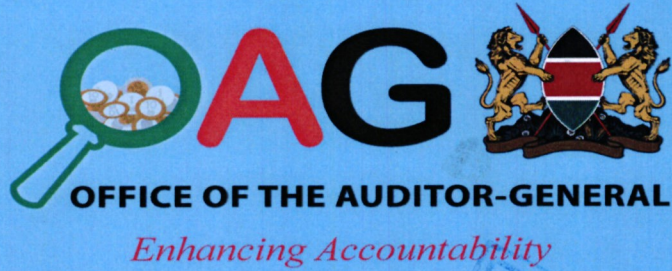
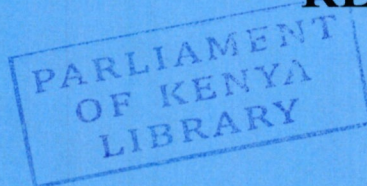


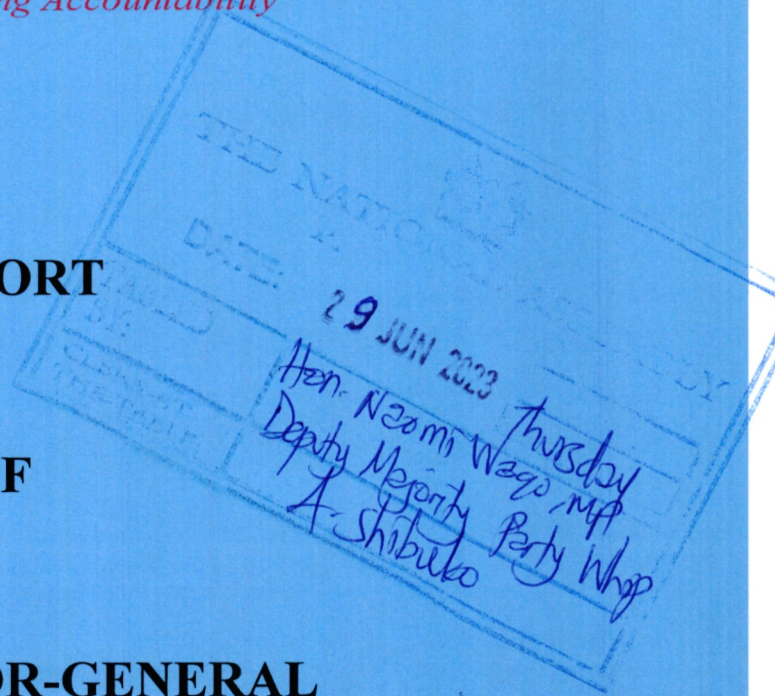
REPUBLIC OF KENYA



REPORT



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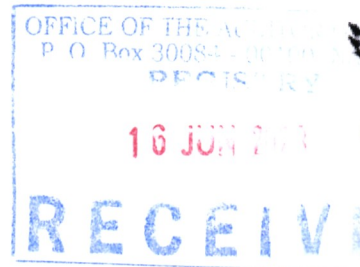


THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – MANDERA WEST CONSTITUENCY**

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



**MANDERA WEST 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 Mandera West Constituency NGCDF day-to-day management is under the following key organs:

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

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National Government Constituencies Development Fund (NGCDF)
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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 2022 and who had direct fiduciary responsibility were:

| No | Designation | Name |
|----|-----------------------|------------------------|
| 1. | A.I.E holder | Yussuf Abdi |
| 2. | Sub-County Accountant | Daniel M. Mutua |
| 3. | Chairman NGCDFC | Mohamed Noor |
| 4. | Member NGCDFC | Mohamed Ibrahim |

(d) Fiduciary Oversight Arrangements

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

(e) Mandera West Constituency NGCDF Headquarters

P.O. Box 254 – 70300 Mandera
Along Takaba Elwak Road
Opposite AP Station
Takaba, KENYA

(f) Mandera West Constituency NGCDF Contacts

Telephone: (254) 728205570
E-mail: cdfmanderawest@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Mandera West Constituency NGCDF Bankers

Equity Bank, Mandera branch
Account No. 1000296633736
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 Mandera West Constituency was allocated a total of Kshs. 137,088,879.

The NG-CDF Mandera West had a balance brought forward of Kshs **117,657,925** in 2020-21 which constitutes previous financial year balances. The fund could not utilise an amount of Kshs **89,752,516** partly due to late funding. 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 Mandera West has undertaken some key projects during the financial year under review. The major beneficiary was the education sector. More than 3,000 needy and poor students in secondary schools and tertiary institutions benefitted from bursary disbursement. The fund constructed 40 new classrooms, 20 masonry water tanks, 3 number 80 bed capacity dormitories. In an effort to improve access to clean water, sanitation and hygiene the fund constructed 20 new water tanks some complete with piping and constructed toilets in more than 25 Schools.

To boost security in the constituency Chief's Office was constructed at Lagsure North & Gather. AN underground water tank was built at Takaba Police Station. A 7 door toilet was also constructed at Takaba Police station. To support sports, Gather Secondary and Dandu Secondary Sports Tournaments were both funded and implemented by NG-CDF Mandera West.

The main emerging issues during the year under review were emergence of new 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.

Implementation challenges during the financial year included security threats/Clan conflicts, low literate levels and Persistent droughts leading to 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.

***Mandera West Constituency
National Government Constituencies Development Fund (NGCDF)
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The Mandera West 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 Mandera West is felt and appreciated in the constituency.

Sign: 

Mohamed Noor Daud
CHAIRPERSON NGCDF COMMITTEE

Date: 15th September 2022

Mandera West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 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 key development objectives of *Mandera West Constituency 2018-2022* plan are to:
(Enumerate all the objectives of the constituency as per the Strategic Plan)

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 35, Water Tanks by 17, Dormitories by 1, and fencing by 2, Toilets by 20; awarded bursary grants to over 3000 students |
| 2 | Youth and Sports | To harness talent and empower youth | Funding of youth sporting initiatives | Number of Tournaments held | Held two Tournaments at Gather and Dandu Secondary Schools. |
| 4 | Environment | To promote environmental sustainability in the constituency | Purchase of tree seedlings and their planting/Organizing tree planting days and sanitation programmes | Numbers trees in various public institution | Construction of Toilet at Mandera West NG-CDF Office |
| 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 Chief's offices by 2, fenced Police station and constructed toilets |
| 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

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Mandera West 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

Global warming and climate change have negatively affected the constituency economy due to their adverse effects on productive sectors. There is need to enhance capacity for environmental planning to mitigate against global warming and adaptation to climatic changes. Mandera West NG-CDFC allocates 2% of its total budget towards environmental conservation activities, afforestation and mitigation against the impacts of environmental degradation. Areas where we have invested include rain water harvesting at schools.

Mandera West NG-CDF has conducted sensitization programmes for stakeholders, youth, women on environmental conservation, drug abuse. Mandera west also conducted sports tournaments that helps in bringing communities together and sensitize them on environmental conservation matters.

Mandera West NG-CDF staff, NG-CDF committee and Project Management Committee have also been sensitized on environmental conservation.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Mandera West constituency invests in capacity building programs for employees. These include courses on technical

competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Mandera West 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.

Mandera West 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-

Mandera West 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.

Mandera West 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 – Mandera West Constituency

V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Mandera West Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2022. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Mandera West 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-Mandera West 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.

