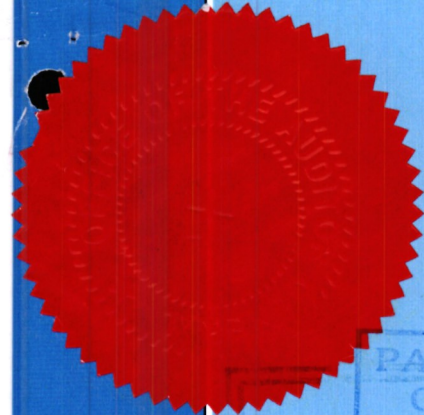




Enhancing Accountability



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DATE: 23 FEB 2023

TABLED BY: Leader of Majority Party (Lom)

CLERK AT THE TABLE: Joyce Lemerelle

REPORT
THURSDAY

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - TESO SOUTH
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**

Revised Template 30th June 2021



**TESO SOUTH CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

***Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021***

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work

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

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Edwin K. Serem
2.	Sub-County Accountant	Duke Ongera
3.	Chairlady NGCDFC	Christine Omina
4.	Member NGCDFC	Alawiya Otwane

(d) Fiduciary Oversight Arrangements

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

P.O. Box 19,
50403 Amukura,
Busia, KENYA.

(f) Teso South Constituency NGCDF Contacts

Telephone: (254) 768950894
E-mail: cdftesosouth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) Teso South Constituency NGCDF Bankers

Equity Bank of Kenya
Busia Branch
P.o Box 553 -50400
Busia Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

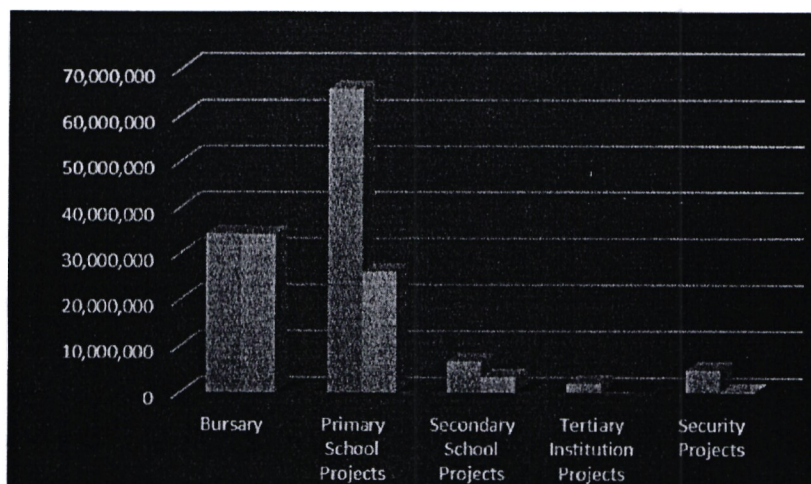
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II. NG-CDFC CHAIRPERSON'S REPORT



The financial year 2020/2021 that ended on 30th June 2021 was a great success in terms of implementation of the various projects within the constituency. The table below shows a summary of the budget and the implementation level

No.	SECTOR	BUDGET	ACTUAL EXPENDITURE
1.	Bursary	34,300,123	34,169,000
2.	Primary School Projects	65,650,000	26,500,000
3.	Secondary School Projects	6,700,000	3,400,000
4.	Tertiary Institution Projects	2,000,000	-
5.	Security Projects	4,900,000	300,000



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From the above analysis, the performance of Teso South NG-CDF has been good and this is as a result of good working relationship between the NG-CDFC and the various stakeholders. We intend to do better in the coming financial year so that the residents of Teso South can get the value for money and better services.

During the financial year under review, Teso South NGCDF Committee achieved quite a lot key among them are listed below;

- I. Teso South NGCDF constructed modern chiefs' offices which brought services close to the people.
- II. Modern classrooms complete with tiles were constructed and renovated for both primary schools and secondary schools across the constituency. The students and teachers are now able to learn under conducive environment.
- III. Bursaries were issued to over 5,000 needy students across the constituency. The students were able to learn without interruption.

Emerging Issues

During the financial year under review, the following were the emerging issues that the NGCDFC had to handle;

- I. Covid 19 pandemic that affected the operations of various public institutions including schools.
- II. The NGCDFC staff term of service came to an end during the financial year and hence application for contract renewal had to be done.

Way forward

Board needs to release funds in good time, secondly the Board needs to lobby for increase of funding to every constituency and finally the various institutions need to lobby for funding from other agencies including the NGOs to avoid overreliance on the NGCDF funding.

