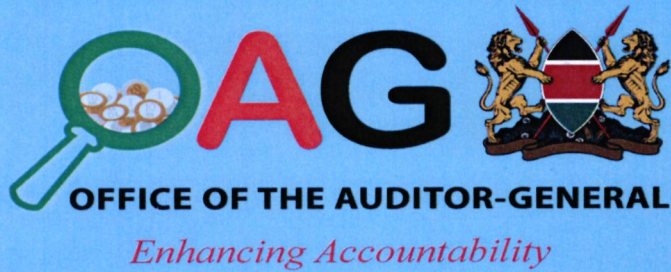



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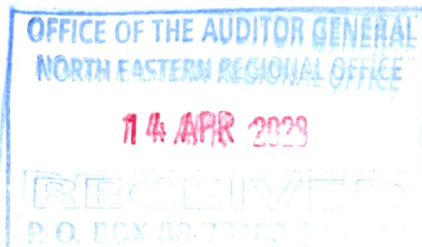
 THE NATIONAL ASSEMBLY	
DATE: 04 JUL 2023	DAY: TUE
TABLED BY:	HON. OWEN BATHA, CBS, MP Opposition Leader of Majority
CLERK AT THE TABLE:	INZOFU MUKALE

THE AUDITOR-GENERAL

ON

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

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



ELDAS 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;

Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

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

- 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 Eldas Constituency NG-CDF day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(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	Irshad Mohamed Habashow
2.	Sub-County Accountant	Bishar Hassan Adan
3.	Chairman NG-CDFC	Mohamud Abdi Ibrahim
4.	Member NG-CDFC	Asha Bishar Jelle

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of Eldas Constituency NG-CDF. The reports and recommendation of ARMC when adopted by the NG-CDF 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) Eldas Constituency NG-CDF Headquarters

P.O. Box 491
Eldas NG-CDF Building
Eldas-Anole Road
Wajir, KENYA

(f) Eldas Constituency NG-CDF Contacts

Telephone: (254) 722930356
E-mail: cdfeldas@NG-CDF.go.ke
Website: www.NG-CDFeldas.go.ke

Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

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

(g) Eldas Constituency NG-CDF Bankers

Kenya Commercial Bank
Account Number: 1147613265
Wajir Branch
P.O. BOX 201-70200
Wajir, 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



I am pleased to present to you the Eldas Annual report and financial statement for the year ended 30th June 2022.

The budget performance against the actual amount was good with 87.1% absorption rate for the financial year 2021/2022. However, for the amount receipt the absorption rate was 94% meaning the funds received during the year under review was properly utilized. This can be seen on page 9 (summary statement of appropriation) of the financial statement. Amount receipts was Ksh 170,088,879.00 out of Ksh 181,277,758.00 which was budget for the financial year 2021/2022 and prior year funds that were not disbursed to the constituency as at the

beginning of the year under review.

During the financial year under review the constituency was able to issue bursary to deserving and needy student within the constituency with 100% distribution of the amount received as at 30/6/2022. Sixty seven projects were implemented and were complete and in use; thirty two for primary schools, twenty two for secondary schools project and thirteen security projects.

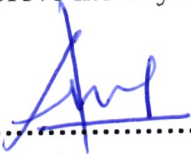
Constituents are well informed on the NG -CDF function and coming forward with their proposal to improve the general wellbeing of residents. Peace and security are the major concern due to scarce resources within the pastoral communities along the constituency boundary as a result of climatic changes.

All projects are of urgency in nature to the constituency. To rip the maximum benefits to the residents, NG-CDF funds should be disbursed within the financial year to ensure smooth transformation of the area covered.

As way forward, Eldas NG-CDFC should purchase a motor vehicle to ease monitoring of projects. More resources should be allocated to peace building activities both by County Government and Eldas NG-CDF.

Programs and projects should be designed to mitigate the effect of climate change both in the short term and long term.

More public education should be carried out to encourage pastoralists to take their children to school to improve literacy levels.



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**Name: MOHAMUD ABDI IBRAHIM
CHAIRMAN NG-CDF COMMITTEE**

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 key development objectives of *Eldas Constituency 2018-2022* plan are to:

- a) Education- Become a national model for education by improving schools infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.
- b) Environment- Improve access to clean water and a more sustainable and conserved environment in Eldas through natural resources conservation initiatives
- c) Security- Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure
- d) Sport- Empower and develop youth and special groups to reduce dependence and spur economic growth through sports
- e) Livelihoods and socio-economic Empowerment-To undertake economic empowerment projects targeting the youth, women and the elderly in the constituency

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number	In FY 21/22 -The number of classrooms, dormitories, laboratories were increased. -promotion of education access through bursary provision

Constituency Sector	Objective	Outcome	Indicator	Performance
			of bursary's beneficiaries at all levels	
Security	To foster a peaceful and secure constituency	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and police stations	-The number of police posts increased. -Chiefs and assistant chiefs offices constructed.
Environment	To establish a sustainable green constituency	-Drill boreholes to promote access to clean and safe water -Equip schools and public facilities with sanitation facilities -Provide tree seedlings to schools to improve the forest cover	- Number of boreholes drilled -Number of sanitation facilities built in primary and secondary -Number of trees planted	Number of boreholes, sanitation facilities built and trees planted increased
Sports	Promote youth activities in the constituency	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programme	Number of youth groups benefitting from the sports programme increased

IV. Environmental and Sustainability Reporting

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

- a. **Education and Training:** Eldas 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; NG-CDF 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

NG-CDF Eldas collaborates with like-minded institutions to promote environmental performance through tree planting to protect water catchment areas.

