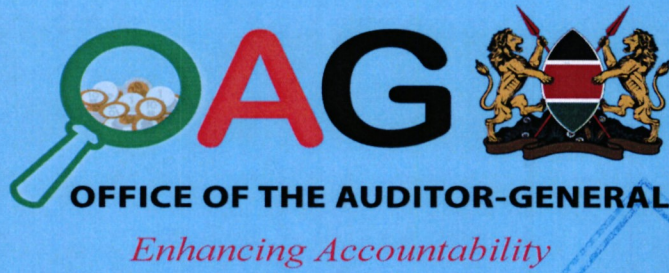


REPUBLIC OF KENYA



REPORT

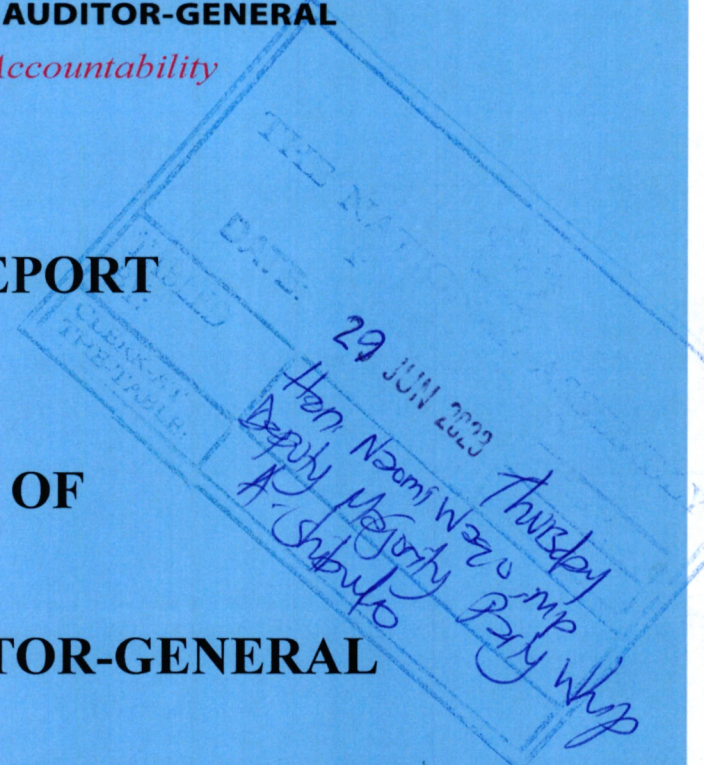
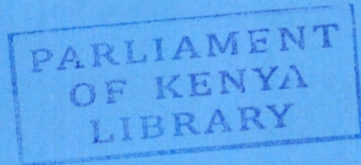
OF

THE AUDITOR-GENERAL

ON

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

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





OFFICE OF THE AUDITOR GENERAL
NORTH EASTERN REGIONAL OFFICE

25 APR 2023

RECEIVED

P. O. BOX 88-70100 GARISSA



BANISSA CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 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

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

- i. National Government Constituencies Development Fund Board (NGCDFB)

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ii. National Government Constituency Development Fund Committee (NGCDFC)

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Yussuf Abdi
2.	Sub-County Accountant	Dickson C Kinyanjui
3.	Chairman NGCDFC	Ahamed Wethow
4.	Member NGCDFC	Mohamed Maalim

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of BANISSA 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) Banissa Constituency NGCDF Headquarters

NG-CDF Banissa Offices
Along Takaba – Banissa - Mandera Road
P.O. BOX 231 - 70300 Mandera

(f) Banissa Constituency NGCDF Contacts

Telephone: (+254) 0728-205570
E-mail: cdfbanissa@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Banissa Constituency NGCDF Bankers

Equity Bank, Mandera branch
Account No. 1000261939394
P.O. Box 536 -70300 Mandera,
Mandera County, Kenya

(h) Independent Auditors

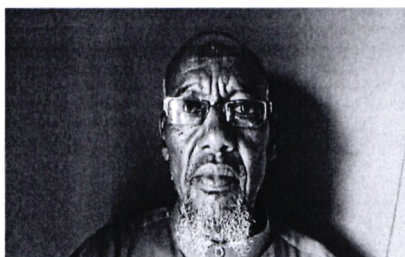
Auditor-General
Office of the Auditor General
Anniversary Towers, University Way

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



The National Government Constituencies Development Fund (NG-CDF) which is a program meant to promote poverty eradication through decentralization was enacted through the NG-CDF Act 2015. The main aim of its establishment was to iron out imbalances brought about by patronage politics by providing funds to parliament jurisdictions, that is, Constituencies to fight poverty. The program is designed to fight poverty through the implementation of development projects which are National government functions at the local level and particularly those that provide basic needs like education, social welfare, security and education bursaries.

During the Financial year under review, National Government Constituency Development Fund Banissa Constituency was allocated a total of Kshs. 137,088,879.

The NG-CDF Banissa had a balance brought forward of Kshs 103,088,879 in 2020-2021 which constitutes previous financial year balances. The fund could not utilise an amount of Kshs 102,772,256 due to underfunding of Kshs 12,088,879. Disbursement was made to the PMCs promptly and the projects were implemented well. The fund has over the years been used to develop and construct infrastructural structures that have helped to upgrade the conditions of schools, Security institutions and even roads. Through the fund, there has been an improvement in our schools, security institutions and in the sectors of environment and sports. This has in turn been very essential in providing education with the relevant resources in the schools and the structures have been a motivation for learners to find it encouraging going to schools. People who could not join higher institutions of learning because of financial difficulties are now able to get an education through bursary grants. The fund has been used to help needy students from poor backgrounds. This has greatly helped needy students to have access to the much-needed education.

The National Government Constituency Development Fund Banissa has undertaken some key projects during the financial year under review. The major beneficiary was the education sector. The fund constructed 20 new classrooms, 5 masonry water tanks, 1 number 80 bed capacity dormitory with fittings. Fencing works were done at 4 Schools. In addition, laboratory equipment as well as lockers and chairs were supplied to five secondary schools. 650 three-seater desks were supplied to 16 primary schools.


To boost security in the constituency; Guba Chief's office was constructed along with Toilets at Banisa Ap. The Constituency sport tournament has been planned and different teams would participate.

The main emerging issues during the year under review were increasing population and settlements and increased number of needy students in learning institutions which meant an increase in school enrolment and widening of the resources available Vs needs gap.

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Implementation challenges during the financial year included security threats/Clan conflicts, low literate levels and Persistent droughts leading lack of water sources for construction and usage.

Prevalent droughts have been a deterrent factor and the situation exasperated by the immense gap between the resources available and the needs of the community. The Banissa NG-CDF has ensured that the resources have been equally distributed to spread the gains from the fund. Despite the numerous challenges, the fund has been at the fore front in the provision of basic social amenities, improved the general economic standards of the population and has thus been considered transformational by the community. By and large the impact of NG-CDF Banissa is felt and appreciated in the constituency.


