus Ali Samow

(d) Fiduciary Oversight Arrangements

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

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

(e) Lagdera Constituency NGCDF Headquarters

P.O. Box 659-70100
Garissa, KENYA

Lagdera Constituency NGCDF Contacts

Telephone: (254) 0723 283 423
E-mail: [cdf@lagdera@ngcdf.go.ke](mailto:cdf@lagdera.ngcdf.go.ke)
Website: www.ngcdf.go.ke

(f) Lagdera Constituency NGCDF Bankers

First Community Bank
Garissa Branch
Account Number: 0009576701

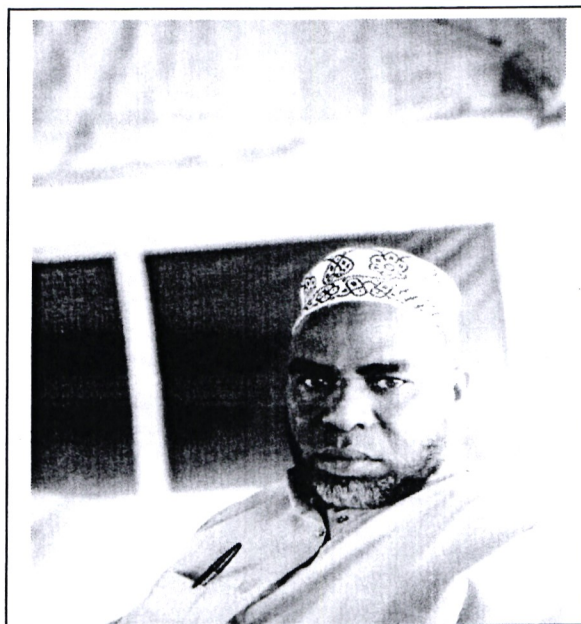
(g) Independent Auditors

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

(h) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT

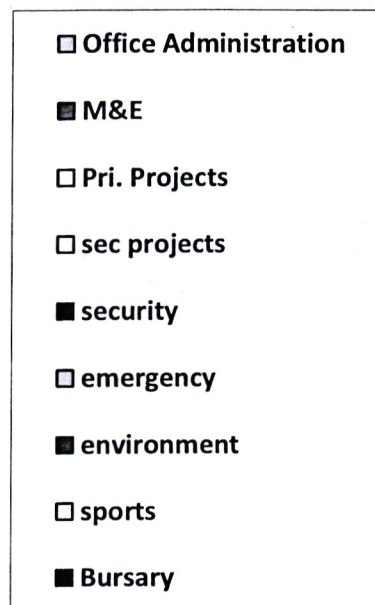
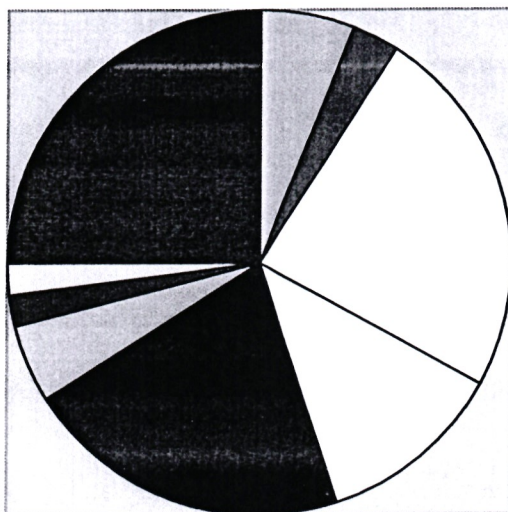


**NG-CDFC CHAIRMAN:
ADAN MOHAMED AHMED**

Lagdera national government constituency development funds as mandated by NG-cdf act, prioritized on projects for funding during the financial year 2020/2021. The committee after carrying out the needed assessments and in consultation with other stake holders came up with projects for funding and forwarded to the board for approval. The following is the summary breakdown of proposed projects for funding during the financial year 2020/2021.

S/NO	PROPOSED NAME	AMOUNT ALLOCATED	%ALLOCATION
1.	Office administration	8,225,332	6
2.	Monitoring and evaluation	4,112,666	3
3.	Bursary	34,272,220	25
4.	Primary projects	32,500,000	24
5.	Secondary school projects	16,302,900	12
6.	Security projects	29,000,000	10
7.	Emergency reserve	7,192,206	5
8.	Sports activities	2,741,778	2
9.	Environmental projects	2,741,778	2
	TOTAL	137,088,879	100

Percentage of sector allocation



During the financial year the committee received amount of Kshs.161, 367,724 from the board that includes balances during last financial year 2019/20 and half of the allocation for 2020/21.

The committee further managed to disburse funds to both pmcs and other contractors and the expenditure is as follows:

ITEM	AMOUNT SPENT
Compensation of employees	4,090,510
Use of goods and services	6,115,865
Transfers to Other Government Units	80,556,900
Other grants and transfers	63,952,304
Acquisition of Assets	120,000
TOTAL PAYMENTS	154,835,579

During the financial year there were several emergencies that occurred but the committee through its discretion managed to solve.

Achievements during the financial year

1. NGCDFC Lagdera constructed almost 20 new classrooms, renovated 23 classrooms and purchased lockers in both primary and secondary schools and thus help in curbing covid 19 spread in the institutions.
2. Motivated staff by building 8 staff quarters in several schools within the constituency.
3. Made several emergency interventions that affected several schools within the constituency.

Challenges during the financial year

Health:

Due to the outbreak of covid19, it was difficult to complete monitoring and evaluation of projects

Drought:

Lack of water in most of the settlements established through ngcdf funds might be closed thus affecting the learning programs in schools within these settlements.

Poor road infrastructure:

The committee experienced difficulties in monitoring process during the rainy season thus affecting implementation period of projects.

Project implementation

The committee experienced difficulties in implementing projects due to delay in disbursement of funds by the NG-CDF board.