Key Achievements

Teso South NGCDF achieved so much during the financial year under review, for instance we were able to complete the construction of a standard science laboratory at St. John's Akobwait Secondary School.

Key projects under security were also completed and officially opened, for example Kotur Chief's Office and Chakol Division ACC.

Under environment & sanitation, we were able to construct and complete a 4-door pit latrine in Amoni Primary School, 12 door pit latrine in Kidera Primary School, 4 door pit latrine in Obekai Primary School, 4 door pit latrine in Morukarisa Primary School, 10 door pit latrine in Katelenyang primary school and 10 door pit latrine in St. Paul's High School.

The multi-purpose dining hall project in St. Mary's Amukura Girls Secondary School which was started in financial year 2016/17 was completed in this financial year upon receiving additional funds for completion.

We were able to conduct a successful bursary disbursement exercise despite the challenges faced by the covid-19 pandemic in Busia County.

Challenges

Major challenges faced by the Fund include;

- 1) Delay in disbursement of funds from the board.
- 2) Infrastructural demands being higher than the amount allocated as a result of the Covid 19 pandemic which requires the schools to have more classrooms and sanitation.
- 3) Inadequate capacity of the project management committee.

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The following is one of the best projects that Teso South NGCDF Committee implemented during the financial year under the review;



Figure 1 Completed Chakol Division ACC Office



Figure 2 St. John's Akobwait Secondary School Science laboratory



Figure 3 Ongoing tuition and administration block at Busia Township Primary School

Signature

**Christine Omina
CHAIRLADY NGCDF COMMITTEE**

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED 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 *Teso South Constituency 2018-2022* plan are to:

a) Education.

Objective: Improve the academic performance, infrastructure and the enrolment rate in all learning institutions.

Initiative: Infrastructure has been improved in schools through construction of modern classrooms housing 45 students each and purchase of land for schools which required land expansion.

Bursaries have been awarded to needy students in various learning institutions.

b) Security.

Objective: Improve the overall security of all residents and reduce crimes.

Initiative: Chiefs offices have been constructed in several locations.

Funds have been allocated for installation of solar lighting

c) Environment & Sanitation.

Objective: Increase access to safe water, improved sanitation and conservation of natural resources.

Initiative: Modern pit latrines have been constructed in several learning institutions in order to improve of sanitation.

Wooden desks have been purchased for several primary schools to curb the spread of jiggers in schools.

Drilling of water and purchase of water pumps has been done to several schools like St. Pauls Amukura high school and St. Teresa's Chakol girls primary school to ensure access to safe water by the institution and the neighbouring institutions.

d) Electrification.

Objective: Improve accessibility and access to electricity for continued economic development.

Initiative: Teso south NG-CDFC had a memorandum of understanding with Rural Electrification Authority for mutual funding in provision of electricity maximization in rural areas, funded in faces to several identified villages.

e) Disaster management

Objective: Ensure transparent, accountable, responsive governance and sustainable use of public resources.

Initiative: Most schools within the constituency have benefited through emergency fund in situations where their pit latrines collapsed due to rains.

Progress on attainment of Strategic development objectives

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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	Improve the academic performance, infrastructure and the enrolment rate in all learning institutions.	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	<ul style="list-style-type: none"> -In FY 20/21 we have planned to construct classrooms in 18 schools as per the approved codelist, with 3 already ongoing, namely: Kabosokipi primary school, kidera primary school and kodedema secondary school. - We have supplied 100 desks to 26 schools within the constituency. -over 5000 students benefited from bursary at all levels. -We have completed the construction of a laboratory at St. John's Akobwait Secondary School which is set to improve the performance of the students in sciences.
Security	Improve the overall security of all residents and reduce crimes.	Enhanced presence of security personnel	% coverage of security personnel and Number of facilities constructed	We increased the security infrastructure by completing and officially opening Kotur Chief's office and Chakol Division ACC in this financial year.
Environment	Increase access to safe water, improved	Clean environment conducive for	Water pump and the number of pit latrines	-A water pump has been installed at Ojamii Primary

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	sanitation and conservation of natural resources.	humanity Access to water	constructed.	School to provide access to safe water during this corona period. -Pit latrines of four doors each have been constructed in 21 schools across the constituency.
Sports				
Emergency	To cater for unforeseen events		Presence of physical infrastructure constructed in various institutions.	-We constructed emergency pit latrines in various institutions. -We rebuilt school roofs blown off by strong winds for example in Akoreet Primary School.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

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

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

2. Environmental performance

Environmental Context: The Constituency is abundantly endowed with environmental resources namely: water, fertile soils, hills, natural building materials, vegetation and clean air. One emerging issue that needs to be mitigated is increased pressure on land, NG-CDFC has facilitated conservation and preservation of these resources to avoid adverse depletion by allocating adequate fund through planting of tree seedlings.