Sign:

Ahmed Wethow Issack
CHAIRPERSON NGCDF COMMITTEE

Date: 16th September 2022

III. Statement Of Performance Against Predetermined Objectives for FY2021/22

Introduction

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

The NGCDF-Banissa Constituency's *2018-2022* strategic plans has identified seven (7) strategic themes and development objectives as a guide in developing the constituency. These are: **Education Infrastructure; Security; Youth and Sports; Environment; Emergency Support; Tracking of Results; and Institutional Strengthening.**

To address these strategic themes, the constituency has formulated a number of strategic objectives and activities in order to realize the community aspirations. Some of these include;

1. Improving access to quality education through expansion of schools through rehabilitation, renovation and construction of school infrastructure in various primary and secondary schools in the constituency.
2. Harnessing youth talent by funding youth sporting initiatives, creating awareness on the establishment of youth groups, creating awareness among the youth on seeking development fund loans, and promoting youth talent.
3. Promoting environment in the constituency by organizing tree planting days. In the NGCDF Act 2015, environmental activities may be considered as development projects, provided the allocation to such activities does not exceed two percent (2%) of the total allocation of the constituency in any financial year.
4. Catering for any unforeseen occurrences in the constituency (*emergency support*).
5. Enhancing security in the constituency by constructing chiefs' and sub-chiefs' offices, AP housing units; constructing/rehabilitating chiefs' offices, Police stations, and Police housing units, among other initiatives.
6. Improving the tracking of implementation NGCDF programmes. In the NG-CDF Act 2015, monitoring and evaluation of ongoing, projects and capacity building of various operatives has been considered as a development project provided that not more than three percent (3%) is allocated for this purpose; and
7. Promoting performance management and smooth running of the NGCDF office.

Progress on attainment of Strategic development objectives

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

No	Program	Objective	Outcome	Indicators	performance
1	Education Infrastructure	To improve access, affordability and availability of quality education	Expansion of schools through rehabilitation/ renovation/construction of classrooms/laboratories/staff houses/fencing in various primary and secondary schools in the constituency	Number of Physical school structure in various school around the constituency	Increased number of classrooms by 39, water tanks by 5, Laboratories by 2, and fence by 4
2	Youth and Sports	To harness talent and empower youth	Funding of youth sporting initiatives	Number of Tournaments held	Held One Sports Tournament for Wayam secondary
4	Environment	To promote environmental sustainability in the constituency	Purchase of tree seedlings and their planting/Organizing tree planting days	Numbers trees in various public institution	Afforestation and environmental conservancy
5	Security	To enhance security in the constituency	Construction/renovation of offices/houses for chiefs and Ass. Chiefs, police, Administration offices	Number of office & houses	Increased offices by 3
6	Tracking of results	To improve tracking of implementation NG-CDF programmes	Monitoring and Capacity Building of NG-CDFC's and PMC's/ Organizing regular projects monitoring field visits	Number of Routine monitoring & capacity Building exercise undertaken	Decreased number of PMCs/projects audit related issue

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** BANISSA 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 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Banissa NG-CDF supported Schools in carrying out environmental conservation activities through planting of trees. NG-CDF Banissa also held sensitization programs for youth/community on the impact of drugs.

Banissa NG-CDF sponsored sporting activities bringing communities and sensitizing them on environmental conservation matters.

3. Employee welfare

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

BANISSA 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 interest

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

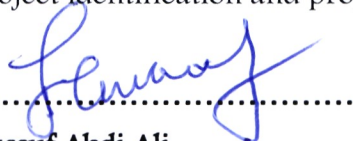
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

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



.....
Yussuf Abdi Ali

Fund Account Manager – Banissa 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-BANISSA 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.

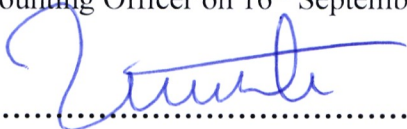
The Accounting Officer in charge of the NGCDF-BANISSA Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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 charge of the NGCDF- BANISSA 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.

BANISSA Constituency
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Annual Report and Financial Statements for The Year Ended June 30, 2022

The Accounting Officer in charge of the NGCDF BANISSA 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- BANISSA Constituency financial statements were approved and signed by the Accounting Officer on 16th September 2022.



.....
Name: Ahamed Wethow

Chairman – NGCDF Committee



.....
Name: Yussuf Abdi

Finance Account Manager

REPUBLIC OF KENYA

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Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BANISA 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 the entity has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Banisa Constituency set out on pages 1 to 34, which comprise the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and 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 - Banissa 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 effects of the matter 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 - Banisa Constituency as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

Other Grants and Transfers - Unsupported Bursaries to Tertiary Institutions

The statement of receipts and payments reflects other grants and transfers balance of Kshs.27,345,000 which, as disclosed in Note 5 to the financial statements, includes bursaries amounting to Kshs.2,265,000 disbursed for students in tertiary institutions. However, acknowledgement letters or receipts from the institutions in support of the latter amount were not provided for audit. As a result, it was not possible to confirm whether the funds were used for the intended purpose.

In the circumstances, the accuracy, completeness and validity of the bursary disbursements of Kshs.2,265,000 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 - Banisa Constituency in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects budgeted receipts and actual on comparable basis amounts of Kshs.240,977,147 and Kshs.228,888,268 respectively, resulting in an under-funding of Kshs.12,088,879 or 5% of the budget. Similarly, the Fund's actual expenditure was Kshs.138,204,892 against an approved budget of Kshs.240,977,147, resulting in an under-expenditure of Kshs.102,772,256 or 57% of the approved budget.

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

2. Project Implementation Status

The Management allocated Kshs.89,125,150 to projects in various sectors including primary schools, secondary schools, security, sports and environment within the Constituency. Analysis of the project implementation status report revealed that sixty (60) projects with a total budget of Kshs.42,030,900 were complete, while 60 (sixty) projects with a budget amount of Kshs.47,094,250 were still on-going.

Failure to complete the projects worth Kshs.47,094,250 as planned may increase the cost of the projects and also may have negatively impacted on service delivery to the people of Banisa Constituency.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the procedures performed, except for the matter 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

Transfers to Primary Schools

The statement of receipts and payments reflects transfer to other government entities balance of Kshs.103,930,150 which, as disclosed in Note 4 to the financial statements, includes transfers to primary schools amount of Kshs.32,572,500 which further includes an amount of Kshs.13,180,000 whose supporting project proposals and requests from the respective primary schools' Managements, identifying project requiring consideration for funding from the Fund, were not provided for audit. In addition, the list of registered suppliers and contractors in the category of goods, work and services was not provided for audit to confirm how the suppliers were identified as required by Section 57(1) of Public Procurement and Asset Disposal Act 2015.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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 its 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 policies and procedures may deteriorate.