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

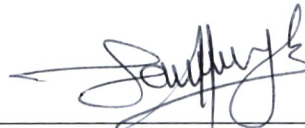
The Accounting Officer in charge of the NGCDF Mandera West Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used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

Approval of the financial statements

The NGCDF- Mandera West Constituency financial statements were approved and signed by the Accounting Officer on 15th September 2022.

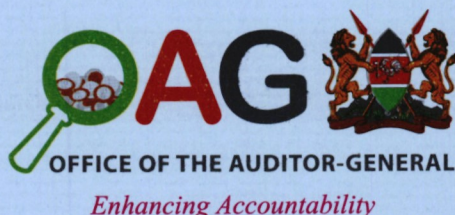


**Chairman NGCDF Committee
Name: Yussuf Abdi Ali**



**Fund Account Manager
Name: Daniel M. Mutua
ICPAK Member Number:**

REPUBLIC OF KENYA



Phone: +254-(20) 3214000
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Website: www.oagkenya.go.ke

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MANDERA WEST 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 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 - Mandera West Constituency set out on pages 1 to 34, which comprise of the statement of financial assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows,

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

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

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

Basis for Qualified Opinion

1. Unsupported Payment on Secondary Schools Projects

Included in the transfer to other Government entities balance of Kshs.113,201,995 as disclosed in Note 4 to the financial statements is an expenditure of Kshs.46,018,000 incurred as transfer to secondary schools. However, Project Management Committee (PMC) bank statements confirming how the disbursed funds were paid out to the contractors for four (4) secondary schools' projects amounting Kshs.7,200,000 were not provided for audit review.

In the circumstances, the validity, accuracy and completeness of the transfers to secondary schools of Kshs.7,200,000 for the year ended 30 June, 2022 could not be confirmed.

2. Untitled and Unvalued Parcel of Land

The statement of receipts and payments reflects acquisition of assets of Kshs.8,437,500 in respect of construction of office buildings as disclosed in Note 6 to the financial statements. However, Management did not provide for audit review the title deed or allotment letter in respect of the land on which the structure is erected. In addition, the value of the land was not disclosed in the summary of fixed asset register in Annexure 3 to the financial statements.

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

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

Key Audit Matters

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

Other Matter

1. Budgetary Control and Performance

The summary statement of appropriation reflects actual receipts of Kshs.254,746,804 and actual expenditure on comparable basis of Kshs.164,994,288, resulting to an under-expenditure of Kshs.89,752,516 or 35%.

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

2. Project Implementation Status Report

During the year under review, the Fund allocated Kshs.94,126,068 to fifty-seven (57) projects in various sectors including emergency, sports, security, environment, CDF office and education. Project implementation status report provided revealed that twenty six (26) projects were complete, thirty one (31) projects were ongoing as detailed below:

| Sector | Amount Allocated (Kshs.) | Projects Completed | Project On-going |
|--------------|--------------------------|--------------------|------------------|
| Emergency | 7,182,118 | 3 | 0 |
| Sports | 1,910,000 | 4 | 0 |
| Security | 2,170,000 | 1 | 0 |
| Environment | 2,000,000 | 0 | 1 |
| Education | 77,700,500 | 15 | 30 |
| CDF Office | 3,163,450 | 3 | 0 |
| Total | 94,126,068 | 26 | 31 |

From the above analysis, the Fund Management achieved 45% on project implementation to completion status.

The non-implementation of the planned projects may have impacted negatively on service delivery to the constituents.

3. Unresolved Prior Year Matters

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness

and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Failure to Report Utilization of Emergency Reserve Grants to the Board

Included in the other grants and other payments balance of Kshs.34,975,000 as disclosed in Note 5 to the financial statements is an expenditure of Kshs.10,050,000 incurred on emergency projects. However, review of records revealed that the Management of the Fund did not report to the NGCDF Board about the utilization of the emergency funds within 30 days of the occurrence of the emergency contrary to Section 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which provides that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

2. Lack of a Constituency Oversight Committee

During the year under review, the Fund Management did not constitute Constituency Oversight Committee whose role is soliciting views, opinions and proposals from the public in regard to the Fund and presenting the views and opinions to the National Assembly. This is contrary to the provisions of Section 53(1) of the National Government Constituency Development Fund Act, 2015, which provides that there is established a Constituency Oversight Committee for projects undertaken under this Act.

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

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

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

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, 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 sustainability of services and using the applicable basis of accounting unless Management is aware of 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,

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

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 controls 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 controls 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 controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

- Conclude on the appropriateness of the Management's use of the applicable basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls 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

13 June, 2023

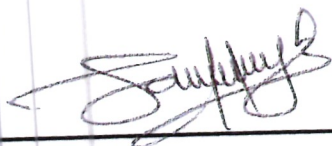
*Mandera West Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2022*

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


| | Note | 2021-2022 | 2020-2021 |
|-------------------------------------|------|--------------------|--------------------|
| | | | Kshs |
| RECEIPTS | | | |
| Transfers from NGCDF Board | 1 | 189,927,758 | 153,617,724 |
| TOTAL RECEIPTS | | 189,927,758 | 153,617,724 |
| PAYMENTS | | | |
| Compensation of employees | 2 | 2,539,700 | 2,895,843 |
| Use of goods and services | 3 | 5,240,093 | 7,524,993 |
| Transfers to Other Government Units | 4 | 113,201,995 | 92,424,706 |
| Other grants and transfers | 5 | 34,975,000 | 31,133,000 |
| Acquisition of Assets | 6 | 8,437,500 | - |
| Other Payments | 7 | 600,000 | - |
| TOTAL PAYMENTS | | 164,994,288 | 133,978,542 |
| SURPLUS/DEFICIT | | 24,933,470 | 19,639,182 |

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 September 2022 and signed by:



Fund Account Manager
Name: Yussuf Abdi Ali



**National Sub-County
Accountant**
Name: Daniel M. Mutua
ICPAK M/No: 29648



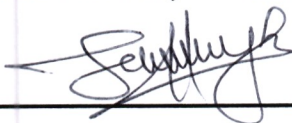
Chairman NG-CDF Committee
Name: Mohamed Noor Daud

VIII. Statement of Assets and Liabilities As At 30th June, 2022

| | Note | 2021-2022 Kshs | 2020-2021 Kshs |
|--|------|-------------------|-------------------|
| FINANCIAL ASSETS | | | |
| Cash and Cash Equivalents | | | |
| Bank Balances (as per the cash book) | 8 | 89,752,515 | 64,819,045 |
| Total Cash and Cash Equivalents | | 89,752,515 | 64,819,045 |
| TOTAL FINANCIAL ASSETS | | 89,752,515 | 64,819,045 |
| FINANCIAL LIABILITIES | | | |
| Accounts Payable (Deposits) | | - | - |
| NET FINANCIAL ASSETS | | 89,752,515 | 64,819,045 |
| REPRESENTED BY | | | |
| Fund balance b/fwd 1st July... | 9 | 64,819,045 | 45,179,863 |
| Surplus/Deficit for the year | | 24,933,470 | 19,639,182 |
| NET FINANCIAL POSITION | | 89,752,515 | 64,819,045 |

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 September 2022 and signed by:



Fund Account Manager
Name: Yussuf Abdi Ali



**National Sub-County
Accountant**
Name: Daniel M. Mutua
ICPAK M/No: 29648



Chairman NG-CDF Committee
Name: Mohamed Noor Daud

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

| | Note | 2021-2022 Kshs | 2020-2021 Kshs |
|--|------|--------------------|--------------------|
| Receipts from operating activities | | | |
| Transfers from NGCDF Board | 1 | 189,927,758 | 153,617,724 |
| Total Receipts | | 189,927,758 | 153,617,724 |
| Payments for operating activities | | | |
| Compensation of Employees | 2 | 2,539,700 | 2,895,843 |
| Use of goods and services | 3 | 5,240,093 | 7,524,993 |
| Transfers to Other Government Units | 4 | 113,201,995 | 92,424,706 |
| Other grants and transfers | 5 | 34,975,000 | 31,133,000 |
| Other Payments | 7 | 600,000 | - |
| Total Payments | | 156,556,788 | 133,978,542 |
| Adjusted for: | | | |
| Net Adjustments | | - | - |
| Net cash flow from operating activities | | 33,370,970 | 19,639,182 |
| CASHFLOW FROM INVESTING ACTIVITIES | | | |
| Acquisition of Assets | 6 | (8,437,500) | - |
| Net cash flows from Investing Activities | | (8,437,500) | - |
| NET INCREASE IN CASH AND CASH EQUIVALENT | | 24,933,470 | 19,639,182 |
| Cash and cash equivalent at BEGINNING of the year | 9 | 64,819,045 | 45,179,863 |
| Cash and cash equivalent at END of the year | 8 | 89,752,515 | 64,819,045 |

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 September 2022 and signed by:



Fund Account Manager
Name: Yussuf Abdi Ali



**National Sub-County
Accountant**
Name: Daniel M. Mutua
ICPAK M/No: 29648



Chairman NG-CDF Committee
Name: Mohamed Noor Daud

Mandera West Constituency
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

| Receipt/Expense Item | Original Budget | Adjustments | Opening Balance (C/Bk) and AIA | Final Budget | Actual on Comparable Basis | Budget Utilisation Difference | % of Utilisation |
|-------------------------------------|--------------------|--|--------------------------------|--------------------|----------------------------|-------------------------------|------------------|
| | a | | | b | | | |
| RECEIPTS | | Previous years Outstanding Disbursements | | | | | |
| Transfers from NG-CDF Board | 137,088,879 | 52,838,879 | 64,819,045 | 254,746,804 | 254,746,803 | 0 | |
| Proceeds from Sale of Assets | | | | 0 | - | - | 0.0% |
| Other Receipts | | | | 0 | - | - | 0.0% |
| TOTAL RECEIPTS | 137,088,879 | 52,838,879 | 64,819,045 | 254,746,804 | 254,746,803 | 0 | 100.0% |
| PAYMENTS | | | | | | | |
| Compensation of Employees | 4,989,400 | 100,000 | 2,110,283 | 7,199,683 | 2,539,700 | 4,659,983 | 35.3% |
| Use of goods and services | 6,963,322 | 100,002 | 3,342,601 | 10,405,925 | 5,240,093 | 5,165,832 | 50.4% |
| Transfers to Other Government Units | 77,700,500 | 35,445,000 | 42,161,496 | 155,306,996 | 113,201,995 | 42,105,001 | 72.9% |
| Other grants and transfers | 44,272,207 | 4,693,877 | 16,604,665 | 65,570,749 | 34,975,000 | 30,595,749 | 53.3% |
| Acquisition of Assets | 3,163,450 | 12,500,000 | 1 | 15,663,451 | 8,437,500 | 7,225,951 | 0.0% |
| Other Payments | 0 | 0 | 600,000 | 600,000 | 600,000 | - | 100.0% |
| Funds Pending Approvals | 0 | 0 | 0 | 0 | 0 | 0 | |
| TOTAL | 137,088,879 | 52,838,879 | 64,819,045 | 254,746,804 | 164,994,288 | 89,752,516 | 64.8% |

***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 65%. 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 late funding.
- 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. **Acquisition of Assets** 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 | 89,752,516 |
| Less undispursed funds receivable from the Board as at 30th June 2022 | 0 |
| Add Accounts payable | 89,752,516 |
| Less Accounts Receivable | 0 |
| Add/Less Prior Year Adjustments | 0 |
| Cash and Cash Equivalents at the end of the FY 2021/2022 | 89,752,516 |

The Constituency financial statements were approved on 15th September 2022 and signed by:



Fund Account Manager
Name: Yussuf Abdi Ali



National Sub-County Accountant
Name: Daniel M. Mutua
ICPAK M/No: 29648



Chairman NG-CDF Committee
Name: Moharmed Noor Daud

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

| Programme/Sub-programme | Original Budget(a) 2021/2022 Kshs | Adjustments(b) | | Final Budget c = (a+b) 2021/2022 Kshs | Actual on comparable basis(d) 30/06/2022 Kshs | Budget utilization difference(e = c- d) Kshs | % of Utilisation(f=d/c %) |
|---|---|---|--|--|---|--|---------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous years Outstanding Disbursements | | | | |
| 1.0 Administration and Recurrent | | | | | | | |
| 1.1 Compensation of employees | 4,989,400 | 2,110,283 | 100,000 | 7,199,683 | 2,539,700 | 4,659,983 | |
| 1.2 Committee allowances | 1,050,000 | 1,416,340 | - | 2,466,340 | 749,000 | 1,717,340 | |
| 1.3 Use of goods and services | 1,802,822 | 1,266,772 | 50,002 | 3,119,597 | 1,466,093 | 1,653,504 | |
| Total | 7,842,222 | 4,793,395 | 150,002 | 12,785,619 | 4,754,793 | 8,030,826 | |
| 2.0 Monitoring and evaluation | | | | | | | |
| 2.1 Capacity building | 980,000 | 210,076 | - | 1,190,076 | - | 1,190,076 | |
| 2.2 Committee allowances | 950,500 | 305,500 | 25,000 | 1,281,000 | 1,025,000 | 256,000 | |
| 2.3 Use of goods and services | 2,180,000 | 143,913 | 25,000 | 2,348,913 | 2,000,000 | 348,913 | |
| Total | 4,110,500 | 659,489 | 50,000 | 4,819,989 | 3,025,000 | 1,794,989 | |
| 3.0 Emergency | | | | | | | |
| 3.1 Primary Schools | | | | | | | |
| Takaba Primary School PMC | - | 1,850,000 | - | 1,850,000 | 1,850,000 | - | |
| Didkoba Primary | - | 839,005 | 160,995 | 1,000,000 | 1,000,000 | - | |
| Didkuro Primary School PMC | 2,482,118 | - | 17,882 | 2,500,000 | 2,500,000 | - | |
| Gather Primary School PMC | 1,700,000 | - | - | 1,700,000 | 1,700,000 | - | |
| 3.2 Secondary schools | - | - | - | - | - | - | |
| Takaba Mixed Day Secondary PMC | 3,000,000 | - | - | 3,000,000 | 3,000,000 | - | |
| 3.5 Unutilised | 10,089 | - | - | 10,089 | - | 10,089 | |
| Total | 7,192,207 | 2,689,005 | 178,877 | 10,060,089 | 10,050,000 | 10,089 | |
| 4.0 Bursary and Social Security | | | | | | | |
| 4.1 Secondary Schools | 10,200,000 | 770,658 | 250,000 | 11,220,658 | 4,650,000 | 6,570,658 | |
| 4.2 Tertiary Institutions | 20,800,000 | - | 2,235,000 | 23,035,000 | 1,320,000 | 21,715,000 | |
| 4.3 Social Security | - | 3,000,000 | - | 3,000,000 | 3,000,000 | - | |

