

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Enhancing Accountability*

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**REPORT**

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THE NATIONAL ASSEMBLY

DATE: 08 JUL 2023

DAY:  
Thursday

**OF**

TABLED  
BY:

Hon. Samuel Chepkonga, MP

CHEMIST  
THE TABLE:

Joyce Kemethle

**THE AUDITOR-GENERAL**

**ON**

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

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









OFFICE OF THE AUDITOR GENERAL  
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MOYALE CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2022

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





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

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

**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 the national 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 for 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



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

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

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	SULEIMAN GUYO ROBA
2.	Sub-County Accountant	NICHOLAS NYAGA
3.	Chairman NGCDFC	DENGE TULU
4.	Member NGCDFC	BUKE GALMA

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 24-60700 MOYALE  
Behind Livestock Production Offices,  
Moyale Sessi Road, Next to AP Line.



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

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**(f) MOYALE Constituency NGCDF Contacts**

Telephone: (254) 723876000  
E-mail: [cdfmoyale@ngcdf.go.ke](mailto:cdfmoyale@ngcdf.go.ke)  
Website: [www.go.ke](http://www.go.ke)

**(g) MOYALE Constituency NGCDF Bankers**

Equity Bank Ltd  
Moyale Branch  
P.o Box  
MOYALE

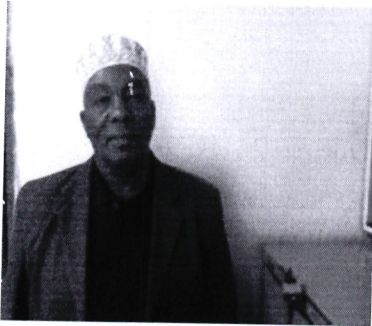
**(h) Independent Auditors**

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**

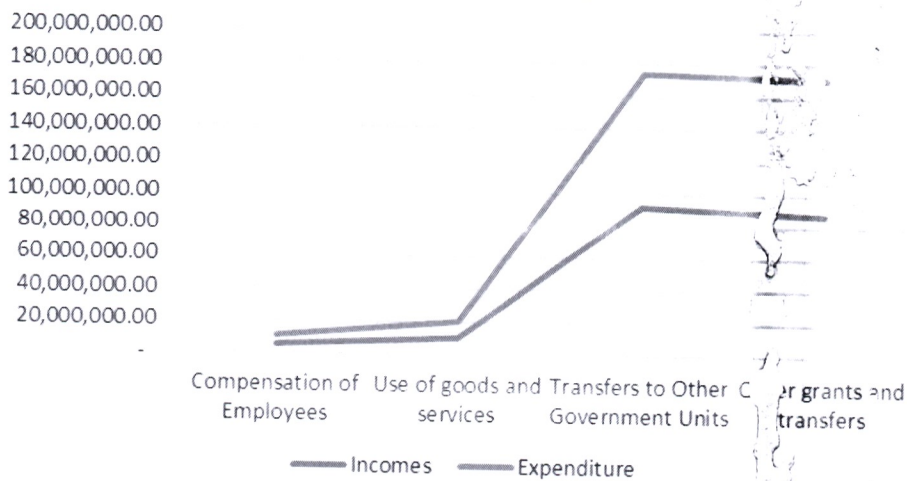


**Mr. Denge Tulu,**  
**NGCDF Chairman -Moyale**

During the financial year that ended 30<sup>th</sup> June, Moyale NGCDF realized an improved budget performance of 92.4% overall. This was largely possible due to the early disbursement of funds to the entity during the year by the national treasury.

The annual budget for the was 196,845,718 inclusive of the annual budget for FY2021/2022 of kshs 137,088,879, kshs 13,679,099 of the cash book opening balance and Kshs 46,077,741 of the previous year's outstanding disbursements. The Moyale NGCDF was able to utilize kshs 181,951,268 of these and ensure that Moyale constituents receives proper and timely services. The graph below demonstrates the performance of the entity against the approved budget for the year.

**Graph of Income Vs Expenditure**



Moyale NGCDF was able to undertake successful projects that touched on the lives of the constituents during the year. The projects include security staff houses, modern classroom, school furniture programmes and security roads in more disadvantaged areas.



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During the year Moyale NGCDF was able to implement its projects without hindrances though towards the end of the year the entity was faced by challenges relating to political campaigns. However, still the entity was able to smoothly undertake and complete its projects.

Moyale NGCDF had some implementation challenges. These include influence from politicians and shortage of construction materials in the areas leading to high costs. Contractors often complain much from the security problems that have been experienced often and the projects can't be supervised properly. To overcome security challenges the entity is trying to come up with staff houses and police in remote areas. For instance, Moyale, NGCDF implements security houses in four (4) security affected areas. In addition, the entity is trying to revise the cost of bill of quantities with the county quantity surveyor to ensure costs are in tandem with what is experienced on the ground.

Signature



CHAIRMAN NGCDF COMMITTEE

**MOYALE Constituency**  
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**III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PRE-DETERMINED OBJECTIVES**

**Introduction**

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

The key development objectives of MOYALE Constituency 2018-2022 period are to:

- a) Enhanced infrastructure for schools
- b) Support to Security Services
- c) Enhanced Environmental Conservations
- d) Promotion of sports activities
- e) Mitigation of Disasters in the Constituency

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To enhance Access to education in the Constituency	Development of Educational Facilities	<ul style="list-style-type: none"> <li>✓ Construction and renovation of Classrooms</li> <li>✓ Construction and renovation of VIP Latrines</li> <li>✓ Construction and renovation of Laboratories</li> <li>✓ Construction and renovation of Dormitories</li> <li>✓ Construction and renovation of School Libraries</li> <li>✓ Construction and renovation of Dining halls</li> <li>✓ Construction and renovation of Kitchen/Stores</li> <li>✓ Fencing of School Compound and Gate Construction</li> <li>✓ Construction and renovation of Administration Block</li> <li>✓ Purchase of Furniture</li> <li>✓ Purchase of Laboratory</li> </ul>	<ul style="list-style-type: none"> <li>✓ Constructed 17 Classrooms and renovated 24 Classrooms</li> <li>✓ Constructed 6 VIP Latrines</li> <li>✓ Constructed 3 Laboratories and equipped 3 Laboratories</li> <li>✓ Renovated 1 Dormitory</li> <li>✓ Renovated 1 Dining Hall</li> <li>✓ Constructed 1 Kitchen and renovated 1</li> <li>✓ Fencing works for 3 schools</li> <li>✓ Constructed 2 staff Houses</li> </ul>