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

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions which may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to 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

30 May, 2023

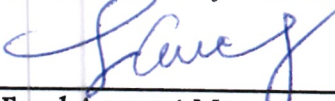
BANISSA Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

VII. Statement Of Receipts and Payments for the Year Ended 30th June 2022

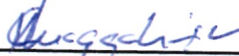
	Note	2021 – 2022	2020- 2021
		Kshs	Kshs
Receipts			
Transfers From NGCDF Board	1	177,888,879	153,867,724
Total Receipts		177,888,879	153,867,724
Payments			
Compensation Of Employees	2	2,117,100	2,160,000
Use Of Goods and Services	3	4,812,642	7,309,178
Transfers To Other Government Units	4	103,930,150	104,250,000
Other Grants and Transfers	5	27,345,000	30,926,706
Total Payments		138,204,892	144,645,884
Surplus/(Deficit)		39,683,987	9,221,840

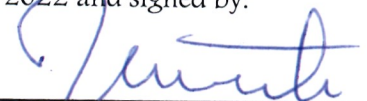
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 16th September 2022 and signed by:


 Fund Account Manager

Name: Yussuf Abdi


 National Sub-County
 Accountant
 Name: Dickson C Kinyanjui
 ICPAK M/No: 13823


 Chairman NG-CDF Committee

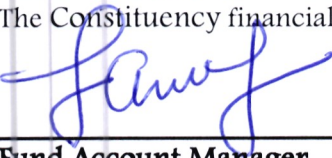
Name: Ahamed Wethow

III. **Statement of Assets and Liabilities as at 30th June, 2022**

	Note	2021-2022	2020-2021
		Kshs	Kshs
Financial Assets			
Cash And Cash Equivalents			
Bank Balances (As Per the Cash Book)	6	90,683,376	50,999,389
Total Cash and Cash Equivalents		90,683,376	50,999,389
Accounts Receivable		-	-
Total Financial Assets		90,683,376	50,999,389
Financial Liabilities		-	-
Accounts Payable (Deposits)		-	-
Total Financial Liabilities		-	-
Net Financial Assets		90,683,376	50,999,389
Represented By			
Fund Balance B/Fwd	7	50,999,389	41,777,549
Surplus/Deficit for The Year		39,683,987	9,221,840
Net Financial Position		90,683,376	50,999,389

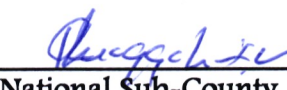
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 16th September 2022 and signed by:



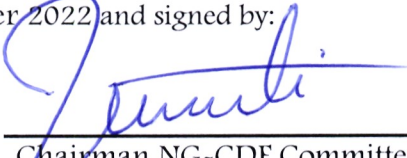
Fund Account Manager

Name: Yussuf Abdi



**National Sub-County
Accountant**

**Name: Dickson C Kinyanjui
ICPAK M/No: 13823**



Chairman NG-CDF Committee

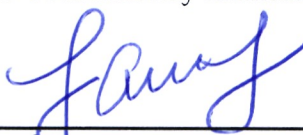
Name: Ahamed Wethow

IX. Statement of Cash Flows for the Year Ended 30th June 2022

	Notes	2021 - 2021	2021 - 2021
		Kshs	Kshs
Receipts From Operating Activities			
Transfers From NGCDF Board	1	177,888,879	153,867,724
Total Receipts		177,888,879	153,867,724
Payments			
Compensation Of Employees	2	2,117,100	2,160,000
Use Of Goods and Services	3	4,812,642	7,309,178
Transfers To Other Government Units	4	103,930,150	104,250,000
Other Grants and Transfers	5	27,345,000	30,926,706
Total Payments		138,204,892	144,645,884
Total Receipts Less Total Payments			
Adjusted For:			
Net Adjustments		-	-
Net Cash Flow from Operating Activities		39,683,987	9,221,840
Cashflow From Investing Activities			
Net Cash Flows from Investing Activities		-	-
Net Increase In Cash And Cash Equivalent		39,683,987	9,221,840
Cash and Cash Equivalent At Start Of The Year	7	50,999,389	41,777,549
Cash and Cash Equivalent At End Of The Year	6	90,683,376	50,999,389

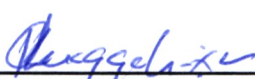
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved on 16th September 2022 and signed by:



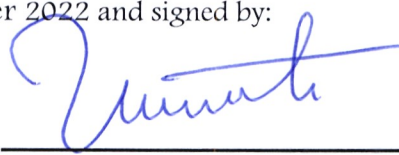
Fund Account Manager

Name: Yussuf Abdi



**National Sub-County
 Accountant**

**Name: Dickson C Kinyanjui
 ICPAK M/No: 13823**



Chairman NG-CDF Committee

Name: Ahamed Wethow

**National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

X. Summary Statement of Appropriation for the Year Ended 30th June 2022

Receipts/Payments	Original Budget		Adjustments		Final Budget c=a+b	Actual on comparable basis d	Budget utilization difference e=c-d	% of Utilization f=d/c %
	a	Kshs	b	Kshs				
	2021/2022		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2021/2022	30/06/2022		
Receipts		Kshs	Kshs	Kshs	Kshs		Kshs	
Transfers From NGCDF Board	137,088,879		50,999,389	52,888,879	240,977,147		228,888,268	12,088,879
Total Receipts	137,088,879		50,999,389	52,888,879	240,977,147		228,888,268	12,088,879
Payments								
Compensation Of Employees	3,690,500		2,914,702	120,000	6,725,202		2,117,100	4,608,102
Use Of Goods and Services	7,581,022		3,754,827	266,672	11,602,521		4,812,642	6,789,879
Transfers To Other Government Units	80,865,150		35,450,000	37,430,000	153,745,150		103,930,150	49,815,000
Other Grants and Transfers	44,952,207		8,874,860	15,072,207	68,899,274		27,345,000	41,554,274
Acquisition Of Assets	-		-	-	-		-	-
Other Payments	-		5,000	-	5,000		-	5,000
Funds Pending Approval**	-		-	-	-		-	-
TOTAL	137,088,879		50,999,389	52,888,879	240,977,147		138,204,892	102,772,255

***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.*

Explanatory Notes:

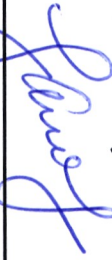
From the summary of appropriation statement, the overall budget performance stood at 57%. The low absorption of funds is explained below:

- i. **Compensation of Employees** were below 90% because of partly provision for service gratuity and partly due to underfunding.
- ii. **Use of goods and services** were below 90% because funding from the NG-CDF Board delayed hence delay in procurement and utilization of funds.