The constituency promotes environmental conservation through installation of water gutters and water tanks to schools and police stations. This ensures that storm water is harvested during raining seasons. This promotes sustainable green constituency.

3. Employee welfare

We invest in providing the best working environment for our employees. Eldas Constituency recruitment is guided by Employment Act, NG-CDF 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. Eldas 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-

Eldas NG-CDF 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.

NG-CDF 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-

Eldas NG-CDF 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.

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



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Name: IRSHAD MOHAMED HABASHOW

FAM

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 NG-CDF Eldas 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 NG-CDF Eldas 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 NG-CDF Eldas 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.

Eldas Constituency

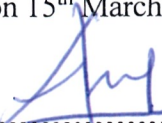
National Government Constituencies Development Fund (NG-CDF)

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

The Accounting Officer in charge of the NG-CDF Eldas 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 NG-CDF- Eldas Constituency financial statements were approved and signed by the Accounting Officer on 15th March 2023.



.....
Name: MOHAMUD ABDI IBRAHIM

Chairman – NG-CDF Committee

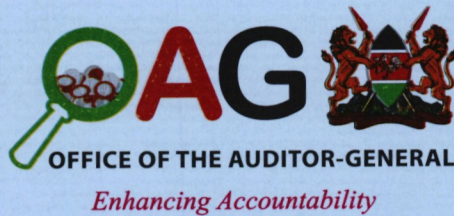


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**Name: IRSHAD MOHAMED
HABASHOW**

Fund Account Manager

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Eldas Constituency set out on pages 1 to 45, which comprise of the statement of assets and liabilities as at 30 June, 2022 and the statement of receipts and payments, statement of cash flows and summary statement of

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

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Eldas Constituency as at 30 June, 2022 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for the Opinion

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual amounts on comparable basis of Kshs.206,125,985 and Kshs.194,937,106 respectively, resulting to under-funding of Kshs.11,188,879 (or 54%) of the budget. Similarly, the Fund expended Kshs.179,444,726 against an approved budget of Kshs.206,125,985, resulting to under expenditure of Kshs.26,681,259 (or 13%) of the budget.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter described in the basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

Lack of Ownership Documents and Valuation for Fixed Assets

Annex 4 of the financial statements reflects Summary of Fixed Assets Register with total assets value of Kshs.30,136,450 as at 30 June, 2022. In the assets register, land is listed as one of the assets but Management has not acquired a title deed to proof the ownership. Further, the land valuation has not been done and thus the market value cannot be determined.

In the circumstances, the ownership and valuation of the land could not be confirmed.

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall 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 controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall 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 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 that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

16 May, 2023

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

	Note	2021-2022	2020-2021
		Kshs	Kshs
Receipts			
Transfers from NG-CDF Board	1	170,088,879	162,267,724
Proceeds from Sale of Assets	2	-	-
Other receipts	3	-	-
Total receipts		170,088,879	162,267,724
Payments			
Compensation of employees	4	3,827,400	3,860,600
Use of goods and services	5	7,762,076	6,417,935
Transfers to Other Government Units	6	89,000,250	87,519,750
Other grants and transfers	7	78,855,000	46,145,000
Acquisition of Assets	8	-	1,500,000
Other payments	9	-	-
Total payments		179,444,726	145,443,285
Surplus/deficit		(9,355,847)	16,824,439


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 15th March 2023 and signed by:



Fund Account Manager

Name: Irshad Mohamed
Habashow



National Sub-County
Accountant

Name: Bishar Adan Hassan
ICPAK M/No: 19500



Chairman NG-CDF
Committee

Name: Mohamud Abdi
Ibrahim

Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022

VIII. 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)	10A	15,492,379	24,848,227
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		15,492,379	24,848,227
Accounts receivable			
Outstanding imprests	11	-	-
Total financial assets		15,492,379	24,848,227
Financial liabilities			
Accounts payable (deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
Net financial Assets		15,492,379	24,848,227
Represented by			
Fund balance b/fwd 1st July...	13	24,848,227	8,023,788
Prior year adjustments	14	-	
Surplus/Deficit for the year		(9,355,847)	16,824,439
Net financial position		15,492,379	24,848,227

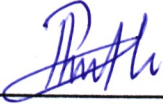
Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

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

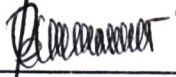
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Fund Account Manager