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			<ul style="list-style-type: none"> <li>equipment and tools</li> <li>✓ Acquisition of Assets for Schools</li> </ul>	<ul style="list-style-type: none"> <li>✓ Renovated 2 Admin Blocks</li> <li>✓ Purchased 2000 Lockers and 2000 Chairs</li> <li>✓ Paid Kshs 43.9 Million in Bursaries to Schools</li> </ul>
Security	To enhance Security Provisions to the Constituents	Building of Security Roads, Chiefs Offices, VIP Latrines, Police Stations and Staff Houses	<ul style="list-style-type: none"> <li>✓ Construct/renovate Chiefs Offices and equip them</li> <li>✓ Construct/renovate Police Camps and houses</li> <li>✓ Open up access roads to insecure areas</li> <li>✓ Construct/renovate VIP Latrines and Bathrooms</li> <li>✓ Install security light and fence security camps</li> <li>✓ Provision of clean c</li> <li>✓ Drinking water to security camps</li> <li>✓ Solar lighting for security structures</li> <li>✓ Purchase of Furniture for Security Offices</li> </ul>	<ul style="list-style-type: none"> <li>✓ Constructed d3 VIP Latrines</li> <li>✓ Purchase of furniture for 11 Chief Offices and DCC Office</li> <li>✓ Constructed 1 Police Admin Block</li> <li>✓ Fenced 1 Administration Camp Compound</li> </ul>
Environment	To enhance Environmental Protection	To increase Tree cover and control environmental degradation	<ul style="list-style-type: none"> <li>✓ Planting of trees</li> <li>✓ Building of Gabions</li> <li>✓ Refilling of gully and trenches in school compound</li> <li>✓ Fencing to protect trees and environment</li> </ul>	<ul style="list-style-type: none"> <li>✓ Planted 100 Trees</li> <li>✓ Fencing of 1 School Compound and NGCDF Office</li> <li>✓ Levelling of one School Compound</li> </ul>
Sports	To nurture Talents and promote sporting events	Inculcation of Sports Culture among youths and clubs	<ul style="list-style-type: none"> <li>✓ Construction/renovation of play grounds</li> <li>✓ Purchase of Sports equipment</li> <li>✓ Purchase and distribution of sports Kits, Uniforms, Balls, Trophies, nets and sports Shoes</li> <li>✓ Holding Sports Tournaments</li> </ul>	<ul style="list-style-type: none"> <li>✓ Purchased Sports equipment for 8 Schools and 12 Clubs</li> </ul>
Emergency	To Cushion the Constituents against the	To help restore destructions and minimize	<ul style="list-style-type: none"> <li>✓ Provision of safe and clean drinking water to schools</li> <li>✓ Rebuild structures destroyed by disasters</li> </ul>	<ul style="list-style-type: none"> <li>✓ Provided safe and clean drinking water to 16 schools</li> </ul>

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	impacts of emergencies and help salvage the situations	impacts of unforeseen factors	<ul style="list-style-type: none"> <li>✓ Renovate dilapidated structures damaged due to natural calamities</li> <li>✓ Provide feeding programmes to schools affected by droughts</li> <li>✓ Conduct public awareness on impending disasters and help substitute preventive measures</li> </ul>	during severe drought periods
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**IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

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

- a. **Education and Training:** MOYALE 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 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 current, 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



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FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

**2. Environmental performance**

- Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar
- Sensitization of youth/ community on the impact of drugs affected by construction of police stations supported NG-CDF.
- NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.
- NG-CDF staff have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.

**3. Employee welfare**

We invest in providing the best working environment for our employees. MOYALE 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. MOYALE constituency invests in capacity building programs for employees. These include courses on technical competence 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-**

MOYALE NGCDF Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

**MOYALE Constituency**  
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**5. Community Engagements-**

MOYALE 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.

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



**MOYALE Constituency**  
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**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-MOYALE 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, 2021. 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-MOYALE 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, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- MOYALE Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

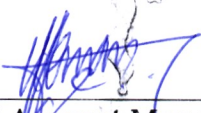
The Accounting Officer in charge of the NGCDF MOYALE Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for 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- MOYALE Constituency financial statements were approved and signed by the Accounting Officer on 30<sup>th</sup> June 2022.

  
\_\_\_\_\_  
Chairman NGCDF Committee  
Name: Denge Tulu



  
\_\_\_\_\_  
Fund Account Manager  
Name: Suleiman Roba



# REPUBLIC OF KENYA



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**HEADQUARTERS**  
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NAIROBI

*Enhancing Accountability*

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

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### **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 the Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on the Effectiveness of Internal Control, 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, risk management environment and internal control, developed and implemented by those charged with governance for orderly, efficient, and effective operations of the entity.

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Moyale Constituency set out on pages 14 to 45, which comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and summary statement of



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

### **Basis for Qualified Opinion**

#### **Cash and Cash Equivalents - Stale Cheques**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.14,894,451 as disclosed in Note 10A to the financial statements. However, the bank reconciliation statements for the month of June 2022 reflected unrepresented cheques amounting to Kshs.7,677,594, which included stale cheques amounting to Kshs.628,119 which had not been replaced or reversed in the cash book. The stale cheques include bursary cheques amounting to Kshs.606,510 which had not been presented for payment. This is an indication of errors and possible non-existence of the beneficiaries among other reasons. It is expected that individual needy students should present bursary cheques for payment of their tuition fees in time and not hold the cheques until they are stale.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.14,894,451 could not be ascertained.

The audit was conducted in accordance with the International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Moyale Constituency Management in accordance with ISSAI 130 on the 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**

##### **1.0 Budget and Budgetary Control**

The summary statement of appropriation for the year ended 30 June, 2022 reflects an approved expenditure budget of Kshs.195,856,857 against actual expenditure of Kshs.180,962,406 resulting to an under expenditure of Kshs.14,894,450 or 8% of the budget.



In addition, the bank balance reflected Kshs.14,894,451 in respect to cash released by the Board but not spent by the Fund. Failure to spend funds released by the Board denied the residents of Moyale Constituency equivalent services.

In the circumstances, under expenditure may have affected the planned activities and may have impacted negatively on service delivery to the public.

## **2.0 Unresolved Prior Year Matters**

In the audit report of the previous year, several paragraphs were raised under the report on financial statements, report on lawfulness and effectiveness in use of public resources, and report on effectiveness of internal control, risk management and governance. Although the Management has indicated that the issues have been responded to, the matters have remained unresolved as the relevant parliamentary committee has not met to deliberate on the same.

## **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**

#### **1.0 Irregular Procurement of Accommodation and Workshop Facility**

Note 5 to the financial statement reflects Kshs.9,956,192 in respect to use of goods and services, which includes Kshs.1,580,000 spent on training expenses. Records provided including the attendance register indicated that a half-day conference was held on 16 June, 2022 and attended by 27 participants who included the NG-CDFC members who signed the attendance register. Each member of the NG-CDF Committee was paid allowances of Kshs.35,000 while the Chairman was paid Kshs.49,000 as facilitation allowance for attending the seven-days workshop. However, there was no evidence to show that the members attended the workshop for the seven-day period for which allowance was paid.