NGCDFC have also ensured there is adequate pit latrines in schools for purpose of sanitation and clean environment.

Teso South NGCDFC have sensitized the members of the public on the importance of conserving the environment for example avoiding sand harvesting along the river banks

3. Employee welfare

We invest in providing the best working environment for our employees. Teso South 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. Teso South constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Teso South NGCDF Constituency is committed to fair and ethical market practises.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Teso South 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.

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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.

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

V. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

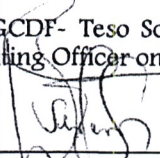
The Accounting Officer in charge of the NGCDF-Teso South Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 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-Teso South 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 in charge of the NGCDF- Teso South 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 Teso South 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- Teso South Constituency financial statements were approved and signed by the Accounting Officer on 26/08/2021.



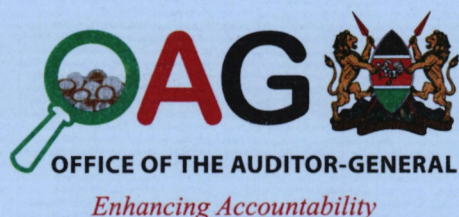
Fund Account Manager
Name: Edwin K. Serem
ICPAK Member Number. 25066



Sub-County Accountant
Name: Duke Ong'era
ICPAK Member Number.

REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TESO SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

I draw your attention to the contents of my report which is in three parts:

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Teso South Constituency set out on pages 18 to 56, which comprise of the statement of assets and liabilities as at 30 June, 2021, 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Teso South Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012, and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Unsupported Project Management Committee (PMC) Account Balances

The PMC bank account balances as disclosed under Note 17.4 to the financial statements and as shown under Annex 5, reflects a total balance of Kshs.58,646,559 which comprises bank balances held in one hundred and four (104) accounts maintained by Project Management Committees. However, cash books, bank confirmation certificates and bank reconciliation statements were not provided to support the individual balances.

In the circumstances, the accuracy and completeness of the balance of Kshs.58,646,559 could not be confirmed.

2. Land without Title Documents

The summary of fixed assets register under Annex 4 to the financial statements reflects a balance of Kshs.685,000 relating to the value of land. However, a title deed for the land was not provided for audit verification.

In the circumstances, the ownership of the land valued at Kshs.685,000 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.207,767,080 and Kshs.162,678,201 respectively resulting to an under-funding of Kshs.45,088,879 or 22% of the budget. Similarly, the Fund expended Kshs.160,854,306 against an approved budget of Kshs.207,767,080 resulting to an under-expenditure of Kshs.46,912,774 or 23% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

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

Basis for Conclusion

Delayed Construction at Busia Township Primary School

The statement of receipts and payments reflects an amount of Kshs.65,000,000 under transfers to other Government units and as disclosed under Note 6 to the financial statements which includes an amount of Kshs.48,050,000 transferred to primary schools. The amount of Kshs.48,050,000 includes an amount of Kshs.6,000,000 disbursed to Busia Township Primary School for construction of two storey building including an administration block. The project duration was extended by 24 months to 13 January, 2021. However, an audit inspection carried out on 26 April, 2022, revealed that the building was not complete and the Contractor had abandoned the site. No explanation was provided for the delay and abandonment of the site by the contractor.

In the circumstances, value for money was not obtained from the project.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, 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 controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain 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 cease operations.

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

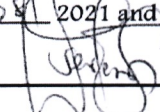
02 September, 2022


*Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

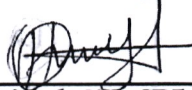
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	55,000	95,000
TOTAL RECEIPTS		161,422,724	123,135,876
PAYMENTS			
Compensation of employees	4	2,898,522	3,227,315
Use of goods and services	5	11,725,544	9,706,076
Transfers to Other Government Units	6	65,000,000	74,769,770
Other grants and transfers	7	76,133,340	37,567,775
Acquisition of Assets	8	96,900	1,570,629
Other Payments	9	5,000,000	-
TOTAL PAYMENTS		160,854,306	126,841,566
SURPLUS/(DEFICIT)		<u>568,418</u>	<u>(3,705,690)</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Teso South Constituency financial statements were approved on 28/12/21 2021 and signed by:


Fund Account Manager
Name: Edwin K. Serem
ICPAK Member Number.
25066


National Sub-County
Accountant
Name: Duke Ong'era
ICPAK M/No:

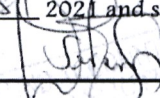

Chairlady NG-CDF
Committee
Name: Christine Omina

*Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

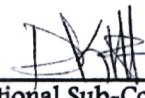
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	2,077,220	1,255,477
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		2,077,220	1,255,477
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		2,077,220	1,255,477
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	253,326	-
TOTAL FINANCIAL LIABILITIES		253,326	-
NET FINANCIAL ASSETS		<u>1,823,895</u>	<u>1,255,477</u>
REPRESENTED BY			
Fund balance b/fwd	13	1,255,477	4,961,167
Prior year adjustments	14	-	-
Surplus/Deficit for the year		568,418	(3,705,690)
NET FINANCIAL POSITION		<u>1,823,895</u>	<u>1,255,477</u>

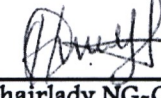
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Teso South Constituency financial statements were approved on 23/08/2021 and signed by:



Fund Account Manager
Name: Edwin K. Serem
ICPAK Member Number.
25066



National Sub-County
Accountant
Name: Duke Ong'era
ICPAK M/No:



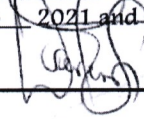
Chairlady NG-CDF
Committee
Name: Christine Omina

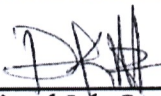
**Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

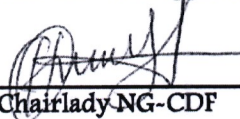
STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Other Receipts	3	55,000	95,000
Total receipts		161,422,724	123,135,876
Payments for operating activities			
Compensation of Employees	4	2,898,522	3,227,315
Use of goods and services	5	11,725,544	9,706,076
Transfers to Other Government Units	6	65,000,000	74,769,770
Other grants and transfers	7	76,133,340	37,567,775
Other Payments	9	5,000,000	-
Total payments		160,757,406	125,270,937
Total Receipts Less Total Payments		665,318	(2,135,061)
Adjusted for:			
Decrease/(Increase) in Accounts receivable: (outstanding imprest)	15	-	(-)
Increase/(Decrease) in Accounts Payable: (deposits/gratuity and retention)	16	253,326	-
Prior year adjustments	14	-	-
Net cash flow from operating activities		918,644	(2,135,061)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	96,900	1,570,629
Net cash flows from Investing Activities		(96,900)	(1,570,629)
NET INCREASE IN CASH AND CASH EQUIVALENT		821,744	(3,705,690)
Cash and cash equivalent at BEGINNING of the year	10	1,255,477	4,961,167
Cash and cash equivalent at END of the year		2,077,220	1,255,477

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Teso South Constituency financial statements were approved on 9/31/2021 and signed by:


Fund Account Manager
Name: Edwin K. Serem
ICPAK Member Number.
25066


National Sub-County
Accountant
Name: Duke Ong'era
ICPAK M/No:


Chairlady-NG-CDF
Committee
Name: Christine Omina

*Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

IX. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on comparable basis D	Budget utilization difference e=c-d	% of Utilization F=d/c %
RECEIPTS	2020/2021		2020/2021	30/06/2021		
Transfers from NGCDF Board	Kshs 137,088,879	1,255,477	Kshs 207,712,080	Kshs 162,623,201	Kshs 45,088,879	78.3%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	0	55,000	55,000	55,000	-	100.0%
TOTALS	137,088,879	1,310,477	207,767,080	162,678,201	45,088,879	78.3%
PAYMENTS						
Compensation of Employees	2,650,000	248,522	4,008,522	2,898,522	1,110,000	72.3%
Use of goods and services	8,599,649	115,899	13,038,643	11,725,544	1,313,099	89.9%
Transfers to Other Government Units	74,350,000	600,000	104,250,000	65,000,000	39,250,000	62.4%
Other grants and transfers	46,392,329	95,000	81,121,958	76,133,340	4,988,618	93.9%
Acquisition of Assets	96,900	143,973	240,873	96,900	143,973	40.2%
Other Payments	5,000,000	52,083	5,052,083	5,000,000	52,083	99.0%
Unallocated AIA	-	55,000	55,000	-	55,000	0.0%
TOTALS	137,088,878	1,310,477	207,767,079	160,854,306	46,912,773	77.4%

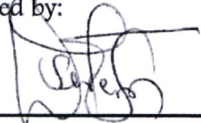
**Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

- i. 78.3% under utilization of receipts is a result of delay in receiving funds from the board amounting to Kshs. 45,088,879.
- ii. 72.3% under utilization of compensation of employees is due to delay in funds from the board.
- iii. 89.9% under utilization of goods and services vote is due to delay in funds from the board.
- iv. 62.4% under utilization on schools is due to delay in funding from the board.

