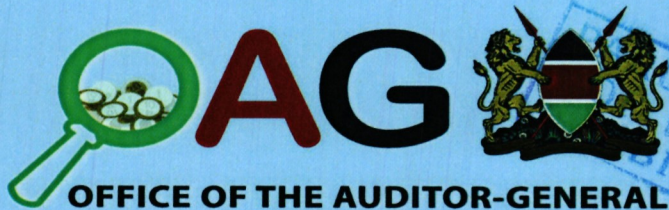


REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

**THE NATIONAL ASSEMBLY  
PAPERS LAID**

**DATE:** 23 FEB 2022

**DAY:**

Wed

**OF**

**TABLED  
BY:**

The majority whip  
Hon. E. Wangwe, MP

**CLERK-AT  
THE-TABLE:**

Benson Inzofu

**THE AUDITOR-GENERAL**

**ON**

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

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





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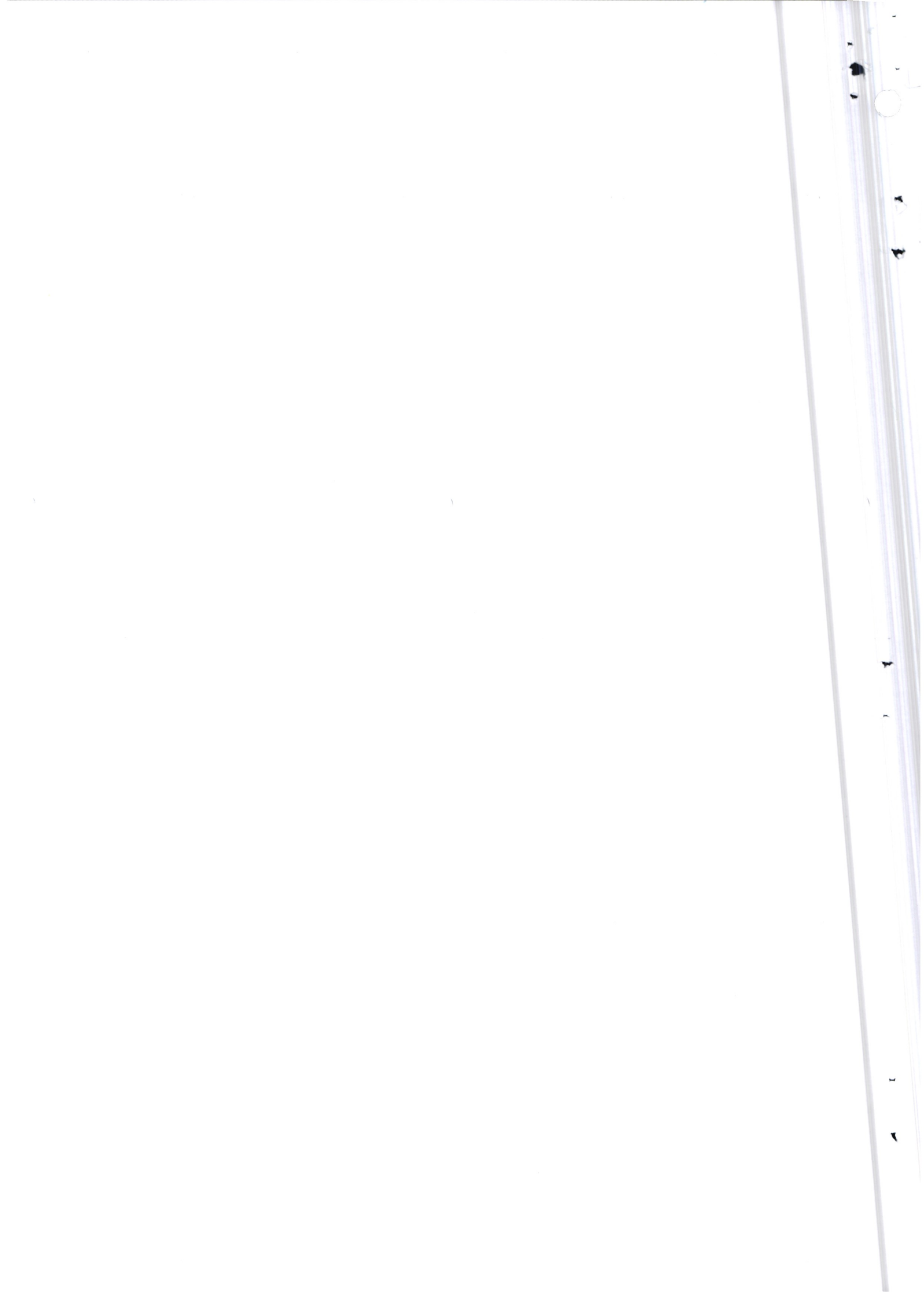
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –TURKANA NORTH  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**TURKANA NORTH 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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**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

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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

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3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

**(b) Key Management**

The NGCDF TURKANA NORTH 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 30<sup>th</sup> June 2020 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Mathew Kipsanai
2.	Sub-County Accountant	W.J.O Hakungu
3.	Chairman NGCDFC	Michael Egelan
4.	Member NGCDFC	Albert Mio Rhiaman

**(d) Fiduciary Oversight Arrangements**

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

**(e) NGCDF TURKANA NORTH Constituency Headquarters**

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



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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

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**(f) NGCDF TURKANA NORTH Constituency Contacts**

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

**(g) NGCDF TURKANA NORTH Constituency Bankers**

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

**(h) Independent Auditors**

Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
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

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

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

**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

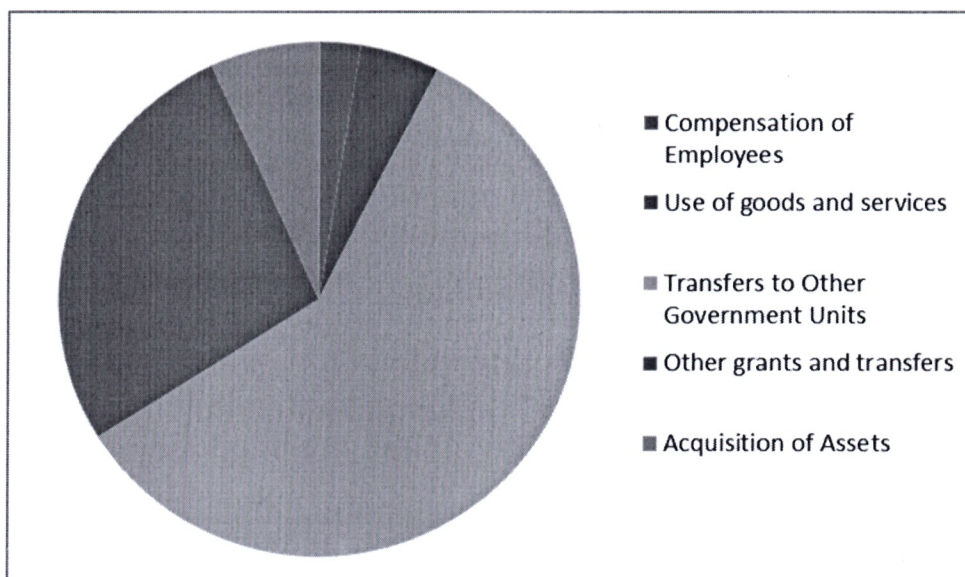
This report and financial statement represents the financial position of Turkana North constituency for the financial year 2019/20. It lays down the receipts and expenditures of all the funds that Turkana North NG-CDFC received from the NG-CDF Board.