- iii. **Transfer to other government units** were below 90% because funding from the NG-CDF Board delayed hence delay in procurement and utilization of funds.
- iv. **Other grants and transfers** were below 90% because funding from the NG-CDF Board delayed hence delay in procurement and utilization of funds.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	102,772,255
Less undisbursed funds receivable from the Board as at 30 th June 2022	12,088,879
	90,683,376
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	90,683,376

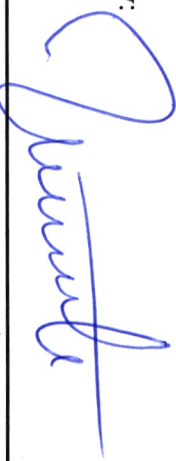
The Constituency financial statements were approved on 16th September 2022 and signed by:


Fund Account Manager

Name: Yussuf Abdi


National Sub-County Accountant

Name: Dickson C Kinyanjui
 ICPAK M/No: 13823


Chairman NG-CDF Committee

Name: Ahamed Wethow

X. Budget Execution by Sectors and Projects for the Year Ended 30th June 2022

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
	Kshs			Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,690,500	2,914,702	120,000	6,725,202	2,117,100	4,608,102
1.2 Committee allowances	1,500,000	731,962		2,231,962	2,147,000	84,962
1.3 Use of goods and services	3,010,522	412,534	136,672	3,559,728	2,605,642	954,086
Total	8,201,022	4,059,198	256,672	12,516,892	6,869,742	5,647,150
2.0 Monitoring and evaluation						
2.1 Capacity building	900,000	509,900		1,409,900	-	1,409,900
2.2 Committee allowances	731,950	611,931	50,000	1,393,881	-	1,393,881
2.3 Use of goods and services	1,438,550	1,488,500	80,000	3,007,050	60,000	2,947,050
Total	3,070,500	2,610,331	130,000	5,810,831	60,000	5,750,831
3.0 Emergency						
3.1 Primary Schools						
Chiracha Primary School PMC	-	3,225,000	-	3,225,000	3,225,000.00	-
Yatani Primary School PMC	1,297,592	760,201	192,207	2,250,000	2,250,000.00	-
3.2 Secondary schools						
Kiliwehiri Secondary Sch PMC	-	-	950,000	950,000	950,000.00	-
3.3 Security Projects						
Kiliwehiri Security PMC	700,000	-	-	700,000	700,000	-

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
3.5 Unutilised	5,194,615	-	-	5,194,615	-	5,194,615
Total	7,192,207	3,985,201	1,142,207	12,319,615	7,125,000	5,194,615
4.0 Bursary and Social Security						
4.1 Secondary Schools	9,000,000	140,089	450,000	9,590,089	2,125,000	7,465,089
4.2 Tertiary Institutions	20,500,000	1,337,070	250,000	22,087,070	2,265,000	19,822,070
4.3 Social Security	-	-	-	-	-	-
4.4 Special Needs	-	-	-	-	-	-
Total	29,500,000	1,477,159	700,000	31,677,159	4,390,000	27,287,159
5.0 Sports						
Diribbor Primary School	400,000	-	-	400,000	-	400,000
Diribbor Primary School	555,000	-	-	555,000	-	555,000
Chief Haji Mohamed Primary	400,000	-	-	400,000	-	400,000
Chief Haji Mohamed Primary	555,000	-	-	555,000	-	555,000
Banisa Constituency Sports Tournament	-	312,500	-	312,500	-	312,500
Tarama Primary School	-	-	324,000	324,000	324,000	-
Banisa Mixed Day Secondary	-	-	356,000	356,000	356,000	-
Total	1,910,000	312,500	680,000	2,902,500	680,000	2,222,500
6.0 Environment						
Kiliwehiri Secondary School	2,450,000	-	-	2,450,000	2,450,000	-
Banisa Primary School	-	1,500,000	-	1,500,000	1,500,000	-
Banisa DEO Office	-	-	600,000	600,000	-	600,000

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
Total	2,450,000	1,500,000	600,000	4,550,000	3,950,000	600,000
7.0 Primary Schools Projects						
Banisa Primary School	201,500	-	-	201,500	-	201,500
Kiliwehiri Primary School	195,000	-	-	195,000	-	195,000
Haji Mohamed Primary	195,000	-	-	195,000	-	195,000
Bode Primary School	130,000	-	-	130,000	-	130,000
Mata Arba Primary School	195,000	-	-	195,000	-	195,000
Soroba Primary School	195,000	-	-	195,000	-	195,000
Guba Primary School	195,000	-	-	195,000	-	195,000
Dakar Primary School	195,000	-	-	195,000	-	195,000
Shobtoy Primary School	195,000	-	-	195,000	-	195,000
Funan Teso Primary School	195,000	-	-	195,000	-	195,000
Kukuba Primary School	286,500	-	-	286,500	-	286,500
Birkan Primary School	286,500	-	-	286,500	-	286,500
Diribbor Primary School	286,500	-	-	286,500	-	286,500
Kukuba Primary School	198,000	-	-	198,000	-	198,000
Birkan Primary School	198,000	-	-	198,000	-	198,000
Diribbor Primary School	198,000	-	-	198,000	-	198,000
Lulis Primary School	2,000,000	-	-	2,000,000	-	2,000,000
Merile Primary School	950,000	-	-	950,000	-	950,000
Chief Haji Mohamed Primary	1,200,000	-	-	1,200,000	-	1,200,000

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis (d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
Andarak Primary School	950,000	-	-	950,000	-	950,000
Hardawa Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Yarani Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Qalim Primary School	950,000	-	-	950,000	-	950,000
Doomal Primary School	950,000	-	-	950,000	-	950,000
Banisa Primary School	700,000	-	-	700,000	-	700,000
Gesebki Primary School	950,000	-	-	950,000	-	950,000
Birkan Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Kiliwehiri Primary School	1,400,000	-	-	1,400,000	-	1,400,000
Funan Teso Primary School	900,000	-	-	900,000	-	900,000
Arda Garse Primary School	1,250,000	-	-	1,250,000	-	1,250,000
Umur Primary School	950,000	-	-	950,000	-	950,000
Qarari Dertu Primary School	300,000	-	-	300,000	-	300,000
Derkhale Primary School	1,400,000	-	-	1,400,000	-	1,400,000
Bode Primary School	950,000	-	-	950,000	-	950,000
Diribbor Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Tarama Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Qorobo Lakole Primary	1,250,000	-	-	1,250,000	-	1,250,000
Kukuba Primary School	1,400,000	-	-	1,400,000	1,400,000	-
Qorobo Shaba Primary School	950,000	-	-	950,000	-	950,000
Chabi Primary School	950,000	-	-	950,000	-	950,000

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
Afgoye Primary School	300,000	-	-	300,000	-	300,000
Tarbey Primary School	950,000	-	-	950,000	-	950,000
Murutho Primary School	1,250,000	-	-	1,250,000	-	1,250,000
Malkamari Primary School	700,000	-	-	700,000	-	700,000
Goro Athi Primary School	950,000	-	-	950,000	902,500	47,500
Farjan Primary School	2,300,000	-	-	2,300,000	-	2,300,000
Malkaroqa Primary School	300,000	-	-	300,000	-	300,000
Mata Arba Primary School	-	-	950,000	950,000	855,000	95,000
Andarak Primary School	-	-	1,200,000	1,200,000	-	1,200,000
Hardawa Primary School	-	-	1,200,000	1,200,000	1,080,000	120,000
Lulis Primary School	-	1,000,000	1,500,000	2,500,000	2,400,000	100,000
Yatani Primary School	-	450,000	800,000	1,250,000	1,130,000	120,000
Afgooy Primary School	-	450,000	500,000	950,000	855,000	95,000
Goljo Primary School	-	900,000	100,000	1,000,000	900,000	100,000
Kukuba Primary School	-	-	1,500,000	1,500,000	-	1,500,000
Tarama Primary School	-	400,000	550,000	950,000	855,000	95,000
Qorobo Abero Primary School	-	450,000	800,000	1,250,000	1,130,000	120,000
Diribbor Primary School	-	750,000	1,150,000	1,900,000	1,730,000	170,000
Diribbor Primary	-	1,730,000	-	1,730,000	1,730,000	-
Derkale Primary School	-	-	1,250,000	1,250,000	900,000	350,000
Burashum Primary School	-	350,000	600,000	950,000	855,000	95,000