Recommendations

- The government to clearly educate youths on protective measures on covid19
- NG-CDFC to liase with NG-CDF board in order to find out whether the committee can establish boreholes in schools in order to provide water that will reduce the migration of communities leaving in those areas.
- Implement road projects in areas where ng-cdf projects are proposed to be implemented so that monitoring can be done easily.
- The board should try to release funds in time for ease of implementation.

The following are some of the projects implemented by NG-CDF Lagdera during 2020/2021 financial year.



**LAGDERA BIRTH AND DEATH
REGISTRATION OFFICE**



DCC OFFICE-SHANTAABAQ SUB-COUNTY



CONCRETE FENCE AT MODOGASHE GIRLS SECONDARY SCHOOL



PITLATRINE AT MODOGASHE BOARDING PRIMARY



**CONCRETE FENCE AT MODOGASHE
POLICE STATION**



ARMOURY AT SHANTAABAQ AP LINE

Signature

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES

Introduction

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

The key development objectives of *Lagdera Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

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

Progress on attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education Accessibility	To improve access, affordability and availability of quality education	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 20/21 -we increased the number of classrooms and staff houses in various schools/institutions - provision of desks and bursary
Security	To enhance security in the constituency	Reduced number of insecurity cases in the constituency	Number of usable physical infrastructures built in NG-CDF offices, ACC	-we constructed additional number of chiefs' offices, rehabilitation of police stations, AP

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National Government Constituencies Development Fund (NGCDF)
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			offices and chiefs' offices	and police offices and houses. -NG-CDF office fenced and ACC offices constructed
Environment	To promote environmental sustainability	Increase in the number of trees and proper collection of garbage and disposal of sewerage waste	Conservation of soil by trees and usable pit latrines	We constructed additional number of pit latrines and planted trees
Sports	To empower the youth and harness their talent	Increase in the number of youth groups and active sporting initiatives	Increase in development projects among the youth and increase in the number of forums held. Ease of access on devolved funds	We create awareness among the youth on the establishment of youth groups and allow ease of access to devolved funds
Emergency support	To cater for unforeseen occurrences in the constituency	Catering for any unforeseen occurrences in the constituency	Prompt response in case of any occurrences	We set aside funds for any emergencies
Tracking of results	To improve tracking of implementation of CDF programmes	Quality work is achieved	Efficiency in work performance and within the specified period	We organise capacity building programmes for NGCDFC'S and PMC'S -we organise regular projects monitoring field visits
Institutional strengthening	To promote performance management and smooth running of CDF office	Well planned and organised work is achieved	Increase in the number of usable physical tools and equipments Employee satisfaction and availability of reports	We purchase working tools and equipments to make work easy and of quality We strategically plan for the future

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency.

2. Environmental performance

- NG-CDF supported students carry out environmental conservation activities e.g planting trees and garbage collection once in an academic calendar as organised by NGCDF office
- Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.
- NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.

- NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Lagdera Constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues. Lagdera Constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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

4. Market place practises-

Lagdera NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Lagdera Constituency

National Government Constituencies Development Fund (NGCDF)

Reports and Financial Statements for The Year Ended June 30, 2021

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

Public Participation in Project Identification and Implementation and Monitoring

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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NG CDFC during bursary programme engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

The Accounting Officer in charge of the NGCDF-Lagdera Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

Approval of the financial statements

The NGCDF- Lagdera Constituency financial statements were approved and signed by the Accounting Officer on 12/05 2022.



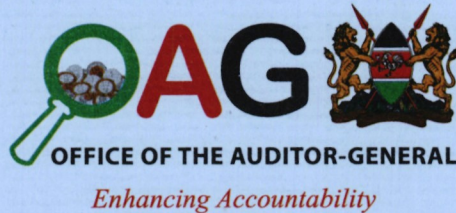
Chairman NGCDF Committee
Name: Adan M. Ahmed



Fund Account Manager
Name: Hassan B. Ismail

REPUBLIC OF KENYA

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Lagdera Constituency set out on pages 17 to 46, which comprise the statement of assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and summary statement of

*Report of the Auditor-General on National Government Constituencies Development Fund - Lagdera Constituency
for the year ended 30 June, 2021*

appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents totalling Kshs.35,136,708, as disclosed in Note 8 to the financial statements. However, included in the balance are unrepresented cheques of Kshs.3,610,388 which further include stale cheques totalling Kshs.276,077 which had not been cancelled and reversed in the cash book.

In the circumstance, it was not possible to confirm the accuracy and completeness of the cash and cash equivalents balance.

2. Unsupported Bursaries

The statement of receipts and payments reflects other grants and transfers totalling Kshs.63,952,304, as disclosed in Note 5 to the financial statements. The balance includes Kshs.13,216,000 and Kshs.17,917,750 disbursed to various secondary schools and tertiary institutions respectively. However, bursaries totalling Kshs.4,988,000 were not supported with official receipts or acknowledgement letters from the beneficiary institutions. In the absence of documentary evidence, it was not possible to confirm that the listed beneficiaries received the bursaries.

In the circumstances, it was not possible to confirm the completeness and accuracy of the bursaries totalling Kshs.4,988,000 issued during the year under review.

3. Project Management Committee Bank Balances

Annex 5 to the financial statements reflects twenty (20) Project Management Committees (PMC) bank balances totalling Kshs.2,049,801. However, the Management did not provide the respective bank reconciliations and bank certificates for audit verification. Further, the Management did not disclose additional ten (10) Project Management Committee (PMC) bank balances under Annex 5 to the financial statements. This omission was contrary to the reporting format prescribed by The National Treasury for National Government Constituency Funds, which requires disclosure of all bank balances held by the Project Management Committees (PMC), in Annex 5 to the financial statements.

In the circumstance, the reported Project Management Committee bank balance of Kshs.2,049,801 as at 30 June, 2021 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Lagdera 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 audit 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 which, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

1.0 Budgetary Control and Performance

1.1 Shortfall of Revenue and Under Expenditure

The summary statement of appropriation reflects an approved budget of Kshs.235,061,167 against actual receipts of Kshs.189,972,287, resulting to under-funding of Kshs.45,088,880 or 19% of the budget. Similarly, the Fund's actual expenditure was Kshs.154,835,579 against an approved budget of Kshs.235,061,167 resulting to an under-absorption of Kshs.80,225,588 or 66% of the approved budget.

