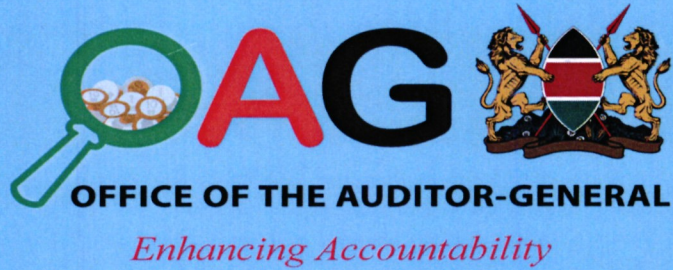


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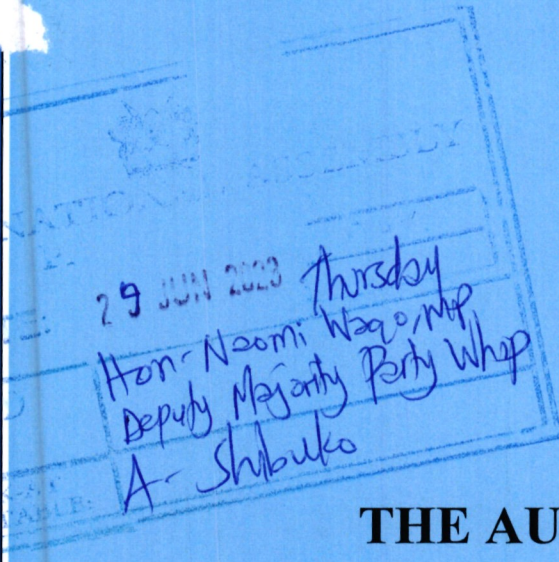
OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2022**





**MANDERA NORTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2022**

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

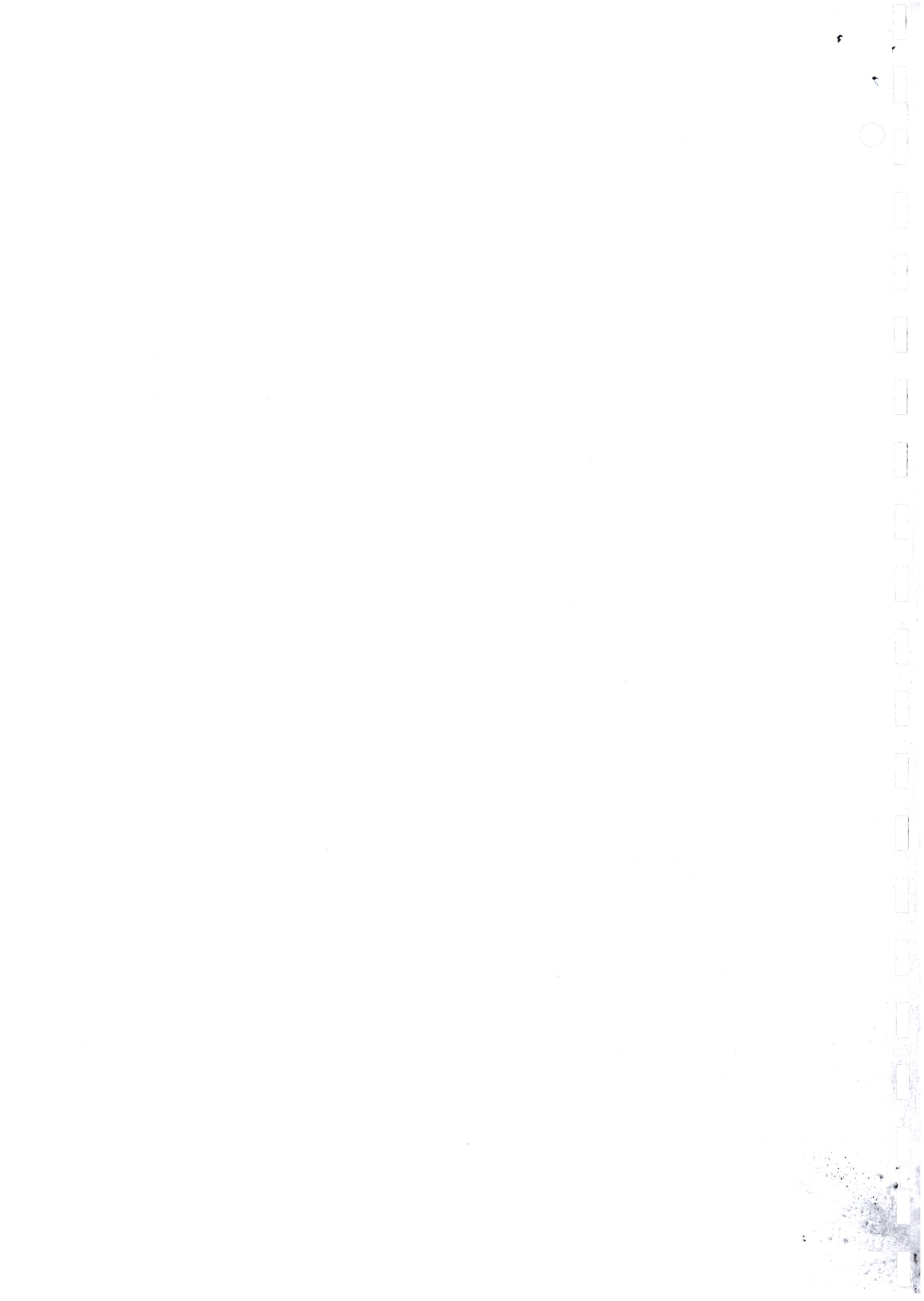


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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for the Year Ended June 30, 2022**

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 MANDERA NORTH Constituency NGCDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Adan Salah Mustafa
2.	Sub-County Accountant	Tom Mboya Osingo
3.	Chairman NGCDFC	Bashir Noor Ismail
4.	Member NGCDFC	Ukash Mude

(d) Fiduciary Oversight Arrangements

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

(e) MANDERA NORTH Constituency NG-CDF Headquarters

P.O. Box 255-70300,
Based at: Sub-County Headquarters,
Mandera, KENYA

(f) MANDERA NORTH Constituency NGCDF Contacts

Telephone: (254) 722471247
E-mail: cdfmanderanorth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) MANDERA NORTH Constituency NGCDF Bankers

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

Equity Bank (Kenya) Limited.
1000261174117

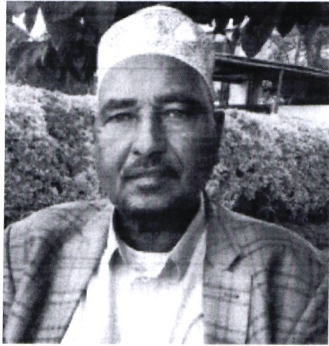
(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC CHAIRMAN'S REPORT