I wish to make the following remarks;

**a). Year Performance**

In the financial year 2019/20 Turkana North NG- CDF was able to achieve the following comparative performance in various sectors

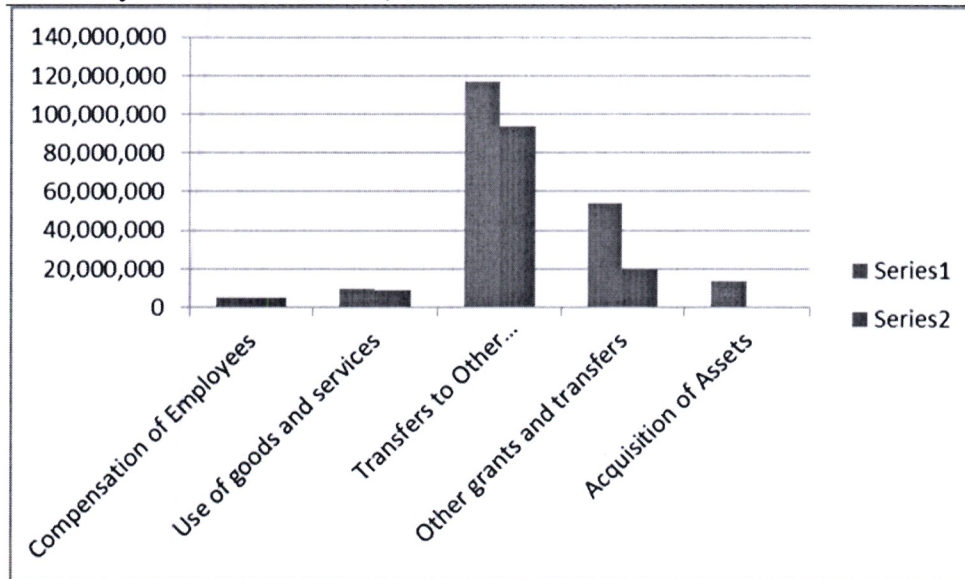
<b>Receipt/Expense Item</b>	<b>Final Budget</b>	<b>expenditure</b>	<b>Budget Utilisation Difference</b>	<b>% of Utilisation</b>
Compensation of Employees	5,073,850	4,856,398	217,452	95.7%
Use of goods and services	9,854,312	9,757,716	96,596	99.0%
Transfers to Other Government Units	117,011,679	93,900,000	23,111,679	80.2%
Other grants and transfers	54,147,771	18,836,452	35,311,319	34.8%
Acquisition of Assets	13,705,000	694,000	13,011,000	5.1%
<b>TOTAL</b>	<b>199,792,612</b>	<b>128,044,566</b>	<b>71,748,046</b>	<b>64.1%</b>





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

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



**b).NG-CDF Turkana north has been able to achieve the following;**

1. Payment of Staff gratuity that had been in arrears for the FYRs 2017/2018 and 2018/2019

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

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

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

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

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

MICHAEL EGELAN

Sign

*Michael Egelan*

CHAIRMAN NGCDF COMMITTEE





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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDERMINED OBJECTIVES**

**Introduction**

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

The key development objectives of NGCDF-Turkana North Constituency's 2018-2022 plans are to:

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

**Progress on attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Classrooms, dormitories and dining halls completed	In FY 19/20 we built approximately 30 classrooms and two dormitories in primary and secondary schools
Environment	To improve sanitation facilities in the constituency	Increased number of toilets in the constituency	Construction of VIP latrines	Constructed approximately 15 ablution blocks in primary schools and secondary schools
Sports	To empower the youth and sensitize them on drug and alcohol abuse	Sports activities in the constituency	Carry out sports activities in the constituency	In fy 2019/2020 we sponsored two sports tournaments in the constituency

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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

**IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

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

**1. Sustainability strategy and profile -**

The Turkana North NG-CDF Committee has strived to ensure that all policy guidelines that help in focusing on the service delivery with the objective of enhancing performance with the involvement of both internal and external stakeholders. The relevance of this was attributed to our vision and mission as provided for in our strategic

**2. Environmental performance**

The constituency has allocated 2% of annual budget to environmental programme. This allocation is used mainly to planting of tree in educational institution and other environments. Due to continued planting of trees especially in primary and secondary schools, the ground cover has been enhanced reducing the soil erosion. Also it is evident that the weather patterns have been enhanced due to the increased number of trees in the constituency.

**3. Employee welfare**

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 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.

**4. Market place practices-**

Turkana North NGCDFC is involved in development of Education and security infrastructure in the constituency, as well as provision of bursary to needy students in learning institutions. This is aimed at alleviating poverty in the constituency by being an enabler of development as well as creating an environment where the constituents can prosper

**a)Responsible competition practice.**

Turkana North NGCDFC ensures that the provisions of the Public Procurement and Disposal Act 2015 are adhered to in the tendering process. This encourages competition among the constituents

**b)Responsible Supply chain and supplier relations**

The fund also ensures that the contractors are paid by the PMCs on a timely manner.

**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 bidder

**5. Community Engagements**

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

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

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Turkana North NG-CDF is well connected to the community and it starts in the project identification stage through public participation where community is actively engaged on decisions regarding the projects they desire. 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.

The community is always mobilized especially when they are vetting beneficiaries of bursaries in the year. This help in equitable distribution of the bursary and identifying the poor families who are not able to apply on time.



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

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

**STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES**

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

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


The Accounting Officer in charge of the NGCDF- TURKANA NORTH Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *Turkana North* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2020, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- TURKANA NORTH Constituency further confirms the completeness of the accounting records maintained for the *Turkana North NGCDF*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF- TURKANA NORTH Constituency confirms that the entity has complied fully with applicable Government Regulations 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 NGCDF-Turkana North financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

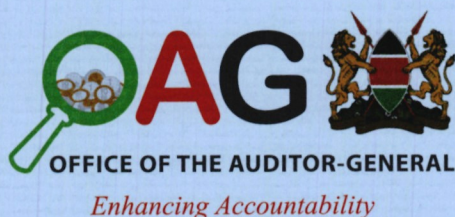
The NGCDF- TURKANA NORTH Constituency financial statements were approved and signed by the Accounting Officer on 7<sup>TH</sup> MARCH 2021.

\_\_\_\_\_  
Fund Account Manager  
Name: Mathew Kipsanai

  
\_\_\_\_\_  
Sub-County Accountant  
Name: W.J.O Hakungu  
ICPAK Member Number:

# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



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

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

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### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Turkana North Constituency set out on pages 11 to 43, which comprise the statement of assets and liabilities as at 30 June, 2020, statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

#### Basis for Qualified Opinion

##### 1. Presentation, Accuracy and Completeness of the Financial Statements

The financial statements of National Government Constituencies Development Fund - Turkana North Constituency submitted for audit did not conform with financial reporting template issued by the Public Sector Accounting Standards Board (PSASB) as detailed below:

##### 1.1 Signing of the Financial Statements

The statement of management responsibilities, statement of receipts and payments, the statement of assets and liabilities, and the statement of cash flows were signed by the

sub-county accountant whose Institute of Certified Accountants of Kenya (ICPAK) registration number was not included.

## 1.2 Statement of Assets and Liabilities

The statement of assets and liabilities reflect net liabilities of Kshs.4,290,387 as at 30 June, 2020. However, the statement does not show the net financial position as required by the financial reporting template.