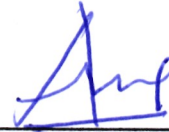
**Name: Irshad Mohamed
Habashow**



**National Sub-County
Accountant**

Name: Bishar Adan Hassan

ICPAK M/No: 19500



**Chairman NG-CDF
Committee**

**Name: Mohamud Abdi
Ibrahim**

*Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

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

	Notes	2021-2022	2020-2021
		Kshs	Kshs
Receipts from operating activities			
Transfers from NG-CDF Board	1	170,088,879	162,267,724
Other receipts	3	-	-
		170,088,879	162,267,724
Payments for operating activities			
Compensation of Employees	4	3,827,400	3,860,600
Use of goods and services	5	7,762,076	6,417,935
Transfers to Other Government Units	6	89,000,250	87,519,750
Other grants and transfers	7	78,855,000	46,145,000
Other payments	9	-	-
Total payments		179,444,726	143,943,285
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net adjustments		-	-
Net cash flow from operating activities		-9,355,847	18,324,439
Cashflow from investing activities			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-1,500,000
Net cash flows from Investing Activities		-	-1,500,000
Net increase in cash and cash equivalent		-9,355,847	16,824,439
Cash and cash equivalent at beginning of the year	10	24,848,227	8,023,788
Cash and cash equivalent at end of the year		15,492,379	24,848,227

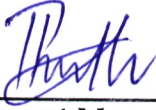
Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

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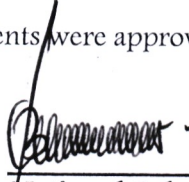
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Fund Account Manager

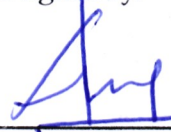
Name: Irshad Mohamed Habashow



National Sub-County Accountant

Name: Bishar Adan Hassan

ICPAK M/No: 19500



Chairman NG-CDF Committee

Name: Mohamud Abdi Ibrahim

*Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

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

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	%
	a	b	c=a+b	d	e=c-d	f=d/c %
Receipts		Previous years Outstanding Disbursements				
Transfers From NG-CDF Board	137,088,879	44,188,879	206,125,985	194,937,106	11,188,879	94.6%
Proceeds From Sale Of Assets			0	-	-	
Other Receipts			0	-	-	
Total Receipts	137,088,879	44,188,879	206,125,985	194,937,106	11,188,879	
Payments						
Compensation Of Employees	4,096,672	221,850	5,131,971	3,827,400	1,304,571	74.6%
Use Of Goods And Services	4,500,000	16,822	8,386,340	7,762,076	624,264	92.6%
Transfers To Other Government Units	75,300,000	30,350,000	109,180,250	89,000,250	20,180,000	81.5%
Other Grants And Transfers	53,192,207	13,600,207	83,427,424	78,855,000	4,572,424	94.5%
Acquisition Of Assets			0	-	-	
Other Payments	0		0	-	-	
Total	137,088,879	44,188,879	206,125,985	179,444,726	26,681,259	

Eldas Constituency

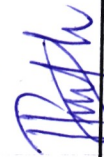
National Government Constituencies Development Fund (NG-CDF)

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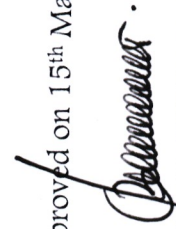
Expenditure is below 90% since not all amount allocated to the constituency was received from NG-CDFB. Adjustment is made up of the opening balance as at 1/07/2021 and prior year funds disbursed to the constituency after the beginning of the financial year 2021/2022.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	26,681,259
Less undisbursed funds receivable from the Board as at 30th June 2022	11,188,879
Add Accounts payable	15,492,379
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	15,492,379

The Constituency financial statements were approved on 15th March 2023 and signed by:



Fund Account Manager



National Sub-County Accountant



Chairman NG-CDF Committee

Name: Irshad Mohamed Habashow

**Name: Bishar Adan Hassan
ICPAK M/No: 19500**

Name: Mohamud Abdi Ibrahim

*Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

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	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,096,672	813,449.04	221,850	5,131,971	3,827,400.00	1,304,571	75
1.2 Committee allowances	1,200,000	1,700,113.15		2,900,113	2,846,000.00	54,113	98
1.3 Use of goods and services	1,300,000	870,000.82	16,822	2,186,823	1,957,226.35	229,597	90
Total	6,596,672	3,383,563	238,672	10,218,907	8,630,626.35	1,588,281	
2.0 Monitoring and evaluation							
2.1 Capacity building	900,000	507,146.00		1,407,146	1,404,000.00	3,146	100
2.2 Committee allowances	600,000	221,226.14		821,226	590,850.00	230,376	72
2.3 Use of goods and services	500,000	571,031.72		1,071,032	964,000.00	107,032	90
Total	2,000,000	1,299,404	-	3,299,404	2,958,850.00	340,554	
3.0 Emergency							
3.1 Primary Schools	7,192,207	43,175.45	207	7,235,589	7,100,000.00	135,589	98
3.2 Secondary schools				-		-	
3.3 Tertiary institutions				-		-	
3.4 Security projects				-		-	
3.5 Unutilised				-		-	

Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 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	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Total	-	-	-	2021/2022	30/06/2022	-	
7.0 Primary Schools Projects							
Dagahley Primary School	2,300,000.00			2,300,000	2,185,000.00	115,000	95
Dagahley Primary School	1,000,000.00			1,000,000	950,000.00	50,000	95
Balatulamin Primary School	1,200,000.00			1,200,000	1,200,000.00	-	100
Lakoley South Primary School	3,500,000.00		1,300,000	4,800,000	4,625,000.00	175,000	96
Bula Mahadey Primary School	300,000.00			300,000	300,000.00	-	100
Bula Mahadey Primary School	300,000.00			300,000	300,000.00	-	100
Bakala Primary School	600,000.00			600,000	600,000.00	-	100
Yaqa Primary School	1,000,000.00			1,000,000	950,000.00	50,000	95
Jigjiga Primary School	1,300,000.00			1,300,000	1,235,000.00	65,000	95
Wargadud Primary School	2,000,000.00			2,000,000	1,900,000.00	100,000	95
Banadir Primary School	2,000,000.00			2,000,000	1,900,000.00	100,000	95
Kilkiley Primary School	1,300,000.00			1,300,000	1,300,000.00	-	100
Dadantalai primary school	300,000.00		1,050,000	1,350,000	1,350,000.00	-	100
Baladweyn Primary School	2,000,000.00			2,000,000	1,900,000.00	100,000	95
Taqwa Primary School	3,500,000.00			3,500,000	3,500,000.00	-	100
Tulatula Township primary school	4,000,000.00			4,000,000	3,800,000.00	200,000	95

Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

Annual Report and Financial Statements for The Year Ended June 30, 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	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
Eldas Primary School	1,500,000.00			1,500,000	1,500,000.00	-	100
Eldas Wagberi Primary School	1,200,000.00		1,900,000	3,100,000	1,200,000.00	1,900,000	39
Eldas Wagberi Primary School	300,000.00			300,000	300,000.00	-	100
Anole Primary School	3,000,000.00			3,000,000	2,850,000.00	150,000	95
Anole Primary School	2,000,000.00			2,000,000	2,000,000.00	-	100
Lanqura Primary School	1,000,000.00			1,000,000	950,000.00	50,000	95
Bakala Primary School		125,000.00		125,000	125,000.00	-	100
Dela primary school		200,000.00		200,000	200,000.00	-	100
Jukala primary school		70,000.00	1,500,000.00	1,570,000	70,000.00	1,500,000	4
Mirgoharun primary school		100,000.00		100,000	100,000.00	-	100
Balatulamin Primary School		75,000.00		75,000	75,000.00	-	100
Waradey primary school		37,500.00		37,500	37,500.00	-	100
Lanqura Primary School		37,500.00		37,500	37,500.00	-	100
Liban primary school		37,500.00		37,500	37,500.00	-	100
Bananey primary school		37,500.00		37,500	37,500.00	-	100
Eldas Primary School		30,000.00		30,000	30,000.00	-	100
Elnur Primary School		200,000.00		200,000	200,000.00	-	100
Elnur Primary School		140,000.00	1,800,000.00	1,940,000	140,000.00	1,800,000	7
Orote primary school		90,000.00		90,000	90,000.00	-	100

*Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 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	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
Tulatula Township primary school		90,000.00		90,000	90,000.00	-	100
Bakala Primary School		100,000.00		100,000	100,000.00	-	100
Abdiwako primary school		100,000.00	4,000,000.00	4,100,000	4,100,000.00	-	100
Jigjiga Primary School		37,500.00		37,500	37,500.00	-	100
Baladweyn Primary School		37,500.00		37,500	37,500.00	-	100
Arjek primary school		90,000.00		90,000	90,000.00	-	100
Tulatula Township primary school		90,000.00		90,000	90,000.00	-	100
Majabow primary school			750,000.00	750,000		750,000	-
Dagayar primary school			1,200,000.00	1,200,000	1,200,000.00	-	100
Dagayar primary school			1,050,000.00	1,050,000	1,050,000.00	-	100
Jukala primary school			1,000,000.00	1,000,000	1,000,000.00	-	100
Wargadud Primary School			1,500,000.00	1,500,000	1,500,000.00	-	100
Elnur Primary School			1,000,000.00	1,000,000	1,000,000.00	-	100
Bula Bilal primary school		50,000.00		50,000	50,000.00	-	100
Jukala primary school			1,000,000.00	1,000,000	1,000,000.00	-	100

Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

Annual Report and Financial Statements for The Year Ended June 30, 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)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Total	2021/2022	35,600,000	1,775,000	56,425,000	49,320,000.00	7,105,000	
8.0 Secondary Schools Projects							
Eldas Secondary School	1,500,000.00		3,000,000	4,500,000	4,500,000.00	-	100
Eldas Secondary School	2,300,000.00			2,300,000	2,300,000.00	-	100
Eldas Secondary School	2,000,000.00			2,000,000	1,900,000.00	100,000	95
Eldas Secondary School	1,600,000.00			1,600,000	1,450,000.00	150,000	91
Eldas Secondary School	3,000,000.00			3,000,000	3,000,000.00	-	100
Griftu Secondary School	1,500,000.00			1,500,000	1,500,000.00	-	100
Elnur Secondary School	600,000.00		1,600,000	2,200,000	2,170,000.00	30,000	99
Eldas Girls Secondary School	3,000,000.00			3,000,000	2,850,000.00	150,000	95
Eldas Girls Secondary School	2,500,000.00			2,500,000	2,500,000.00	-	100
Dela Secondary School	1,200,000.00			1,200,000	1,200,000.00	-	100
Dela Secondary School	3,000,000.00			3,000,000	2,850,000.00	150,000	95
Dela Secondary School	600,000.00			600,000	600,000.00	-	100
Dela Secondary School	600,000.00			600,000	570,000.00	30,000	95
Dela Secondary School	1,000,000.00			1,000,000	950,000.00	50,000	95
Anole Secondary School	1,500,000.00			1,500,000	1,500,000.00	-	100
Anole Secondary School	1,200,000.00			1,200,000	1,200,000.00	-	100
Eldas Girls Secondary School	1,400,000.00			1,400,000	1,400,000.00	-	100