In addition, the service provider was paid Kshs.881,000 in cash contrary to the second schedule of the Public Procurement and Asset Disposal Regulations, 2020 which requires that low value procurement under Section 107 of the Act shall be a maximum of Kshs.50,000. Further, there was no break down or itemized charge to show how the service charge of Kshs.881,000 was arrived at.

In the circumstances, the regularity, and the value for money of the Kshs.1,580,000 spent for the training expenses could not be confirmed.



## **2.0 Irregular Procurement of Drinking Water for Schools**

Note 7 to the financial statement reflects Kshs.83,420,383 in respect to expenditure on other grants and other transfers which included Kshs.7,340,000 that was incurred for emergency projects. The Fund engaged various suppliers for the supply of fresh drinking water to various primary schools within the Moyale Constituency. However, it was observed that the sourcing for the suppliers was done by the NG-CDFC contrary to Section 15(6) of the National Government Constituencies Development Fund Regulations, 2016 which requires that a Constituency Development Fund Committee shall not convert itself into a project management committee. The NG-CDFC irregularly converted itself into an emergency Project Management Committee.

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

## **3.0 Un-acknowledged Bursaries**

During the year under review, the Fund disbursed Kshs.20,340,000 and Kshs.22,592,950 to secondary schools and tertiary institutions, respectively, all totalling to Kshs.42,932,950. However, records provided for audit review showed that only Kshs.20,828,700 or 49% of the disbursed bursaries were acknowledged by the beneficiaries' institutions leaving an amount of Kshs.22,104,250 or 51% unacknowledged.

In the circumstances, it could not be confirmed whether the un-acknowledged bursary reached the intended beneficiaries.

## **4.0 Administration of Bursary Funds**

Note 7 to the financial statements reflects other grants and other payments balance of Kshs.83,420,383 out of which Kshs.20,340,000 and Kshs.22,592,950 were disbursed as bursaries to secondary schools and tertiary institutions, respectively. However, as reported in the previous year, there was no evidence of duly constituted bursary committees at the Ward level contrary to the CDF Board Circulars VOL1/111 dated 13 September, 2010 which states that a bursary committee shall exist to vet, identify, and categorize needy students using established criteria.

Further, no evidence was adduced for audit review to show that Management evaluated the bursary disbursements through a Bursary Sub-Committee constituted to manage the Bursary Scheme in accordance with Regulation 4 of the Board circular which states that a bursary sub-committee will compile a report to the main Constituency Fund Committee (CDFC) to ratify all awards.

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 comply, 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, except for the matter described in the Basis for Conclusion on Effectiveness of Internal Control, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal control, risk management and overall governance were not effective.

## **Basis for Conclusion**

### **Failure to Institute Internal Audit Arrangements**

As reported in the previous year, the National Government Constituency Development Fund Board has an internal audit department that has the mandate to audit the Fund. However, there was no evidence that internal audit function was carried out during the year contrary to Section 73(1)(a) of the Public Finance Management Act, 2012 which stipulates that every national government entity shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.

In the circumstances, Management has not instituted operational efficiency and financial reliability to safeguard the Fund's assets.

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

### **Responsibilities of Management and those Charged with Governance**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions, and information reflected in the financial statements



comply with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

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

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


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



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

  
 CPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

**16 May, 2023**

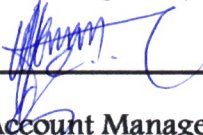


**MOYALE Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2022**


**I. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2021-2022	2020-2021
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	182,177,758	161,617,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	4,070,305
<b>TOTAL RECEIPTS</b>		<b>182,177,758</b>	<b>165,688,029</b>
<b>PAYMENTS</b>			
Compensation of Employees	4	5,533,781	5,079,371
Use of goods and services	5	9,956,192	9,836,205
Transfers to Other Government Units	6	82,052,050	61,412,975
Other grants and transfers	7	83,420,383	75,050,522
Acquisition of Assets	8	-	1,293,500
Other Payments	9	-	2,100,800
<b>TOTAL PAYMENTS</b>		<b>180,962,406</b>	<b>154,773,373</b>
<b>SURPLUS/DEFICIT</b>		<b>1,215,352</b>	<b>10,914,656</b>


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MOYALE Constituency financial statements were approved on 30<sup>th</sup> June 2022 and signed by:

  
 \_\_\_\_\_  
**Fund Account Manager**

**Name: Suleiman Roba**  
 ICPAK M/No. 20979

  
 \_\_\_\_\_  
**National Sub-County  
 Accountant**

**Name: Nicholas Nyaga**  
 ICPAK M/No: 15407

  
 \_\_\_\_\_  
**Chairman NG-CDF  
 Committee**

**Name: Denge Tulu**

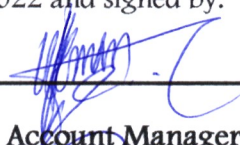


**MOYALE Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2022**

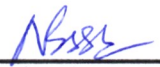
**II. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2021-2022 Kshs	2020-2021 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	14,894,451	13,679,099
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>14,894,451</b>	<b>13,679,099</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>14,894,451</b>	<b>13,679,099</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>NET FINANCIAL ASSETS</b>		<b>14,894,451</b>	<b>13,679,099</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd. 1st July...	13	13,679,099	2,764,444
Prior year adjustments	14	-	-
Surplus/Deficit for the year		1,215,352	10,914,656
<b>NET FINANCIAL POSITION</b>		<b>14,894,451</b>	<b>13,679,100</b>


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MOYALE Constituency financial statements were approved on 30<sup>th</sup> June 2022 and signed by:

  
 Fund Account Manager

Name: Suleiman Roba

  
 National Sub-County  
 Accountant

Name: Nicholas Nyaga

  
 Chairman NG-CDF  
 Committee

Name: Denge Tulu





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

ICPAK M/No. 20979

ICPAK M/No: 15407

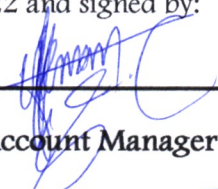
**IX. STATEMENT OF CASHFLOW**

		2021-2022 Kshs	2020-2021 Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	182,177,758	161,617,724
Other Receipts	3	-	4,070,305
		<b>182,177,758</b>	<b>165,688,029</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	5,533,781	5,079,371
Use of goods and services	5	9,956,192	9,836,205
Transfers to Other Government Units	6	82,052,050	61,412,975
Other grants and transfers	7	83,420,383	75,050,522
Other Payments	9	-	2,100,800
		<b>180,962,406</b>	<b>153,479,873</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
<b>Net Adjustments</b>		-	-
<b>Net cash flow from operating activities</b>		<b>1,215,352</b>	<b>12,208,156</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	(1,293,500)