## 1.3 Balances Brought Forward

The financial statements reflect prior year 2018/2019 comparative balances which differs with the balances reflected in the financial statements for 2018/2019 as detailed below;

Component	Reference	Comparative Balances as per 2019/2020 Financial Statements (Kshs.)	Balance C/F as per 2018/2019 Financial Statements (Kshs.)	Difference (Kshs.)
Compensation of Employees	Statement of receipts and payments	3,465,325	3,770,206	(304,881)
Use of Goods and Service	Statement of receipts and payments	11,745,956	11,753,911	(7,955)
Other Grants and Transfers	Statement of receipts and payments	33,293,426	33,626,567	(333,141)
Prior Year Adjustments	Statement of assets and liabilities	451,874	1,097,851	(645,977)
Surplus/Deficit	Statement of assets and liabilities	(1,723,508)	(2,369,486)	645,985
Unutilized Funds	Note 17.3	62,424,888	61,778,903	(304,881)

The variances have not been explained or reconciled.

## 1.4 Unutilized Funds

Note 17.3 to the financial statement for year ended 30 June, 2020 indicated unutilized funds totalling Kshs.71,814,046 while Annex 3 shows unutilized funds totalling Kshs.71,814,044 which further differs with Kshs.71,748,046 reflected in the budget utilization difference as per the summary statement of appropriation - recurrent and development combined. The variances have not been explained or reconciled.

Under the circumstances, the financial statements are not fairly presented in accordance with the International Public Sector Accounting Standards.

## **2. Cash and Cash Equivalents**

The statement of assets and liabilities as at 30 June, 2020 reflects cash and cash equivalents amounting to Kshs.4,290,387. However, examination of the bank reconciliation statement for the month of June, 2020 revealed long outstanding cheques amounting to Kshs.2,615,420, out of which, Kshs.395,865 relate to 2019 and earlier years which had not been reversed in the cash book. No explanations were provided for the anomaly.

Consequently, the accuracy and completeness of the cash and cash equivalents of Kshs.4,290,387 as at 30 June, 2020 could not be confirmed.

## **3. Project Management Committee Bank Account Balances**

Note 17.4 and Annex 5 to the financial statements reflect Project Management Committee (PMC) bank accounts balances amounting to Kshs.26,400,031. However, a recast of Annex 5 gives a total of Kshs.26,600,031 resulting in unexplained and unreconciled variance of Kshs.200,570. Further, cash books and bank reconciliation statements for the PMC bank accounts were not provided for audit review.

Consequently, the accuracy and completeness of the Project Management Committee bank balances amounting to Kshs.26,400,031 as at 30 June, 2020 could not be confirmed.

## **4. Summary of Fixed Assets Register**

Annex 4 to the financial statements reflects total assets valued at Kshs.19,448,680 on historical costs. However, the fixed assets register was not availed for audit verification.

Consequently, the accuracy and completeness of the assets valued at Kshs.19,448,680 as at 30 June, 2020 could not be confirmed, including their nature, quantities, physical location and fair values.

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

## **Key Audit Matters**

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

## Other Matter

### 1. Budgetary Control and Performance

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.199,792,613 and Kshs.127,817,879 respectively resulting to shortfall of Kshs.71,974,734 or 36% of the approved budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totalling to Kshs.199,792,613 and Kshs.128,044,566 respectively, resulting in underperformance amounting to Kshs.71,748,046 or 36% of the budget.

The underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the residents of Turkana North Constituency.

### 2. Projects Verification

Twelve (12) projects with a funding of Kshs.33,800,000 were sampled and inspected during the audit in February, 2021. The inspection revealed that ten (10) projects were fully completed and equipped, while the remaining two (2) were ongoing as detailed in the table below:

S/No.	Project Name	Project Activity	Amount Allocated (Kshs.)	Amount Disbursed During the Year (Kshs.)	Observation
1.	Atapar Primary School	Construction of two classrooms to completion (Kshs.2,400,000), equipping with 30 desks at Kshs.150,000 and construction of two door pit latrine to completion at Kshs.350,000	2,900,000	2,900,000	Two Classrooms Complete Latrine Complete No desks equipped.
2.	Katiko Primary School	Construction of an 80-student capacity Dormitory to completion at Kshs.2,400,000 and purchase of 100 double decker beds at Kshs.1,500,000.	3,900,000	3,900,000	Dormitory Complete. Double decker beds equipped.
3.	Kangatukisio Primary School	Construction of two classrooms to completion (Kshs.2,200,000), equipping with 30 desks at Kshs.200,000 and construction of two door pit latrine to completion at Kshs.500,000	2,900,000	2,900,000	Two Classrooms Completed. Latrine Completed.

S/No.	Project Name	Project Activity	Amount Allocated (Kshs.)	Amount Disbursed During the Year (Kshs.)	Observation
4.	Lomekwi Primary School	Construction of two classrooms to completion Kshs.2,500,000, purchase of 30 desks at Kshs.200,000.	2,700,000	2,700,000	Two Classrooms Complete and in use. Desks equipped and in use.
5.	Nachukui Primary School	Completion of 80 student capacity dining hall, store and Kitchen; flooring, roofing, painting, fixing of doors and windows	2,200,000	2,200,000	Dining Hall Complete.
6.	Natoo Anam Primary School	Construction of two classrooms to completion (Kshs.2,400,000), equipping with 30 desks at Kshs.150,000 and construction of two door pit latrine to completion at Kshs.350,000	2,900,000	2,900,000	Two Classrooms Complete Latrine Complete No desks equipped.
7.	Losanyanait Primary School	Construction of two classrooms to completion Kshs.2,200,000, purchase of 30 desks at Kshs.200,000 and construction of one-door pit latrine at Kshs.500,000 to completion	2,900,000	2,900,000	Two Classrooms Complete Latrine Complete Desks equipped.
8.	Nayanae kabaran Primary School	Construction of two classrooms to completion Kshs.2,200,000, purchase of 30 desks at Kshs.200,000 and construction of one-door pit latrine at Kshs.500,000 to completion	2,900,000	2,900,000	Two Classrooms Complete Latrine Complete Desks equipped.
9.	Shabaha Primary School	Construction of two classrooms to completion at Kshs.2,400,000, two door Pit latrine at Kshs.300,000 and Renovation of two classrooms (flooring, painting, fixing of doors	3,400,000	3,400,000	Two Classrooms Complete Latrine Complete Renovation Complete.

S/No.	Project Name	Project Activity	Amount Allocated (Kshs.)	Amount Disbursed During the Year (Kshs.)	Observation
		and windows) at Kshs.700,000			
10.	Kaituko Primary School (Environment)	Renovation of one door pit latrine at Kshs.150,000	0	150,000	Pit latrine renovated
11.	Nariokotome Secondary School	Construction of a dining hall to completion at kshs.5,700,000	5,700,000	5,700,000	Dining hall Complete.
12.	Nariokotome Secondary School (Emergency Fund)	Construction of 3km water pipeline from a nearby borehole.	0	1,250,000	Pipeline Complete and in use
<b>Total</b>				<b>33,800,000</b>	

In view of the above, the residents of Turkana North Constituency may have not gotten value for money from the incomplete projects.