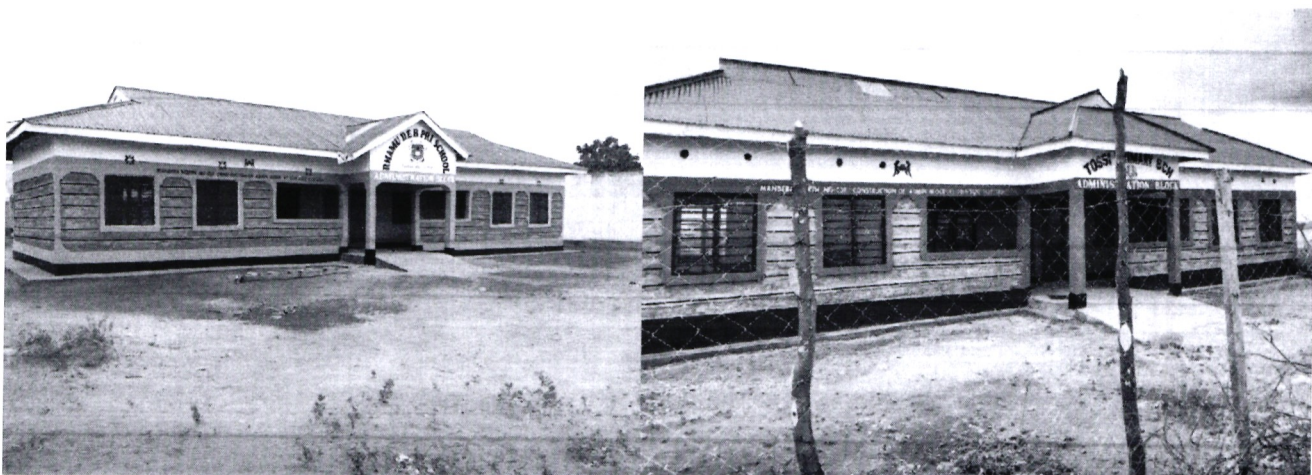


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BUDGET PERFORMANCE

The percentage of budget utilisation for MANDERA NORTH NG-CDF for the year is 87.7%. This is however, above 50% and pleasing. Almost 12.3% of the budget was not utilised. Out of the funds ksh.206,040,494 received and the balances from the previous year. It was fully utilised and by the end of the financial year only Ksh. 14,652,277 was the balance which was not utilised. The non-utilization was a result of late disbursement of fund from the NG-CDF Board. By the end of the financial year Ksh.12,088,879 was not disbursed to the fund and could not be utilised. The Budget performance on the Payments increased from 64.3% of last year to 87.7%.

However, there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project including the covid-19 pandemic. Other issues that affected the project implementation process included the late disbursement of funds and time lapse to approval of projects. However, NG CDF Mander North managed to perform satisfactorily in terms of ensuring development programs are undertaken despite the said challenges. Included below find pictorial representation of budget expenditure against actual comparable implemented status and the absorption rate per expenditure categorization as incurred through the financial year 2021/2022.





KEY ACHIEVEMENTS

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

EMERGING ISSUES

This year the release of funds from the board was a major problem since treasury was not releasing funds to the board. In fact, the funds were released in small portions. These hampered the implementation of projects since the funds released by the board were not adequate. MANDERA NORTH Constituency is only seven years old and there needs to be done a lot in terms of developments. It's very hard for it to catch up with other existing constituencies.

IMPLEMENTATION CHALLENGES AND WAY FORWARD

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

Signature _____ 

CHAIRMAN NG-CDF 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.

Mandera North is a constituency whose latent for growth is promising. The constituency stands feet high on the potent of the capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

The key development objectives of NG-CDF Mandera North Constituency's 2018-2023 plan are to:

In underscoring the above, the key development objectives of NG-CDF Mandera North Constituency 2018-2023 plan included but not limited to as per below templates on the strategic objectives.

Strategic Objectives

The strategic objectives and the strategies to be pursued will adhere to core functions of the constituency over the next five years. The strategic matrix is presented in Table 4-1.

Table 4-1: Strategic Objectives

Constituency Program	Objectives	Outcome	Indicator	Performance
Access to quality education	To improve accessibility to quality education	<ul style="list-style-type: none"> Expansion of education facilities through rehabilitation/renovation/construction of classrooms/laboratories/multipurpose hall/admin block in various schools within the constituency. 	<ul style="list-style-type: none"> Number classrooms/laboratory/multipurpose/admin block constructed/renovated 	<ul style="list-style-type: none"> Increase number of classrooms by 6 Laboratories by 1 Fencing by 1
Security	To enhance security within the constituency	<ul style="list-style-type: none"> Establishment of new police posts in the constituency Fencing of Administration police camps 	<ul style="list-style-type: none"> The number of fenced police post /administration unit 	<ul style="list-style-type: none"> Increase number of chief office constructed by 4
Environment	To promote	<ul style="list-style-type: none"> Provide trees to primary 	<ul style="list-style-type: none"> The number of 	<ul style="list-style-type: none"> Afforestation &

**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for the Year Ended June 30, 2022**

Constituency Program	Objectives	Outcome	Indicator	Performance
	sustainable environmental practices within the constituency	and secondary schools for planting	schools with planted trees	environmental conservancy
Youth and sports	To harness the talents of youths through empowerment	<ul style="list-style-type: none"> • Creating awareness on the establishment of youth funds and how the constituency youths can access them. • Funding of youth sporting initiatives • Provision of sporting material such as balls and uniform to football clubs 	<ul style="list-style-type: none"> • The number of tournaments held at the constituency 	<ul style="list-style-type: none"> • Improved youth talent identification • Decreased in drug indulgence among youth

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

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

2. Environmental performance

- MANDERA NORTH NG-CDF had conducted and supported students carry out environmental conservation activities e.g carried out planting of trees once in an academic calendar.
- MANDERA NORTH NG-CDF had carried out Sensitization of youth/ community on the impact of drugs by construction of police stations supported NG-CDF.
- MANDERA NORTH NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.
- *MANDERA NORTH NG-CDF staff have at least one day in the financial year 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. MANDERA NORTH constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

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

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

4. Market place practices-

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

*National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for the Year Ended June 30, 2022*

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.

MANDERA NORTH 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.

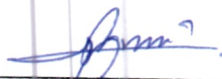
The Accounting Officer in charge of the NGCDF-MANDERA NORTH Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. 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-MANDERA NORTH Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2022, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF- MANDERA NORTH Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

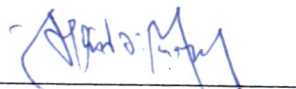
The Accounting Officer in charge of the NGCDF MANDERA NORTH Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used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

Approval of the financial statements

The NGCDF- MANDERA NORTH Constituency financial statements were approved and signed by the Accounting Officer on 16th Sept 2022.



Chairman NG-CDF Committee
Name: Bashir Noor Ismail



Fund Account Manager
Name: Adan Salah Mustafa

REPUBLIC OF KENYA



Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MANDERA NORTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022

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 the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Mandera North Constituency set out on pages 13 to 40, which comprise of the statement of assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended and a summary of significant accounting policies

Report of the Auditor-General on National Government Constituencies Development Fund - Mandera North Constituency for the year ended 30 June, 2022

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 - Mandera North Constituency as at 30 June, 2022 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. Unsupported Transfers to Tertiary Institutions

The statement of receipts and payments reflects transfers to other government entities of Kshs.77,820,000 as disclosed in Note 5 to the financial statements. Included in the balance is Kshs.7,460,000 with respect to transfers to tertiary institutions. However, the project files and payment records for three (3) projects implemented at Mandera North Technical Training Institute amounting to Kshs.4,760,000 were not supported with project management committee (PMC) bank statements, confirming how the disbursed funds were paid out to the contractors. In addition, requests from the institution for funding for the three projects were not provided for audit review.