The under-funding and under-expenditure may have constrained implementation of the Fund's planned activities and impacted negatively on service delivery to the residents of Lagdera Constituency.

1.2 Project Implementation Status

The National Government Constituency Development Fund Committee (CDFC) budgeted to implement thirty-nine (39) projects at a total cost of Kshs.90,478,662, during the year under review. However, the Committee implemented and completed thirty-four (34) projects at a cost of Kshs.78,978,662, while five (5) projects had not been completed by the end of the year.

Failure to complete projects as planned may have constrained delivery of services to Lagdera residents.

2. Unresolved Prior Year Matters

The audit report for the previous year raised several issues on financial statements for the year ended 30 June, 2020. The report on follow up on auditor's recommendations appended to the financial statements for the year under review indicates that these issues had not been resolved as at 30 June, 2021.

Management has not explained the failure to resolve the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, nothing 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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and 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 which are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the 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 which includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence which 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 which 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 which 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 which 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 which may reasonably be thought to bear on my independence and where applicable, related safeguards.


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 September, 2022

Report of the Auditor-General on National Government Constituencies Development Fund - Lagdera Constituency for the year ended 30 June, 2021

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

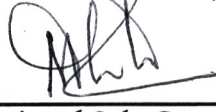
VI. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	122,740,876
TOTAL RECEIPTS		161,367,724	122,740,876
PAYMENTS			
Compensation of employees	2	4,090,510	2,491,097
Use of goods and services	3	6,115,865	7,761,159
Transfers to Other Government Units	4	80,556,900	54,574,577
Other grants and transfers	5	63,952,304	31,872,921
Acquisition of Assets	6	120,000	10,000,000
Other Payments	7	-	2,500,000
TOTAL PAYMENTS		154,835,579	109,199,754
SURPLUS/(DEFICIT)		6,532,145	13,541,122

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Lagdera Constituency financial statements were approved on 12/05 2022 and signed by:



Fund Account Manager
Name: Hassan B. Ismail



National Sub-County
Accountant
Name: Evan E. Mugwang'a
ICPAK M/No:



Chairman NG-CDF Committee
Name: Adan M. Ahmed

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

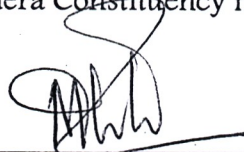
VII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020 – 2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances	8	35,136,708	28,604,563
Total Cash and Cash Equivalents		35,136,708	28,604,563
Accounts Receivable			
Outstanding Imprests		-	-
TOTAL FINANCIAL ASSETS		35,136,708	28,604,563
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention		-	-
TOTAL FINANCIAL LIABILITES		-	-
NET FINANCIAL ASSETS		35,136,708	28,604,563
REPRESENTED BY			
Fund balance b/fwd	9	28,604,563	15,063,441
Surplus/Deficit for the year		6,532,145	13,541,122
NET FINANCIAL POSITION		35,136,708	28,604,563

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Lagdera Constituency financial statements were approved on 12/05 2022 and signed by:



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Name: Adan M. Ahmed

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

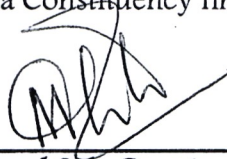
STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	122,740,876
Total receipts		161,367,724	122,740,876
Payments for operating activities			
Compensation of Employees	2	4,090,510	2,491,097
Use of goods and services	3	6,115,865	7,761,159
Transfers to Other Government Units	4	80,556,900	54,574,577
Other grants and transfers	5	63,952,304	31,872,921
Other Payments	6	-	2,500,000
Total payments		154,715,579	99,199,754
Total Receipts Less Total Payments		6,652,145	23,541,122
Adjusted for:			
Decrease/(Increase) in Accounts receivable		-	-
Net cash flow from operating activities		6,652,145	23,541,122
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	7	120,000	10,000,000
Net cash flows from Investing Activities		120,000	10,000,000
NET INCREASE IN CASH AND CASH EQUIVALENT		6,532,145	13,541,122
Cash and cash equivalent at BEGINNING of the year		28,604,563	15,063,441
Cash and cash equivalent at END of the year	8	35,136,708	28,604,563

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Lagdera Constituency financial statements were approved on 12/05 2022 and signed by:



Fund Account Manager
Name: Hassan B. Ismail



National Sub-County
Accountant
Name: Evan E. Mugwang'a
ICPAK M/No:



Chairman NG-CDF Committee
Name: Adan M. Ahmed

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

VIII. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		a	b				
RECEIPTS	2020/2021		Previous Years' Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs		
Transfers from NGCDF Board	137,088,879	28,604,563	69,367,725	235,061,167	189,972,287	45,088,880	80.8%
TOTALS	137,088,879	28,604,563	97,972,287	235,061,166	189,972,287	45,088,879	80.8%
PAYMENTS							
Compensation of Employees	2,611,780	956,288	554,503	4,122,571	4,090,510	32,061	99.2%
Use of goods and services	9,726,218	3,119,156	4,483,095	17,328,469	6,115,865	11,212,604	35.3%
Transfers to Other Government Units	48,802,900	12,060,000	56,168,850	117,031,750	80,556,900	36,474,850	68.8%
Other grants and transfers	75,947,981	12,469,119	8,041,277	96,458,377	63,952,304	32,506,073	66.6%
Acquisition of Assets	-	-	120,000	120,000	120,000	-	100.0%
TOTALS	137,088,879	28,604,563	69,367,725	235,061,167	154,835,579	80,225,588	65.9%

Explanation:

- Lagdera NGCDF had no AIA for the financial year 2020/2021
- There was underutilization in all the respective categories- the reason being the NGCDF Board did not disburse funds on time
- The adjustments are opening balances in bank and funds for 2019/2020 that had not been disbursed at the beginning of the financial year.