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

### Conclusion

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

### Basis for Conclusion

#### 1. Bursary to Secondary Schools and Tertiary Institutions

The statement of receipts and payments for the year ended 30 June, 2020 reflects other grants and transfers of Kshs.18,836,452 which includes bursaries to secondary schools amounting to Kshs.3,639,597 and tertiary institutions amounting to Kshs.952,000 as disclosed in Note 7 to the financial statements. However, no evidence was provided for audit review to show how vetting, identification and categorizing of needy students was conducted by the Bursary sub-committee as required by the CDF Board circular reference Vol. 1/111 dated 13 September, 2010. Further, no evidence of acknowledgement in form of receipts and letters from the various institutions that received the bursary funds was provided for audit verification.

Consequently, the Management was in breach of the Circular.

## **2. Unsupported Expenditure**

The statement of receipts and payments reflects transfers to other government units amount of Kshs.93,900,000 relating to funds disbursed to various Project Management Committees. However, expenditure returns and acknowledgement letters from institutions where the funds were disbursed to were not provided for audit verification. This was in contravention of Regulation 15(1)(d) of the National Constituency Development Fund Regulations, 2016 which states that the Project Management Committees shall prepare returns and file them with a Constituency Committee.

In the circumstances, it was not confirmed whether the funds totalling Kshs.93,900,000 were received and utilized for the budgeted projects in the year under review.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

### **Basis for Conclusion**

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

In preparing the financial statements, Management is responsible for assessing the Funds ability to sustain services, disclosing, as applicable, matters related to sustainability of



services and using the going concern basis of accounting unless the National Government either intends to terminate the Fund or to cease operations.

Management is also responsible for the submission of the Fund's 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 Fund's 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 Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

### **Auditor-General's Responsibilities for the Audit**

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not

reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

**Nairobi**


**04 February, 2022**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**TURKANA NORTH CONSTITUENCY**  
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**VI. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2019-2020	2018-2019
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board	1	123,040,876	108,784,483
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	66,000	-
<b>TOTAL RECEIPTS</b>		<b>123,106,876</b>	<b>108,784,483</b>
<b>PAYMENTS</b>			
Compensation of employees	4	4,856,398	3,465,325
Use of goods and services	5	9,757,716	11,745,956
Transfers to Other Government Units	6	93,900,000	62,003,285
Other grants and transfers	7	18,836,452	33,293,426
Acquisition of Assets	8	694,000	-
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>128,044,566</b>	<b>110,507,992</b>
<b>SURPLUS/DEFICIT</b>		<b>(4,937,691)</b>	<b>(1,723,508)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF - TURKANA NORTH Constituency financial statements were approved on 26/4/2020 and signed by:

  
Fund Account Manager  
Name: Mathew Kipsanai



  
Sub-County Accountant  
Name: W.J.O Hakungu  
ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
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**VII. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2019 - 2020	2018 - 2019
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances ( as per the cash book)	10A	4,290,387	9,228,077
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>4,290,387</b>	<b>9,228,077</b>
Current Receivables			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>4,290,387</b>	<b>9,228,077</b>
<b>FINANCIAL LIABILITES</b>			
Accounts Payable			
Retention	12A	-	-
Gratuity	12B	-	-
<b>Total Financial Liabilities</b>		<b>-</b>	<b>-</b>
<b>NET FINANCIAL ASSETS</b>		<b>4,290,387</b>	<b>9,228,077</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	9,228,077	10,499,711
Surplus/Deficit for the year		(4,937,691)	(1,723,508)
Prior year adjustments	14	-	451,874
<b>NET LIABILITIES</b>		<b>4,290,387</b>	<b>9,228,077</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF TURKANA NORTH Constituency financial statements were approved on 26/4/2020 and signed by:

Fund Account Manager  
 Name: Mathew Kipsana



Sub-County Accountant  
 Name: W.J.O Hakungu  
 ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
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**VIII. STATEMENT OF CASHFLOW**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>2019-2020</b>	<b>2018-2019</b>
<b>Receipts</b>			
Transfers from CDF Board	1	123,040,876	108,784,483
Other Receipts	3	66,000	
<b>Total Receipts</b>		<b>123,106,876</b>	<b>108,784,483</b>
<b>Payments</b>			
Compensation of Employees	4	4,856,398	3,465,325
Use of goods and services	5	9,757,716	11,745,956
Transfers to Other Government Units	6	93,900,000	62,003,285
Other grants and transfers	7	18,836,452	33,293,426
Acquisition of Assets	8	694,000	-
Other Payments	9	-	-
<b>Total Payments</b>		<b>128,044,566</b>	<b>110,507,992</b>
<b>Total Receipts Less Total Payments</b>		<b>(4,937,691)</b>	<b>(1,723,508)</b>
<b>Adjusted for:</b>			
Outstanding Imprest	11		
Retention	12A		
Gratuity Payable	12B		
Prior Year adjustment	14	-	451,874
<b>Net Adjustments</b>		<b>-</b>	<b>451,874</b>
<b>Net cash flow from operating activities</b>		<b>(4,937,691)</b>	<b>(1,271,634)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8		
<b>Net cash flows from Investing Activities</b>			<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(4,937,691)</b>	<b>(1,271,634)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	<b>9,228,077</b>	<b>10,499,711</b>
<b>Cash and cash equivalent at END of the year</b>		<b>4,290,387</b>	<b>9,228,077</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF TURKANA NORTH Constituency financial statements were approved on 26/4 2020 and signed by:



Fund Account Manager  
Name: Mathew Kipsanai



Sub-County Accountant  
Name: W.J.O Hakungu  
ICPAK Member Number:



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

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**IX. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	137,367,724	62,424,889	199,792,613	127,751,879	72,040,734	63.9%
Proceeds from Sale of Assets			-		-	
Other Receipts		-	-	66,000	(66,000)	
<b>TOTAL RECEIPTS</b>	<b>137,367,724</b>	<b>62,424,889</b>	<b>199,792,613</b>	<b>127,817,879</b>	<b>71,974,734</b>	<b>64.0%</b>
<b>PAYMENTS</b>						
Compensation of Employees	3,880,871	1,192,979	5,073,850	4,856,398	217,452	95.7%
Use of goods and services	8,482,224	1,372,088	9,854,312	9,757,716	96,596	99.0%
Transfers to Other Government Units	63,911,679	53,100,000	117,011,679	93,900,000	23,111,679	80.2%
Other grants and transfers	47,692,950	6,454,821	54,147,771	18,836,452	35,311,319	34.8%
Acquisition of Assets	13,400,000	305,000	13,705,000	694,000	13,011,000	5.1%
Other Payments			-		-	
<b>TOTAL</b>	<b>137,367,724</b>	<b>62,424,888</b>	<b>199,792,612</b>	<b>128,044,566</b>	<b>71,748,046</b>	<b>64.1%</b>

(a) The overall underutilization of funds for the financial year 2019-2020 was occasioned by effects of COVID-19 pandemic low disbursement from the board of 49.5% of the budget and as a result most projects for the financial year could not be undertaken





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

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2.0 Monitoring and evaluation								
2.1 Capacity building	1,200,000	408,938	1,608,938	980,339				
2.2 Committee allowances	1,500,000	98,980	1,598,980	1,591,668	7,312			
2.3 Use of goods and services	1,421,032	229,237	1,650,269	1,650,268	1			
3.0 Emergency	7,198,241	1,275,647	8,473,888	7,462,250	1,011,638			
4.0 Bursary and Social Security								
4.1 Primary Schools								
4.2 Secondary Schools	20,000,000	2,500	20,002,500	3,639,597	16,362,903			
4.3 Tertiary Institutions	15,000,000	627,530	15,627,530	952,500	14,675,030			
4.4 Universities								
4.5 Social Security								