In the circumstances, the accuracy and completeness of the expenditure on tertiary institutions amounting to Kshs.4,760,000 for the year ended 30 June, 2022 could not be confirmed.

2.0. Other Grants and Payments

2.1. Unsupported Bursaries Disbursements

The statement of receipts and payments reflects other grants and payments of Kshs.86,370,962 which includes bursaries to secondary schools and tertiary institutions of Kshs.15,835,462 and Kshs.19,065,500 respectively as disclosed in Note 6 to the financial statements. Review of payment vouchers and supporting documents revealed that disbursements amounting to Kshs.3,661,600 were not supported with acknowledgement receipts from the recipient institutions.

In the circumstances, the accuracy and completeness of the bursaries disbursements amounting to Kshs.3,661,600 for the year ended 30 June, 2022 could not be confirmed.

2.2. Unsupported Security Projects Expenditure

Included in other grants and payments amount of Kshs.86,370,962 is security projects expenditure of Kshs.37,870,000 as disclosed in Note 6 to the financial statements. Review of project files provided for audit revealed that payment vouchers amounting to Kshs.4,900,000 were not supported with inspection and acceptance reports from the project management committees and payment certificates by the Mandera North Sub County Works Officer.

In the circumstances, the validity, accuracy and completeness of the transfers to other grants and other payments of Kshs.4,900,000 for the year ended 30 June, 2022 could not be confirmed.

3.0 Untitled and Unvalued Parcel of Land

The statement of receipts and payments reflects acquisition of assets of Kshs.15,199,385 as disclosed in Note 7 to the financial statements. Included in the amount is Kshs.12,699,385 with respect to construction of National Government Constituencies Development Fund - Mandera North Office Block. Audit review revealed that the office block is constructed on a parcel of land within Mandera North Sub County Offices. However, Management did not provide for audit review the title deed or allotment letter in respect of the land. In addition, the value of the land was not disclosed in the summary of fixed asset register in annexure 3 to the financial statements.

In the circumstances, the ownership and value of the land as at 30 June, 2022 could not be confirmed.

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects receipt budget and actual on comparable basis of Kshs.218,134,373 and Kshs.206,045,494, resulting in a shortfall of Kshs.12,088,879 or 5%. Similarly, the Fund incurred an under expenditure of Kshs.26,741,156 or 12% of the approved budget of Kshs.218,134,373.

The under-funding and under-absorption may have negatively impacted on service delivery to the residents of Mandera North Constituency.

2. Project Implementation Status

During the year under review, the Fund allocated Kshs.76,462,617 to seventy-three (73) projects in various sectors including emergency, sports, security, CDF office and education. Review of the project implementation status report revealed that sixty (62) projects were completed, ten (10) projects were on-going and one (1) project was reallocated.

In the circumstances, failure to fully implement budgeted projects may have denied the residents benefits that would have been derived from the planned projects.

3. Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. However, the Management had not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Lack of Project Management Committees (PMCs) Records and Returns

Review of documents revealed that records of the bank accounts held by the various PMCs, bank statements, cash books and returns to the constituency committees were not maintained at Fund's office. This is contrary to Regulations 15(1b and d) of the National Government Constituency Development Fund Regulations, 2016 which requires a PMC to maintain proper records of all minutes, accounting documents and other records in relation to projects being implemented; and prepare returns and file them with a constituency committee on a timely basis.

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

2. Failure to Report Expenditure from Emergency Reserve to the Board

The statement of receipts and payments reflects other grants and payments of Kshs.86,370,962 which includes emergency projects expenditure of Kshs.7,000,000 as disclosed in Note 6 to the financial statements. However, the Management did not report to the National Constituencies Development Board the utilization of the emergency funds within 30 days as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

3. Non-Priority Construction of Four (4) Underground Water Tanks in Primary Schools

The statement of receipts and payments reflects transfers to other government entities amount of Kshs.77,820,000 which includes Kshs.46,815,000 with respect to transfers to primary schools as disclosed in Note 5 to the financial statements. Review of payment records revealed that the Fund Management transferred an amount of Kshs.6,350,000 to four (4) primary schools project management committees for construction of four (4)

underground water tanks. However, the transfers were not supported with need assessment reports, project proposals and requests from respective the beneficiary institutions.

In the circumstances, value for money from the project expenditure of Kshs.6,350,000 for the year ended 30 June, 2022 could not be confirmed.

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 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 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 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 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 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 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

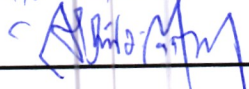
Nairobi

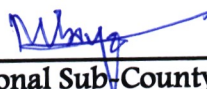
19 May, 2023

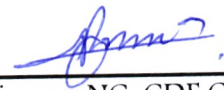
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2021 – 2022	2020 - 2021
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	171,588,879	161,367,724
Other Receipt	2	5,000	-
TOTAL RECEIPTS		171,593,879	161,367,724
PAYMENTS			
Compensation of employees	3	5,315,000	4,291,272
Use of goods and services	4	6,687,870	6,407,456
Transfers to Other Government Units	5	77,820,000	84,322,500
Other grants and transfers	6	86,370,962	43,897,500
Acquisition of Assets	7	15,199,385	4,499,995
Other Payments	8	-	60,000
TOTAL PAYMENTS		191,393,217	143,478,723
SURPLUS/(DEFICIT)		(19,799,338)	17,889,001

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 16th Sept 2022 and signed by:


 Fund Account Manager
 Name: Adan Salah Mustafa


 National Sub-County
 Accountant
 Name: Tom Mboya Osingo

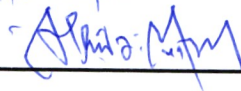

 Chairman NG-CDF Committee
 Name: Bashir Noor Ismail

*National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for the Year Ended June 30, 2022*

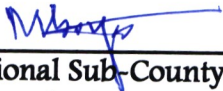
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2021-2022	2020-2021
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8A	14,652,277	34,451,615
Total Cash and Cash Equivalents		14,652,277	34,451,615
TOTAL FINANCIAL ASSETS		14,652,277	34,451,615
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)		-	-
TOTAL FINANCIAL LIABILITIES		-	-
NET FINANCIAL ASSETS		14,652,277	34,451,615
REPRESENTED BY			
Fund balance b/fwd	9	34,451,615	16,562,614
Surplus/Deficit for the year		(19,799,338)	17,889,001
NET FINANCIAL POSITION		14,652,277	34,451,615


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 16th Sept 2022 and signed by:



Fund Account Manager
Name: Adan Salah Mustafa



**National Sub-County
Accountant**
Name: Tom Mboya Osingo

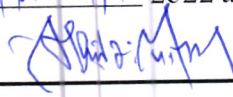


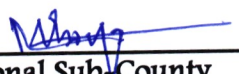
Chairman NG-CDF Committee
Name: Bashir Noor Ismail