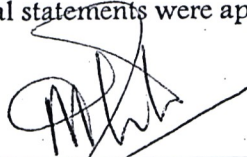
Lagdera Constituency
National Government Constituencies Development Fund (NGCDF)
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	80,225,587
Less undisbursed funds receivable from the Board as at 30 th June 2021	(45,088,879)
	35,136,708
Add Accounts payable	-
Less Accounts Receivable	(-)
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	35,136,708

The NGCDF-Lagdera Constituency financial statements were approved on 12/05 2022 and signed by:



Fund Account Manager
 Name: Hassan B. Ismail



National Sub-County
 Accountant
 Name: Evan E. Mugwang'a
 ICPAK M/No:



Chairman NG-CDF Committee
 Name: Adan M. Ahmed

*Lagdera Constituency
National Government Constituencies Development Fund (NGCDF)
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X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
	2020/2021	Kshs	Opening balance(C/BK) and AIA	Previous outstanding disbursements			
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,611,780		956,288	554,503	4,122,571	4,090,510	32,061
1.2 Committee allowances	2,967,270		799,852	879,848	4,646,470	592,000	4,054,470
1.3 Use of goods and services	2,646,282		1,532,888	491,715	4,670,886	1,971,365	2,699,521
1.4 Capacity Building	-		7,000	519,698	526,698	134,000	392,698
Sub-Total	8,225,332		3,296,028	2,445,264	13,966,625	6,787,875	7,178,749
2.0 Monitoring and evaluation							
2.1 Capacity building	1,200,000		223,916	1,069,035	2,269,035	-	2,269,035
2.2 Committee allowances	2,432,666		555,500	1,699,232	4,131,898	2,675,000	1,456,898
2.3 Use of goods and services	480,000		-	1,103,392	1,583,392	743,500	839,892
Sub-Total	4,112,666		779,416	3,871,659	7,984,324.99	3,418,500	4,565,825
3.0 Emergency							
3.1 emergency	-		2,555	-	-	-	-
3.2 primary schools	7,192,206		-	14,339	7,206,545	6,940,000	266,545
3.3 secondary schools	-		-	-	-	-	-
3.4 tertiary institutions	-		-	-	-	-	-
3.5 security projects	-		-	-	-	-	-
3.6 others	-		-	-	-	-	-
Sub-Total	7,192,206.00		2,555	14,339	7,206,545	6,940,000	266,545
4.0 Bursary and Social Security							
4.1 Primary Schools	-		-	-	-	-	-

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

4.2 Secondary Schools	15,000,000	3,142,531	6,395,457	21,395,457	13,216,000	8,179,457
4.3 Tertiary Institutions	19,272,220	4,000,000	4,249,012	23,521,232	17,917,750	5,603,482
4.4 Universities	-	-	-	-	-	-
4.5 Social Security	-	-	-	-	-	-
Sub-Total	34,272,220	7,142,531	10,644,469	44,916,682	31,133,750	13,782,939
5.0 Sports						
5.1 sport activities	2,741,778	-	-	2,741,778	2,741,777	1
Sub-Total	2,741,778	-	-	2,741,777.59	2,741,777	1
6.0 Environment						
6.1 Modogasheboarding primary school	941,778	-	-	941,778	941,777	1
6.2 modogashe girls secondary school	900,000	-	-	900,000	900,000	-
6.3 modogashe secondary school	900,000	-	-	900,000	900,000	-
6.4 lagdera Dcc office	-	497,354.48	-	-	-	-
Sub-Total	2,741,778	497,354.48	-	2,741,778	2,741,777	1
7.0 Primary Schools Projects						
7.1 Afweine Primary School	400,000	-	-	400,000	-	400,000
7.2 Ama Primary School	800,000	-	-	800,000	-	800,000
7.3 Barkuke Primary School	300,000	-	-	300,000	-	300,000
7.4 Barkuke Primary School	1,500,000	-	-	1,500,000	750,000	750,000
7.5 Barkuke Primary School	2,000,000	-	-	2,000,000	-	2,000,000
7.6 Rigdam Primary School	200,000	-	-	200,000	-	200,000
7.8 Geylab Primary School	200,000	-	-	200,000	-	200,000
7.9 Bulla Madina Primary School	2,000,000	-	-	2,000,000	-	2,000,000
7.10 Bulla Sheikh Primary	2,000,000	-	-	2,000,000	-	2,000,000

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

School									
7.11 Darasalam Primary School	400,000	-	-	400,000	-	-	-	400,000	400,000
7.12 Denka Primary School	2,000,000	-	-	2,000,000	-	-	-	2,000,000	2,000,000
7.13 Elan Primary School	1,500,000	-	-	1,500,000	-	-	1,200,000	300,000	300,000
7.14 Geylab Primary School	2,500,000	-	-	2,500,000	-	-	-	2,500,000	2,500,000
7.15 Geylab Primary School	2,000,000	-	-	2,000,000	-	-	-	2,000,000	2,000,000
7.16 Goreale Primary School	2,000,000	-	-	2,000,000	-	-	2,000,000	-	-
7.17 Hagare Primary School	2,000,000	-	-	2,000,000	-	-	-	2,000,000	2,000,000
7.18 Jilango Primary School	300,000	-	-	300,000	-	-	-	300,000	300,000
7.19 Languate Primary School	2,000,000	-	-	2,000,000	-	-	-	2,000,000	2,000,000
7.20 Skanska Primary School	200,000	-	-	200,000	-	-	-	200,000	200,000
7.21 Maalimin Primary School	3,500,000	-	-	3,500,000	-	-	-	3,500,000	3,500,000
7.22 Madina Primary School	1,500,000	-	-	1,500,000	-	-	-	1,500,000	1,500,000
7.23 Maalimin Primary School	400,000	-	-	400,000	-	-	-	400,000	400,000
7.24 Modogashe Boarding Primary School	800,000	-	-	800,000	-	-	-	800,000	800,000
7.25 Rigdam Primary School	2,000,000	-	-	2,000,000	-	-	-	2,000,000	2,000,000
7.26 Baraki Primary School	-	-	2,000,000.00	2,000,000	-	-	2,000,000	-	-
7.27 Benane Primay School	-	-	2,000,000.00	2,000,000	-	-	2,000,000	-	-
7.28 Dalehele Primary School	-	-	850,000.00	850,000	-	-	850,000	-	-
7.29 Barfin Primary School	-	-	1,800,000.00	1,800,000	-	-	1,800,000	-	-
7.3 Garse Primary School	-	-	1,000,000.00	1,000,000	-	-	1,000,000	-	-
7.31 Geylab Primary School	-	-	2,000,000.00	2,000,000	-	-	2,000,000	-	-
7.32 Hadun Primary School	-	-	500,000.00	500,000	-	-	500,000	-	-