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

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5.0 Sports		2,747,355	1,640,541	4,387,895	1,536,700	2,851,195
6.0 Environment						
6.1 Kibish Primary School			150,000	150,000	150,000	-
6.2 Koyasa Primary School			150,000	150,000	150,000	-
6.3 Lokamarinyang Primary School			150,000	150,000	150,000	-
6.4 Lokitaung Primary School			150,000	150,000	150,000	-
6.5 Meyan Primary School			150,000	150,000	150,000	-
6.6 Lokitaung TTI			117,734	117,734	117,734	-

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

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6.7 Lokitaung Girls Sec. School	100,000	100,000	100,000	100,000	-
6.8 Kaemongor Primary School	150,000	150,000	150,000	150,000	-
6.9 Kainyangauk Primary School	150,000	150,000	150,000	150,000	-
6.10 Kangamojoj primary School	330,818	330,818	330,818	330,818	-
6.11 Kaituko primary School	150,000	150,000	150,000	150,000	-
6.12 Pringan Primary School	150,000	150,000	150,000	150,000	-
6.14 Todonyang Police Post	150,000	150,000	150,000	150,000	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
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6.15 Natukobenyo Girls Primary School		150,000	150,000	150,000	~
6.16 Loarengak Girls Primary School		150,000	150,000	150,000	~
6.17 Lapur Boys Sec. School		500,000	500,000	500,000	~
6.18 Kabilkeret Primary Shool	350,000	~	350,000	350,000	~
6.19 Kaeris Girls Sec. School	997,354	~	997,354	997,354	~

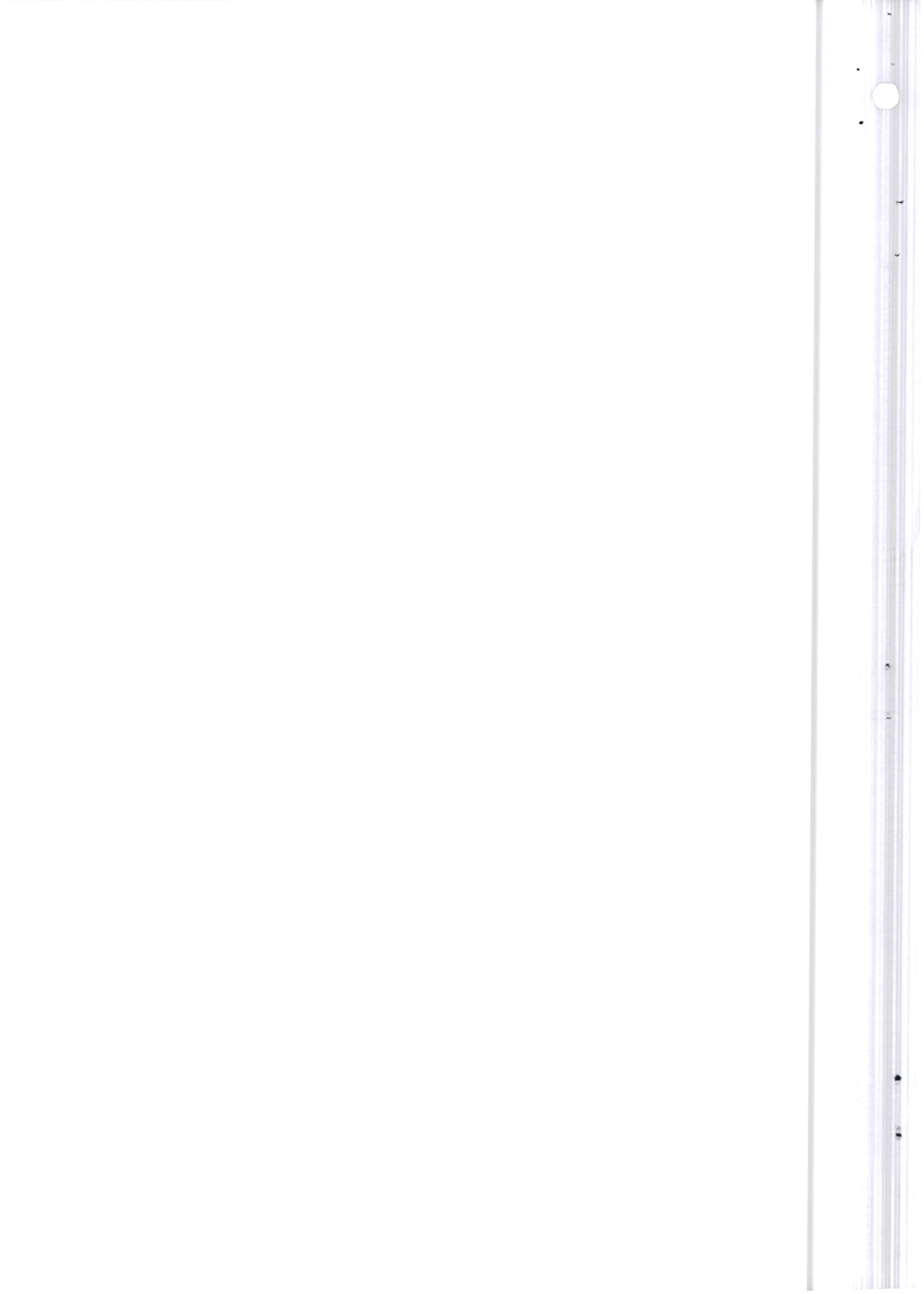
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
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6.20 Kankaala Primary School	350,000	-	350,000	350,000	-
6.21 Kapotea Primary School	350,000	-	350,000	350,000	350,000
6.22 Longolemwar Primary School	350,000	-	350,000	350,000	-
6.23 Naurendiria Primary School	350,000	-	350,000	350,000	-
7.0 Primary Schools Projects					
7.1 Atapar Primary School	2,900,000	-	2,900,000	2,900,000	-
7.2 Kabilkeret Primary School	2,550,000	-	2,550,000	2,550,000	-

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

**Reports and Financial Statements  
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7.3 Kankaala Primary School	2,550,000	-	2,550,000	2,550,000	-
7.4 Karioreng Primary School	2,900,000	-	2,900,000	2,900,000	2,900,000
7.5 Karioreng Primary School	1,000,000	-	1,000,000	1,000,000	1,000,000
7.6 Katiko Primary School	3,900,000	-	3,900,000	3,900,000	-
7.7 Kibish Primary School	2,500,000	-	2,500,000	2,500,000	-
7.8 Kokuro Primary School	2,400,000	-	2,400,000	2,400,000	2,400,000





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT-FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
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7.9 Kapotea Primary School	2,550,000	-	2,550,000	-	2,550,000
7.10 Liwan Primary school	800,000	2,900,000	3,700,000	2,900,000	800,000
7.11 Kangatukisio Primary school		2,900,000	2,900,000	2,900,000	-
7.12 Losanyanait Primary school		2,900,000	2,900,000	2,900,000	-
7.13 Nayanae Kabaran Primary school		2,900,000	2,900,000	2,900,000	-



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
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7.14 Lomekwi Primary school		2,700,000	2,700,000	2,700,000	-
7.15 Kekong'o Primary school		2,900,000	2,900,000	2,900,000	-
7.16 Kokiselei Primary school		2,600,000	2,600,000	2,600,000	-
7.17 Nakitoekakumon Primary school		2,900,000	2,900,000	2,900,000	-
7.18 Kangamojoj Primary school		2,600,000	2,600,000	2,600,000	-