IX. STATEMENT OF CASHFLOW

		2021 – 2022	2020 - 2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	171,588,879	161,367,724
Other receipt	2	5,000	
Total receipts		171,593,879	161,367,724
Payments for operating activities			
Compensation of Employees	3	5,315,000	4,291,272
Use of goods and services	4	6,687,870	6,407,456
Transfers to Other Government Units	5	77,820,000	84,322,500
Other grants and transfers	6	86,370,962	43,897,500
Other Payments	7	-	60,000
Total payments		176,193,832	138,978,728
Net cash flow from operating activities		(4,599,953)	22,388,996
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	(15,199,385)	(4,499,995)
Net cash flows from Investing Activities		(15,199,385)	(4,499,995)
NET INCREASE IN CASH AND CASH EQUIVALENT		(19,799,338)	17,889,001
Cash and cash equivalent at BEGINNING of the year	9	34,451,615	16,562,614
Cash and cash equivalent at END of the year		14,652,277	34,451,615

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 16th Sept 2022 and signed by:


 Fund Account Manager
 Name: Adan Salah Mustafa


 National Sub-County
 Accountant
 Name: Tom Mboya Osingo


 Chairman NG-CDF Committee
 Name: Bashir Noor Ismail

X. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization Difference	% of Utilization
	A	B	C				
RECEIPTS	2021/2022	Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements	2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Transfers from NGCDF Board	137,088,879	34,451,615	46,588,879	218,129,373	206,040,494	12,088,879	94.5%
Other Receipt	-	5,000	-	5,000	5,000	-	100.0%
TOTALS	137,088,879	34,456,615	46,588,879	218,134,373	206,045,494	12,088,879	94.5%
PAYMENTS							
Compensation of Employees	5,600,762	1,402,712	-	7,003,474	5,315,000	1,688,474	75.9%
Use of goods and services	5,490,000	1,415,625	-	6,905,625	6,687,870	217,755	96.8%
Transfers to Other Government Units	50,015,000	8,846,466	20,888,879	79,750,345	77,820,000	1,930,345	97.6%
Other grants and transfers	69,690,207	15,262,232	17,700,000	102,652,439	86,370,962	16,281,477	84.1%
Acquisition of Assets	6,292,910	7,502,505	8,000,000	21,795,415	15,199,385	6,596,030	69.7%
Other Payments	-	22,075	-	22,075	-	22,075	0.0%
Funds pending approval**	-	5,000	-	5,000	-	5,000	0.0%
TOTALS	137,088,879	34,456,615	46,588,879	218,134,373	191,393,217	26,741,156	87.7%

**Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.

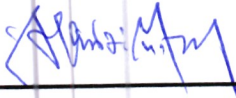
National Government Constituencies Development Fund (NGCDF) - Mandera North Constituency Reports and Financial Statements for the Year Ended June 30, 2022

Explanations


- There was AIA of Kshs. 5,000/= for the fund for the financial year 2021/2022
- There was underutilization in some respective categories (i.e. below 90 %) Except for use of goods and transfer to other government entity and this happened due to the following reasons: -
- The NG-CDF board did not disburse funds on time for it to be utilized.
- Some of the categories are below the required utilization of 90% and above.
- Compared to the previous year 2020/2021 the overall percentage of utilization has drastically increased from **64.3%** to **87.7%**
- The adjustments are unutilized funds and is composed of funds not disbursed from NG-CDF Board to the constituency of **Ksh.46,588,879** and closing balances for the financial year ended 30th June, 2021 of **Ksh.34,451,615** which totals to **ksh.81,040.494**

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	26,741,156
Less undisbursed funds receivable from the Board as at 30 th June 2022	12,088,879
	14,652,276
Add Accounts payable	-
Less Accounts Receivable	-
Add/ Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	14,652,277

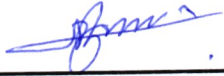
The NGCDF-MANDERA NORTH Constituency financial statements were approved on 15th EPT 2022 and signed by:



Fund Account Manager
Name: Adan Salah Mustafa



National Sub-County Accountant
Name: Tom Mboya Osingo



Chairman NG-CDF Committee
Name: Bashir Noor Ismail

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f = d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	5,600,762	1,402,712	-	7,003,474	5,315,000	1,688,474	76
1.2 Committee allowances	1,500,000	32,023	-	1,532,023	1,532,023	-	100
1.3 Use of goods and services	1,000,000	380,204	-	1,380,204	1,379,154	1,050	100
Total	8,100,762	1,814,938	-	9,915,700	8,226,176	1,689,524	83
2.0 Monitoring and evaluation							
2.1 Capacity building	1,390,000	245,000	-	1,635,000	1,418,302	216,698	87
2.2 Committee allowances	1,300,000	754,089	-	2,054,089	2,054,089	0	100
2.3 Use of goods and services	300,000	4,309	-	304,309	304,302	7	100
Total	2,990,000	1,003,399	-	3,993,399	3,776,694	216,705	125
3.0 Emergency							
3.1 Primary Schools	4,300,000	-	-	4,300,000	4,300,000	-	100
3.2 Secondary schools	2,700,000	-	-	2,700,000	2,700,000	-	100
3.3 Tertiary institutions	-	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-	-
3.5 Unutilised	192,207	36,365	-	228,572	-	228,572	-
Total	7,192,207	36,365	-	7,228,572	7,000,000	228,572	97
4.0 Bursary and Social Security							
4.1 Secondary Schools	10,850,000	5,015,519	-	15,865,519	15,835,462	30,057	100
4.2 Tertiary Institutions	19,065,500	349	-	19,065,849	19,065,500	349	100

4.3 Social Security	3,300,000	3,000,000	-	6,300,000	3,000,000	3,300,000	48
4.4 Special Needs	-	-	-	-	-	-	-
Total	33,215,500	8,015,868	-	41,231,368	37,900,962	3,330,406	92
5.0 Sports							
5.1	1,020,000	1,100,000	-	2,120,000	1,100,000	1,020,000	52
Total	1,020,000	1,100,000	-	2,120,000	1,100,000	1,020,000	52
6.0 Environment							
Yabicho Primary School	-	100,000	-	100,000	100,000	-	100
Sarman Primary School	-	300,000	-	300,000	300,000	-	100
Ashabito Boarding Primary School	-	300,000	-	300,000	300,000	-	100
Rhamu DEB Primary School	-	300,000	-	300,000	300,000	-	100
Quramathow Primary School	600,000	-	-	600,000	600,000	-	100
Ashabito Boarding Primary School	300,000	-	-	300,000	300,000	-	100
Olla Primary School	300,000	-	-	300,000	300,000	-	100
Bambo West Primary School	300,000	-	-	300,000	300,000	-	100
Total	1,500,000	1,000,000	-	2,500,000	2,500,000	-	100
7.0 Primary Schools Projects							
Daidai Primary School	-	5,345	-	5,345	-	5,345.00	-
Rhamu DEB Primary School	-	2,000,000	-	2,000,000	2,000,000	-	100
Tossi Primary School	-	2,000,000	-	2,000,000	2,000,000	-	100
Rhamu DEB Primary School	-	300,000	-	300,000	300,000	-	100
Ashabito Boarding Primary School	-	1,500,000	-	1,500,000	1,500,000	-	100
Tinfa Primary School	-	300,000	-	300,000	300,000	-	100
Quramathow Primary School	-	700,000	-	700,000	700,000	-	100
Marothile Primary School	-	700,000	-	700,000	700,000	-	100
Olla Primary School	-	120,000	-	120,000	120,000	-	100
Lanqura Primary School	-	-	1,700,000	1,700,000	1,700,000	-	100
Barwago Primary School	-	-	1,700,000	1,700,000	1,700,000	-	100
Sarman Primary School	-	-	1,700,000	1,700,000	1,700,000	-	100
Daidai Primary School	-	-	1,700,000	1,700,000	1,700,000	-	100
Darusalam Primary School	-	-	1,900,000	1,900,000	1,900,000	-	100
Chief Dahir Arab Primary School	-	-	1,700,000	1,700,000	1,700,000	-	100
Kalmalab Primary School	-	-	1,700,000	1,700,000	1,700,000	-	100
Al-furqan Integrated Primary	-	600,000	-	600,000	600,000	-	100