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

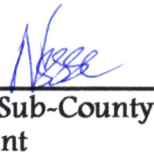
Net cash flows from Investing Activities		-	(1,293,500)
NET INCREASE IN CASH AND CASH EQUIVALENT		1,215,352	10,914,656
Cash and cash equivalent at BEGINNING of the year	10	13,679,100	2,764,444
Cash and cash equivalent at END of the year		14,894,452	13,679,100

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-MOYALE Constituency financial statements were approved on 30<sup>th</sup> June 2022 and signed by:



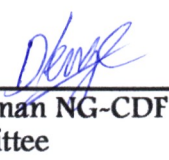
Fund Account Manager

Name: Suleiman Roba  
ICPAK M/No. 20978



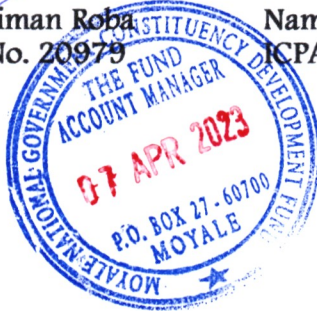
National Sub-County  
Accountant

Name: Nicholas Nyaga  
ICPAK M/No: 15407



Chairman NG-CDF  
Committee

Name: Denge Tulu





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

**IX. SUMMARY STATEMENT OF APPROPRIATION**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>		Opening Balance (C/Bk) and AIA				
Transfers from NG-CDF Board	137,088,879	45,088,879	195,856,857	195,856,857	0	100.0%
Proceeds from Sale of Assets	0	0	0	-	0	0.0%
Other Receipts	0	0		-	0	0.0%
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>45,088,879</b>	<b>195,856,857</b>	<b>195,856,857</b>	<b>0</b>	<b>100.0%</b>
<b>PAYMENTS</b>						
Compensation of Employees	4,430,258	0	5,563,394	5,533,781	29,613	99.5%
Use of goods and services	7,907,741	253,489	10,190,604	9,956,192	234,412	97.7%
Transfers to Other Government Units	57,731,018	27,318,250	92,559,268	82,052,050	10,507,218	88.6%
Other grants and transfers	67,019,862	17,517,141	87,543,591	83,420,383	4,123,208	95.3%
Other Payments	0	0	0	-	0	
<b>TOTAL</b>	<b>137,088,879</b>	<b>45,088,879</b>	<b>195,856,856</b>	<b>180,962,406</b>	<b>14,894,450</b>	<b>92.4%</b>

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

- (a) No Revenue items forms part of the Appropriation –in-Aid for the period 2021-2022.
- (b) There was no significant underutilization (below 90% of utilization) and any overutilization (above 100%) during the financial Year 2021-22, However, The expenditure for the Transfer to Other Government Entities stood at 89%; This was due to non-payment for services rendered for the Construction of fencing work worth Kshs 1,000,000 at Uran Godha Primary School and a School Bus Project at Dr. Guracha Memorial Girls Secondary School.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	14,894,450
Less undisbursed funds receivable from the Board as at 30th June 2022	0
Add Accounts payable	14,894,450
Less Accounts Receivable	0
Add/ Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2021/2022	14,894,450

The NGCDF-MOYALE Constituency financial statements were approved on 30<sup>th</sup> June 2022 and signed by:



*[Signature]*  
Fund Account Manager  
Name: *S. Gupo*

*[Signature]*  
National Sub-County Accountant  
Name: *N. Nyaga*  
ICPAK M/No:

*[Signature]*  
Chairman NG-CDF Committee  
Name: *D. TULLU*



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

**X. BUDGET EXECUTION BY SECTORS AND PROJECTS**

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of Employees	4,430,258	1,133,136.00		5,563,394	3,838,503	1,724,891	69%
1.2 Committee Expenses	1,298,000	448,807.00		1,746,807	1,577,933	168,874	90%
1.3 Use of Goods and services	2,497,075	1,100,708.00	20,489	3,618,272	3,590,474	27,798	99%
<b>Total</b>	<b>8,225,333</b>	<b>2,682,651</b>	<b>20,489</b>	<b>10,928,473</b>	<b>9,006,910</b>	<b>1,921,563</b>	<b>82%</b>
<b>2.0 Monitoring and Evaluation</b>							
2.1 Capacity Building	373,666	-	210,000	1,583,666	1,583,000	3,666	100%
2.2 Committee Expenses	1,144,000	23,738.00	23,000	1,190,738	1,156,000	34,738	97%
2.3 Use of Goods and services	1,595,000	456,121.00		2,051,121	2,049,250	1,871	100%
<b>Total</b>	<b>4,112,666</b>	<b>479,859</b>	<b>233,000</b>	<b>4,825,525</b>	<b>4,785,250</b>	<b>40,275</b>	<b>99%</b>

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

<b>3.0 Emergency</b>													
3.1 Primary Schools	7,192,207	150,322.00					7,342,529	7,340,000	2,529			100%	
3.2 Secondary schools							-		-				
3.3 Tertiary institutions							-		-				
3.4 Security projects							-		-				
3.5 Unutilised							-		-				
<b>Total</b>	<b>7,192,207</b>	<b>150,322</b>					<b>7,342,529</b>	<b>7,340,000</b>	<b>2,529</b>			<b>100%</b>	
<b>4.0 Bursary and Social Security</b>													
4.1 Secondary Schools	20,000,000	-	563,261				20,563,261	20,340,000	223,261			99%	
4.2 Tertiary Institutions	20,000,000	1,111,091.00	1,750,000				22,861,091	22,592,950	268,141			99%	
4.3 Social Security							-		-				
4.4 Special Needs							-		-				
<b>Total</b>	<b>40,000,000</b>	<b>1,111,091</b>	<b>3,113,261</b>				<b>43,424,352</b>	<b>42,932,950</b>	<b>491,402</b>			<b>99%</b>	
<b>5.0 Sports</b>													
5.1 Moyale NGCDF Sports	2,531,000	-					2,531,000	2,531,000	-			100%	
<b>Total</b>	<b>2,531,000</b>	<b>-</b>					<b>2,531,000</b>	<b>2,531,000</b>	<b>-</b>			<b>100%</b>	





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

Harsako Primary School	1,461,600			1,461,600	1,461,600	-	100%
Misa Primary School	2,923,200			2,923,200	2,923,200	-	100%
Dirdima Primary School	1,461,600			1,461,600	1,461,600	-	100%
Anona Primary School	1,461,600			1,461,600	1,461,600	-	100%
Somare Primary School	1,713,500			1,713,500	1,713,500	-	100%
Odda Primary School	730,800			730,800	730,800	-	100%
Uran Primary School	1,400,000			1,400,000	1,400,000	-	100%
Antut Primary School	730,800			730,800	730,800	-	100%
Badhan Rero Primary School	1,461,600			1,461,600	1,461,600	-	100%
Qalaliwe Primary School	1,461,600			1,461,600	1,461,600	-	100%
Dadach Elele Primary School	1,500,000			1,500,000	1,500,000	-	100%
Karbururi Primary School	900,000			900,000	900,000	-	100%
San Godana Primary School	400,000			400,000	400,000	-	100%
Hawecha Primary School	500,000			500,000	500,000	-	100%
Godoma Primary School	918,000			918,000	918,000	-	100%
Moyale Special School			950,000	950,000	950,000	-	100%
Sololo Primary School							100%