| | | | | | | | | | |
|---|-------------------|------------------|------------------|-------------------|------------------|-------------------|---|---|---|
| 4.4 Special Needs | - | - | - | - | - | - | - | - | - |
| Total | 31,000,000 | 3,770,658 | 2,485,000 | 37,255,658 | 8,970,000 | 28,285,658 | | | |
| 5.0 Sports | | | | | | | | | |
| Dandu Secondary School | 400,000 | - | - | 400,000 | 400,000 | - | | | |
| Dandu Secondary School | 555,000 | - | - | 555,000 | 555,000 | - | | | |
| Gather Secondary School | 400,000 | - | - | 400,000 | 400,000 | - | | | |
| Gather Secondary School | 555,000 | - | - | 555,000 | 555,000 | - | | | |
| Sports Votebook Balance | - | 1 | - | 1 | - | - | | 1 | |
| Dandu Secondary School | - | - | 345,000 | 345,000 | 345,000 | - | | | |
| Takaba Mixed Day Secondary | - | - | 380,000 | 380,000 | 380,000 | - | | | |
| Total | 1,910,000 | 1 | 725,000 | 2,635,001 | 2,635,000 | 1 | | | |
| 6.0 Environment | | | | | | | | | |
| Mandera West Constituency N.G.-CDF Office | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 | | | |
| Rocky Hill Primary School | - | 900,000,00 | - | 900,000 | 900,000,00 | - | | | |
| Takaba Mixed Day Secondary | - | 900,000,00 | - | 900,000 | 900,000,00 | - | | | |
| Takaba Primary School | - | 900,000,00 | - | 900,000 | 900,000,00 | - | | | |
| Total | 2,000,000 | 2,700,000 | - | 4,700,000 | 2,700,000 | 2,000,000 | | | |
| 7.0 Primary Schools Projects | | | | | | | | | |
| Ardahalo Primary | 1,250,000 | - | - | 1,250,000 | - | 1,250,000 | | | |
| Gambela Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Iyan Abakula Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Haji Rashid Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Bamba Taka Primary | 1,250,000 | - | - | 1,250,000 | - | 1,250,000 | | | |
| Rocky Hill Primary School | 5,010,500 | - | - | 5,010,500 | 5,010,500 | - | | | |
| Takaba Primary | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 | | | |
| Wangaldahan Primary | 1,250,000 | - | - | 1,250,000 | - | 1,250,000 | | | |
| Didkoru Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Bolowle Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Lagsure Primary | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 | | | |
| Darwed Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Sukela Qalqacha Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Gutole Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |
| Dadabo Primary | 950,000 | - | - | 950,000 | - | 950,000 | | | |

| | | | | | | | | | | |
|--------------------------------------|-----------|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Kubihalo Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - |
| Eresteno Primary | 1,600,000 | - | - | 1,600,000 | 1,600,000 | - | - | 1,600,000 | 1,600,000 | - |
| Harbuyo Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Gather Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Medina Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Gesreb Primary | 2,450,000 | - | - | 2,450,000 | 2,450,000 | - | - | 2,450,000 | 2,450,000 | 2,450,000 |
| Mubarak Intergarted Primary | 1,250,000 | - | - | 1,250,000 | 1,250,000 | - | - | 1,250,000 | 1,250,000 | 1,250,000 |
| Sake Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Gagaba Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Tesoramu Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Burduras Primary | 1,600,000 | - | - | 1,600,000 | 1,600,000 | - | - | 1,600,000 | 1,600,000 | - |
| Dobu Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Kinisa Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Hardimtu Primary | 1,200,000 | - | - | 1,200,000 | 1,200,000 | - | - | 1,200,000 | 1,200,000 | 1,200,000 |
| Sigirso Primary | 950,000 | - | - | 950,000 | 950,000 | - | - | 950,000 | 950,000 | 950,000 |
| Qurdoobo Sagalan Primary | 950,000 | - | - | 950,000 | 950,000 | - | - | 950,000 | 950,000 | 950,000 |
| Sukela Lowo Primary | 950,000 | - | - | 950,000 | 950,000 | - | - | 950,000 | 950,000 | 950,000 |
| Ogode Primary | - | 15,000 | - | 15,000 | 15,000 | - | - | 15,000 | 15,000 | 15,000 |
| Tesoramu Primary | - | 15,000 | - | 15,000 | 15,000 | - | - | 15,000 | 15,000 | 15,000 |
| Kubdishan Primary School | - | 30,000 | - | 30,000 | 30,000 | - | - | 30,000 | 30,000 | 30,000 |
| Kotkoto Primary School | - | 100,000 | - | 100,000 | 100,000 | - | - | 100,000 | 100,000 | 100,000 |
| Abubakar Integrated Primary School | - | 100,000 | - | 100,000 | 100,000 | - | - | 100,000 | 100,000 | 100,000 |
| Imam Shafi Integrated Primary School | - | 100,000 | - | 100,000 | 100,000 | - | - | 100,000 | 100,000 | 100,000 |
| Dirib Mafuko Primary School | - | 10,000 | - | 10,000 | 10,000 | - | - | 10,000 | 10,000 | 10,000 |
| Mirr Dakara Primary School | - | 62,500 | - | 62,500 | 62,500 | - | - | 62,500 | 62,500 | - |
| Burduras Primary School | - | 75,000 | - | 75,000 | 75,000 | - | - | 75,000 | 75,000 | 75,000 |
| Ardahalo Primary School | - | 550,000 | 650,000 | 650,000 | 1,200,000 | 1,050,000 | 1,050,000 | 1,200,000 | 1,050,000 | 150,000 |
| Gambela Primary School | - | 550,000 | 650,000 | 650,000 | 1,200,000 | 1,050,000 | 1,050,000 | 1,200,000 | 1,050,000 | 150,000 |
| Kubdishan Primary | - | - | 1,250,000 | 1,250,000 | 1,250,000 | - | - | 1,250,000 | 1,250,000 | 1,250,000 |
| Bachile Primary School | - | 550,000 | 650,000 | 650,000 | 1,200,000 | 1,050,000 | 1,050,000 | 1,200,000 | 1,050,000 | 150,000 |

| | | | | | | |
|-----------------------------|---|---------|-----------|-----------|-----------|-----------|
| Alokoba Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Elbofa Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Wayamdera Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Sukela Primary School | - | 210,000 | 390,000 | 600,000 | 540,000 | 60,000 |
| Datachtune Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Kubi Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,250,000 | - |
| Ayan Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Amasa Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Gulani Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| litlale Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Gutole Primary School | - | 550,000 | 650,000 | 1,200,000 | 1,050,000 | 150,000 |
| Ogode Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Sambur Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Kotkoto Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Dadabo Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Kubihalo Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Argeisa Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Eresteno Primary School | - | - | 1,700,000 | 1,700,000 | - | 1,700,000 |
| Didkoba Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Dirib Mafuko Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Abakote Primary School | - | 550,000 | 650,000 | 1,200,000 | 1,050,000 | 150,000 |
| Karsahama Primary School | - | 550,000 | 650,000 | 1,200,000 | 1,050,000 | 150,000 |
| Mansho Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Abarkato Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Gather Primary School | - | 500,000 | 1,400,000 | 1,900,000 | 1,720,000 | 180,000 |
| Karsadima Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Makutano Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Burduras Primary School | - | - | 1,700,000 | 1,700,000 | - | 1,700,000 |
| Harshilmi Primary School | - | 550,000 | 650,000 | 1,200,000 | 1,050,000 | 150,000 |
| Kinisa Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |
| Malaba Primary School | - | 500,000 | 1,700,000 | 2,200,000 | 2,000,000 | 200,000 |
| Gestreb Primary School | - | 530,000 | 720,000 | 1,250,000 | 1,120,000 | 130,000 |