School										
Degmarer Primary School	-	-	-	1,900,000	-	1,900,000	-	1,900,000	-	100
Al-Hidaya Primary School	1,500,000	-	-	-	-	1,500,000	-	1,500,000	-	100
Towfiq Primary School	1,700,000	-	-	-	-	1,700,000	-	1,700,000	-	100
Shantoley Primary School	1,200,000	-	-	-	-	1,200,000	-	1,200,000	-	100
Burjohm Primary School	1,500,000	-	-	-	-	1,500,000	-	1,500,000	-	100
Mado Primary School	300,000	-	-	-	-	300,000	-	300,000	-	100
Diley Primary School	2,200,000	-	-	-	-	2,200,000	-	2,200,000	-	100
Dagahdul Primary School	950,000	-	-	-	-	950,000	-	950,000	-	100
Gofa Primary School	950,000	-	-	-	-	950,000	-	950,000	-	100
Ashabito Primary School	1,700,000	-	-	-	-	1,700,000	-	1,700,000	-	100
Auda Hagarasu Primary School	950,000	-	-	-	-	950,000	-	950,000	-	100
Kabi Hills Primary School	950,000	-	-	-	-	950,000	-	950,000	-	100
Saqira Primary School	1,700,000	-	-	-	-	1,700,000	-	1,700,000	-	100
Gumar Primary School	1,900,000	-	-	-	-	1,900,000	-	1,900,000	-	100
Jiko Primary School	1,900,000	-	-	-	-	1,900,000	-	1,900,000	-	100
Guticha Primary School	300,000	-	-	-	-	300,000	-	300,000	-	100
Rhamu DEB Primary School	557,500	-	-	-	-	557,500	-	557,500	-	100
Tossi Primary School	557,500	-	-	-	-	557,500	-	557,500	-	100
Al-Hidaya Primary School	500,000	-	-	-	-	500,000	-	500,000	-	100
Gumar Primary School	180,000	-	-	-	-	180,000	-	180,000	-	100
Jiko Primary School	180,000	-	-	-	-	180,000	-	180,000	-	100
Delay Primary School	180,000	-	-	-	-	180,000	-	180,000	-	100
Kabi Hills Primary School	240,000	-	-	-	-	240,000	-	240,000	-	100
Rhamu DEB Primary School	1,800,000	-	-	-	-	1,800,000	-	1,800,000	-	100
Al-Hidaya Primary School	700,000	-	-	-	-	700,000	-	700,000	-	100
Burjohm Primary School	-	-	-	1,500,000	-	1,500,000	-	1,500,000	-	-
Total	24,595,000	8,225,345	15,500,000	48,820,345	46,815,000	1,505,345	-	-	97	
8.0 Secondary Schools Projects										
Olla Boys Secondary School	-	125,000	-	-	-	125,000	-	-	125,000	-
Rhamu Dimtu Boys Sec School	-	411,121	-	1,588,879	-	2,000,000	-	2,000,000	-	100
Gololbia Secondary School	-	85,000	-	-	-	85,000	-	85,000	-	100
Sheikh Ali High School	-	-	-	3,000,000	-	3,000,000	-	3,000,000	-	100
Sheikh Ali High School	2,450,000	-	-	-	-	2,450,000	-	2,450,000	-	100
Sheikh Ali High School	4,000,000	-	-	-	-	4,000,000	-	4,000,000	-	100
Daua River Day Secondary School	460,000	-	-	-	-	460,000	-	460,000	-	100
Rhamu Day Secondary School	2,500,000	-	-	-	-	2,500,000	-	2,500,000	-	100
Rhamu Day Secondary School	1,400,000	-	-	-	-	1,400,000	-	1,400,000	-	100

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Rhamu Girls Secondary School	650,000	-	-	650,000	650,000	-	100
Sheikh Ali High School	5,000,000	-	-	5,000,000	5,000,000	-	100
Rhamu Dimtu Boys Sec School	2,000,000	-	-	2,000,000	2,000,000	-	100
Total	18,460,000	621,121	4,588,879	23,670,000	23,545,000	125,000	99
9.0 Tertiary institutions Projects							
Sub-county Education Office	-	-	800,000	800,000	800,000	-	100
Mandera North Technical Training Institute	3,000,000	-	-	3,000,000	2,700,000	300,000	90
Mandera North Technical Training Institute	3,060,000	-	-	3,060,000	3,060,000	-	100
Mandera North Technical Training Institute	900,000	-	-	900,000	900,000	-	100
Total	6,960,000	-	800,000	7,760,000	7,460,000	300,000	96
10.0 Security Projects							
Wargadud Police	-	10,000	-	10,000	-	10,000.00	-
Mandera North Sub-County Commissioner Residence	-	-	2,500,000	2,500,000	2,500,000	-	100
Rhamu Dimtu Chief camp	-	2,200,000	-	2,200,000	2,200,000	-	100
Ashabito Chief Camp	-	2,900,000	-	2,900,000	2,900,000	-	100
Olla Chief Camp	-	-	2,500,000	2,500,000	2,500,000	-	100
Shirshir Chief Camp	-	-	2,000,000	2,000,000	2,000,000	-	100
Doday Chief Camp	-	-	2,000,000	2,000,000	2,000,000	-	100
Shantoley Chief Camp	-	-	1,200,000	1,200,000	1,200,000	-	100
Mandera North Subcounty County Commissioner's office	-	-	4,000,000	4,000,000	-	4,000,000	-
Rhamu Police Stations	-	-	3,500,000	3,500,000	-	3,500,000	-
Rhamu Dimtu Chief Camp	300,000	-	-	300,000	300,000	-	100
Ashabito Chief Camp	300,000	-	-	300,000	300,000	-	100
Rhamu AP Camp	300,000	-	-	300,000	300,000	-	100
Marothile Chief Camp	2,450,000	-	-	2,450,000	2,450,000	-	100
Lanqura Chief Camp	2,450,000	-	-	2,450,000	2,450,000	-	100
Yabicho Chief Camp	2,450,000	-	-	2,450,000	2,450,000	-	100
Girissa Chief Camp	820,000	-	-	820,000	820,000	-	100
Doday Chief camp	370,000	-	-	370,000	370,000	-	100
Rhamu Dimtu Chief Camp	820,000	-	-	820,000	820,000	-	100
Ashabito Chief Camp	820,000	-	-	820,000	820,000	-	100
Olla Chief Camp	820,000	-	-	820,000	820,000	-	100