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)
		Opening Balance (C/BK) and AIA	Previous years Outstanding Disbursements			
Dakar Primary School	-	300,000	650,000	950,000	855,000	95,000
Qotqot Primary School	-	-	1,250,000	1,250,000	1,130,000	120,000
Chorogo Primary School	-	-	1,200,000	1,200,000	-	1,200,000
Dakarbor Primary School	-	300,000	650,000	950,000	855,000	95,000
Aemey Primary School	-	300,000	650,000	950,000	855,000	95,000
Arda Garse Primary School	-	-	1,200,000	1,200,000	1,080,000	120,000
Kiliweheri Integrated Primary	-	1,070,000	830,000	1,900,000	1,730,000	170,000
Garbi Primary School	-	300,000	650,000	950,000	855,000	95,000
Funan Teso Primary School	-	400,000	800,000	1,200,000	1,080,000	120,000
Dambala Gale Primary School	-	390,000	860,000	1,250,000	1,130,000	120,000
Kararidertu Primary School	-	300,000	650,000	950,000	855,000	95,000
Khorgowla Primary School	-	300,000	650,000	950,000	855,000	95,000
Goro Athi Primary School	-	280,000	970,000	1,250,000	280,000	970,000
Hulow Primary School	-	300,000	650,000	950,000	855,000	95,000
Farjan Primary School	-	300,000	650,000	950,000	855,000	95,000
Soroba Primary School	-	1,080,000	120,000	1,200,000	1,080,000	120,000
Haji Mohamed Primary	-	1,500,000	-	1,500,000	1,500,000	-
Total	36,445,000	13,600,000	24,530,000	74,575,000	32,572,500	42,002,500
8.0 Secondary Schools Projects						
Kiliweheri Secondary School	584,000	-	-	584,000	584,000	-
Eymole Secondary School	584,000	-	-	584,000	-	584,000

Programme/Sub-programme	Original Budget (a)	Adjustments (b)		Final Budget c = (a+b)	Actual on comparable basis (d)	Budget utilization difference (e = c-d)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
Banisa Mix Secondary	365,000	-	-	365,000	365,000	-
Wayam Secondary School	255,500	-	-	255,500	255,500	-
Banisa Girls Secondary	255,500	-	-	255,500	255,500	-
Malkamari Secondary	219,000	-	-	219,000	-	219,000
Chief Abdullahi Secondary	429,750	-	-	429,750	-	429,750
Guba Secondary School	429,750	-	-	429,750	429,750	-
Eymole Secondary School	429,750	-	-	429,750	-	429,750
Guba Secondary School	2,000,000	-	-	2,000,000	2,000,000	-
Guba Secondary School	589,300	-	-	589,300	589,300	-
Kiliwehiri Secondary School	589,300	-	-	589,300	589,300	-
Banisa Girls Secondary School	589,300	-	-	589,300	589,300	-
Wayam Secondary School	3,000,000	-	-	3,000,000	3,000,000	-
Wayam Secondary School	6,850,000	-	-	6,850,000	6,850,000	-
Wayam Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Banisa Mixed Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Banisa Mixed Secondary School	1,200,000	-	-	1,200,000	-	1,200,000
Banisa Girls Secondary School	3,000,000	-	-	3,000,000	3,000,000	-
Banisa Girls Secondary School	6,850,000	-	-	6,850,000	6,850,000	-
Kiliwehiri Secondary School	3,000,000	-	-	3,000,000	3,000,000	-
Kiliwehiri Secondary School	6,850,000	-	-	6,850,000	6,850,000	-
Eymole Secondary School	950,000	-	-	950,000	-	950,000

Programme/Sub-programme	Original Budget (a)	Adjustments (b)	Final Budget c = (a+b)	Actual on comparable basis (d)	Budget utilization difference (e = c-d)	
	2021/2022	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2021/2022	30/06/2022	
Senior Chief Abdullahi Girls Secondary	1,500,000	-	-	1,500,000	-	1,500,000
Guba Secondary School	1,900,000	-	-	1,900,000	-	1,900,000
Malkamari Secondary	-	2,500,000	-	2,500,000	2,350,000	150,000
Banisa Girls Secondary	-	5,000,000	-	5,000,000	5,000,000	-
Banisa Girls Secondary	-	2,200,000	-	2,200,000	2,200,000	-
Banisa Girls Secondary	-	1,900,000	-	1,900,000	1,900,000	-
Banisa Girls Secondary	-	1,050,000	-	1,050,000	1,050,000	-
Kiliwehiri Secondary	-	900,000	-	900,000	900,000	-
Kiliwehiri Secondary	-	1,400,000	-	1,400,000	1,400,000	-
Kiliwehiri Secondary	-	2,200,000	-	2,200,000	2,200,000	-
Guba Secondary School	-	1,000,000	1,500,000	2,500,000	2,500,000	-
Eymole Secondary School	-	1,400,000	800,000	2,200,000	2,000,000	200,000
Snr Chief Abdullahi Secondary	-	2,300,000	200,000	2,500,000	2,400,000	100,000
Eymole Secondary School	-	-	1,900,000	1,900,000	1,900,000	-
Eymole Secondary School	-	-	4,500,000	4,500,000	4,500,000	-
Snr Chief Abdullahi Secondary	-	-	2,000,000	2,000,000	2,000,000	-
Total	44,420,150	21,850,000	10,900,000	77,170,150	69,507,650	7,662,500
9.0 Tertiary institutions Projects						
Banisa Education Office	-	-	2,000,000	2,000,000	1,850,000	150,000
Total	-	-	2,000,000	2,000,000	1,850,000	150,000
10.0 Security 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)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements			
	2021/2022			2021/2022	30/06/2022	
Lulis Location Chief's Office	1,500,000	-	-	1,500,000	-	1,500,000
Eymole Location Chief's Office	1,200,000	-	-	1,200,000	-	1,200,000
Kiliwehiri Police Station	1,200,000	-	-	1,200,000	-	1,200,000
Kiliwehiri DCC Office	-	-	300,000	300,000	-	300,000
Banisa Chief's Office	-	1,600,000	-	1,600,000	1,300,000	300,000
Banisa AP Station	-	-	2,200,000	2,200,000	2,200,000	-
Banisa AP	-	-	750,000	750,000	500,000	250,000
Banisa DCC	-	-	1,500,000	1,500,000	-	1,500,000
Kiliwehiri AP	-	-	600,000	600,000	600,000	-
Kiliwehiri DCC	-	-	3,000,000	3,000,000	3,000,000	-
Kiliwehiri ACC	-	-	3,600,000	3,600,000	3,600,000	-
Total	3,900,000	1,600,000	11,950,000	17,450,000	11,200,000	6,250,000
11.0 Acquisition of assets						
11.1 Construction of CDF office	-	-	-	-	-	-
Total	-	-	-	-	-	-
12.0 Other payments						
Balance b/f	-	5,000	-	5,000	-	5,000
Total	-	5,000	-	5,000	-	5,000
13.0 unallocated fund						
Unapproved projects	-	-	-	-	-	-
AIA	-	-	-	-	-	-

Programme/Sub-programme	Original Budget (a)	Adjustments (b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	
	2021/2022	Opening Balance (C/Bk and AIA	Previous years Outstanding Disbursements	2021/2022	30/06/2022	
PMC savings	-	-	-	-	-	-
Total	-	-	-	-	-	-
Total	137,088,879	50,999,389	52,888,879	240,977,147	138,204,892	102,772,255

XI. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-BANISSA 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.