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

7.33 Gurufa Primary School	-	-	1,000,000	1,000,000	1,000,000	1,000,000	-
7.34 Jilango Primary School	-	-	3,500,000	3,500,000	3,500,000	3,500,000	-
7.35 Maalimin Primary School	-	-	1,000,000	1,000,000	1,000,000	1,000,000	-
7.36 Maalimin Primary School	-	-	1,500,000	1,500,000	1,500,000	1,500,000	-
7.37 Barkuke Primary School	-	-	1,800,000	1,800,000	1,800,000	1,800,000	-
7.38 Madina Primary School	-	-	2,000,000	2,000,000	2,000,000	2,000,000	-
7.39 Janju Primary School	-	500,000	500,000	500,000	500,000	500,000	-
7.4 Shabel Dulla Primary School	-	-	750,000	750,000	750,000	750,000	-
7.41 Sheikh Hajir Primary School	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-
7.42skanska Primary School	-	-	1,800,000	1,800,000	1,800,000	1,800,000	-
7.43 Tokojo Primary School	-	-	1,000,000	1,000,000	1,000,000	1,000,000	-
7.44 Wayamo Jibril Primary School	-	-	1,200,000	1,200,000	1,200,000	1,200,000	-
7.45 Baraki Primary School	-	-	450,000	450,000	450,000	450,000	-
7.46 Hagar Jareer Primary School	-	-	50,000	50,000	50,000	50,000	-
7.47 Elan Primary Schools	-	-	28,850	28,850	28,850	-	28,850
7.48 Dihle Nur Primary School	-	50,000.00	50,000	50,000	50,000	50,000	-
7.49 Gurufa Primary School	-	25,000.00	25,000	25,000	25,000	25,000	-
7.50 Jilango Primary School	-	50,000.00	50,000	50,000	50,000	50,000	-
7.51 Illenle Primary School	-	50,000.00	50,000	50,000	50,000	50,000	-
7.52 Skanska Primary School	-	25,000.00	25,000	25,000	25,000	25,000	-
7.53 Janju Primary School	-	50,000.00	50,000	50,000	50,000	40,000	10,000
7.54 Afweine Primary School	-	-	30,000	30,000	30,000	30,000	-

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

7.55 Afweine Primary School	-	-	30,000	30,000	30,000	30,000	-	-
7.56 Togdub Primary School	-	40,000.00	40,000	40,000	40,000	-	40,000	-
7.57 Afweine Primary School	-	1,500,000.00	1,500,000	1,500,000	1,500,000	1,500,000	-	-
7.58 Dihle Nur Primary School	-	1,200,000.00	1,200,000	1,200,000	1,200,000	1,200,000	-	-
7.59 Ama Primary School	-	-	7,200,000	7,200,000	7,200,000	7,200,000	-	-
7.60 Darsalam Primary School	-	-	4,600,000	4,600,000	4,600,000	4,600,000	-	-
7.61 Benane Primary School	-	-	1,700,000	1,700,000	1,700,000	1,700,000	-	-
7.62 Madina Primary School	-	-	50,000	50,000	50,000	50,000	-	-
7.63 Geylab Primary School	-	-	50,000	50,000	50,000	50,000	-	-
Sub-Total	32,500,000	5,490,000.00	45,378,850	77,878,850	49,250,000	49,250,000	28,628,850	
8.0 Secondary Schools Projects								
8.1 Modogashe Secondary School	1,302,900	-	-	1,302,900.13	1,040,000.00	1,040,000.00	262,900	-
8.2 Modogashe Girls Secondary School	9,000,000	-	-	9,000,000.00	4,450,000.00	4,450,000.00	4,550,000	-
8.3 Modogashe Secondary School	6,000,000	-	-	6,000,000.00	3,000,000.00	3,000,000.00	3,000,000	-
8.4 Modogashe Secondary School	-	-	3,000,000.00	3,000,000.00	3,000,000.00	3,000,000.00	-	-
8.5 Modogashe Girls Secondary School	-	-	2,000,000.00	2,000,000.00	2,000,000	2,000,000	-	-
8.6 Benane Sec Sch	-	-	2,000,000.00	2,000,000.00	2,000,000	2,000,000	-	-
8.7 Modogashe Girls Sec Sch	-	-	50,000.00	50,000.00	50,000	50,000	-	-
8.8 Shanta Abaq Sec Sch	-	970,000.00	1,000,000.00	1,000,000.00	970,000	970,000	30,000	-
8.9 Benane Secondary School	-	-	750,000.00	750,000.00	750,000	750,000	-	-
9.0 Modogashe Girls Secondary School	-	-	1,500,000.00	1,500,000.00	1,500,000	1,500,000	-	-
9.1 Modogashe Girls Secondary School	-	3,600,000	3,600,000	3,600,000	3,596,900	3,596,900	3,100	-