*Eldas Constituency
National Government Constituencies Development Fund (NG-CDF)
Annual Report and Financial Statements for The Year Ended June 30, 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)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
Senior Chief Unshur Sec School	4,000,000.00			4,000,000		4,000,000	-
Senior Chief Unshur Sec School	3,000,000.00			3,000,000		3,000,000	-
Senior Chief Unshur Sec School	1,200,000.00			1,200,000		1,200,000	-
Senior Chief Unshur Sec School	3,000,000.00			3,000,000		3,000,000	-
Elnur secondary school		230,000.00		230,000	230,000.00	-	100
Tulatula secondary school		155,250.00	2,700,000.00	2,855,250	2,855,250.00	-	100
Elnur secondary school		200,000.00	700,000.00	900,000	900,000.00	-	100
Eldas Secondary School		200,000.00	1,500,000.00	1,700,000	1,625,000.00	75,000	96
Elnur Secondary School			1,800,000.00	1,800,000	1,800,000.00	-	100
Total	39,700,000	785,250	11,900,000	44,300,000	39,850,250.00	11,935,000	
9.0 Tertiary institutions Projects							
Total							
10.0 Security Projects							
Balatulamin Police post	3,300,000.00			3,300,000	3,135,000.00	165,000	95
Balatulamin Police post	2,400,000.00			2,400,000	2,280,000.00	120,000	95
Balatulamin Police post	1,000,000.00			1,000,000	950,000.00	50,000	95
Towhid Chief Office	1,200,000.00			1,200,000	1,140,000.00	60,000	95

Eldas Constituency

National Government Constituencies Development Fund (NG-CDF)

Annual Report and Financial Statements for The Year Ended June 30, 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	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
Jukala Chief Office	1,200,000.00			1,200,000	1,140,000.00	60,000	95
Anole Police Post	2,300,000.00			2,300,000	2,300,000.00	-	100
Anole Police Post	2,400,000.00			2,400,000	2,280,000.00	120,000	95
Anole Police Post	2,200,000.00			2,200,000	2,200,000.00	-	100
Anole Police Post	1,000,000.00			1,000,000	1,000,000.00	-	100
Tito police post		170,000.00		170,000	170,000.00	-	100
Elnur police station			4,000,000	4,000,000	4,000,000.00	-	100
Balatulamin chief office		75,000.00		75,000	75,000.00	-	100
Basir police station		115,000.00	5,000,000.00	5,115,000	115,000.00	5,000,000	2
Areswarji chief office			1,200,000.00	1,200,000	1,200,000.00	-	100
Dadantalai chief office			1,200,000.00	1,200,000	1,200,000.00	-	100
Mirgoharun chief office			1,200,000.00	1,200,000	1,200,000.00	-	100
Waradey police post			1,000,000.00	1,000,000	1,000,000.00	-	100
Total	17,000,000	360,000	13,600,000	30,960,000	25,385,000.00	5,575,000	
11.0 Acquisition of assets							

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Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e) = c-d	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
	-		-	-	-	-	
	-		-	-			
Total	-		-	-			
12.0 Other payments							
Total							
13.0 unallocated fund							
Unapproved projects							
AIA							
PMC savings							
Total	137,088,879	24,848,227	44,188,879.31	198,640,736	179,444,726.35	26,681,259	

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 NG-CDF-Eldas 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 NG-CDF 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 xx June 20xx 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 NG-CDF Board

Description		2021-2022	2020 - 2021
		Kshs	Kshs
	AIE NO.B104712		20,000,000.00
Normal Allocation	AIE NO. A823505		35,000,000.00
	AIE NO. B104539		14,367,724.10
	AIE NO. B124507		9,000,000.00
	AIE NO. B124919		10,000,000.00
	AIE NO. B119774		13,000,000.00
	AIE NO. B128065		6,900,000.00
	AIE NO. B128376		7,000,000.00
	AIE NO. B138788		13,000,000.00
	AIE NO. B132120		6,000,000.00
	AIE NO.B126083		6,000,000.00
	AIE NO. B126373		10,000,000.00
	AIE NO. B140519		12,000,000.00
	AIE NO.B140867	33,000,000.00	
	AIE NO.B105381	34,000,000.00	
	AIE NO.B105596	10,000,000.00	
	AIE NO.B105749	22,000,000.00	
	AIE NO.B128790	12,000,000.00	
	AIE NO.B132476	6,000,000.00	
	AIE NO.B154390	12,000,000.00	
	AIE NO.B154285	18,000,000.00	
	AIE NO.B140799	23,088,879.00	
Conditional Grants	AIE NO...		
Receipt from other Constituency			
TOTAL		170,088,879.00	162,267,724