| | | | | | | |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Hopi Primary School | - | 255,000 | 695,000 | 950,000 | 855,000 | 95,000 |
| Dandu Primary School | - | 1,900,000 | - | 1,900,000 | 1,900,000 | - |
| Total | 41,460,500 | 16,062,500 | 29,595,000 | 87,118,000 | 46,018,000 | 41,100,000 |
| 8.0 Secondary Schools Projects | | | | | | |
| Takaba Girls Secondary | 3,000,000 | - | - | 3,000,000 | 3,000,000 | - |
| Takaba Girls Secondary | 4,210,000 | - | - | 4,210,000 | 4,210,000 | - |
| Takaba Boys Secondary | 3,000,000 | - | - | 3,000,000 | 3,000,000 | - |
| Takaba Boys Secondary | 4,210,000 | - | - | 4,210,000 | 4,210,000 | - |
| Darwed Mix Secondary | 4,000,000 | - | - | 4,000,000 | 4,000,000 | - |
| Takaba Girls Secondary | 1,500,000 | - | - | 1,500,000 | 1,500,000 | - |
| Haji Yussuf Girls Secondary | 1,020,000 | - | - | 1,020,000 | 1,020,000 | - |
| Eldanaba Secondary School | 1,250,000 | - | - | 1,250,000 | 1,250,000 | - |
| Eldanaba Secondary School | 2,450,000 | - | - | 2,450,000 | 2,450,000 | - |
| Gather Secondary School | 1,900,000 | - | - | 1,900,000 | 1,900,000 | - |
| Gather Secondary School | 4,000,000 | - | - | 4,000,000 | 4,000,000 | - |
| Dandu Secondary | 3,800,000 | - | - | 3,800,000 | 3,800,000 | - |
| Takaba Boys Secondary | 1,900,000 | - | - | 1,900,000 | 1,900,000 | - |
| Votebook Balances | - | 1 | - | 1 | - | 1 |
| Votebook Balances | - | 1 | - | 1 | - | 1 |
| Takaba Day Secondary | - | 75,000 | - | 75,000 | - | 75,000 |
| Haji Yussuf Girls Secondary | - | 1,700,000 | 1,300,000 | 3,000,000 | 2,750,000 | 250,000 |
| Haji Yussuf Girls Secondary | - | 3,980,000 | - | 3,980,000 | 3,980,000 | - |
| Takaba Girls Secondary | - | 700,000 | 1,200,000 | 1,900,000 | 1,900,000 | - |
| Takaba Girls Secondary | - | 464,665 | - | 464,665 | 464,665 | - |
| Takaba Girls Secondary | - | 6,000,000 | - | 6,000,000 | 6,000,000 | - |
| Takaba Girls Secondary | - | 900,000 | - | 900,000 | 900,000 | - |
| Takaba Girls Secondary | - | 1,900,000 | - | 1,900,000 | 1,720,000 | 180,000 |
| Darwed Mixed Secondary | - | 550,000 | 650,000 | 1,200,000 | 1,050,000 | 150,000 |
| Darwed Mixed Secondary | - | 464,665 | - | 464,665 | 464,665 | - |
| Dandu Secondary School | - | 500,000 | 1,200,000 | 1,700,000 | 1,550,000 | 150,000 |
| Eldanaba Secondary School | - | 700,000 | 1,500,000 | 2,200,000 | 2,000,000 | 200,000 |

| | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|------------------|----------|-----------|
| Takaba Boys Secondary | - | 1,900,000 | - | - | 1,900,000 | 1,900,000 | - | - |
| Takaba Boys Secondary | - | 900,000 | - | - | 900,000 | 900,000 | - | - |
| Takaba Boys Secondary | - | 1,300,000 | - | - | 1,300,000 | 1,300,000 | - | - |
| Takaba Mixed Day Secondary | - | 1,050,000 | - | - | 1,050,000 | 1,050,000 | - | - |
| Takaba Mixed Day Secondary | - | 464,665 | - | - | 464,665 | 464,665 | - | - |
| Gather Secondary | - | 600,000 | - | - | 600,000 | 600,000 | - | - |
| Gather Secondary | - | 1,500,000 | - | - | 1,500,000 | 1,500,000 | - | - |
| Total | 36,240,000 | 25,648,996 | 5,850,000 | 67,738,996 | 66,733,995 | 1,005,001 | | |
| 9.0 Tertiary institutions Projects | | | | | | | | |
| Takaba Adult Education Centre | - | 450,000 | - | - | 450,000 | 450,000 | - | - |
| Total | - | 450,000 | - | 450,000 | 450,000 | - | - | - |
| 10.0 Security Projects | | | | | | | | |
| Takaba Police Station | 2,170,000 | - | - | 2,170,000 | 2,170,000 | 2,170,000 | - | - |
| Lagsure North Chiefs Office | - | 545,000 | 655,000 | 1,200,000 | 1,050,000 | 150,000 | - | - |
| Mandera West DCC Residence | - | 300,000 | - | 300,000 | 300,000 | 300,000 | - | - |
| Gather Chiefs Office | - | 850,000 | 650,000 | 1,500,000 | 1,350,000 | 150,000 | - | - |
| Takaba Police Station | - | 5,000,000 | - | 5,000,000 | 5,000,000.00 | 5,000,000.00 | - | - |
| Takaba Police Station | - | 750,000 | - | 750,000 | 750,000.00 | 750,000.00 | - | - |
| Total | 2,170,000 | 7,445,000 | 1,305,000 | 10,920,000 | 10,620,000 | 300,000 | | |
| 11.0 Acquisition of assets | | | | | | | | |
| Mandera West NG-CDF Office | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 | - | 1,500,000 |
| Mandera West NG-CDF Office | 750,000 | - | - | 750,000 | - | 750,000 | - | 750,000 |
| Mandera West NG-CDF Office | 913,450 | - | - | 913,450 | - | 913,450 | - | 913,450 |
| Votebook Balances | - | 1 | - | 1 | - | 1 | - | 1 |
| Mandera West NG-CDF Office | - | - | 12,500,000 | 12,500,000 | 8,437,500 | 4,062,500 | | |
| Total | 3,163,450 | 1 | 12,500,000 | 15,663,451 | 8,437,500 | 7,225,951 | | |
| 12.0 Other payments | | | | | | | | |
| Takaba Gender Office | - | 600,000 | - | 600,000 | 600,000 | 600,000 | - | - |
| Total | - | 600,000 | - | 600,000 | 600,000 | 600,000 | - | - |
| 13.0 unallocated fund | | | | | | | | |

XII. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

The financial statements are for the NGCDF-Mandera West 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.