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9.2 Modogashe Secondary School	-	-	4,500,000	4,500,000	4,500,000	4,500,000	-
9.3 Modogashe Secondary School	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-
9.4 Modogashe Girls Secondary School	-	-	2,450,000	2,450,000	2,450,000	2,450,000	-
Sub-Total	16,302,900	6,570,000	22,850,000	39,152,900	31,306,900	7,846,000	
9.0 Health institutions Projects							
9.1 NHIF cover	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
10.0 Security Projects							
10.1 Baraki Chief Office	2,000,000	-	2,000,000	2,000,000	-	2,000,000	2,000,000
10.2 Benane Police Station	6,000,000	-	6,000,000	6,000,000	-	6,000,000	6,000,000
10.3 Elan Chief Office	2,000,000	-	2,000,000	2,000,000	-	2,000,000	2,000,000
10.4 Hagarjarer Chief Office	2,000,000	-	2,000,000	2,000,000	-	2,000,000	2,000,000
10.5 Modogashe Registration Offices	4,000,000	-	4,000,000	4,000,000	2,000,000	2,000,000	2,000,000
10.6 Shantaabak Assistant Sub-County Commissioner Office	7,000,000	-	7,000,000	7,000,000	3,500,000	3,500,000	3,500,000
10.7 Modogashe Police	6,000,000	-	6,000,000	6,000,000	6,000,000	6,000,000	-
10.8 Modogashe Police Station	-	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	-
10.9 Afweine Chief's Office	-	-	2,500,000	2,500,000	2,500,000	2,500,000	-
10.10 Lagdera District Headquarters	-	351,679	351,679	351,679	351,679	-	351,679
10.11 Shanta Abaq Administration Police Post	-	-	750,000	750,000	750,000	750,000	-
10.12 Shanta Abaq Assistant Sub-County Commissioner Residence	-	-	1,200,000	1,200,000	1,200,000	1,200,000	-
10.13 Modogashe Police Station	-	900,000	900,000	900,000	900,000	900,000	-
10.14 Modogashe Chief's Office	-	35,000	45,000	45,000	45,000	45,000	-

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10.15 Barkuke Chief's Office	-	40,000	40,000	40,000	40,000	-	40,000
10.16 Modogashe Police Station	-	-	33,000	33,000	33,000	-	33,000
10.17 Kambi Samaki Chief's Office	-	-	32,000	32,000	32,000	-	32,000
Sub-Total	29,000,000	4,826,679	9,351,679	38,351,679	20,395,000		17,956,679
11.0 Acquisition of assets							
11.1 Motor Vehicles	-	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	120,000	120,000	120,000	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-	-
Sub-Total	-	-	120,000	120,000	120,000		-
12.0 ROADS							
12.1							
13.0 Others							
13.1 Strategic Plan	-	-	-	-	-	-	-
13.2 Innovation Hub	-	-	-	-	-	-	-
Sub-Total	-	-	-	-	-	-	-
GRAND TOTALS	137,088,879	28,604,563	97,972,287	235,061,166	154,835,579		80,225,587

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

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

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

12. Comparative Figures

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

13. Subsequent Events

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

14. Errors

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

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

15. Related Party Transactions

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

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO.B047180	1		54,740,876
AIE NO.B047497	2		64,000,000
AIE NO.B047811	3		28,000,000
AIE NO.B049344	4		14,000,000
AIE NO.B104368	5		22,000,000
AIE NO.B104766	1	45,000,000	
AIE NO.B104820	2	20,367,724	
AIE NO.B124582	3	9,000,000	
AIE NO.B124853	4	4,000,000	
AIE NO.B119532	5	8,500,000	
AIE NO.B119922	6	12,000,000	
AIE NO.B128163	7	6,900,000	
AIE NO.B128476	8	7,000,000	
AIE NO.B132220	9	6,000,000	
AIE NO.B138888	10	12,000,000	
AIE NO.B126182	11	7,000,000	
AIE NO.B126477	12	11,600,000	
AIE NO.B140620	13	12,000,000	
TOTAL		161,367,724	122,740,876

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,551,339	2,290,297
Personal allowances paid as part of salary		
Employer Contributions Compulsory national social security schemes-NSSF	254,880	200,800
Total	4,090,510	2,491,097

3. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Committee Expenses	3,267,000	5,742,680
Utilities, supplies and services	18,850	9,008
Office rent	700,000	500,000
Communication, supplies and services	-	63,000
Training expenses-Capacity building	134,000	-
Hospitality supplies and services	-	454,810.00
Office and general supplies and services	1,934,000	898,810
Other operating expenses- Postal Corporation	-	19,026
Fuel, oil & lubricants	-	7,200
Bank service commission & charges	62,015	66,625
Total	6,115,865	7,761,159.00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	49,250,000	31,652,877
Transfers to secondary schools (see attached list)	31,306,900	22,921,700
Transfers to tertiary institutions (see attached list)	-	-
TOTAL	80,556,900	54,574,577

5. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools	13,216,000	964,000.00
Bursary – tertiary institutions	17,917,750	5,200,000.00
Security projects	20,395,000	10,835,400
Sports projects	2,741,777	4,928,167
Environment projects	2,741,777	2,747,354
Emergency projects	6,940,000	7,198,000
Total	63,952,304	31,872,921

6. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	120,000	7,000,000
Construction Civil Works	-	3,000,000
Total	120,000	10,000,000

7. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	2,500,000
ICT Hub	-	-
	-	2,500,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. CASH BOOK BANK BALANCE

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs(30/06/2021)	Kshs (30/06/2020)
<i>First community bank-Garissa branch Lagdera NG-CDF Account no.95767.</i>	35,136,708	28,604,563
Total	35,136,708	28,604,563

9. BALANCES BROUGHT FORWARD

	2020-2021	2019-2020
	Kshs	Kshs
Bank accounts	28,604,563	15,063,441
Total	28,604,563	15,063,441

10. UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	32,061	1,310,791
Use of goods and services	11,712,513	11,518,462
Amounts due to other Government entities	36,474,850	50,359,896
Amounts due to other grants and other transfers	32,006,163	34,783,137
	80,225,587	97,972,286

11. PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	2,049,801	3,316,482
	2,049,801	3,316,482

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

There were no pending accounts payables as at 30 June 2021.