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2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from sale of office and general equipment		
Receipts from the Sale Plant Machinery and Equipment		
Others (specify)		
Total	0.00	0.00

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		
Hire of plant/equipment/facilities		
Unutilized funds from PMCs		
Other Receipts Not Classified Elsewhere		
Total	0.00	0.00

4. Compensation Of Employees

Description	2021-2022	2020 - 2021
	Kshs.	Kshs
NG-CDFC Basic staff salaries	3,827,400.00	3,860,600
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	-	-
Employer Contributions Compulsory national social security schemes	-	-
TOTAL	3,827,400.00	3,860,600

5. Use Of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	580,850.00	0
Electricity	-	0
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	-	0
Domestic travel and subsistence	540,000.00	215,800
Printing, advertising and information supplies & services	-	0
Rentals of produced assets	-	-
Training expenses	1,180,000.00	2,236,000
Hospitality supplies and services	648,000.00	0
Other committee expenses	-	0
Committee allowance	2,846,000.00	1,411,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,931,000.00	1,632,350
Fuel , oil & lubricants	-	0
Other operating expenses	-	0
Bank service commission and charges	-	0
Other operating expenses	36,226.35	922,785
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	-	0
Routine maintenance- other assets	-	0
Total	7,762,076.35	6,417,935

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Notes To The Financial Statements (Continued)

6. Transfer To Other Government Units

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Transfers to Primary Schools	49,320,000.00	48,725,000
Transfers to Secondary Schools	39,680,250.00	36,994,750
Transfers to Tertiary Institutions	-	1,800,000
TOTAL	89,000,250.00	87,519,750

7. Other Grants and Other transfers

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Bursary - Secondary (see attached list)	18,389,000.00	326,000
Bursary -Tertiary (see attached list)	27,811,000.00	1,054,000
Bursary- Special Schools	-	-
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	
Security Projects (see attached list)	25,555,000.00	33,815,000
Sports Projects (see attached list)	-	2,000,000
Environment Projects (see attached list)	-	1,600,000
Emergency Projects (see attached list)	7,100,000.00	7,350,000
TOTAL	78,855,000.00	46,145,000

8. Acquisition Of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		1,500,000
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment		
Purchase of ICT Equipment, Software and Other ICT Assets		
Purchase of Specialized Plant, Equipment and Machinery		
Acquisition of Land		
Total		1,500,000

Notes To the Financial Statements (Continued)

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan		
ICT Hub		
	0.00	0.00

10: Cash Book Bank Balance

Name of Bank, Account No. & currency	Account Number	2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Kenya commercial bank, wajir branch . Eldas ng-cdf	A/C no.1147613265	15,492,379.45	24,848,227
Equity bank		-	-
		-	-
Total		15,492,379.45	24,848,227
10b: cash in hand)			
		2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
Total		-	-

11: Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Name of Officer				

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Total		0.00	0.00	0.00
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Notes to the Financial Statement Continued

12A. Retention

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 st July (A)		
Retention held during the year (B)		
Retention paid during the Year (C)		
Closing Retention as at 30 th June D= A+B-C	0.00	0.00

12B. Gratuity

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 st July (A)		
Gratuity held during the year (B)		
Gratuity paid during the Year (C)		
Closing Gratuity as at 30 th June D= A+B-C	0.00	

13. Balances Brought Forward

	2021-2022 (1 st July 2021)	2020-2021 (1 st July 2020)
	Kshs	Kshs
Bank accounts	24,848,226.80	8,023,788
Cash in hand		
Imprest		
Total	24,848,226.80	8,023,788

14. Prior Year Adjustments

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances			
Cash in hand			
Accounts Payables			
Receivables			
Others (<i>specify</i>)			
Total	0.00	0.00	0.00

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 st July (A)		
Imprest issued during the year (B)		
Imprest surrendered during the Year (C)		
closing accounts in account receivables D= A+B-C		
Changes in Account Receivables E= D-A	0.00	0.00

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 st July (A)		
Deposit and Retentions held during the year (B)		
Deposit and Retentions paid during the Year (C)		
closing account payables D= A+B-C		
Changes in Accounts Payable E= D-E	0.00	0.00

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Notes to the Financial Statements (Continued)

17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings		
Construction of civil works		
Supply of goods		
Supply of services		
Total	0.00	0.00

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NG-CDFC Staff		
Others (<i>specify</i>)		
Total	0.00	0.00

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020- 2021
	Kshs	Kshs
Compensation of employees	1,304,571.04	975,299
Use of goods and services	624,263.37	3,016,340
Amounts due to other Government entities (see attached list)	19,040,000.00	33,289,926
Amounts due to other grants and other transfers (see attached list)	5,712,424.35	31,755,541
Acquisition of assets		
Others (<i>specify</i>)	-	0
Funds pending approval		
	26,681,258.76	69,037,106