XIII. Notes to the Financial Statements**1. Transfers from NGCDF Board**

| Description | | 2021-2022 | 2020 - 2021 |
|-------------------|------------------|-----------------------|--------------------|
| | | Kshs | Kshs |
| | AIE NO. B 104527 | - | 61,617,724.10 |
| Normal Allocation | AIE NO. B 124605 | - | 9,000,000.00 |
| | AIE NO. B 119560 | - | 8,500,000.00 |
| | AIE NO. B 119949 | - | 12,000,000.00 |
| | AIE NO. B 128192 | - | 6,900,000.00 |
| | AIE NO. B 126209 | - | 7,000,000.00 |
| | AIE NO. B 132247 | - | 6,000,000.00 |
| | AIE NO. B 138915 | - | 13,000,000.00 |
| | AIE NO. B 129154 | - | 7,000,000.00 |
| | AIE NO. B 105004 | - | 10,600,000.00 |
| | AIE NO. B 140647 | - | 12,000,000.00 |
| | AIE NO. B140998 | 33,000,000.00 | - |
| | AIE NO. B140815 | 7,750,000.00 | - |
| | AIE NO. B105503 | 44,000,000 | - |
| | AIE NO. B105859 | 22,000,000 | - |
| | AIE NO. B128610 | 6,000,000 | - |
| | AIE NO. B128922 | 12,000,000 | - |
| | AIE NO. B154119 | 15,000,000 | - |
| | AIE NO. B164352 | 18,000,000 | - |
| | AIE NO. B155883 | 20,088,879 | - |
| | AIE NO. B155994 | 12,088,879.00 | - |
| TOTAL | | 189,927,758.00 | 153,617,724 |

2. Compensation Of Employees

| Description | 2021-2022 | 2020 - 2021 |
|--|---------------------|------------------|
| | Kshs | Kshs |
| NG-CDFC Basic staff salaries | 2,492,900.00 | 2,859,843 |
| Employer Contributions Compulsory national social security schemes | 46,800.00 | 36,000 |
| TOTAL | 2,539,700.00 | 2,895,843 |

Notes To the Financial Statements (Continued)

3. Use Of Goods and Services

| Description | 2021-2022 | 2020 - 2021 |
|---|---------------------|--------------------|
| | Kshs | Kshs |
| Office rent | 500,000.00 | - |
| Domestic travel and subsistence | 423,600.00 | - |
| Training expenses | - | 1,313,724 |
| Other committee expenses | 1,025,000.00 | 921,000 |
| Committee allowance | 749,000.00 | 958,050 |
| Office and general supplies and services | 500,000.00 | 2,219,288 |
| Fuel , oil & lubricants (Hire of Transport) | 2,000,000.00 | - |
| Other operating expenses | - | 2,112,931 |
| Bank service commission and charges | 42,493.00 | - |
| TOTAL | 5,240,093.00 | 7,524,993 |

4. Transfer To Other Government Units

| Description | 2021-2022 | 2020 - 2021 |
|------------------------------------|-----------------------|--------------------|
| | Kshs | Kshs |
| Transfers to Primary Schools | 46,018,000.00 | 67,118,706 |
| Transfers to Secondary Schools | 66,733,995.00 | 23,006,000 |
| Transfers to Tertiary Institutions | 450,000.00 | 2,300,000 |
| TOTAL | 113,201,995.00 | 92,424,706 |

5. Other Grants and Other transfers

| Description | 2021-2022 | 2020 - 2021 |
|---|----------------------|--------------------|
| | Kshs | Kshs |
| Bursary - Secondary (see attached list) | 4,650,000.00 | 4,856,000 |
| Bursary -Tertiary (see attached list) | 1,320,000.00 | 19,407,000 |
| Social Security programmes (NHIF) | 3,000,000.00 | - |
| Security Projects (see attached list) | 10,620,000.00 | 3,520,000 |
| Sports Projects (see attached list) | 2,635,000.00 | - |
| Environment Projects (see attached list) | 2,700,000.00 | - |
| Emergency Projects (see attached list) | 10,050,000.00 | 3,350,000 |
| TOTAL | 34,975,000.00 | 31,133,000 |

Notes To the Financial Statements (Continued)

6. Acquisition Of Assets

| Non Financial Assets | 2021-2022 | 2020 - 2021 |
|-----------------------------|---------------------|--------------------|
| | Kshs | Kshs |
| Construction of Buildings | 8,437,500.00 | - |
| TOTAL | 8,437,500.00 | 0 |

7. Other Payments

| | 2021-2022 | 2020-2021 |
|-----------------------------|-------------------|------------------|
| | Kshs | Kshs |
| Renovation of Gender Office | 600,000 | - |
| TOTAL | 600,000.00 | - |

8: Cash Book Bank Balance

| Name of Bank, Account No. & currency | Account Number | 2021-2022 | 2020 - 2021 |
|---|----------------------------------|-----------------------------|-----------------------------|
| | | Kshs (30/6/2022) | Kshs (30/6/2021) |
| <i>Equity Bank, Mandera Branch</i> | <i>A/C No. 1000296633736</i> | 89,752,515.37 | 64,819,045 |
| TOTAL | | 89,752,515.37 | 64,819,045 |

9. Balances Brought Forward

| | 2021-2022 | 2020- 2021 |
|---------------|------------------------|------------------------|
| | Kshs (1/7/2021) | Kshs (1/7/2020) |
| Bank accounts | 64,819,045.37 | 45,179,863 |
| TOTAL | 64,819,045.37 | 45,179,863 |

Notes to the Financial Statements (Continued)

10. Other Important Disclosures

10.1: Pending Staff Payables

| | 2021-2022 | 2020- 2021 |
|------------------|------------------|-------------------|
| | Kshs | Kshs |
| NGCDF Staff | - | 777,480 |
| Others (specify) | - | - |
| | - | 777,480 |

10.2: Unutilized Funds (See Annex 1)

| | 2021-2022 | 2020- 2021 |
|---|-------------------|--------------------|
| | Kshs | Kshs |
| Compensation of employees | 4,659,983 | 2,210,283 |
| Use of goods and services | 5,165,832 | 3,442,603 |
| Amounts due to other Government entities (see attached list) | 42,105,001 | 77,606,496 |
| Amounts due to other grants and other transfers (see attached list) | 30,595,749 | 21,298,541 |
| Acquisition of assets | 7,225,951 | 12,500,001 |
| Others (<i>specify</i>) | - | 600,000 |
| Funds pending approval | - | - |
| TOTAL | 89,752,516 | 117,657,925 |

10.3: PMC account balances (See Annex 2)

| | 2021-2022 | 2020- 2021 |
|----------------------|------------------|-------------------|
| | Kshs | Kshs |
| PMC account balances | 49,529 | 780,500 |
| TOTAL | 49,529 | 780,500 |