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

There were no pending staff payables as at 30 June 2021.

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ANNEX 3 – UNUTILIZED FUND

Programme/Sub-programme	Brief Transaction Description	Outstanding Balance	Comments
	2020/2021	2019/2020	
	Kshs	Kshs	Kshs
1.0 Administration and Recurrent			
Compensation of employees	32,061	1,310,791	Pending Disbursement
Subtotals	32,061	1,310,791	
Use of goods and services	11,712,514	11,518,462	Pending Disbursement
Subtotals	11,712,514	11,518,462	
7.0 Primary Schools Projects			
7.1 Baraki Primary School	-	2,000,000	Pending Disbursement
7.2 Benane Primary School	-	2,000,000	Pending Disbursement
7.3dalehele Primary School	-	850,000	Pending Disbursement
7.6garse Primary School	-	1,000,000	Pending Disbursement
7.8 Barfin Primary School	-	1,800,000	Pending Disbursement
7.10 Geylab Primary School	200,000	2,000,000	Pending Disbursement
7.11 Hadun Primary School	-	500,000	Pending Disbursement
7.12 Gurufa Primary School	-	1,000,000	Pending Disbursement
7.13 Jilango Primary School	300,000	3,500,000	Pending Disbursement
7.14 Maalimin Primary School	3,500,000	1,000,000	Pending Disbursement
7.15 Maalimin Primary School	400,000	1,500,000	Pending Disbursement
7.16 Barkuke Primary School	300,000	1,800,000	Pending Disbursement
7.17 Madina Primary School	1,500,000	2,000,000	Pending Disbursement
7.18 Janju Primary School	-	500,000	Pending Disbursement
7.19shabel Dula Primary School	-	750,000	Pending Disbursement
7.20 Sheikh Hajir Primary School	-	2,000,000	Pending Disbursement
7.21 Skansa Primary School	200,000	1,800,000	Pending Disbursement

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7.22 Tokojo Primary School	-	1,000,000	Pending Disbursement
7.23 Wayamo Jibril Primary School	-	1,200,000	Pending Disbursement
7.24 Baraki Primay School	-	1,126,412	Pending Disbursement
7.25 Afweine Primary School	400,000	920,000	Pending Disbursement
7.26 Lagdera Primary Schools	-	780,000	Pending Disbursement
7.27 Hagar Jareer Primary School	-	50,000	Pending Disbursement
7.28 Barkuke Primary School	750,000	81,350	Pending Disbursement
7.29 Garse Primary School	-	81,350	Pending Disbursement
7.30 Tokojo Primary School	-	81,350	Pending Disbursement
7.31 Jilango Primary School	-	156,350	Pending Disbursement
7.32 Maalimin Primary School	-	81,350	Pending Disbursement
7.33 Elan Primary School	28,850	93,850	Pending Disbursement
7.34 Madina Primary School	-	50,000	Pending Disbursement
7.35 Geylab Primary School	2,500,000	50,000	Pending Disbursement
7.36 Barfin Primary School	-	25,000	Pending Disbursement
7.37 Dihle Nur Primary School	-	50,000	Pending Disbursement
7.38 Afweine Primary School	-	50,000	Pending Disbursement
7.39 Gurufa Primary School	-	25,000	Pending Disbursement
7.40 Jilango Primary School	-	50,000	Pending Disbursement
7.41 Kanbi Samaki Primary School	-	20,000	Pending Disbursement
7.42 Illenle Primary School	-	50,000	Pending Disbursement
7.43 Skansa Primary School	-	25,000	Pending Disbursement
7.44 Barkuke Primary School	2,000,000	20,000	Pending Disbursement
7.45 Janju Primary School	10,000	50,000	Pending Disbursement
7.46 Geylab Primary School	2,000,000	33,000	Pending Disbursement
7.47 Afweine Primary School	-	30,000	Pending Disbursement

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7.48 Afweine Primary School	-	30,000	Pending Disbursement
7.49 Benane Primary School	-	33,000	Pending Disbursement
7.50 Togdub Primary School	40,000	40,000	Pending Disbursement
7.51 Ama Primary School	800,000	-	Pending Disbursement
7.52 Rigdam Primary School	200,000	-	Pending Disbursement
7.53 Bulla Madina Primary School	2,000,000	-	Pending Disbursement
7.54 Bulla Sheikh Primary School	2,000,000	-	Pending Disbursement
7.55 Daralasang Primary School	400,000	-	Pending Disbursement
7.56 Denka Primary School	2,000,000	-	Pending Disbursement
7.57 Elan Primary School	300,000	-	Pending Disbursement
7.58 Hagare Primary School	2,000,000	-	Pending Disbursement
7.59 Languate Primary School	2,000,000	-	Pending Disbursement
7.60 Modogashe Primary School	800,000	-	Pending Disbursement
7.61 Rigdam Primary School	2,000,000	-	Pending Disbursement
8.0 Secondary Schools Projects			Pending Disbursement
8.1 Modogashe Secondary School	262,900	3,000,000	Pending Disbursement
8.2 Modogashe Girls Secondary School	4,550,000	300,000	Pending Disbursement
8.3 Modogashe Secondary School	3,000,000	80,000	Pending Disbursement
8.5 Modogashe Girls Secondary School	3,100	2,000,000	Pending Disbursement
8.7 Benane Secondary School	-	2,000,000	Pending Disbursement
9.0 Shantaabak Sec Sch	30,000	1,800,000	Pending Disbursement
9.3 Modogashe Secondary School	-	2,500,000	Pending Disbursement
9.6 Modogashe Girls Secondary School	-	2,450,000	Pending Disbursement
9.12 Modogashe Secondary School	-	50,000	Pending Disbursement
9.13 Modogashe Girls Secondary School	-	50,000	Pending Disbursement
9.14 Shanta Abaq Secondary School	-	1,000,000	Pending Disbursement