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

**Reports and Financial Statements  
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7.19 Makutano Primary school		2,500,000	2,500,000	2,500,000	-
7.20 Kalopetase Primary school		2,400,000	2,400,000	2,400,000	-
7.21 Nakinomet Primary school		2,900,000	2,900,000	2,900,000	-
7.22 Moru Eris Primary school		2,900,000	2,900,000	2,900,000	-
7.23 Kaakelae Primary school		2,900,000	2,900,000	2,900,000	-



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
**Reports and Financial Statements**  
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7.24 Ekicheles Primary school		2,900,000	2,900,000	2,900,000	2,900,000	-
7.25 Lokamarinyang Primary school		2,200,000	2,200,000	2,200,000	2,200,000	-
7.26 Napak Primary school		2,600,000	2,600,000	2,600,000	2,600,000	-
7.27 Koyasa Primary School	800,000	-	800,000	800,000	800,000	-
7.28 Lochor Edome Primary School	2,900,000	-	2,900,000	2,900,000	-	2,900,000
7.29 Longolemwar Primary School	2,550,000	-	2,550,000	2,550,000	2,550,000	-

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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

7.30 Nachukui Primary School	2,200,000	-	2,200,000	2,200,000	-
7.31 Narengewoi Primary School	1,500,000	-	1,500,000	1,500,000	-
7.32 Natooanam Primary School	2,900,000	-	2,900,000	2,900,000	-
7.33 Nurendiria Primary School	2,550,000	-	2,550,000	2,550,000	-
7.34 Shabaha Primary School	3,400,000	-	3,400,000	3,400,000	-
<b>8.0 Secondary Schools Projects</b>					
8.1 Kaeris Girls Sec. School	1,200,000	6,500,000	7,700,000	7,700,000	-





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

**Reports and Financial Statements**

**For the year ended June 30, 2020**

8.2 Kaikor Boys Sec. School	1,100,000	-	1,100,000	1,100,000	-
8.3 Kokuro Boys Sec. School	10,561,679	-	10,561,679	-	10,561,679
8.4 Nariokotome Sec. School	5,700,000	-	5,700,000	5,700,000	-
8.5 St. Leo Kakuma Boys Sec. School	2,500,000	-	2,500,000	2,500,000	-
<b>11.0 Acquisition of assets</b>					
11.1 Motor Vehicles (including motorbikes)					

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

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11.2 Construction of CDF office	13,400,000	~	13,400,000	~	13,400,000
11.3 Purchase of furniture and equipment				389000	~
11.4 Purchase of computers	305000			305,000	~
	137367724	62424888	199792612	128044566	71748046

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**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 and retentions.

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

**2. Reporting Entity**

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

**3. Reporting Currency**

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

**4. Significant Accounting Policies**

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

**a) Recognition of Receipts**

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

**Transfers from the 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.

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**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 30<sup>th</sup> June 2020, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

**Other receipts**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

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**SIGNIFICANT ACCOUNTING POLICIES**

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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**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 1<sup>st</sup> July 2019 to 30<sup>th</sup> 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 30<sup>th</sup> 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.

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**XII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2019-2020	2018-2019
		Kshs	Kshs
NGCDF Board			
AIE NO. B005183	1		54,784,483
AIE NO. B030334	2		10,000,000
AIE NO. B005494	3		12,000,000
AIE NO. B007497	4		8,000,000
AIE NO. B042635	5		11,000,000
AIE NO. B047073	6		13,000,000
AIE NO. B047193	1	55,040,876	
AIE NO. B041232	2	4,000,000	
AIE NO. B041348	3	18,000,000	
AIE NO. B047764	4	5,000,000	
AIE NO. B049194	5	6,000,000	
AIE NO. B104170	6	14,000,000	
AIE NO. B096507	7	21,000,000	
AIE NO.			
<b>TOTAL</b>		<b>123,040,876</b>	<b>108,784,483</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2019-2020	2018-2019
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from sale of office and general equipment		
Receipts from the Sale Plant Machinery and Equipment		
<b>Total</b>		

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**3. OTHER RECEIPTS**

	2019-2020	2018-2019
	Kshs	Kshs
Interest Received		
Rents		
Receipts from Sale of tender documents		
Other Receipts Not Classified Elsewhere-sale of tender documents	66,000	
<b>Total</b>	<b>66,000</b>	<b>-</b>

**4. COMPENSATION OF EMPLOYEES**

	2019-2020	2018-2019
	Kshs	Kshs
Basic wages of temporary employees	2,808,972	3,271,925
Personal allowances paid as part of salary	-	-
Pension and other social security contributions (Gratuity)	1,814,146	-
Employer Contributions Compulsory national social security schemes	233,280	193,400
<b>Total</b>	<b>4,856,398</b>	<b>3,465,325</b>





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

2200000			
	Description	2019-2020	2018-2019
			Kshs
2210100	Utilities, supplies and services	328,306	-
2210101	Electricity		-
2210102	Water & sewerage charges		-
2210104	Office rent		-
2210200	Communication, supplies and services	147,330	130,500
2210300	Domestic travel and subsistence	870,600	1,078,460
2210500	Printing, advertising and information supplies & services	80,790	
2210600	Rentals of produced assets		
2210700	Training expenses	390,000	965,062
2210800	Hospitality supplies and services	168,000	76,300
2210802	Other committee expenses	1,365,410	317,288
2210809	Committee allowance	1,544,200	1,715,000
2210900	Insurance costs	351,615	
2211000	Specialised materials and services	481,700	
2211100	Office and general supplies and services	1,149,730	464,230
2211200	Fuel , oil & lubricants	689,730	539,335
2211300	Other operating expenses	1,004,015	938,241
2211301	Bank service commission and charges		227,500
2211313	Security operations		
2220100	Routine maintenance - vehicles and other transport equipment	719,010	382,700
2220200	Routine maintenance- other assets	467,280	911,340
2211310	Strategic Plan		4,000,000
	<b>TOTAL</b>	<b>9,757,716</b>	<b>11,745,956</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2019-2020	2018-2019
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	76,900,000	36,526,258
Transfers to secondary schools (see attached list)	17,000,000	25,477,027
Transfers to tertiary institutions (see attached list)		
Transfers to health institutions (see attached list)		
<b>TOTAL</b>	<b>93,900,000</b>	<b>62,003,285</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

2640000	Description	2019-2020	2018-2019
		Kshs	Kshs
2640101	Bursary -Secondary	3,639,597	10,348,000
2640102	Bursary -Tertiary	952,000	13,691,500
2640104	Bursary-Special schools		
2640105	Mocks & CAT		
2640507	Security		
2640509	Sports	1,536,700	2,412,700
2640510	Environment	5,245,905	239,949
2640200	Emergency Projects	7,462,250	6,601,277
	<b>TOTAL</b>	<b>18,836,452</b>	<b>33,293,426</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

3100000			
	<b>Non Financial Assets</b>	<b>2019-2020</b>	<b>2018-2019</b>
		<b>Kshs</b>	<b>Kshs</b>
3110102	Purchase of Buildings		-
3110202	Construction of Buildings		-
3110302	Refurbishment of Buildings		-
3110701	Purchase of Vehicles		-
3110704	Purchase of Bicycles & Motorcycles		-
3110801	Overhaul of Vehicles		-
3111001	Purchase of office furniture and fittings		-
3111002	Purchase of computers ,printers and other IT equipments	305,000	-
3111005	Purchase of photocopier		-
3111009	Purchase of other office equipments	389,000	-
3111112	Purchase of soft ware		-
3130101	Acquisition of Land		-
	<b>TOTAL</b>	<b>694,000</b>	<b>-</b>