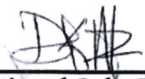
**Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	46,912,774
Less undisbursed funds receivable from the Board as at 30 th June 2021	(45,088,879)
	1,823,895
Add Accounts payable	253,326
Less Accounts Receivable	(-)
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2020/2021	2,077,221

The NGCDF-Teso South Constituency financial statements were approved on 20/08 2021 and signed by:



Fund Account Manager
Name: Edwin K. Serem
ICPAK Member Number.
25066



**National Sub-County
Accountant**
Name: Duke Ong'era
ICPAK M/No:



Chairlady NG-CDF Committee
Name: Christine Omina

*Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget		Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
	2020/2021	Kshs	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,650,000		248,522	1,110,000	4,008,522	2,898,522	1,110,000
1.2 Committee allowances	1,900,000		-	500,000	2,400,000	2,400,000	-
1.3 Use of goods and services	3,184,133		115,899	1,802,063	5,102,095	3,788,996	1,313,099
Total	7,734,133		364,421	3,412,063	11,510,617	9,087,518	2,423,099
2.0 Monitoring and evaluation							
2.1 Capacity building	2,000,000		-	-	2,000,000	2,000,000	-
2.2 Committee allowances	1,000,000		-	2,021,032	3,021,032	3,021,032	-
2.3 Use of goods and services	515,516		-	-	515,516	515,516	-
Total	3,515,516		-	2,021,032	5,536,548	5,536,548	-
3.0 Emergency							
3.1 Primary Schools							
Akoret Primary School	150,000		-	-	150,000	150,000	-
Kwangamor Primary School	400,000		-	-	400,000	400,000	-
Morukamosing Primary School	60,000		-	-	60,000	60,000	-
Morukarisa Primary School	400,000		-	-	400,000	400,000	-
Ojamii Primary School	200,000		-	-	200,000	200,000	-
Katelenyang Primary School	1,200,000		-	-	1,200,000	1,200,000	-
Obekai Primary School	400,000		-	-	400,000	400,000	-
Amoni Primary School	400,000		-	-	400,000	400,000	-
Kidera Primary School	1,200,000		-	-	1,200,000	1,200,000	-

Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Asinge Primary School	1,200,000	-	-	1,200,000	1,200,000	-
3.2 Secondary schools						
St. Paul's Amukura High School	1,000,000	-	-	1,000,000	1,000,000	-
St. Charles Lwanga Othimong Primary School	65,000	-	-	65,000	65,000	-
St. Jacobs Kaliwa Secondary School	517,206	-	482,794	1,000,000	1,000,000	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilized	-	-	138,618	138,618	-	138,618
Total	7,192,206	-	621,412	7,813,618	7,675,000	138,618
4.0 Bursary and Social Security						
4.1 Primary Schools	-	-	-	-	-	-
4.2 Secondary Schools	24,300,123	95,000	17,590,217	41,985,340	41,985,340	-
4.3 Tertiary Institutions	10,000,000	-	10,000,000	20,000,000	20,000,000	-
4.4 Universities	-	-	-	-	-	-
4.5 Social Security	-	-	-	-	-	-
Total	34,300,123	95,000	27,590,217	61,985,340	61,985,340	-
5.0 Sports						
5.1	-	-	-	-	-	-
6.0 Environment						
6.1	-	-	-	-	-	-
7.0 Primary Schools Projects (List all the Projects)						
7.1 Acunet Primary School	150,000	-	-	150,000	150,000	-
7.2 Aderema Primary School	200,000	-	-	200,000	-	200,000

**Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021**

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.3 Akoret Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.4 Amerikwai Primary School	3,000,000	-	-	3,000,000	-	3,000,000
7.5 Amukura Girls Primary School	2,200,000	-	350,000	2,550,000	350,000	2,200,000
7.6 Apegei Special Primary School	550,000	-	-	550,000	-	550,000
7.7 Asiriam Primary school	2,000,000	-	-	2,000,000	-	2,000,000
7.8 Kabosokipi Primary School	4,400,000	-	-	4,400,000	4,400,000	-
7.9 Kaliwa Primary School	5,000,000	-	-	5,000,000	5,000,000	-
7.10 Kamarinyang Primary School	2,000,000	-	-	2,000,000	-	2,000,000
7.11 Katelenyang Primary School	250,000	-	-	250,000	250,000	-
7.12 Kidera Primary School	3,300,000	-	-	3,300,000	3,300,000	-
7.13 Morukamosing Primary School	2,200,000	-	-	2,200,000	2,200,000	-
7.14 Morukeyan Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.15 Obucuun Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.16 Okisimo Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.17 Omoloi Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.18 Ongariama Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.19 Ongaroi Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.20 Otimong Primary School	2,200,000	-	-	2,200,000	-	2,200,000
7.21 Busia Township Primary School	6,000,000	-	-	6,000,000	6,000,000	-
7.22 Kochek Primary School	6,000,000	-	-	6,000,000	5,600,000	400,000
7.23 Kotur Primary School	6,000,000	-	8,000,000	14,000,000	8,000,000	6,000,000
7.24 Okokoru Primary School	100,000	-	-	100,000	100,000	-
7.25 Obucuun Primary School	350,000	-	-	350,000	350,000	-
7.26 Otimong Primary School	350,000	-	-	350,000	350,000	-

*Teso South Constituency
National Government Constituencies Development Fund (NGCDF)
Reports and Financial Statements for The Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget	Adjustments Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
7.27 Morukamosing Primary School	350,000	-	-	350,000	350,000	-
7.28 Ongaroi Primary School	350,000	-	-	350,000	350,000	-
7.29 Akoret Primary School	350,000	-	-	350,000	350,000	-
7.30 I. Omoloi Primary School	350,000	-	-	350,000	350,000	-
7.31 Okisino Primary School	350,000	-	-	350,000	350,000	-
7.32 Aburi Primary School	50,000	-	-	50,000	50,000	-
7.33 Keriamata Primary School	2,200,000	-	-	2,200,000	2,200,000	-
7.34 Odiria Primary School	-	600,000	-	600,000	600,000	-
7.35 Akobwait Primary School	-	-	350,000	350,000	350,000	-
7.36 Apatih Primary School	-	-	350,000	350,000	350,000	-
7.37 Apokor Primary School	-	-	115,500	115,500	115,500	-
7.38 Ojannong Primary School	-	-	350,000	350,000	350,000	-
7.39 Osasamet Primary School	-	-	350,000	350,000	350,000	-
7.40 Sidelewa Primary School	-	-	234,500	234,500	234,500	-
7.41 Apokor special primary school	-	-	750,000	750,000	750,000	-
7.42 Kamunoi Primary School	-	-	350,000	350,000	350,000	-
7.43 Obekai Primary School	-	-	350,000	350,000	350,000	-
7.44 Oburi Primary School	-	-	350,000	350,000	350,000	-
7.45 Irukan Primary School	-	-	350,000	350,000	350,000	-
7.46 Ojarii Primary School	-	-	350,000	350,000	350,000	-
7.47 Okerebwa Primary School	-	-	350,000	350,000	350,000	-
7.48 Osuret Primary School	-	-	350,000	350,000	350,000	-
7.49 Palama Primary School	-	-	350,000	350,000	350,000	-
7.50 Gorira Primary School	-	-	350,000	350,000	350,000	-