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

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.

Significant Accounting Policies continued

6. Cash and Cash Equivalents.

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

Significant Accounting Policies continued

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.

Significant Accounting Policies continued

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 10th 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.

Significant Accounting Policies continued

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.

XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description		2021-2022	2020 - 2021
		Kshs	Kshs
Normal Allocation	AIE NO.B041029	-	22,000,000
	AIE NO.B047363	-	39,867,724
	AIE NO.B104984	-	9,000,000
	AIE NO.B124889	-	8,500,000
	AIE NO.B119695	-	12,000,000
	AIE NO.B119735	-	6,900,000
	AIE NO.B128345	-	7,000,000
	AIE NO.B132090	-	6,000,000
	AIE NO. B105188	-	12,000,000
	AIE NO. B126054	-	7,000,000
	AIE NO. B126343	-	11,600,000
	AIE NO. B135476	-	12,000,000
	AIE NO.B140833	33,000,000	-
	AIE NO.B140801	7,500,000	-
	AIE NO.B105410	44,000,000	-
	AIE NO.B105727	22,000,000	-
	AIE NO.B105995	5,000,000	-
	AIE NO.B128758	12,000,000	-
	AIE NO.B154361	12,000,000	-
	AIE NO.B154256	18,000,000	-
	AIE NO.B110779	24,088,879	-
	AIE NO.A888967	300,000	-
TOTAL		177,888,879	153,867,724

2. COMPENSATION OF EMPLOYEES

Description		2021-2022	2020 - 2021
		Kshs	Kshs
NG-CDFC Basic staff salaries		2,079,900	2,124,000
Employer Contributions Compulsory national social security schemes		37,200	36,000
TOTAL		2,117,100	2,160,000

Notes To the Financial Statements (Continued)

3. Use Of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Domestic travel and subsistence	691,400	-
Training expenses	-	1,857,100
Other committee expenses	-	119,000
Committee allowance	2,147,000	1,750,000
Specialised materials and services (Posta)	18,900	-
Office and general supplies and services	1,855,000	3,583,078
Fuel , oil & lubricants (Hire of Transport)	60,000	-
Bank service commission and charges	40,342	-
TOTAL	4,812,642	7,309,178

4. Transfer To Other Government Units

Description	2021-2022	2020-2021
	Kshs	Kshs
Transfers To Primary Schools	32,572,500	66,000,000
Transfers To Secondary Schools	69,507,650	38,250,000
Transfers To Tertiary Institutions	1,850,000	-
Total	103,930,150	104,250,000

5. Other Grants and Other transfers

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools	2,125,000	6,896,500
Bursary – tertiary institutions	2,265,000	18,969,000
Security projects	11,200,000	1,800,000
Sports projects	680,000	-
Environment projects	3,950,000	1,161,206
Emergency projects	7,125,000	2,100,000
Total	27,345,000	30,926,706

Notes To the Financial Statements (Continued)

6. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2021-2022	2020-2021
	Kshs	Kshs
10A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Manderu Branch A/C No. 1000296633736</i>	90,683,376	50,999,389
Total	90,683,376	50,999,389

7. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	50,999,389	41,777,549
Total	50,999,389	41,777,549

8. Other Important Disclosures

8.1: Pending Staff Payables

	2021-2022	2020-2021
	Kshs	Kshs
NGCDFC Staff	-	571,020
Total	-	571,020

8.2: Unutilized Fund (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	4,608,102	3,034,703
Use of goods and services	6,789,879	4,021,499
Amounts due to other Government entities	49,815,000	64,480,000
Amounts due to other grants and other transfers	41,554,274	17,347,067
Acquisition of assets	-	15,000,000
Others	5,000	5,000
Total	102,772,255	103,888,269

8.3: PMC account balances (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
PMC Account Balances	737,288	190,880
Total	737,288	190,880

**National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022**

Annexes

Annex 1 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021
Compensation of employees	NG-CDFC staffs salaries	4,608,102	3,034,703
Use of goods & services	Committee sitting allowances, travel and subsistence and other general office administrations	6,789,879	4,021,499
Amounts due to other Government entities			
Mata Arba Primary School/primary School	Construction of One Number Classroom to completion	95,000	950,000
Andarak Primary School/primary	Construction of 30 M ³ Underground Water Tank to completion	1,200,000	1,200,000
Hardawa Primary School	Construction of Kitchen and Store to completion	120,000	1,200,000
Lulis Primary School	Construction of 80-bed Capacity Dormitory to Roofing Level (Phase I)	100,000	2,500,000
Yatani Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	120,000	1,250,000
Afgooy Primary School	Construction of One Number Classroom to completion	95,000	950,000
Goljo Primary School	Renovation of 4 Classes (Repairing wall cracks, floor cracks, replacing broken doors and Windows, painting works and labelling)	100,000	1,000,000
Kukuba Primary School	Construction of Chain link fence with Concrete posts of 450M length to completion (1,350,000) Construction of Gate Wall of 6M & Gate to completion (150,000)	1,500,000	1,500,000
Tarama Primary School	Construction of One Number Classroom to completion	95,000	950,000
Qorobo Abero Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	120,000	1,250,000
Diribbor Primary School	Construction of Two Number Classrooms to completion	170,000	1,900,000
Diribbor Primary School	Construction of chain link Fence	-	1,730,000
Derkale Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	350,000	1,250,000
Burashum Primary School	Construction of One Number Classroom to completion	95,000	950,000
Dakar Primary School	Construction of One Number Classroom to completion	95,000	950,000
Qotqot Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	120,000	1,250,000
Chorogo Primary School	Construction of Kitchen and Store to completion	1,200,000	1,200,000
Dakarbor Primary School	Construction of One Number Classroom to completion	95,000	950,000