**9. OTHER PAYMENTS**

	<b>2019-2020</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Strategic plan	-	-
ICT Hub	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

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**10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

Name of Bank, Account No. & currency	2019-2020	2018-2019
	Kshs	Kshs
<i>Kenya Commercial Bank, Lodwar Branch . Turkana North NG-CDF. A/C No. 110 729 6994</i>	4,290,387	9,228,077
<b>Total</b>	<b>4,290,387</b>	<b>9,228,077</b>
<b>10B: CASH IN HAND</b>		
Location 1	~	~
Location 2	~	~
Location 3	~	~
Other Locations ( <i>specify</i> )	~	~
<b>Total</b>	~	~

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
		~	~	~
		~	~	~
		~	~	~
		~	~	~
		~	~	~

**12A. RETENTION**

	<b>2019 - 2020</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Supplier 1	~	~
Supplier 2	~	~
Supplier 3	~	~
<b>Total</b>		

**12B. GRATUITY DEPOSITS**

	<b>2019 - 2020</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>
Name 1 Staff gratuity outstanding	~	1,814,146
Name 2	~	~
Name 3	~	~
<b>Total</b>	~	1,814,416

**13. BALANCES BROUGHT FORWARD**

	<b>2019-2020</b>	<b>2018-2019</b>
	<b>Kshs</b>	<b>Kshs</b>

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Bank accounts	9,228,077	7,348,947
Cash in hand	-	-
Imprest	-	3,150,764
	-	-
<b>Total</b>	<b>9,228,077</b>	<b>10,499,711</b>

**14. PRIOR YEAR ADJUSTMENTS**

	Balance b/f FY 2018/2019 as per Financial statements	Adjustments	Adjusted Balance b/f FY 2018/2019
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	9,228,077	-	9,228,077
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST\***

	2019 – 2020	2018 – 2019
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July 2019 (A)	-	3,150,764
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	3,150,764
Net changes in account receivables D= A+B-C	-	-

**16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

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

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**17. OTHER IMPORTANT DISCLOSURES**

**17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

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

**17.2: PENDING STAFF PAYABLES (See Annex 2)**

	2019-2020	2018-2019
	Kshs	Kshs
NGCDFC Staff gratuity	890,940	1,814,146
Others ( <i>specify</i> )	~	~
	890,940	1,814,146

**17.3: UNUTILIZED FUND (See Annex 3)**

	2019-2020	2018-2019
	Kshs	Kshs
Compensation of employees	217,452	1,192,979
Use of goods and services	638,499	1,372,088
Amounts due to other Government entities (see attached list)	23,111,679	53,100,000
Amounts due to other grants and other transfers (see attached list)	34,380,416	6,454,821
Acquisition of assets	13,400,000	305,000
Others ( <i>specify</i> )	~	
Unallocated Fund	66,000	
	71,814,046	62,424,888



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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**17.4: PMC account balances (See Annex 5)**

	2019-2020	2018-2019
	Kshs	Kshs
PMC account Balances (see attached list)	26,600,601	48,003.00
<b>TOTAL</b>	<b>26,600,601</b>	<b>48,003.00</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

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

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

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
		a	B	C	d=a-c	
<b>Senior Management</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Middle Management</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Unionisable Employees</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Others (specify)</b>						
10. Staff Gratuity		890,940		-	890,940	
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – TURKANA NORTH CONSTITUENCY**  
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**ANNEX 3 – UNUTILIZED FUNDS**

Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Compensation of employees	Salaries	217,452	1,192,979	217,452
Use of goods & services	Admin, M&F, Comm. Exp,	638,499	1,372,099	638,499
<b>Sub-Total</b>		<b>789,953</b>	<b>2,565,078</b>	<b>23,111,679</b>
<b>Amounts due to other Government entities</b>				<b>34,380,416</b>
<b>Transfers to Primary Schools</b>				<b>13,400,000</b>
Karioreng Primary School	2 classrms, latrine, desks	2,900,000		-
Karioreng Primary School	completion of kitchen	1,000,000		
Kokuro Primary School	2 classrms	2,400,000		
Kapotea Primary School	2 classrms, desks	2,550,000		
Liwan Primary school	Kitchen to lintel	800,000		
Lochor Edome Primary School	2 classrms, latrine, desks	2,900,000		
Liwan	2 classrms, latrine, desks		2,900,000	
Kangatukisio	2 classrms, latrine, desks		2,900,000	
Losanyanait	2 classrms, latrine, desks		2,900,000	
Nayanae Kabaran	2 classrms, latrine, desks		2,900,000	
Lomekwi	2 classrms, latrine, desks		2,700,000	
Kekong'o	2 classrms, latrine, desks		2,900,000	
Kokiselei	2 classrms, desks		2,600,000	
Nakitoekakumon	2 classrms, latrine,		2,900,000	



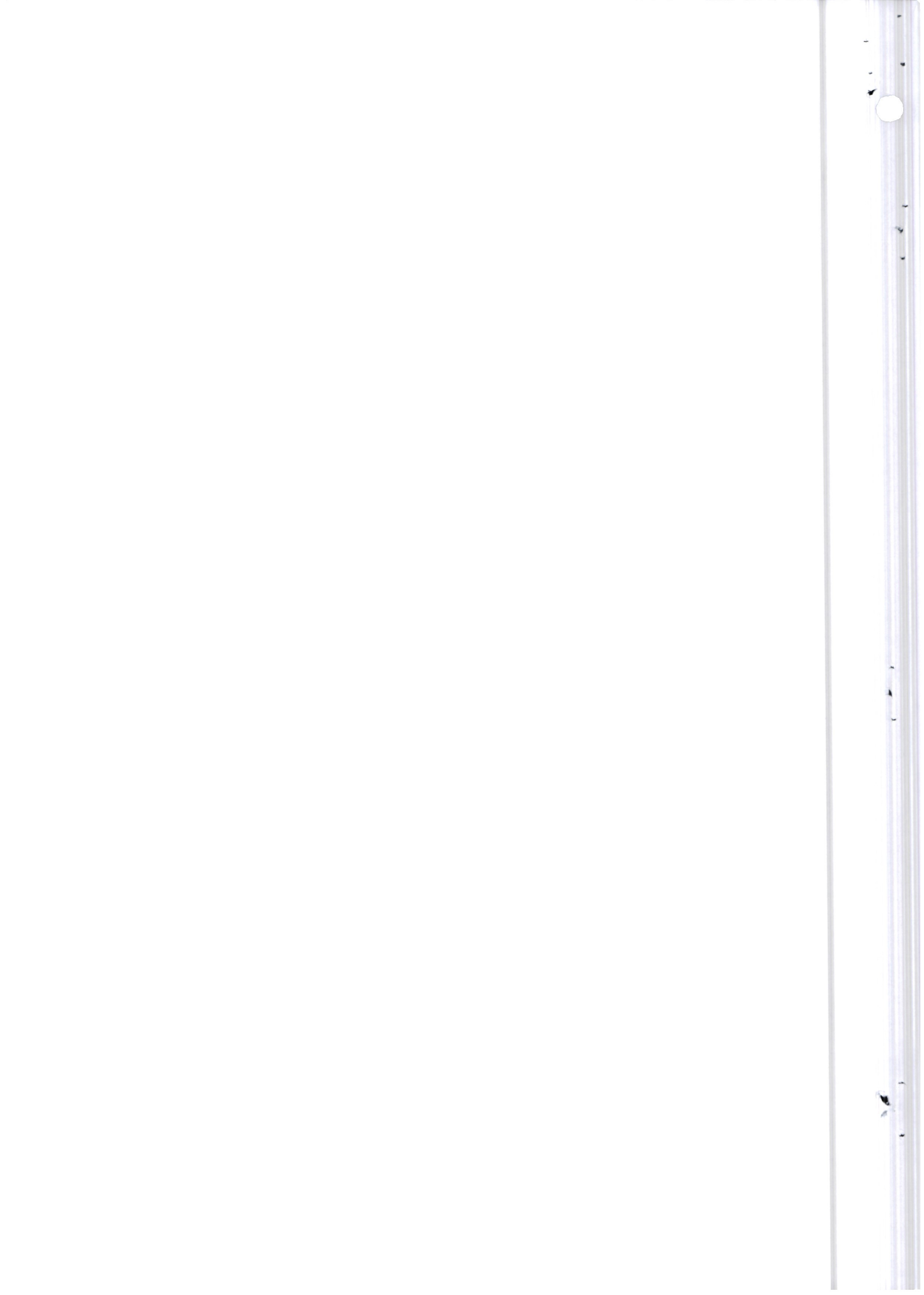
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Name	Brief Transaction Description	Outstanding Balance 2019/20	Outstanding Balance 2018/19	Comments
Bursary Tertiary		14,675,030	627,530	
Emergency		1,011,638	1,275,647	
Constituency Sports		2,851,195	1,640,541	
Environment		410,051	2,908,603	
<b>Sub-Total</b>		<b>34,380,414</b>	<b>6,454,821</b>	
<b>Acquisition of assets</b>	Construction of CDF Office	13,400,000		
	Purchase of Comp. & Printer		305,000	
<b>Others (specify)</b>				
Constituency Innovation Hub				
Constituency Strategic Plan				
Other receipts		66,000		
<b>Sub-Total</b>		<b>13,400,000</b>	<b>305,000</b>	
<b>Grand Total</b>		<b>71,814,044</b>	<b>62,424,889</b>	