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.51 Acunet Primary School	-	-	350,000	350,000	350,000	-
7.52 Aburi Primary School	-	-	350,000	350,000	350,000	-
7.53 Katelyang Primary School	-	-	350,000	350,000	350,000	-
7.54 Aderema Primary School	-	-	350,000	350,000	350,000	-
7.55 Amerikwai Primary School	-	-	350,000	350,000	350,000	-
Total	65,650,000	600,000	15,750,000	82,000,000	48,050,000	33,950,000
8.0 Secondary Schools Projects all the Projects (List						
8.1 St Marys Amukura Girls Secondary School	1,200,000	-	-	1,200,000	1,200,000	-
8.2 Father Erapu Secondary School	1,200,000	-	-	1,200,000	1,200,000	1,200,000
8.3 Kodedema Girls Secondary School	2,200,000	-	2,350,000	4,550,000	4,550,000	-
8.4 Katelyang Secondary School	2,100,000	-	1,100,000	3,200,000	1,100,000	2,100,000
8.5 Akobwait Secondary School	-	-	4,000,000	4,000,000	4,000,000	-
8.6 St. Paul's Amukura High School	-	-	2,100,000	2,100,000	2,100,000	-
Total	6,700,000	-	9,550,000	16,250,000	12,950,000	3,300,000
9.0 Tertiary institutions Projects all the Projects (List						
9.1 Amukura Teachers Training College	2,000,000	-	4,000,000	6,000,000	4,000,000	2,000,000
Total	2,000,000	-	4,000,000	6,000,000	4,000,000	2,000,000
10.0 Security Projects						
10.1 Chakol Division Assistant County Commissioner's office	300,000	-	4,500,000	4,800,000	4,800,000	-
10.2 Lukolis Assistant County Commissioner/Chiefs office	4,000,000	-	-	4,000,000	-	4,000,000
10.3 Asinge location chief's Office	600,000	-	-	600,000	-	600,000
10.4 Kaliwa Chief's Office	-	-	250,000	250,000	250,000	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
10.5 Aremit Chiefs Office	-	-	250,000	250,000	250,000	-
10.6 Amukura Chiefs Office	-	-	173,000	173,000	173,000	-
10.7 Kaujaktio Chiefs Office	-	-	1,000,000	1,000,000	1,000,000	-
10.8 Angorom Chiefs Office	-	-	250,000	250,000	-	250,000
Total	4,900,000	-	6,423,000	11,323,000	6,473,000	4,850,000
11.0 Acquisition of assets						
11.1 Motor Vehicles (including motorbikes)	-	37,743	-	37,743	-	37,743
11.2 Construction of CDF office	-	5,104	-	5,104	-	5,104
11.3 Purchase of furniture and equipment	-	101,126	-	101,126	-	101,126
11.4 Purchase of computers	96,900	-	-	96,900	96,900	-
11.5 Purchase of land	-	-	-	-	-	-
Total	96,900	143,973	-	240,873	96,900	143,973
12.0 Others						
12.1 Electricity	5,000,000	-	-	5,000,000	5,000,000	-
12.2 Robinhood tax	-	2,000	-	2,000	-	2,000
12.2 Roads	-	50,083	-	50,083	-	50,083
Total	5,000,000	52,083	-	5,052,083	5,000,000	52,083
13.0 Unallocated fund						
Unapproved projects	-	-	-	-	-	-
AIA	-	55,000	-	55,000	-	55,000
PMC Savings	-	-	-	-	-	-
Total	-	55,000	-	55,000	-	55,000
Grand-Total	137,088,879	1,310,477	69,367,724	205,667,080	160,854,306	46,912,774

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(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

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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-Teso South 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 annexure to the financial statements.

5. In-kind contributions

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

6. Cash and Cash 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.

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8. Accounts Payable

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

9. Pending Bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the entity at the end of the financial year. When the pending bills are finally settled, such payments are included in the Statement of Receipts and Payments in the year in which the payments are made.

10. Unutilized Fund

Unutilized funds consist of bank balances in the constituency account and funds not yet disbursed by the Board to the constituency at the end of the financial year. These balances are available for use in the subsequent financial year to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(2) of NGCDF Act, 2015

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 10th June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

Where necessary, comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

14. Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa.

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
NGCDF Board		
AIE NO. B104508	15,000,000	
AIE NO. B 104679	19,000,000	
AIE NO. B 823729	35,367,724	
AIE NO. B 124673	9,000,000	
AIE NO. B 119658	8,500,000	
AIE NO. B 128047	13,000,000	
AIE NO. B 132050	6,000,000	
AIE NO. B 132344	6,000,000	
AIE NO. B 126013	13,000,000	
AIE NO. B 128290	6,900,000	
AIE NO. B 126305	7,000,000	
AIE NO. B 105100	10,600,000	
AIE NO. B 140744	12,000,000	
AIE NO. B041068		55,040,876
AIE NO. B041220		4,000,000
AIE NO. B047658		20,000,000
AIE NO. B049184		6,000,000
AIE NO. B104157		14,000,000
AIE NO. B104491		24,000,000
TOTAL	161,367,724	123,040,876

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	55,000	95,000
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	55,000	95,000

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,006,008	1,857,872
Personal allowances paid as part of salary		
House Allowance	276,500	250,652
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	504,774	1,015,111
Employer Contributions Compulsory national social security schemes	111,240	103,680
Total	2,898,522	3,227,315