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Shirshir Chief Camp	370,000	-	-	370,000	370,000	-	370,000	-	100
Rhamu Police Station	742,500	-	-	742,500	-	742,500	-	-	
Today Chief	1,300,000	-	-	1,300,000	1,300,000	-	1,300,000	100	
Mandera North Sub-county County Commissioner's office	1,450,000	-	-	1,450,000	-	1,450,000	-	-	
Rhamu Police Station	2,000,000	-	-	2,000,000	-	2,000,000	-	-	
Girrasa Chief Camp	2,200,000	-	-	2,200,000	2,200,000	-	2,200,000	100	
Olla Chief Camp	3,000,000	-	-	3,000,000	3,000,000	-	3,000,000	100	
Shirshir Chief Camp	1,300,000	-	-	1,300,000	1,300,000	-	1,300,000	100	
Rhamu Chief Office	2,500,000	-	-	2,500,000	2,500,000	-	2,500,000	100	
Total	26,762,500	5,110,000	17,700,000	49,572,500	37,870,000	11,702,500		76	
11.0 Acquisition of assets									
11.2 Construction of NG-CDF office	-	7,500,005	8,000,000	15,500,005	10,886,475	4,613,530		70	
11.3 Purchase of furniture and equipment	-	2,500,000	-	2,500	-	2,500		-	
NG-CDFC office	1,812,910	-	-	1,812,910	1,812,910	-	-	100	
NG-CDF OFFICE	2,500,000	-	-	2,500,000	2,500,000	-	-	100	
NG-CDF OFFICE	1,980,000	-	-	1,980,000	-	1,980,000	-	-	
Total	6,292,910	7,502,505	8,000,000	21,795,415	15,199,385	6,596,030		70	
12.0 Other payments									
Other payments	-	22,075	-	22,075	-	22,075		-	
Total	-	22,075	-	22,075	-	22,075		-	
13.0 unallocated fund									
Unapproved projects	-	-	-	-	-	-		-	
AIA	-	5,000	-	5,000	-	5,000		-	
PMC savings	-	-	-	-	-	-		-	
Total	137,088,879	34,456,615	46,588,879	218,134,374	192,613,321	26,741,157		88	

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based.)

XII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits (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-MANDERA NORTH Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

These include Appropriation-in-Aid and relate 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 Equivalent.

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 30th June 2021 for the period 1st July 2021 to 30th June 2022 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 2022.

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.

*National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for the Year Ended June 30, 2022*

XIII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2021-2022	2020-2021
		Kshs	Kshs
AIE RECEIVED	B104526		69,367,724
	B124603		9,000,000
	B119558		8,500,000
	B119947		12,000,000
	B128190		6,900,000
	B129152		7,000,000
	B132245		6,000,000
	B138913		13,000,000
	B126207		7,000,000
	B105002		10,600,000
	B140645		12,000,000
	B140996	33,000,000	
	B105502	44,000,000	
	B105857	22,000,000	
	B128608	6,000,000	
	B128920	12,000,000	
	B154117	15,000,000	
	B164450	18,000,000	
	B155881	20,088,879	
	A888980	1,500,000	
		171,588,879	161,367,724

2. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of tender documents	5,000	-
Total	5,000	-

3. COMPENSATION OF EMPLOYEES

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,392,000	3,282,002
Gratuity to contractual employees	1,770,720	855,910
Employer Contributions Compulsory national social security schemes	152,280	153,360
Total	5,315,000	4,291,272

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

	2021-2022	2020-2021
	Kshs	Kshs
Utilities, supplies and services	-	38,000
Water & sewerage charges	-	40,000
Communication, supplies and services	258,950	-
Domestic travel and subsistence	1,264,500	750,000
Printing, advertising and information supplies & services	-	292,106
Rentals of produced assets	-	700,270
Training expenses	696,500	1,939,200
Hospitality supplies and services	159,000	281,000
Other committee expenses	2,165,000	470,000
Committee allowance	1,032,000	950,000
Office and general supplies and services	920,510	551,810
Fuel , oil & lubricants	154,302	300,000
Bank service commission and charges	37,108	23,070
Routine maintenance- other assets	-	72,000
TOTAL	6,687,870	6,407,456

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers to primary schools	46,815,000	39,282,500
Transfers to secondary schools	23,545,000	35,040,000
Transfers to tertiary institutions	7,460,000	10,000,000
TOTAL	77,820,000	84,322,500

6. OTHER GRANTS AND OTHER PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools	15,835,462	7,035,000
Bursary – tertiary institutions	19,065,500	20,330,000
Security projects	37,870,000	8,432,500
Social Security programmes (NHIF)	3,000,000	-
Sports projects	1,100,000	-
Environment projects	2,500,000	900,000
Emergency projects	7,000,000	7,200,000
Total	86,370,962	43,897,500

*National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
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7. ACQUISITION OF ASSETS

	2021-2022	2020-2021
	Kshs	Kshs
Construction of Buildings	15,199,385	4,499,995
TOTAL	15,199,385	4,499,995

8. OTHER PAYMENTS

	2021-2022	2020-2021
	Kshs	Kshs
Strategic Plan	-	-
Audits and Others	-	60,000
Total	-	60,000

8: CASH BOOK BANK BALANCE

8A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2021-2022	2020-2021
	Kshs	Kshs
Closing cash book bank balance	Kshs (30/6/2022)	Kshs (30/6/2021)
Equity Bank, Mandera Branch. MANDERA NORTH NG-CDF A/C NO. 1000261174117	14,652,277	34,451,615

9. BALANCES BROUGHT FORWARD

	2021-2022 (1st July 2021)	2020-2021 (1st July 2020)
	Kshs	Kshs
Bank accounts	34,451,615	16,562,614
Total	34,451,615	16,562,614

10. GRATUITY

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)	-	2,565,870
Closing Gratuity as at 30 th June D= A+B-C	-	2,565,870

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: PENDING STAFF PAYABLES

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff (June 2022 Salary)	-	-
Others (Staff <i>Gratuity</i>)	-	2,565,870
Total	-	2,565,870

12: UNUTILIZED FUND (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	1,688,474	1,402,712
Use of goods and services	217,755	1,415,625
Amounts due to other Government entities	1,930,345	28,235,345
Amounts due to other grants and other transfers	16,281,478	32,962,232
Acquisition of assets	6,596,030	15,502,505
Others (<i>specify</i>)	22,075	22,075
Funds pending approval	5,000	-
Total	26,741,157	79,540,495

13: PMC account balances (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	5,946,261	484,244
Total	5,946,261	484,244

The above balances comprises of bank account balances of respective project management committee as at 30th June, 2022.