Mandi
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Annexes

Annex 1 – Unutilized Funds

| Name | Brief Transaction Description | Outstanding Balance 2021/22 | Outstanding Balance 2020/21 |
|---|------------------------------------|-----------------------------|-----------------------------|
| Compensation of employees | | | |
| Compensation of employees | NG-CDFC Staff Salaries | 4,659,983 | 2,166,033 |
| NHIF | NHIF | - | 6,250 |
| NSSF | NSSF | - | 38,000 |
| Total | | 4,659,983 | 2,210,283 |
| Use of goods & services | | | |
| Administration | Use of goods and services | 1,653,504 | 1,316,775 |
| Administration | Committee allowances | 1,717,340 | 1,416,340 |
| Monitoring & Evaluation | Use of goods and services | 348,913 | 168,913 |
| Monitoring & Evaluation | Committee allowances | 256,000 | 330,500 |
| Monitoring & Evaluation | Capacity building | 1,190,076 | 210,076 |
| Total | | 5,165,832 | 3,442,603 |
| Amounts due to other Government entities | | | |
| Ogode Primary | Project Retentions | 15,000 | 15,000 |
| Tesoramu Primary | Project Retentions | 15,000 | 15,000 |
| Kubdishan Primary School | Project Retentions | 30,000 | 30,000 |
| Kotkoto Primary School | Construction of Masonry Water Tank | 100,000 | 100,000 |
| Abubakar Integrated Primary School | Completion of Ino. Classroom | 100,000 | 100,000 |

| | | | |
|--------------------------------------|---|-----------|-----------|
| Imam Shafi Integrated Primary School | Completion of 1no. Classroom | 100,000 | 100,000 |
| Dirib Mafuko Primary School | Completion of 1no. Classroom | 10,000 | 10,000 |
| Mirr Dakara Primary School | Construction of One Number Classroom (950,000) & 2-Door Pit Latrine (300,000) | - | 62,500 |
| Burduras Primary School | Construction of 1No. Classroom | 75,000 | 75,000 |
| Ardahalo Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Gambela Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Kubdishan Primary | Contruction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 1,250,000 | 1,250,000 |
| Bachile Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Alokoba Primary School | Contruction of One Number Classroom | 95,000 | 950,000 |
| Elbofa Primary School | Contruction of One Number Classroom | 95,000 | 950,000 |
| Wayamdera Primary School | Contruction of One Number Classroom | 95,000 | 950,000 |
| Sukela Primary School | Construction of 4-Door Toilets | 60,000 | 600,000 |
| Datahtune Primary School | Contruction of One Number Classroom | 95,000 | 950,000 |
| Kubi Primary School | Contruction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | - | 1,250,000 |
| Ayan Primary School | Contruction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Amasa Primary School | Contruction of One Number Classroom | 95,000 | 950,000 |
| Gulani Primary School | Contruction of One Number Classroom | 95,000 | 950,000 |
| Itilale Primary School | Contruction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Gutole Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Ogode Primary | Contruction of One Number Classroom | 95,000 | 950,000 |

| | | | |
|-----------------------------|---|-----------|-----------|
| School | | | |
| Sambur Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Kotkoto Primary School | Construction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Dadabo Primary School | Construction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Kubihalo Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Argeisa Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Eresteno Primary School | Construction of Chain link fence with Concrete posts, Gate Wall & Gate | 1,700,000 | 1,700,000 |
| Didkoba Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Dirib Mafuko Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Abakote Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Karsahama Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Mansho Primary School | Construction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Abarkato Primary School | Construction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Gather Primary School | Construction of Two Number Classrooms | 180,000 | 1,900,000 |
| Karsadima Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Makutano Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Burduras Primary School | Construction of Chain link fence with Concrete posts, Gate Wall & Gate | 1,700,000 | 1,700,000 |
| Harshlimi Primary School | Construction of 30 M3 Underground Water Tank | 150,000 | 1,200,000 |
| Kinisa Primary School | Construction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Malaba Primary School | Construction of Two Number Classrooms (1,900,000) & 2-Door Toilet (300,000) | 200,000 | 2,200,000 |

| | | | |
|-------------------------|--|-----------|-----------|
| Gesreb Primary School | Construction of One Number Classroom (950,000) & 2-Door Toilet (300,000) | 130,000 | 1,250,000 |
| Hopi Primary School | Construction of One Number Classroom | 95,000 | 950,000 |
| Dandu Primary School | Construction of 50M3 Underground water Tank with Elevated Concrete Water Tank Tower | - | 1,900,000 |
| Ardahalo Primary | construction of One Number Classroom to completion (950,000) & 2-Door Toilet (one disability friendly) (300,000) to completion | 1,250,000 | - |
| Gambela Primary | construction of One Number Classroom to completion | 950,000 | - |
| Iyan Abakula Primary | construction of One Number Classroom to completion | 950,000 | - |
| Haji Rashid Primary | construction of One Number Classroom to completion | 950,000 | - |
| Bamba Taka Primary | construction of One Number Classroom to completion (950,000) & 2-Door Toilet (one disability friendly) (300,000) to completion | 1,250,000 | - |
| Takaba Primary | construction of Kitchen and Store to completion | 1,200,000 | - |
| Wangaidahan Primary | Construction of One Number Classroom to completion (950,000) & 2-Door Toilet (one disability friendly) (300,000) to completion | 1,250,000 | - |
| Didkoru Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Bolowle Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Lagsure Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Darwed Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Sukela Qalqacha Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Gutole Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Dadabo Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Harbuyo Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Gather Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Medina Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Gesreb Primary | Construction of One Number Classroom to completion (950,000), 2-Door Toilet (one | - | - |

| | | | |
|-----------------------------|--|-----------|-----------|
| | disability friendly) to completion (300,000) & Construction of 30 M3 Underground Water Tank (1,200,000) to completion | 2,450,000 | |
| Mubarak Intergated Primary | Construction of One Number Classroom to completion (950,000) & 2-Door Toilet (one disability friendly) (300,000) to completion | 1,250,000 | |
| Sake Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Gagaba Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Tesoramu Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Dobu Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Kinisa Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Hardintu Primary | Construction of 30 M3 Underground Water Tank to completion | 1,200,000 | - |
| Sigirso Primary | Construction of One Number Classroom to completion | 1,200,000 | - |
| Qurdobo Sagalan Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Sukela Lowo Primary | Construction of One Number Classroom to completion | 950,000 | - |
| Votebook Balances | Health Sector Votebook Balances | 950,000 | - |
| Votebook Balances | Secondary Education Sector Votebook Balances | 1 | - |
| Takaba Day Secondary | Project Retentions | 1 | 1 |
| Haji Yussuf Girls Secondary | Construction of 3 Room Administration Block | 75,000 | 75,000 |
| Haji Yussuf Girls Secondary | Construction of 1 Number Medium Size Science Laboratory to Finishing level | 250,000 | 3,980,000 |
| Takaba Girls Secondary | Construction of Two Number Classrooms | - | 3,980,000 |
| Takaba Girls Secondary | Purchase of Office Furniture | 180,000 | 1,900,000 |
| Takaba Girls Secondary | Construction of 8 Room Staff Quarters | - | 464,665 |
| Takaba Girls Secondary | Construction of 6-Door Toilet | - | 6,000,000 |
| | | - | 900,000 |

| | | | |
|--|---|-------------------|-------------------|
| Takaba Girls Secondary | Construction of 50M3 Underground water Tank with Elevated Concrete Water Tank Tower | - | 1,900,000 |
| Darwed Mixed Secondary | Construction of Kitchen and Store | 150,000 | 1,200,000 |
| Darwed Mixed Secondary | Purchase of Office Furniture | - | 464,665 |
| Dandu Secondary School | Construction of Chain link fence with Concrete posts, Gate Wall & Gate | 150,000 | 1,700,000 |
| Eldanaba Secondary School | Construction of Two Number Classrooms (1,900,000) & 2-Door Toilet (300,000) | 200,000 | 2,200,000 |
| Takaba Boys Secondary | Construction of 50M3 Underground water Tank with Elevated Concrete Water Tank Tower | - | 1,900,000 |
| Takaba Boys Secondary | Construction of 6-Door Toilet | - | 900,000 |
| Takaba Boys Secondary | Renovation works to Science Laboratory | - | 1,300,000 |
| Takaba Mixed Day Secondary | Construction of 7-Door Toilet | - | 1,050,000 |
| Takaba Mixed Day Secondary | Purchase of Office Furniture | - | 464,665 |
| Gather Secondary | Construction of 4-Door Toilet | - | 600,000 |
| Gather Secondary | Installation of Solar Power system | - | 1,500,000 |
| Takaba Adult Education Centre | Construction of 3-Door Toilet | - | 450,000 |
| Sub-Total | | 42,105,001 | 77,606,496 |
| Amounts due to other grants and other transfers | | | |
| Emergency | To cater for any unforeseen occurrences in the constituency during the financial year | 10,089 | 3,127,882 |
| Bursary Secondary School | Payment of bursary to needy students in Secondary Schools. | 6,570,658 | 2,625,790 |
| Bursary Tertiary School | Payment of bursary to needy students in colleges and universities. | 21,715,000 | 369,868 |
| Social security | NHIF Premium cover | - | 3,000,000 |