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	8,400	13,240
Total	8,400	13,240

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**Annexes
Annexes: 1 Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
Sub-Total					
Construction of civil works					
2.					
3.					
4.					
Sub-Total					
Supply of goods					
5.					
6.					
7.					
Sub-Total					
Supply of services					
8.					
Sub-Total					
Grand Total					

Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Compensation of employees		1,304,571.04	975,299.04	
Use of goods & services		624,263.37	3,016,339.72	
Amounts due to other Government entities				
Orote primary school	Construction of 2 classrooms and 2 toilets		90,000	
Tulatula Township primary school	Construction of 2 classrooms and 2 toilets		90,000	
Bakala Primary School	Construction of water tank		100,000	
Abdiwako primary school	Piping of water		100,000	
Jigjiga primary school	construction of one classroom		37,500	
Baladweyn primary school	construction of one classroom		37,500	
Bakala primary school	Construction of administration block		125,000	
Balatulamin primary school	Construction of store and kitchen		75,000	
Bananey primary school	construction of one classroom		37,500	
Dela primary school	construction of fence		200,000	
Eldas primary school	construction of 4 toilets		30,000	
Jukala primary school	construction of 2 classrooms		75,000	

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Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Lanqura primary school	construction of one classroom		37,500	
Liban primary school	construction of one classroom		37,500	
Mirgoharun primary school	Construction of staff houses		100,000	
Waradey primary school	construction of one classroom		37,500	
Dagayar primary school	Construction of 1 classroom & 2 toilets		1,050,000	
Dagayar primary school	Construction of underground tank		1,200,000	
Dadantalai Primary School	Construction of 1 classroom & 2 toilets		1,050,000	
Abdiwako Primary School	construction of fence		4,000,000.00	
Jukala Primary School	Construction of underground tank		1,000,000.00	
Elnur Primary School	Renovation of 3 classrooms		1,000,000.00	
Wargadud Primary School	construction of 2 classrooms		1,500,000.00	
Lakoley South Primary School,	Renovation of 4 classrooms		1,300,000.00	
Jukala Primary School	Renovation of 3 classrooms		1,000,000.00	
Eldas Wagberi pri school	Renovation of 6 classrooms		1,900,000.00	
Majabow primary school	Construction of 1 classroom		750,000.00	
Jukala primary school	construction of 2 classrooms		1,500,000.00	

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Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Elnur Primary School	Construction of 2 classrooms & 2 toilets		1,800,000.00	
Eldas Secondary School	Retention		200,000.00	
Elnur Secondary School	Construction of 2 classrooms & 2 toilets		1,800,000.00	
Elnur Secondary School	Construction of 3 staff houses		1,600,000.00	
Elnur Secondary School	supply of desks		760,000.00	
Eldas Secondary School	Construction of principal's house		3,000,000.00	
Eldas Secondary School	Supply of lab fittings		1,500,000.00	
Tulatula Secondary School	Construction of dormitory		2,700,000.00	
Dakahley Primary School	Construction of 2 classrooms and 2 toilets	115,000.00		
Wargadud Primary School	Construction of administration block	100,000.00		
Bananey primary school	Construction of 2 classrooms	100,000.00		
Baladweyn primary school	Construction of 2 classrooms	100,000.00		
Tulatula Township primary school	Construction of 4 classrooms	200,000.00		
Dakahley Primary School	Construction of underground tank	50,000.00		

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Anole primary school	construction of 3 classrooms	150,000.00		
Lanqura primary school	Construction of underground tank	50,000.00		
Lakoley South Primary School	construction of fence	175,000.00		
Yaqo primary school	Construction of underground tank	50,000.00		
Jigjiga primary school	construction of one classroom and 2 toilets	65,000.00		
Eldas Secondary School	construction of 6 toilets and 2 septic tanks	75,000.00		
Eldas Secondary School	Construction of dormitory	150,000.00		
Dela Secondary school	construction of 4 door pit latrine	30,000.00		
Dela Secondary school	Construction of underground tank	50,000.00		
Senior Chief Unshur sec school	Construction of 4 classrooms	4,000,000.00		
Senior Chief Unshur sec school	Construction of administration block	3,000,000.00		
Senior Chief Unshur sec school	construction of 4 toilets and 2 septic tanks	1,200,000.00		

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Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Senior Chief Unshur sec school	construction of fence	3,000,000.00		
Eldas Secondary School	construction of modern gate	100,000.00		
Eldas Secondary School	Construction of dormitory	150,000.00		
Elnur Secondary School	construction of 2 toilets and e septic tanks	30,000.00		
Eldas Girls Secondary school	Construction of dormitory	150,000.00		
Jukala primary school	Construction of 2 classrooms	1,500,000.00		
Majabow primary school	construction of one classroom	750,000.00		
Elnur Primary School	Construction of 2 classrooms and 2 toilets	1,800,000.00		
Eldas Wagberi pri school	Renovation of 6 classrooms	1,900,000.00		
	Sub-Total	19,040,000.00	33,289,926	
Amounts due to other grants and other transfers				
Waradey Police Post	Renovation of staff houses		1,000,000.00	
Dadantalai Chief Office	Chief office		1,200,000.00	
Areswarji Chief Office	Chief office		1,200,000.00	