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**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	-	-	-	-
Transport equipment	18,407,180	-	-	18,407,180
Office equipment, furniture and fittings	347,500	389,000	-	736,500
ICT Equipment, Software and Other ICT Assets	-	305,000	-	305,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>18,754,680</b>	<b>694,000</b>	<b>-</b>	<b>19,448,680</b>





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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2020**

PMC	Bank	Account number	Bank Balance 2019/20	Bank Balance 2018/19
Loruth Pri. School	KCB	123 941 8671		9,760.00
Kangaki Pri. School	KCB	113 064 3395		5,324.50
Nasechabuin Pri. School	KCB	114 489 7807		3,990.00
Koyasa Pri. School	KCB	115 284 8011	200,570	690.00
Nariokotome Sec. School	KCB	117 830 8154		4,230.00
Kaeris Sec. School	KCB	113 069 0687	2,206,404	9,049.50
Lokitaung Girls Sec. School	KCB	117 826 9175		855,786.60
Kaemongor Pri. School	KCB	114 974 4761		7,444.00
Nakitoekakumon Pri. School	KCB	113 038 7445		4,284.00
Kaling Pri. School	KCB	113 045 8148		3,415.00
Aterika Pri. School	KCB	115 078 3354		14,090.00
Milima Tatu Girls Sec. School	KCB	116 966 5128		733,726.10
Kaikor Sec. School	KCB	111 264 9980	1,103,804	
Kibish Primary school	KCB	114 677 8627	718,543	
Shabaha Pri. School	KCB	127 349 5195	3,400,000	
Narengewoi Primary School	KCB	119 759 1818	751,194	
Naurendiria Primary School	KCB	127 243 9720	900,254	
Atapar Primary School	KCB	127 297 4014	899,729	
Nachukui Primary School	KCB	127 349 4865	2,200,000	
Kankaala Pri. School	KCB	127 349 6434	899,880	
Kabilkeret pri. School	KCB	127 349 6671	2,900,000	
Natooanam pri. School	KCB	127 349 5837	2,900,000	
Katiko pri. School	KCB	113 059 0291	2,100,665	
St. Leo Kakuma Boys Sec. School	KCB	114 874 9136	2,519,810	
Longolemwar Pri. School	KCB	127 349 6930	2,899,748	
<b>Total</b>			<b>26,600,601</b>	<b>48,003.00</b>



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**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	Transfers from the board-variances between total disbursements and amounts reported	The discrepancy between actual funding received and budgeted amount is due to funds budgeted for but received in the subsequent financial year (2018-2019) i.e. funding that was supposed to be received in the financial year 2017-2018 was received in 2018-2019.	James Echwa-FAM	Resolved	
2.0	Committee Expenses- vouchers not fully supported with schedules	Relevant vouchers were provided. Also supporting schedules were provided and attached to the vouchers.	James Echwa-FAM	Resolved	
3.0	Fuel and lubricants- lack of fuel register	Detail orders, fuel register and work tickets relating to purchase of bulk fuel were availed for review	James Echwa-FAM	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.0	Bursary- Composition of the vetting subcommittee	Relevant arrangements have been made such that a representative of the Department of Education will be incorporated into a Subcommittee that will vet future bursary applications	James Echwa-FAM	Resolved	
5.0	Emergency Projects- Porvision of relevant documentation	Copies of counter requisition and issue vouchers (S11) and stores ledger and stock controls cards regarding the supply and delivery of emergency relief food were availed for review.	James Echwa-FAM	Resolved	
6.0	Cash and cash equivalents- Non-recognition of outstanding imprest and action on stale cheques	The necessary adjustment has been made in the financial report to separate the actual cash at bank and the outstanding imprest as at 30 <sup>th</sup> June 2018. Furthermore stale cheques have been reversed and bank charges taken into account. This is reflected in the Bank Reconciliation Statement as at 31 <sup>st</sup> march 2019 (copy)	James Echwa-FAM	Resolved	
7.0	Budgetary performance	As at the closure of the	James Echwa-	Resolved	





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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Unexplained figure of Kshs. 967,734.17 in projects code list</p> <p>Under absorption of final budget (64%)</p>	<p>financial year this figure that was supposed to go towards environmental projects had not been approved. Subsequently, the NG-CDF Board recommended that the figure be stated as “Unallocated funds/ Funds awaiting approval”. Approval for the same was done in the financial year 2018-2019.</p> <p>This is due to failure by the NG-CDF Board to release funds on time i.e. funding that was supposed to be received in the financial year 2017-2018 was received in 2018-2019.</p>	FAM		
8.0	Lokitaung Tech. Training Institute-tender documentation	The procurement process and identification of the contractor for the said works was done by the Ministry Of	James Echwa-FAM	Resolved	



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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>Education Headquarters. As such details of bills of quantities, tender documents, evaluation and award minutes and such other relevant documents were not availed to Turkana North NG-CDF. The letter from the ministry confirming having procured the contractors services further instructed Turkana North NG-CDF to transfer the said sum of Kshs. 10,000,000.00 to the contractor.</p>			
9.0	Project Management Committee Bank Balances	<p>The Fund Account Manager is liaising with the relevant PMC officials so that they can avail themselves in Lodwar to authorize the printing of Certificates of Bank Balance as at 30<sup>th</sup> June 2018.</p>	James Echwa-FAM	Resolved	