*tional Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
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ANNEX 1 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021-22	2020/21	
Compensation of employees	Employee salaries	1,688,474	1,402,712	
Use of goods & services	Office Operation	217,755	1,415,625	
Amounts due to other Government entities				
Daidai Primary School	Construction of 2 door toilets	5,345	5,345	
Rhamu DEB Primary School	Construction of Administration Block – Phase 1	-	2,000,000	
Tossi Primary School	Construction of Administration Block – Phase 1	-	2,000,000	
Rhamu DEB Primary School	Construction of 2no. Door toilets to completion.	-	300,000	
Ashabito Boarding Primary School	Renovation of 5no. classrooms	-	1,500,000	
Tinfa Primary School	Construction of 2no. Door pit latrine to completion	-	300,000	
Quramathow Primary School	Renovation of 2no. classrooms	-	700,000	
Marothile Primary School	Renovation of 2no. classrooms	-	700,000	
Olla Primary School	Renovation of 8no. classrooms	-	120,000	
Languira Primary School	Construction of Underground Water Tank 50m ³ to Completion	-	1,700,000	
Barwago Primary School	Construction of Underground Water Tank 50m ³ to Completion	-	1,700,000	
Sarman Primary School	Construction of Underground Water Tank 50m ³ to Completion	-	1,700,000	

Daidai Primary School	Construction Of Underground Water Tank 50m ³ to Completion	-	1,700,000	
Darusalam Primary School	Construction of 2no. Classrooms to completion	-	1,900,000	
Chief Dahir Arab Primary School	Construction Of Underground Water Tank 50m ³ to Completion	-	1,700,000	
Kalmalab Primary School	Construction Of Underground Water Tank 50m ³ to Completion	-	1,700,000	
Al-furqan Integrated Primary School	Construction of 4no. Pit latrines to completion	-	600,000	
Burjohn Primary School	Completion of burjohn borehole drilling	1,500,000	-	
Degmarer Primary School	Construction of 2no. Classrooms to completion	-	1,900,000	
Olla Boys Secondary School	Completion of 1no.Laboratory of 30 capacity	125,000	125,000	
Rhamu Dimtu Boys Sec School	Additional funds for further construction of 1000m ³ Concrete Chain link fencing. Entire compound measuring 3468m ² (project allocated Kshs. 3,950,000 through a reallocation yet to be approved)	-	2,000,000	
Gololbia Secondary School	Construction Of Underground Water Tank 50m ³ to Completion	-	85,000	
Sheikh Ali High School	Construction of Modern Dining Hall of 600 student capacity (Phase 1)	-	3,000,000	

Sub-county Education Office					
Mandera North Technical Training Institute	Supply of Office furnitures and Equipment (1no. Executive desk size 2M mahogany @ 120,000/=, 2no. Executive high back chairs with wooden airms of base @ 50,000/=, 6no. executive chairs high back adjustable airms @ 40,000/=, 6pcs 4 drawer metallic cabinets @ 35,000/=, 1no. Hp Computer desktop core 5 4Gp ram and 500 hard drive with 19inch screen @ 80,000/=, 3 in 1 Printer Espon L4160 @ 50,000/=	300,000	-	800,000	-
Sub-Total		1,930,345		28,235,345	
Amounts due to other grants and other transfers					
Bursary Secondary Schools	Payment of bursary to needy students in colleges and universities.	30,057		4,900,519	
Bursary Tertiary Schools	Payment of bursary to needy students in colleges and universities.	349		115,349	
Social Security	Payment of NIHF to the old and vulnerable families in 500 household at 6000 per year	3,300,000		3,000,000	
Wargadud Police	Staff house/Reporting Office	10,000		10,000	
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	228,572		36,365	
Yabicho Primary School	Purchase and planting of 200 trees	-		100,000	
Sarman Primary School	Construction of 2no. door toilets to completion	-		300,000	
Ashabito Boarding Primary School	Construction of 2no. door toilets to completion	-		300,000	

Rhamu DEB Primary School	Construction of 2no. door toilets to completion	-	300,000	
Mandera North Sub-County Commissioner Residence	Completion of 160m remaining perimeter wall, Gate at 2,100,000/= and Guard house @ 400,000/=	-	2,500,000	
Rhamu Dimtu Chief camp	Completion of Administration block Phase 11	-	2,200,000	
Ashabito Chief Camp	Completion of Administration block Phase 11	-	2,900,000	
Olla Chief Camp	Construction of Administration block Phase 1 - containing 3 rooms and one Boardroom: Foundation, walls and beaming	-	2,500,000	
Shirshir Chief Camp	Construction of Chief Office block phase 1 - containing 3 rooms.	-	2,000,000	
Doday Chief Camp	Construction of Chief Office block phase 1 - containing 3 rooms.	-	2,000,000	
Shantoley Chief Camp	Renovation Of Shantoley chief office	-	1,200,000	
Mandera North Subcounty County Commissioner's office	Construction of Social hall to completion	5,450,000	4,000,000	
Rhamu Police Stations	Construction of Administration block Phase 1 - Containing 7 rooms	5,500,000	3,500,000	
Rhamu Police Station	Purchases of administration block office furniture (8 tables 1.3M @ 25,000/= 2 tables 1.8M @ 40,000/=, 3 executive chair @ 50,000/=, 5 steel filing cabinet 4 drawers @ 25,000/=, 15 Aims chairs for visitors @ 7,500/= and 3pcs conference tables of 2.5M @ 25,000/=	742,500	-	

Constituency Sport tournaments	Carry out sports tournament - Kshs 1,100,000/= to carry out a Constituency sports tournament where the winning team will be a warded with balls, uniforms and trophies where facilitation of the tournament @ Kshs 400,000/= and purchase of balls, uniforms, trophies and Equipment @ Kshs. 700,000/=	-	1,100,000	
RhamuDintu Ward Sport tournaments	Carry out sports tournament - Kshs520,000/= to carry out a RhamuDintu ward sports tournament where the winning team will be a warded with balls, uniforms and trophies where facilitation of the tournament @ Kshs200,000/= and purchase of balls, uniforms, trophies and Equipment @ Kshs. 320,000/=	520,000	-	
RhamuDintu Boarding Primary School	Clearing of RhamuDintu football pitch, creation of goal posts, Lavelling of ground.	500,000	-	
	Sub-Total	16,281,478	32,962,233	
Acquisition of assets				
NG-CDF office furnitures	NG-CDF office furnitures	2,500	2,500	
NG-CDPC Office	Additional funding for the Construction of NG-CDPC office block Phase 2 - containing 13 rooms and One Boardroom and 2 washroom blocks containing four number doors each (one disability friendly) upto finishing level.	4,613,530	15,500,005	

NG-CDF OFFICE	Purchase of NG-CDFC office furniture's and equipment (2 no. office sofa set @ 150,000/=, 2pcs coffee table @ 30,000/= Ipc Receptionist table @ 70,000/=, 10 visitors chairs @ 30,000/=, 3 executive chairs @ 50,000/=, 4 metallic cabinets drawers @ 25,000/=, 3 Executive tables @ 120,000/=, 1 Pcs Heavy duty photocopy machine @ 100,000/=, 1 Pcs Round meeting tables @ 30,000/=, 3pcs wooden cabinets @ 70,000/= and Ipc work stations @ 115,000/=	1,980,000	
Sub-Total		6,596,030	15,502,505
Others (specify)			
Other	Other Payments	22,075	22,075
Sub-Total		22,075	22,075
Funds pending approval		5,000	-
Grand Total		26,741,157	79,540,495

***National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH
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Reports and Financial Statements for The Year Ended June 30, 2022***