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Mirgo harun Chief Office	Chief office		1,200,000.00	
Basir police station	Construction of fence		5,000,000.00	
Elnur police station	Construction of staff houses		4,000,000.00	
Elnur police station	Retention		165,000.00	
Tito police post	Retention		175,000.00	
Bursary Secondary Schools	Bursary		8,000,000.00	
Bursary Tertiary	Bursary		9,200,000.00	
Emergency	Emergency		206.90	
Bursary Tertiary	Bursary	1,835.00		
Emergency	Emergency	135,589.35		
Balatulamin police post	construction of administration block	165,000.00		
Balatulamin police post	Construction of 4 single rooms police houses	120,000.00		
Balatulamin police post	construction of underground water tank	50,000.00		
Towhid chief office	construction of chief office	60,000.00		
Jukala chief office	construction of chief office	60,000.00		
Anole police post	Construction of 4 single rooms police houses	120,000.00		

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Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Basir police station	Construction of fence	5,000,000.00		
Sub-Total		5,712,424.35	31,755,541.35	
Acquisition of assets				
Others (specify)				
Sub-Total				
Funds pending approval				
Grand Total		26,681,258.76	69,037,106.11	

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/2022
Land				
Buildings and structures	27,500,000			27,500,000
Transport equipment				
Office equipment, furniture and fittings	1,540,950			1,540,950
ICT Equipment, Software and Other ICT Assets	857,000			857,000
Other Machinery and Equipment	238,500			238,500
Heritage and cultural assets				
Intangible assets				
Total	30,136,450.00			30,136,450.00

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Annex 5 –PMC Bank Balances As At 30th June 2022

PMC	Bank	Account number	Bank Balance 2021/2022	Bank Balance 2020/2021
Eldas Secondary School	KCB	1239300115	800	2,300
Elnur Secondary School	KCB	1205357610	1200	1,800
Dela Primary School	KCB	1287458866	650	1,200
Abdiwako Primary School	KCB	1284773620	750	1,100
Elnur Primary School	KCB	1253714703	1050	950
Eldas Primary School	KCB	1253473447	700	840
Bakala Primary School	KCB	1253277494	400	1,150
Elnur Police station	KCB	1283776243	1000	1,300
Jukala primary school	KCB	1121558062	900	1,400
Mirgo harun primary school	KCB	1167889096	950	1,200
Total			8,400	13,240

Annex 6: 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	Status: (Resolved / Not Resolved)	Time frame:
	<p>Budgetary Control and Performance</p> <p>A review of the summary statement of appropriation revealed that during the year under review, the Fund had an approved budget amounting to Kshs.214,480,391 which included unspent balance from the financial year 2019/2020 of Kshs.8,023,788 and outstanding disbursements of Ksh.69,367,724.</p> <p>The above analysis reflects actual receipts of Kshs.170,291,512 against budgeted amount of Kshs.214,480,391, resulting to an underfunding by Kshs.44,188,879 representing 26% of the budgeted amount for the year. Further, the Fund spent an amount of Kshs.145,443,285 against a budgeted amount of Kshs.214,480,391 resulting to under absorption of</p>	<p>Management Response</p> <p>The underutilization of the budget was due to delay in disbursement of funds by the NG-CDF Board.</p> <p>The balance of the funds for the year was received after the end of the financial year under review. That prompted the lack of implementation of some of the planned development programs. The programs were however implemented after the receipts of the funds as indicated in the project implementation status.</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (<i>Resolved / Not Resolved</i>)	Time frame: ()
	<p>Kshs.69,037,106 representing 47% of the approved budget as analysed below:</p> <p>Management attributed the underutilization of funds to delay by the National Government Constituencies Development Fund Board in disbursement of funds to the Constituency.</p> <p>Failure to implement projects in time due to late disbursement of funds may have negatively impacted on service delivery to the Constituents.</p>			
	<p>Projects Implementation Status</p> <p>During the year under review, the Fund budgeted to implement a total of one hundred (100) projects comprising of sixty-six (66) on education, twenty-four (24) on security, four (4) on environment, five on (5) on sports and one (1) on Construction of Constituency office</p> <p>From the above analysis, out of the planned projects in various categories, the Fund managed to complete seventy-</p>	<p>The Non-implementation of development projects was due to delay in disbursement of funds by the NG-CDF Board.</p> <p>The bulk of the funds for the year was received after the end of the financial year under review. That prompted the lack of implementation of some of the planned development projects. The</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Time frame:
	<p>six (76) out of the one hundred (100) projects approved for implementation during the year under review. No explanation for the non-completion of the remaining twenty-four (24) projects.</p> <p>Non-implementation of development projects may have negatively affected service delivery to the residents of Eldas Constituency.</p>	<p>projects were however implemented after the receipts of the funds as indicated in the project implementation status.</p>		

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Name: Irshad Mohamed Habashow
Fund Account Manager.