| | | | |
|---|---|-------------------|-------------------|
| Dandu Secondary School | Supply of uniforms, balls and Trophies to Dandu Secondary School | - | 345,000 |
| Takaba Mixed Day Secondary | Supply of uniforms, balls and Trophies to Takaba Mixed Day Secondary School | - | 380,000 |
| Sports | Votebook Balance | | - |
| Rocky Hill Primary School | Construction of 6-Door Toilets | 1 | - |
| Takaba Mixed Day Secondary | Construction of 6-Door Toilets | - | 900,000 |
| Takaba Primary School | Construction of 6-Door Toilets | - | 900,000 |
| Mandera West Constituency NG-CDF Office | Construction of 6-Door Toilets | - | 900,000 |
| Lagsure North Chief's Office | Construction of 6- Door Toilet Block with one Disability friendly Unit to completion | 2,000,000 | - |
| Mandera West DCC Residence | Construction of 2 Room Office Block | 150,000 | 1,200,000 |
| Gather Chief's Office | Construction of Elevated Concrete Water Tank Tower with 2,500 Litre Plastic Water Tank and Piping (400,000) | - | 300,000 |
| Takaba Police Station | Construction of 2 Room Office Block (1,200,000) & 2-Door Toilet (300,000) | 150,000 | 1,500,000 |
| Takaba Police Station | Construction of 300 Linear Meters Solid Masonry Wall | - | 5,000,000 |
| Sub-Total | Construction of 5-Door Toilet | - | 750,000 |
| Acquisition of Assets | | 30,595,749 | 21,298,541 |
| Vote book Balances | Vote Book Balances | | |
| Mandera West NG-CDF Office | Construction of NG-CDF Office Phase I | 1 | 1 |
| Mandera West Constituency NG-CDF Office | Construction of 50M3 Underground Water Tank to completion | 4,062,500 | 12,500,000 |
| Mandera West Constituency NG-CDF Office | Construction of Elevated Concrete Water Tank Tower (675,000) with 5,000 Litre Plastic Water Tank and Piping (75,000) to Completion | 1,500,000 | |
| Mandera West Constituency NG-CDF Office | Purchase of Office Furniture (3 Executive Office Desks with side cabinets and Drawers Kshs 228,450, 3 Executive Office Chairs Kshs 165,000, 5 metallic Office Cabinets Kshs | 750,000 | |
| Mandera West Constituency | | 913,450 | |

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 |
| Gutole Primary School | Equity | 1020162622048 | | |
| Rocky Hill Primary School | Equity | 1020161565793 | 7,864 | 27,200 |
| Takaba Girls Secondary School | KCB | 1156802873 | - | 25,600 |
| Argesa Primary School | Equity | 1020162165682 | - | 727,700 |
| Didkoba Primary School | Equity | 1020161607302 | 354 | - |
| Sukela Primary School | Equity | 1020162653402 | 1,210 | - |
| Kubihalo Primary School | Equity | 1020161612190 | 4,310 | - |
| Karsadima Primary School | Equity | 1020164611870 | 1,204,558 | - |
| Ardahalo Primary School | Equity | 1020299155125 | 1,241 | - |
| Kinisa Primary School | Equity | 1020264759406 | 685 | - |
| Mansho Primary School | Equity | 1020169227358 | 1,020 | - |
| Abakote Primary School | Equity | 1020280117760 | 450 | - |
| Malaba Primary School | Equity | 1020167895548 | 940 | - |
| Burduras Primary School | Equity | 1000176751326 | 3,620 | - |
| Sambur Primary School | Equity | 1020199427713 | 50,473 | - |
| Itlale Primary School | Equity | 1000278567111 | 1,250 | - |
| Elbofa Primary School | Equity | 1020299155056 | 215 | - |
| Kotkoto Primary School | Equity | 1020299360897 | 19,861 | - |
| Alokoba Primary School | Equity | 1020299154867 | 1,223 | - |
| Bachile Primary School | Equity | 1020161603974 | 1,405 | - |
| Gambela Primary School | Equity | 1020164025193 | 68 | - |
| Didkuro Primary School | Equity | 1000294578856 | 6,993 | - |
| Amasa Primary School | Equity | 1020273155151 | 11,418 | - |
| Darwed Secondary School | Equity | 1020164614585 | 500 | - |
| Takaba Day Secondary School | Equity | 1000270058149 | 1,162,163 | - |
| Dandu Secondary School | Equity | 1020262730026 | 3,428,945 | - |
| Gather Mixed Day Secondary School | Equity | 100027750367 | 265,327 | - |
| Takaba Secondary School | Equity | 1000295355622 | 5,420 | - |
| Takaba Police Administration Office | Equity | 1020277705669 | 2,312,540 | - |
| TOTAL | Equity | | 15,220 | - |
| | | | 8,509,271 | 780,500 |

Annex 3 – Summary of Fixed Asset Register


| Asset class | Historical Cost b/f (Kshs) | | Additions during the year (Kshs) | Disposals during the year (Kshs) | Historical Cost (Kshs) 2021/22 |
|--|-------------------------------|---------|-------------------------------------|-------------------------------------|---|
| | 2020/21 | 2021/22 | | | |
| Buildings and structures | - | | 8,437,500 | - | 8,437,500 |
| Office equipment, furniture and fittings | 3916022 | | - | - | 3,916,022 |
| Total | 3,916,022 | | 8,437,500 | - | 12,353,522 |

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 | Non-Acknowledged Bursary Payments Examination of payment records availed for audit review revealed that payments of bursaries amounting to Kshs. 1,246,000 to secondary schools and Kshs. 3,753,000 for tertiary institutions were not supported with acknowledgement receipts from respective learning institutions. | 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 | Un Supported Payments on Use of Goods and Services Examination of payment vouchers and other supporting documents availed for audit revealed that payments amounting to Kshs. 375,000 relating to monitoring and evaluation exercise was not properly supported. | 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 | Budgetary Control and Performance Summary statement of appropriation revealed that there was underfunding of Kshs.52,838,880. In addition, the Fund incurred Kshs. 133,978,542 against actual receipts of Kshs. 198,797,587 resulting in under expenditure of Kshs.64,819,045. | 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>Project Implementation and Management During the year under review, the Fund allocated Kshs.121,388,879 to seventy-two (72) projects in various sectors including environment, sports, security, administration, and education. Review of the project implementation status report revealed that sixty-one (61) projects.</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 availed for audit review revealed that an expenditure amounting to Kshs. 3,350,000 was incurred on projects, however, certificate of practical completion was not availed for audit confirmation. In addition, the Management of the Fund did not report to the Board of the utilization of the emergency funds.</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 |



Yussuf Abdi Ali
Fund Account Manager.