Aemey Primary School	Construction of One Number Classroom to completion	95,000	950,000
Arda Garse Primary School	Construction of 30 M ³ Underground Water Tank to completion	120,000	1,200,000
Kiliweheri Integrated Primary	Construction of Two Number Classrooms to completion	170,000	1,900,000
Garbi Primary School	Construction of One Number Classroom to completion	95,000	950,000
Funan Teso Primary School	Construction of 30 M ³ Underground Water Tank to completion	120,000	1,200,000
Dambala Gale Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	120,000	1,250,000
Kararidertu Primary School	Construction of One Number Classroom to completion	95,000	950,000
Khorgowla Primary School	Construction of One Number Classroom to completion	95,000	950,000
Goro Athi Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	970,000	1,250,000
Hulow Primary School	Construction of One Number Classroom to completion	95,000	950,000
Farjan Primary School	Construction of One Number Classroom to completion	95,000	950,000
Soroba Primary School	Construction of 30 M ³ Underground Water Tank to completion	120,000	1,200,000
Haji Mohamed Primary	Construction of 10-Door Toilet to completion	-	1,500,000
Banisa Primary School	Purchase and delivery of 31 three-Seater wooden desks	201,500	
Kiliweheri Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Haji Mohamed Primary	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Bode Primary School	Purchase and delivery of 20 three-Seater wooden desks	130,000	
Mata Arba Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Soroba Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Guba Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Dakar Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Shobtoy Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Funan Teso Primary School	Purchase and delivery of 30 three-Seater wooden desks	195,000	
Kukuba Primary School	Purchase & Delivery of 20 Metallic Double Decker Beds	286,500	
Birkan Primary School	Purchase & Delivery of 20 Metallic Double Decker Beds	286,500	
Diribbor Primary School	Purchase & Delivery of 20 Metallic Double Decker Beds		

			286,500	
Kukuba Primary School	Purchase & Delivery of 40 Mattresses		198,000	
Birkan Primary School	Purchase & Delivery of 40 Mattresses		198,000	
Diribbor Primary School	Purchase & Delivery of 40 Mattresses		198,000	
Lulis Primary School	Completion of 80-bed Capacity Dormitory		2,000,000	
Merile Primary School	Construction of One Number Classroom to completion		950,000	
Chief Haji Mohamed Primary	Renovation Works to 3 Classrooms		1,200,000	
Andarak Primary School	Construction of One Number Classroom to completion		950,000	
Hardawa Primary School	Construction of 2 Room Office Block to Completion		1,200,000	
Yatani Primary School	Construction of Kitchen and Store to completion		1,200,000	
Qalim Primary School	Construction of One Number Classroom to completion		950,000	
Doomal Primary School	Construction of One Number Classroom to completion		950,000	
Banisa Primary School	Renovation works to 2 Classrooms		700,000	
Gesrebki Primary School	Construction of One Number Classroom to completion		950,000	
Birkan Primary School	Construction of 2 Room Office Block to Completion		1,200,000	
Kiliwehiri Primary School	Construction of Chain link fence with Concrete posts of 415M length to completion (1,250,000) Construction of Gate Wall of 6M & Gate to completion (150,000)		1,400,000	
Funan Teso Primary School	Renovation works to 1 Classroom & Construction of 4-Door Toilet		900,000	
Arda Garse Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)		1,250,000	
Umur Primary School	Construction of One Number Classroom to completion		950,000	
Qarari Dertu Primary School	Construction of 2-Door Toilet to completion		300,000	
Derkhale Primary School	Construction of Chain link fence with Concrete posts of 415M length to completion (1,250,000) Construction of Gate Wall of 6M & Gate to completion (150,000)		1,400,000	

Bode Primary School	Construction of One Number Classroom to completion	950,000
Diribbor Primary School	Construction of 30 M ³ Underground Water Tank to completion	1,200,000
Tarama Primary School	Construction of 30 M ³ Underground Water Tank to completion	1,200,000
Qorobo Lakole Primary	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	1,250,000
Qorobo Shaba Primary School	Construction of One Number Classroom to completion	950,000
Chabi Primary School	Construction of One Number Classroom to completion	950,000
Afgoye Primary School	Construction of 2-Door Toilet to completion	300,000
Tarbey Primary School	Construction of One Number Classroom to completion	950,000
Murutho Primary School	Construction of One Number Classroom to completion (950,000) & 2-Door Toilet to completion (300,000)	1,250,000
Malkamari Primary School	Renovation works to 2 Classrooms to completion (Repairing wall cracks, floor cracks, replacing broken doors and Windows, painting works and labeling)	700,000
Goro Athi Primary School	Construction of One Number Classroom to completion	47,500
Farjan Primary School	Construction of 80-bed Capacity Dormitory to Roofing Level	2,300,000
Malkaroqa Primary School	Construction of 2-Door Toilet to completion	300,000
Malkamari Secondary	Construction of Chain link fence with Concrete posts of 800M length (2,050,000) Construction of Guard House (300,000), Gate Wall of 6M & Gate (150,000)	150,000
Banisa Girls Secondary	Construction of Multipurpose Hall, Kitchen, Servoury & Two Number Stores to completion	5,000,000
Banisa Girls Secondary	Construction of 3 Room Staff Quarters to Completion	2,200,000
Banisa Girls Secondary	Construction of 50M3 Underground water Tank to completion (1,500,000), Elevated Concrete Water Tank Tower with 5,000 Litre Plastic Water Tank and Piping to Completion (400,000)	1,900,000
Banisa Girls Secondary	Construction of 7-Door Toilet to Completion	1,050,000
Kiliwehiri Secondary	Construction of 6-Door Toilet to Completion	900,000
Kiliwehiri Secondary	Renovation works to 80-Bed capacity Dormitory (Repairing wall cracks, floor cracks, Roofing works, replacing broken doors and Windows, painting works and labeling)	1,400,000
Kiliwehiri Secondary	Construction of 3 Room Staff Quarters to Completion	2,200,000

Guba Secondary School	Construction of 80-bed Capacity Dormitory to Roofing Level (Phase I)	-	2,500,000
Eymole Secondary School	Construction of Two Number Classrooms to completion (1,900,000) & 2-Door Toilet to completion (300,000)	200,000	2,200,000
Snr Chief Abdullahi Secondary	Construction of 80-bed Capacity Dormitory to Roofing Level (Phase I)	100,000	2,500,000
Eymole Secondary School	Purchase and delivery of 80 Lockers & Chairs	584,000	
Malkamari Secondary	Purchase and delivery of 30 Lockers & Chairs	219,000	
Chief Abdullahi Secondary	Purchase & Delivery of 30 Metallic Double Decker Beds	429,750	
Eymole Secondary School	Purchase & Delivery of 30 Metallic Double Decker Beds	429,750	
Banisa Mixed Secondary School	Renovation Works to 3 Classrooms	1,200,000	
Eymole Secondary School	Construction of One Number Classroom to completion	950,000	
Senior Chief Abdullahi Girls Secondary	Construction of 3 Room Administration Office Block to Completion	1,500,000	
Guba Secondary School	Construction of 2 Number Classrooms to completion	1,900,000	
Banisa Education Office	Construction of 3 Room Office Block to Completion	150,000	2,000,000
Sub-Total		49,815,000	64,480,000
Amounts due to other grants and other transfers			
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	5,194,615	5,127,408
Bursary Secondary School	Provision of bursary awards to needy students in secondary Schools	7,465,089	590,089
Bursary Tertiary Institutions	Provision of bursary awards to needy students in Tertiary institutions.	19,822,070	1,587,070
Kilwehiri DCC Office	Construction of Twin Toilets	300,000	300,000
Banisa Chief's Office	Construction of 2 Room Administration Office to completion (1,300,000) & 2-Door Pit Latrine to completion (300,000)	300,000	1,600,000
Banisa Constituency Sports Tournament	Supply of uniforms, balls and Trophies	312,500	312,500
Banisa AP Station	Construction of 3 Room Staff Quarters to Completion	-	2,200,000
Banisa AP	Construction of 5-Door Toilet to completion	250,000	750,000
Banisa DCC	Construction of 2-Room House to Completion	1,500,000	1,500,000
Kilweheri AP	Construction of 4-Door Toilet to completion	-	600,000
Tarama Primary School	Supply of uniforms, balls and Trophies	-	324,000
Banisa Mixed Day Secondary	Supply of uniforms, balls and Trophies	-	356,000
Banisa Primary School	Construction of 10-Door Toilets to Completion	-	1,500,000