ANNEX 2 –PMC BANK BALANCES AS AT 30TH JUNE 2022

PMC	BANK	ACCOUNT NUMBER	BANK BALANCE 2021/22	BANK BALANCE 2020/2021
ABAKARO PRI SCH PMC	EQUITY	1000272430334	2,815	3,815
AL FURQAN INTE PRIMA FRY SCHOOL	EQUITY	1000294018105	1,047	1,315
AL HIDAYA PRI PMC	EQUITY	1000277331408	11,230	10,410
ALFOWZAN PRI SCHOOL PMC	EQUITY	1000163839442	58	58
ASHABITO AP CAMP PMC	EQUITY	1000172264123	390	390
ASHABITO BOARDING PRI SCH PMC	EQUITY	1000299025827	2,000,640	640
ASHABITO BOYS SEC SCH PMC	EQUITY	1000262654877	5,340	4,340
ASHABITO CHIEF CAMP	EQUITY	1000180316169	300,200	400
ASHABITO GIRLS SEC SCHOOL PMC	EQUITY	1000295105827	1,605	1,605
AWARA PRIMARY SCHOOL	EQUITY	1000299025350	630	630
BAMBO WEST PRI SCH PMC	EQUITY	1000264881793	300,070	70
BURJOHN PRIMARY SCH PMC	EQUITY	1000299952655	1,890	1,890
CHIEF DAHIR ARAB PRIMARY SCHOOL	EQUITY	1000299025693	900	140
DAGMARER PRI SCH. PMC	EQUITY	1000199975179	783	163
DAIDAI PRI SCH. PMC	EQUITY	1000266568190	4,171	17,080
DARUSALAM PRI SCH PMC	EQUITY	1000267463618	3,030	2,630
DAUA RIVER DAY SEC SCHOOL PMC	EQUITY	1000279624651	6,000	6,000
DOMOG PRI SCHOOL PMC	EQUITY	1000266616457	968	2,968
GIRISSA CHIEF CAMP	EQUITY	1000180211279	760	980
GOFA PRI SCH. PMC	EQUITY	1000298879227	950,470	470
GOLOBIA SEC SCH PMC	EQUITY	1000164385536	1,390	1,690
GUTICHA PRIMARY SCHOOL	EQUITY	1000299969834	302,310	2,310
KUBI HILLS PRIMARY SCHOOL	EQUITY	1000267169657	951,860	1,860
KUBI PRI SCH. PMC	EQUITY	1000299025908	825	51,425
LADENI PRI SCH. PMC	EQUITY	1000297179048	1,860	1,860
LANQURA PRIMARY SCHOOL PMC	EQUITY	1000297059216	998	1,598

PMC	BANK	ACCOUNT NUMBER	BANK BALANCE 2021/22	BANK BALANCE 2020/2021
LIBIN NOMADIC GIRLS SEC SCH PMC	EQUITY	1000167484139	3,320	3,320
MANDERA NORTH SUB COUNTY PMC	EQUITY	1000173449340	129,866	4,986
MAROTHILE PRIMARY SCH PMC	EQUITY	1000271879721	719	959
OLLA BOYS SEC SCH PMC	EQUITY	1000262484562	15,170	170
OLLA PRIMARY SCHOOL	EQUITY	1000297527136	500	140,205
QORAHEY PRIMARY SCHOOL PMC	EQUITY	1000297206425	350	350
QURAMATHOW PRIMARY SCHOOL	EQUITY	1000299042484	600,221	205
RHAMU ARID ZONE PRIMARY SCHOOL	EQUITY	1000279761409	2,000	2,000
RHAMU DAY SECONDARY SCHOOL	EQUITY	1000262659745	19,214	193,954
RHAMU DEB PRIMARY SCHOOL	KCB	1118742389	2,766	2,766
RHAMU DIMITU BOARDING PRIMARY SCHOOL	KCB	125843322	2,200	2,200
RHAMU DIMITU BOYS SECONDARY SCHOOL	KCB	1111047944	931	931
RHAMU DIMITU CHIEF CAMP	EQUITY	1000180069095	302,020	1,380
RHAMU GIRLS SECONDARY SCHOOL.	EQUITY	1000299045215	651	251
RHAMU POLICE STATION PMC	EQUITY	1000168160234	6,040	5,660
SHEIKH ALI HIGH SCHOOL PMC	EQUITY	1000278962431	400	400
SHIRSHIR PRI SCH PMC	EQUITY	1000299051977	1,115	1,115
TINFA PRI SCH PMC	EQUITY	1000162309025	400	520
TOSSI PRIMARY SCHOOL	EQUITY	1000164341809	1,060	1,060
UPPER HILL PRIMARY SCHOOL	EQUITY	1000299838753	3,008	3,008
YABICHO PRI SCH PMC	EQUITY	1000297189145	2,070	2,070
TOTAL			5,946,261	484,244

*Additional Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for The Year Ended June 30, 2022*

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

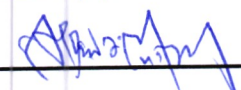
Asset class	Historical Cost b/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	-	-	-	-
Buildings and structures	4,499,995	15,199,385	-	19,699,380
Transport equipment	-	-	-	-
Office equipment, furniture and fittings	2,227,500	-	-	2,227,500
ICT Equipment, Software and Other ICT Assets	420,000	-	-	420,000
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	7,147,495			22,346,880

**National Government Constituencies Development Fund (NGCDF) - Manderla North Constituency
Reports and Financial Statements for the Year Ended June 30, 2022**

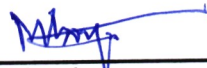
ANNEX 4 – TRIAL BALANCE AS AT 30TH JUNE 2022

TRIAL BALANCE AS AT 30TH JUNE 2022			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	14,652,277	
Payments			
	Compensation of Employees	5,315,000	
	Use of goods and services	6,687,870	
	Transfers to Other Government Units	77,820,000	
	Other grants and transfers	86,370,962	
	Acquisition of Assets	15,199,385	
	Other Payments	-	
Receipts			
	Transfers from the Board		171,588,879
	Other Receipt		5,000
Prior Year Adjustment			
Fund Balance b/f			34,451,615
TOTAL		206,045,494	206,045,494

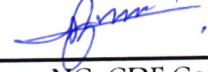
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MANDERA NORTH Constituency financial statements were approved on 16th July 2022 and signed by:



Fund Account Manager
Name: Adan Salah Mustafa



**National Sub-County
Accountant**
Name: Tom Mboya Osingo



Chairman NG-CDF Committee
Name: Bashir Noor Ismail

National Government Constituencies Development Fund (NGCDF) - Mandera North Constituency Reports and Financial Statements for the Year Ended June 30, 2022

ANNEX 5 - 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	Lack of ownership documents	The NG-CDF Mandera North was constructed on the Government land.	FAM	Not resolved	June 2022
2.0	Unsupported transfer to other government entities	The Fund Account to forward the utilization of Emergency fund as Per NG-CDFB regulations, 2016	FAM	Not resolved	June 2022
3.0	Bursary not acknowledged	Acknowledgment letter or receipt was not received at the time audit.	FAM	Not resolved	June 2022
4.0	Budgetary control and performance	The Mandera North NG-CDFC will put in place the affected planned activities to reduce under utilization.	FAM	Not resolved	June 2022
5.0	Unresolved prior year matters	The NG-CDF committee will resolve the issues raised in the prior year matters with guidance from the NG-CDF Board.	FAM	Not resolved	June 2022
6.0	Project not implemented	Delays in the disbursement of funds from the board negatively affect the implementation of the projects.	FAM	Not resolved	June 2022

Adan Salah Mustafa
Fund Account Manager

**National Government Constituencies Development Fund (NGCDF) - MANDERA NORTH Constituency
Reports and Financial Statements for the Year Ended June 30, 2022**