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

				1,150,000	1,150,000	1,150,000	-	
Sololo Makutano Primary School			1,175,000	1,175,000	1,175,000	-		100%
Qonqoma Primary School			2,500,000	2,500,000	2,500,000	-		100%
Madho Adhi Primary School			1,810,000	1,810,000	1,810,000	-		100%
Waye Godha Primary School			1,345,000	1,345,000	1,345,000	-		100%
Godoma Didiqo Primary School			630,000	630,000	630,000	-		100%
Uran Godha Pry School			1,000,000	1,000,000		1,000,000		0%
				-				
<b>Total</b>								
		30,074,300	10,560,000	40,634,300	39,634,300	1,000,000		98%
<b>8.0 Secondary Schools Projects</b>								
St Mary's Secondary School				3,575,000	3,575,000	-		100%
Township Mixed Day Secondary School		3,575,000						
Township Mixed Day Secondary School		860,000		860,000	860,000	-		100%
Township Mixed Day Secondary School		1,461,600		1,461,600	1,461,600	-		100%
K... Mixed Day Secondary School		730,800		730,800	730,800	-		100%
Bori Junction Mixed Day & Boarding Secondary School		730,800		730,800	730,800	-		100%
Bori Junction Mixed Day & Boarding Secondary School		1,750,000		1,750,000	1,750,000	-		100%

**MOYALE Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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Butiye Mixed Day Secondary School	1,730,000			1,730,000	1,730,000	-	100%
Qonqoma Secondary School	2,500,000			2,500,000	2,500,000	-	100%
Heilu Mixed Day Secondary School	1,000,000			1,000,000	1,000,000	-	100%
Dr Guracha Girls Memorial Secondary School	9,507,218			9,507,218	9,507,218	-	0%
Dr Guracha Girls Memorial Secondary School	1,730,000			1,730,000	1,730,000	-	100%
Odda Mixed Day Secondary School	1,301,300			1,301,300	1,301,300	-	100%
Sessi Mixed Day Secondary School	780,000			780,000	780,000	-	100%
St Mary's Secondary School		4,250,000.00		4,250,000	4,250,000	-	100%
Kinisa Mixed Day Secondary School		1,260,000.00		1,260,000	1,260,000	-	100%
St Mary's Secondary School		2,000,000.00		2,000,000	2,000,000	-	100%
Moyale Boys Secondary School			7,452,250	7,452,250	7,452,250	-	100%
Bori Junction Mixed Day Secondary School			3,000,000	3,000,000	3,000,000	-	100%
Bori Junction Mixed Day Secondary School			2,396,000	2,396,000	2,396,000	-	100%
Bori Junction Mixed Day Secondary School			1,950,000	1,950,000	1,950,000	-	100%
Sessi Mixed Secondary School			700,000	700,000	700,000	-	100%
Bori Junction Mixed Day Secondary School			1,260,000	1,260,000	1,260,000	-	100%
<b>Total</b>							<b>82%</b>



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

10.0 Security Projects	27,656,718	7,510,000	16,758,250	51,924,968	42,417,750	9,507,218	
Deputy County Commissioners Office	1,340,000.00			1,340,000	1,340,000	-	100%
Moyale Law Courts	1,780,000			1,780,000	1780000	-	100%
Funan Idha Administration Police Camp	1,875,000			1,875,000	1875000	-	100%
Golole Chiefs Office	460,000			460,000	460000	-	100%
Uran Lataka Chiefs Office	460,000	-	-	460,000	460,000	-	100%
Uran Godha Chiefs Office	460,000			460,000	460,000	-	100%
Madho Adhi Chiefs Office	460,000			460,000	460,000	-	100%
Walda Chiefs Office	460,000		-	460,000	460,000	-	100%
Township Chief Office	460,000		-	460,000	460,000	-	100%
Lami Chief Office	460,000		-	460,000	460,000	-	100%
Goromuda Chief Office	460,000			460,000	460,000	-	100%
Butiye Chiefs Office	460,000			460,000	460,000	-	100%
Kinisa Chiefs Office	460,000			460,000	460,000	-	100%
Dabel Chiefs Office	1,100,800			1,100,800	1,100,800	-	100%
Sololo Police Post	3,250,355			3,250,355	3,250,355	-	100%

**MOYALE Constituency**  
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**Reports and Financial Statements for The Year Ended June 30, 2022**

Moyale Prison	913,500				913,500	913500	-	100%
Elle Dimtu AP Camp		935,000.00	940,000.00		1,875,000		1,875,000.00	0%
Township Chiefs Office			2,175,000.00		2,175,000	2,175,000		100%
Sololo Police Post			850,000.00		850,000	850,000		100%
Lami Chief's Office			2,275,000.00		2,275,000	2,275,000		100%
Golole Police Post			1,875,000.00		1,875,000	1,875,000		100%
Funan Idha AP Camp			1,875,000.00		1,875,000	1,875,000		100%
Uran Lataka Chiefs Office			1,603,000.00		1,603,000	1,603,000		100%
Badhan Rero Police Posts			1,875,000.00		1,875,000	1,875,000		100%
<b>Total</b>	<b>14,859,655</b>	<b>935,000</b>	<b>13,468,000</b>		<b>29,262,655</b>	<b>27,387,655</b>	<b>1,875,000</b>	<b>94%</b>
<b>Total</b>	<b>137,088,879</b>	<b>13,679,098</b>	<b>45,088,879</b>		<b>195,856,856</b>	<b>179,264,593</b>	<b>16,592,264</b>	<b>92%</b>



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

**XI. SIGNIFICANT ACCOUNTING POLICIES**

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

**1. Statement of Compliance and Basis of Preparation**

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

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

**2. Reporting Entity**

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

**3. Reporting Currency**

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

**4. Significant Accounting Policies**

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

**a) Recognition of Receipts**

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

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

These include Appropriation-in-Aid and 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.

**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 appendix to the financial statements.

**5. In-kind contributions**

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

**6. Cash and Cash 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.

**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**



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For the purposes of these financial statements, Deposits (gratuity and retentions) held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. Gratuity earned on monthly is held on behalf of the employee and later paid at the end of the contract period. This is an enhancement to the cash accounting policy adopted by National Government Constituencies Development Fund as prescribed by PSASB. Other liabilities including pending bills are disclosed in the financial statements.