Banisa DEO Office	Construction of 4-Door Toilets to Completion	600,000	600,000
Diribbor Primary School	Purchase of 2 Branded trophies, 132 Pairs of branded t-shirts and shorts, 10 Branded leather football balls, 5 Branded leather volleyball balls, 2 Football Nets	400,000	-
Diribbor Primary School	Bush Clearing of football and volleyball pitches, leveling off the ground, labeling, erection of goal posts to completion	555,000	-
Chief Haji Mohamed Primary	Purchase of 2 Branded trophies, 132 Pairs of branded t-shirts and shorts, 10 Branded leather football balls, 5 Branded leather volleyball balls, 2 Football Nets	400,000	-
Chief Haji Mohamed Primary	Bush Clearing of football and volleyball pitches, leveling off the ground, labeling, erection of goal posts to completion	555,000	-
Lulis Location Chief's Office	Construction of 3 Room Office Block to Completion	1,500,000	-
Eymole Location Chief's Office	Construction of 2 Room Office Block to Completion	1,200,000	-
Kiliwehiri Police Station	Construction of 2 Room Office Block to Completion	1,200,000	-
Sub-Total		41,554,274	17,347,067
Acquisition of Assets			
Banisa Constituency NG-CDF Office	Construction of NG-CDF Office Phase I	-	7,500,000
Banisa Constituency NG-CDF Office	Construction of NG-CDF Office Phase II	-	7,500,000
Others (specify)		-	15,000,000
Other Payment Balance(2013/14fy)	Balance on the allocation of office furniture 2013/14fy	5,000	5,000
Sub-Total		5,000	5,000
Grand Total		102,772,255	103,888,269

Annex 2 –PMC Bank Balances as at 30th June 2022

Project Management Committee (PMC) Name	Bank	Account number	Bank Balance	Bank Balance
			2021/2022	2020/2021
Haji Mohamed Gira Primary School	Equity	1020163288781	-	14,230
Banisa Girls' Secondary	Equity	1000269196157	-	155,750
Banisa Mixed Day Secondary	Equity	1000264570442	-	20,900
Tarama Primary School	Equity	1000163823927	4,508	-
Lulis Primary School	Equity	1000163979896	1,055	-
Chiracha Primary School	Equity	1000263180116	1,685	-
Soroba Primary School	Equity	1000278890679	900	-
Goljo Primary School	Equity	1020164073823	480	-
Dakar Primary School	Equity	1000280220426	500	-
Derkale Primary School	Equity	1000263229047	2,763	-
Guba Mixed Secondary School	Equity	1000279522412	90	-
Kiliwehiri Secondary School	Equity	1000269215360	2,180	-
Malkamari Secondary School	Equity	1000269270979	2,007	-
Eymole Secondary School	Equity	1000282289503	1,000	-
Banisa Mixed Day Secondary School	Equity	1000264570442	704,502	-
Senior Chief Abdullahi Girls Secondary	Equity	1000280469847	1,000	-
Banisa Girls Secondary School	Equity	1000269196157	4,100	-
Wavann Secondary School	Equity	1000264028052	10,518	-
Total			737,288	190,880

Annex 3 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Office equipment, furniture and fittings	1,179,000	-	-	1,179,000
ICT Equipment, Software and Other ICT Assets	816,000	-	-	816,000
Total	1,995,000	-	-	1,995,000

Annex 4: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	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)
Paragraph 1.0	Unsupported Transfers to Other Government Entities Review of records revealed that an expenditure amounting to Kshs. 9,200,000 (Secondary) and Kshs. 9,850,000 (Primary) were not supported with certificates of practical completion and evidence of requests from respective schools with the details of specific projects for funding.	The NG-CDF Committee will resolve the issues raised with guidance from the NG-CDF Board and the recommendations from Parliament's Special Accounts Committee.	NG-CDF Fund Account Manager	Not Resolved	30 th June 2023
Paragraph 2.0	Non-Acknowledged Bursary Payments Review of payment records revealed that bursaries amounting to Kshs. 2,596,500 and Kshs. 1,816,000 for secondary schools and tertiary institutions respectively were not supported with acknowledgement receipts from respective learning institutions as a confirmation of receipt of the disbursed funds.	The NG-CDF Committee will resolve the issues raised with guidance from the NG-CDF Board and the recommendations from Parliament's Special Accounts Committee.	NG-CDF Fund Account Manager	Not Resolved	30 th June 2023
Paragraph 3.0	Budget and Budgetary Controls Summary statement of appropriation for the year ended 30 June, 2021 revealed that the Fund received Kshs.195,645,273 against budgeted amount of Kshs.248,534,153 resulting to an underfunding of Kshs.52,888,880 or 21% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis totaling to Kshs.248,534,153 and Kshs.144,645,884 respectively, resulting to an	The NG-CDF Committee will resolve the issues raised with guidance from the NG-CDF Board and the recommendations from Parliament's Special Accounts Committee.	NG-CDF Fund Account Manager	Not Resolved	30 th June 2023

Paragraph 4.0	<p>under expenditure of Kshs.103,888,269.</p> <p>Unresolved Prior Year Matters The management has not resolved several issues raised under the Report on Financial Statement, Report on Lawfulness and Effectiveness in use of Public Resources, and Report on Effectiveness on Internal Controls, Risk Management and Governance.</p>	<p>The NG-CDF Committee will resolve the issues raised with guidance from the NG-CDF Board and the recommendations from Parliament's Special Accounts Committee.</p>	NG-CDF Fund Account Manager	Not Resolved	30 th June 2023
Paragraph 5.0	<p>Utilization of Emergency Reserve Grants Examination of payment records revealed that the Management did not report to the Board of the utilization of the emergency funds within 30 days as stipulated by Section 20(2) of the National Government Constituency Development Fund Regulations, 2016.</p>	<p>The NG-CDF Committee will resolve the issues raised with guidance from the NG-CDF Board and the recommendations from Parliament's Special Accounts Committee.</p>	NG-CDF Fund Account Manager	Not Resolved	30 th June 2023
Paragraph 6.0	<p>Project Status and Implementation During the year under review, the management allocated Kshs.103,852,207 to sixty-two (62) projects in various sectors including environment, sports, security, and education. Review of the project implementation status report revealed that fifty-three (53) projects were completed while nine (9) had not started.</p>	<p>The NG-CDF Committee will resolve the issues raised with guidance from the NG-CDF Board and the recommendations from Parliament's Special Accounts Committee.</p>	NG-CDF Fund Account Manager	Not Resolved	30 th June 2023

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 Yussuf Abdi

Fund Account Manager

Date: 16th September 2022