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9.15 Benane Secondary School	-	40,000	Pending Disbursement
9.16 Shanta Abaq Secondary School	-	156,350	Pending Disbursement
9.17 Modogashe Secondary School	-	81,350	Pending Disbursement
9.18 Benane Secondary School	-	750,000	Pending Disbursement
9.19 Modogashe Girls Secondary School	-	1,500,000	Pending Disbursement
Sub-total	36,474,850	50,359,896	
3.0 Emergency			
3.1 Emergency	266,545	14,339	Pending Disbursement
4.0 Bursary And Social Security			
4.2 Secondary Schools	8,179,457	14,395,457	Pending Disbursement
4.3 Tertiary Institutions	5,603,482	14,249,012	Pending Disbursement
10.0 Security Projects			
10.1 Modogashe Police Station	-	3,500,000	Pending Disbursement
10.2 Afweine Chief's Office	-	89,183	Pending Disbursement
10.5 Shantaabak Administration Police Post	-	750,000	Pending Disbursement
10.6 Shantaabak Assistant Sub-County Commissioner Residence	-	1,200,000	Pending Disbursement
10.7 Modogashe Police Station	-	266,083	Pending Disbursement
10.9 Modogashe Police Station	-	200,000	Pending Disbursement
10.15 Shanta Abaq Administration Police	-	30,247	Pending Disbursement
10.17 Modogashe Chief's Office	-	50,000	Pending Disbursement
10.18 Barkuke Chief's Office	40,000	40,000	Pending Disbursement
10.19 Shanta Abaq Adm Police	-	20,000	Pending Disbursement
10.2 Modogashe Police Station	33,000	33,000	Pending Disbursement
10.21 Eldere Chief's Office	-	33,000	Pending Disbursement
10.22 Kambi Samaki Chief's Office	32,000	32,000	Pending Disbursement
10.23 Shantaabaq Police Station	-	200,000	Pending Disbursement

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10.24 Baraki Chief's Office	2,000,000	-	Pending Disbursement
10.25 Benane Police Station	6,000,000	-	Pending Disbursement
10.26 Elan Chief's Office	2,000,000	-	Pending Disbursement
10.27 Hagarjarer Chief's Office	2,000,000	-	Pending Disbursement
10.28 Modogashe Registration Offices	2,000,000	-	Pending Disbursement
10.29 Shantaabak Assistant Sub-County Commissioner Office	3,500,000	-	Pending Disbursement
10.30 Lagdera District Headquarters	351,679	-	Pending Disbursement
Sub-total	32,006,162	34,783,137	
Grand totals	80,225,587	97,972,286	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	-	-	-	-
Buildings and structures	10,000,000	120,000	-	10,120,000
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	1,376,421	-	-	1,376,421
ICT Equipment, Software and Other ICT Assets	79,000	-	-	79,000
Other Machinery and Equipment	21,000	-	-	21,000
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	11,476,421	120,000	-	11,596,421

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

PMC	Bank	Account number	Bank Balance	Bank Balance
			2020-2021	2019-2020
Gurufa Primary Sch	First Community Bank	2987917301	-	-
Maalimin Primary Sch	First Community Bank	2987890401	-	-
Barkuke Primary Sch	First Community Bank	2987886601	-	-
Illanle Primary Sch	First Community Bank	2987886901	-	-
Modogashe Chief's Office	First Community Bank	2987882801	-	-
Elan Primary Sch	First Community Bank	2987888301	-	-
Skansa Primary Sch	First Community Bank	2987883201	-	-
Kambi Samaki Primary Sch	First Community Bank	2987889201	2,750	-
Hagar Jareer Primary Sch	First Community Bank	2977224503	1,600	-
Madina Primary Sch	First Community Bank	2987884601	2,000	-
Afweine Primary Sch	First Community Bank	2987857101	1,800	-
Janju Primary Sch	First Community Bank	2987865701	8,707	-
Geylab Primary Sch	First Community Bank	2987888201	1,200	-
Dihle Nur Primary Sch	First Community Bank	2977352702	1,789	-
Barfin Primary Sch	First	2977533702		

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	Community Bank		670	-
Jilango Boarding Primary Sch	Equity Bank	580262728712	2,292	2,292
Benane Police Post Pmc	First Community Bank	2987919701	-	-
Modogashe Police Station Pmc	First Community Bank	16523401	1,678	2,000,000
Modogashe Administration Police Pmc	First Community Bank	2987920501	1,000	1,000
Modogashe Secondary Sch	First Community Bank	2977000704	3,878	1,300,000
Warsan Community Development Initiative	National Bank Garissa Branch	1553225851800	-	2,100.00
Modogashe Boarding Primary Sch	First Community Bank	2987921501	11,090	11,090
Benane Secondary Sch	First Community Bank	1270560662	-	-
Modogashe Girls Secondary Sch	First Community Bank	2987930101	2,000,000	-
Shanta Abaq Deputy Sub-County Commissioner Pmc	First Community Bank	16504001	1,000	-
Fitness Youth Group	First Community Bank	16642801	2,227	-
Modogashe Birth And Death Registration Office	First Community Bank	1652240	2,000	-
Afweine Chief's Office Pmc	First Community Bank	16270001	570	
Modogashe Acc Residence	First Community Bank	16278001	2,050	
Darasalam Primary School	First Community Bank	16179701	1,500	
Total			2,049,801	3,316,482

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	Cash and Cash Equivalents	Supporting documents will be provided	FAM	Not Resolved	30 June 2022
2	Unsupported Other Grants and Other Payments	Supporting documents will be provided	FAM	Not Resolved	30 June 2022
Other Matters					
1	Budget Control and Performance	The under absorption was due to delay in receiving funds	FAM	Not Resolved	30 June 2022
2	Project Implementation and Management	The under absorption was due to delay in receiving funds	FAM	Not Resolved	30 June 2022
3	Project Management Committee Bank Balances	Supporting documents will be provided	FAM	Not Resolved	30 June 2022