**9. Pending Bills**

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'out of 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 xx June 20xx for the period 1<sup>st</sup> July 20xx to 30<sup>th</sup> June 20xx 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 30<sup>th</sup> June 20xx.

**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 notes 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.



**MOYALE Constituency**  
**National Government Constituencies Development Fund (NGCLF)**  
**Reports and Financial Statements for The Year Ended June 30, '022**

**XII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

<b>Description</b>			<b>2021-2022</b>	<b>2020 - 2021</b>
			<b>Kshs</b>	<b>Kshs</b>
		AIE NO. B105517-2021/2022	4,000,000	15,000,000
<b>1330407</b>	Normal Allocation	AIE NO. B105857-2021/2022	22,000,000	20,000,000
		AIE NO. B128631-2021/2022	5,000,000	30,117,724
		AIE NO. B128945-2021/2022	1,000,000	250,000
		AIE NO. B151141-2021/2022	1,250,000	4,250,000
		AIE NO. B164372-2021/2022	1,000,000	9,000,000
		AIE NO. B155898-2021/2022	2,088,879	8,500,000
		AIE No. B105220-2020/2021	33,000,000	13,000,000
		AIE No. B089055-2020/2021	12,088,879	6,900,000
				7,000,000
				6,000,000
				13,000,000
				12,000,000
				6,600,000
				10,000,000
<b>1330408</b>	Conditional Grants	AIE NO...		
<b>1330409</b>	Receipt from other Constituency			
	<b>TOTAL</b>		<b>161,177,758</b>	<b>161,617,724</b>

**2. PROCEEDS FROM SALE OF ASSETS**

<b>Description</b>			<b>2021-2022</b>	<b>2020 - 2021</b>
			<b>Kshs</b>	<b>Kshs</b>
<b>3510202</b>	Receipts from the Sale of Buildings			0



**MOYALE Constituency**  
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**Reports and Financial Statements for The Year Ended June 30, 2022**

<b>3510601</b>	Receipts from the Sale of Vehicles and Transport Equipment			0
<b>3510801</b>	Receipts from the Sale Plant Machinery and Equipment			0
<b>3510803</b>	Receipts from the Sale of Office and General Equipment			0
<b>TOTAL</b>				<b>0</b>

**3. OTHER RECEPTS**

	Description		2021-2022 Kshs	2020 - 2021 Kshs
1410107	Interest Received			0
1410405	Rents			0
1420601	Receipts Sale of Tender Documents		0	0
	Hire of plant/equipment/facilities		0	0
	Unutilized funds from PMCs		0	4,070,305
1450207	Other Receipts Not Classified Elsewhere (specify)		0	0
<b>TOTAL</b>			<b>0</b>	<b>4,070,305</b>

**4. COMPENSATION OF EMPLOYEES**

	Description			
2110201	NG-CDFC Basic staff salaries		3,634,673	3,555,117

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

<b>Personal allowances paid as part of salary</b>				
2110301	House allowance		0	0
2110314	Transport allowance		0	0
2110320	Leave allowance		67,280	70,244
2710120	Gratuity-contractual employees		1,624,428	1,257,360
2120101	Employer Contributions Compulsory national social security schemes		12,800	125,250
2120201	NHIF Contributions		134,600	71,400
<b>TOTAL</b>			<b>5,533,781</b>	<b>5,079,371</b>



**MOYALE Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

<b>Description</b>		<b>2021-2022</b>	<b>2020 - 2021</b>
		<b>Kshs</b>	<b>Kshs</b>
2210100	Utilities, supplies and services	9,450	0
2210101	Electricity	0	0
2210102	Water & sewerage charges	1,718,850	680,000
2210104	Office rent	0	
2210200	Communication, supplies and services	0	15,370
2210300	Domestic travel and subsistence	392,000	323,800
2210500	Printing, advertising and information supplies & services	0	0
2210600	Rentals of produced assets	0	
2210700	Training expenses	1,580,000	2,595,563
2210800	Hospitality supplies and services	0	1,000,000
2210802	Other committee expenses	2,798,000	1,160,000
2210809	Committee allowance	0	1,231,800
2210900	Insurance costs	0	
2211000	Specialized materials and services	0	
2211100	Office and general supplies and services	959,830	1,562,275
2211200	Fuel , oil & lubricants	1,702,584	608,405
2211300	Other operating expenses	317,295	0
2211301	<b>Bank service commission and charges</b>	<b>30,933</b>	<b>85,492</b>
2211310	Other Operating Expenses	0	0

**MOYALE Constituency**  
**National Government Constituencies Development Fun: (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2022**

2211313	Security operations		0	
2220100	Routine maintenance - vehicles and other transport equipment		347,250	573,500
2220200	Routine maintenance- other assets		0	
<b>TOTAL</b>			<b>9,956,192</b>	<b>9,836,205</b>



**MOYALE Constituency**  
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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

	Description	2021-2022	2020 - 2021
		Kshs	Kshs
2630204	Transfers to Primary Schools	39,643,300	39,642,975
2630205	Transfers to Secondary Schools	42,417,750	21,770,000
2630206	Transfers to Tertiary Institutions	0	
	<b>TOTAL</b>	<b>82,062,050</b>	<b>61,412,975</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	Description	2021-2022	2020 - 2021
		Kshs	Kshs
2640101	Bursary - Secondary ( see attached list)	20,340,000	20,038,172
2640102	Bursary -Tertiary ( see attached list)	22,592,950	23,932,850
2640104	Bursary- Special Schools	0	0
2640105	Mocks & CAT ( see attached list)	0	0
	Social Security programmes (NHIF)	0	
2640507	Security Projects ( see attached list)	27,387,655	17,490,368
2640509	Sports Projects ( see attached list)	2,531,000	5,489,132
2640510	Environment Projects ( see attached list)	3,228,778	600,000
2640200	Emergency Projects ( see attached list)	7,340,000	7,500,000
	<b>TOTAL</b>	<b>83,420,383</b>	<b>75,050,522</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

	<b>Non-Financial Assets</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
		<b>Kshs</b>	<b>Kshs</b>
3110102	Purchase of Buildings	0	0
3110202	Construction of Buildings	0	0
3110302	Refurbishment of Buildings	0	1,293,500
3110701	Purchase of Vehicles and Other Transport Equipment	0	0
3110704	Purchase of Bicycles & Motorcycles	0	0
3110801	Overhaul of Vehicles and Other Transport Equipment	0	0
	Purchase of Household Furniture and Institutional Equipment		
	Purchase of office furniture and General Equipment	0	0
	Purchase of computers ,printers and other IT equipment's	0	0
	Purchase of ICT Equipment, Software and Other ICT Assets	0	0
	Purchase of Specialized Plant, Equipment and Machinery	0	0



**MOYALE Constituency**  
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**Reports and Financial Statements for The Year Ended June 30, 2022**

	Rehabilitation and Renovation of Plant, Machinery and Equip.		0	0
	Acquisition of Land		0	0
	Acquisition of Intangible Assets			
	<b>TOTAL</b>		<b>0</b>	<b>1,293,500</b>

**9. OTHER PAYMENTS**

			<b>2021-2022</b>	<b>2020 - 2021</b>
			<b>Kshs</b>	<b>Kshs</b>
2211310	Strategic Plan		0	2,100,800
2211311	ICT Hubs		0	0
				0
	<b>TOTAL</b>		<b>0</b>	<b>2,100,800</b>

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10: CASH BOOK BANK BALANCE**

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

	<b>Name of Bank, Account No. &amp; currency</b>	<b>Account Number</b>	<b>2021-2022</b>	<b>2020 - 2021</b>
			<b>Kshs (30/6/2022)</b>	<b>Kshs (30/6/2021)</b>
	Equity Bank, Moyale Branch, Moyale NG- CDF	A/C no.0298992601	<b>14,894,451</b>	<b>13,679,099</b>
			0	0
			0	0
	<b>TOTAL</b>		<b>14,894,451</b>	<b>13,679,099</b>



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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer</i>	<i>Date imprest taken</i>	<i>Amount Taken</i> Kshs	<i>Amount Surrendered</i> Kshs	<i>Balance</i> <i>(30/6/2022)</i> Kshs
			0	-
		0	0	-
		0	0	-
		0	0	-
		0	0	-
		0	0	-
<b>TOTAL</b>		<b>0</b>	<b>0</b>	<b>-</b>

**12A. RETENTION**

	Kshs	2021-2022	2020-2021
	Kshs		Kshs
Retention as at 1st July (A)		0	0
Retention held during the year (B)		0	0
Retention paid during the Year (C)		0	0
Closing Retention as at 30th June D= A+B-C		0	0

**12B. GRATUITY**

	Kshs	2021-2022	2020-2021
	Kshs		Kshs
Gratuity as at 1 <sup>st</sup> July (A)		812,214	0
Gratuity held during the year (B)		812,214	0
Gratuity paid during the Year (C)		1,624,428	0
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C		0	0

**MOYALE Constituency**  
**National Government Constituencies Development Fund (NCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2022**

**13. BALANCES BROUGHT FORWARD**

	2021-2022	2020- 2021
	Kshs (30/6/2021)	Kshs (1/7/2020)
Bank accounts	13,679,099	2,764,444
Cash in hand		
Imprest		
<b>TOTAL</b>	<b>13,679,099</b>	<b>2,764,444</b>

**14. PRIOR YEAR ADJUSTMENTS**

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustment	Adjusted Balance** b/f FY 2020/2021
	Kshs	Kshs	Kshs
Bank accounts balances	0		-
Cash in hand	0		-
Accounts Payable	0	0	-
Receivables	0	0	-
Others (specify)	0	0	-
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-</b>

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST**

	2021-2022	2020- 2021
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	0	0
Imprest issued during the year (B)	0	0
Imprest surrendered during the Year (C)	0	0
Closing accounts receivable as at 30th June 2022 (D=A+B-C)	0	0
<b>Net changes in accounts receivables A-D</b>		



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

	2020	2021	2019- 2020
	Kshs		Kshs
Deposits and Retention as at 1st July 2019 (A)			0
Deposits and Retention held during the year (B)	0		0
Deposits and Retention paid during the year ©	0		0
Closing accounts payable at 30th June (D=A+B-C)	0		0
<b>Net changes in accounts payables A-D</b>			

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**17. OTHER IMPORTANT DISCLOSURES**

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

	2021-2022	2020- 2021
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>

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

	2021-2022	2020- 2021
	Kshs	Kshs
NGCDF Staff	0	0
Others (specify)	0	0
	0	0

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

	2021-2022	2020- 2021
	Kshs	Kshs
Compensation of employees	29,613	1,756,188
Use of goods and services	226,947	2,181,233
Amounts due to other Government entities (see attached list)	10,507,218	8,098,500
Amounts due to other grants and other transfers (see attached list)	4,120,673	1,643,175
Acquisition of assets		0
NGCDF Office	0	4
Funds pending approval		0
		<b>13,679,100</b>



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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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

		<b>2021-2022</b>	<b>2020- 2021</b>
		<b>Kshs</b>	<b>Kshs</b>
PMC account balances (see attached list)			7,591,069
			<b>0</b>
			<b>7,591,069</b>

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	b	c	d=a-c	
<b>Construction of buildings</b>					
1.					
2.					
3.					
Sub-Total					
<b>Construction of civil works</b>					
4.					
5.					
6.					
Sub-Total					
<b>Supply of goods</b>					
7.					
8.					
9.					
Sub-Total					
<b>Supply of services</b>					
10.					
11.					
12.					
Sub-Total					
<b>Grand Total</b>					



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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

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

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2021/2022	Outstanding Balance 2020/2021	Comments
Compensation of Employees	29,613	1,756,188		
Use of Goods & Services	236,947	2,181,233		
Amounts due to other Government entities	10,507,218	8,098,500		





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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Assets</b>	<b>Historical Cost b/f (K.shs) 2020/2021</b>	<b>Additions during the year (K.shs)</b>	<b>Disposals during the year (K.shs)</b>	<b>Historical Cost (K.shs) 2021/2022</b>
Land				
Buildings and structures	7,976,000			7,976,000.00
Transport equipment	4,550,000			4,550,000.00
Office equipment, furniture and fittings	1,753,150			1,753,150.00
ICT Equipment, Software and Other ICT Assets	933,000	444,000		1,377,000.00
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>15,212,150</b>			<b>15,656,150.00</b>



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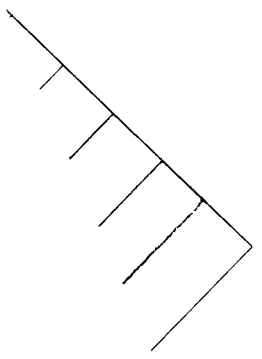
**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2022**

PMC	Bank	Account number	Bank Balance as at 30.06.2022	Bank Balance as at 30.06.2021
Anona Primary School	Equity Bank Ltd, Moyale	1020264486704	460.00	6,344.00
Antut Primary School	Equity Bank Ltd, Moyale	1020273252880	1,035.50	380.00
Badhan Rero Police Posts	Equity Bank Ltd, Moyale	1020282738654	650.00	-
Badhan Rero Primary School	Equity Bank Ltd, Moyale	1020269413608	386.00	3,870.00
Bori Junction Mixed Day Secondary School	Equity Bank Ltd, Moyale	1020279468056	877.20	996.80
Butiye Chiefs Office	Equity Bank Ltd, Moyale	1020269341049	290.00	-
Butiye Mixed Day Secondary School	Equity Bank Ltd, Moyale	1020264436265	630.65	5,088.65
Dabel Chiefs Office	Equity Bank Ltd, Moyale	1020280630715	806.00	400.00
Dadach Elele Primary School	Equity Bank Ltd, Moyale	1020270817314	-	1,049.00
Dambala Fachana Primary School	Equity Bank Ltd, Moyale	1020270720468	2,330.00	180.00
Deputy CC Office	Equity Bank Ltd, Moyale	10282020865	938.20	-
Dirdima Primary School	Equity Bank Ltd, Moyale	1020264434128	406.00	1,290.00
Dr Guracha Girls Memorial Secondary School	Equity Bank Ltd, Moyale	1020264563144	304.50	407.00
Elle Borr Primary School	Equity Bank Ltd, Moyale	1020299287124	2,717.00	2,725.00
Funan Idha AP Camp	Equity Bank Ltd, Moyale	1020280631885	1,035.00	298,920.00
Funan Qumbi Primary School	Equity Bank Ltd, Moyale	1020161588470	446.50	-
Godoma Didiqo Primary School	Equity Bank Ltd, Moyale	1020276266395	1,610.00	90.00
Godoma Primary School	Equity Bank Ltd, Moyale	1020264472844	1,496.00	500.00
Golole Chiefs Office	Equity Bank Ltd, Moyale	1020277969173	-	747.00

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Golole Police Post	Equity Bank Ltd, Moyale	1020281283930	500.00	-
Goromuda Chief Office	Equity Bank Ltd, Moyale	1020276274330	(51.57)	-
Halo Bula Primary School	Equity Bank Ltd, Moyale	1020264295270	1,901.00	45.00
Harsako Primary School	Equity Bank Ltd, Moyale	1020264298034	65,850.00	661.40
Hawecha Primary School	Equity Bank Ltd, Moyale	1020271475903	23,550.00	550.00
Heilu Mixed Day Secondary School	Equity Bank Ltd, Moyale	1020270648443	1,402.00	46,402.00
Karbururi Primary School	Equity Bank Ltd, Moyale	1020162237548	41,120.15	1,095.15
Kinisa Chiefs Office	Equity Bank Ltd, Moyale	1020276284206	(133.45)	-
Kinisa Mixed Day Secondary School	Equity Bank Ltd, Moyale	1020280918433	446.00	55,498.00
Lami Chief's Office	Equity Bank Ltd, Moyale	1020281201814	3,770.00	-
Madho Adhi Chiefs Office	Equity Bank Ltd, Moyale	1020279999838	520.00	-
Madho Adhi Primary School	Equity Bank Ltd, Moyale	1020272288002	1,937.00	4,227.50
Misa Primary School	Equity Bank Ltd, Moyale	1020277690840	3,772.00	55,980.00
Moyale Boys Secondary School	Equity Bank Ltd, Moyale	1020276105423	-	-
Moyale Law Courts	Equity Bank Ltd, Moyale	1020282165720	-	-
Moyale NGCDF Office	Equity Bank Ltd, Moyale	1020588600421	-	-
Moyale Prison	Equity Bank Ltd, Moyale	1020279647346	46,580.00	160.00
Moyale Special School	Equity Bank Ltd, Moyale	1020277690087	1,086.00	30,530.00
Moyale Sports PMC	Equity Bank Ltd, Moyale	1020279983493	2,784.00	-
Odda Mixed Day and Boarding Sec	Equity Bank Ltd, Moyale	1020269350511	355.20	248.20
Odda Primary School	Equity Bank Ltd, Moyale	1020264432880	-	911.00
Qalaliwe Primary School	Equity Bank Ltd, Moyale	1020276266157	406.00	240.00
Qate Primary School	Equity Bank Ltd, Moyale	1020282442946	1,156.05	-





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Qonqoma Primary School	Equity Bank Ltd, Moyale	1020281198607	42,669.00	-
Qonqoma Secondary School	Equity Bank Ltd, Moyale	1020282017455	200.00	-
Sessi Mixed Secondary School	Equity Bank Ltd, Moyale	1020299689955	360.00	1,684.00
Sololo Makutano Primary School	Equity Bank Ltd, Moyale	1020199815472	-	761.00
Sololo Mixed Secondary School	Equity Bank Ltd, Moyale	1020265622160	52.00	24,795.00
Sololo Police Post	Equity Bank Ltd, Moyale	1020280982919	815.10	-
Sololo Primary School	Equity Bank Ltd, Moyale	1020272315364	-	-
Somare Primary School	Equity Bank Ltd, Moyale	1020277693919	983.75	70.00
St Mary's Secondary School	Equity Bank Ltd, Moyale	1020281359928	1,203.50	-
Township Chief Office	Equity Bank Ltd, Moyale	1020281268668	1,533.00	-
Township Mixed Day Sec School	Equity Bank Ltd, Moyale	1020272310135	867.00	10.00
Uran Chiefs Office	Equity Bank Ltd, Moyale	1020280028221	3,800.00	4,280.00
Uran Godha Primary School	Equity Bank Ltd, Moyale	1020277696299	17,550.00	320.00
Uran Lataka Chiefs Office	Equity Bank Ltd, Moyale	1020282742549	64,360.00	450.00
Uran Primary School	Equity Bank Ltd, Moyale	1020269366084	12.35	-
Walda Chiefs Office	Equity Bank Ltd, Moyale	1020276297099	(666.00)	13.15
Watiti Primary School	Equity Bank Ltd, Moyale	1020162565044	1,208.00	2,972.50
Waye Godha Primary School	Equity Bank Ltd, Moyale	1020272454691	135.00	104.00
<b>Total</b>			<b>48,476.95</b>	<b>554,995.35</b>



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**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	Non-Compliance with the Public Sector Accounting Standards Board reporting Template	Management has ensured this is complied with and corrected	Issue Resolved	Two Months
2.	Wasteful Expenditure on Hospitality Supplies and Services	Measures have been put in place to ensure no wasteful expenditure occurs	Issue Resolved	Two Months
3.	Unsatisfactory Implementation of Primary Schools	Measures have been put in place to ensure Satisfactory Implementation of Primary Schools Projects	Issue Resolved	Two Months
4.	Environmental Projects value for Money not realised	Measures have been put in place to ensure Value for Money is realized in Environmental Projects	Issue Resolved	Two Months
5.	Improper Administration of Bursary Funds	Measures have been put in place to ensure Proper Administration of Bursary Funds	Issue Resolved	Two Months
6.	Irregular Procurement of Car Hire Services	Measures have been put in place to ensure Procurement of Car Hire Services are done Competitively in future	Issue Resolved	Two Months