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	700,250	193,900
Communication, supplies and services	45,820	210,959
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	65,946
Rentals of produced assets	-	-
Training expenses	1,797,600	145,200
Hospitality supplies and services	245,465	298,384
Other committee expenses	4,363,666	2,186,580
Committee allowance	3,516,800	4,343,200
Insurance costs	89,857	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	374,901	1,051,552
Routine maintenance – other assets	-	324,450
Bank service commission and charges	30,571	266,578
Water & sewerage charges	20,614	19,328
Fuel , oil & lubricants	540,000	600,000
Total	11,725,544	9,706,076

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	48,050,000	51,549,770
Transfers to secondary schools (see attached list)	12,950,000	21,220,000
Transfers to tertiary institutions (see attached list)	4,000,000	2,000,000
TOTAL	65,000,000	74,769,770

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	30,992,670	6,689,791
Bursary – tertiary institutions (see attached list)	30,992,670	8,650,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security projects (see attached list)	6,473,000	12,877,984
Sports projects (see attached list)	-	900,000
Environment projects (see attached list)	-	-
Emergency projects (see attached list)	7,675,000	8,450,000
Total	76,133,340	37,567,775

8. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	180,830
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	312,257
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	96,900	1,077,542
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	96,900	1,570,629

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
Electricity	5,000,000	-
	5,000,000	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
Equity Bank, Busia Branch. Teso South NG-CDF, A/C no.0780261905493	2,077,220	1,255,477
Total	2,077,220	1,255,477
10B: CASH IN HAND		
Location 1	-	-
Total	-	-

11: OUTSTANDING IMPRESTS

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

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

12B. GRATUITY

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1 st July (A)	1,015,111	-
Gratuity held during the year (B)	504,774	-
Gratuity paid during the Year (C)	1,266,560	-
Closing Gratuity as at 30 th June D= A+B-C	253,326	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	1,255,477	4,961,167
Cash in hand	-	-
Imprest	-	-
Total	1,255,477	4,961,167

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST*

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020 – 2021s	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	253,326	-
Deposit and Retentions paid during the Year (C)	-	-
closing account receivables D= A+B-C	253,326	-

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	253,326	1,015,111
Others (<i>specify</i>)	-	-
	253,326	1,015,111

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,110,000	116,624
Use of goods and services	1,313,099	4,751,467
Amounts due to other Government entities (see attached list)	39,250,000	27,650,000
Amounts due to other grants and other transfers (see attached list)	4,988,618	37,814,052
Acquisition of assets	143,973	143,973
Others (<i>specify</i>)	52,083	52,083
Funds pending approval	55,000	95,000
	46,912,773	70,623,199

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	58,646,559	55,816,763
	58,646,559	55,816,763

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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 2020	Comments
	a	b	C	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1. Mathew Philip Wege	Clerk of works	22/02/2018	44,206	
2. John Paul Ekisa	Accounts Assistant	21/10/2020	47,921	
3. Simon Aura Etyang	Clerical Officer	19/02/2018	29,951	
4. Benard Ogwana Panyako	Driver	22/02/2018	29,951	
5. Imai Ekassiba Jentrix	Receptionist	01/02/2018	29,951	
6. Susan Emojong	Records Officer	19/02/2018	29,951	
7. Benard Nicky Barasa	IT Officer	29/06/2020	41,395	
Sub-Total				
Grand Total			253,326	

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees				
	NHIF	137,916		
	NSSF	113,342		
	Staff Salaries	858,742		
	Sub-Total	1,110,000	116,624	
Use of goods & services				
	Admin & recurrent. Goods and Services Monitoring and Evaluation. Goods and Services	625,797		
		228		
	Monitoring and Evaluation. Capacity Building	581,073		
	Committee Allowances	106,000		
	Sub-Total	1,313,099	4,751,467	
Amounts due to other Government entities				
Primary Schools				
	Aderema Primary School	200,000		
	Akoret Primary School	2,200,000		
	Amerikwai Primary School	3,000,000		
	Amukura Girls Primary School	2,200,000		
	Apegei Special Primary School	550,000		
	Asiriam Primary school	2,000,000		
	Kamarinyang Primary School	2,000,000		
	Morukeyan Primary School	2,200,000		
	Obucuun Primary School	2,200,000		
	Okisimo Primary School			

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	Omoloi Primary School	2,200,000		
	Ongariama Primary School	2,200,000		
	Ongaroi Primary School	2,200,000		
	Olimong Primary School	2,200,000		
	Kochek Primary School	400,000		
	Kotur Primary School	6,000,000		
Secondary Schools	Katelenyang Secondary School	2,100,000		
	Father Drapu Girls secondary school	1,200,000		
Tertiary Institutions	Amukura Teachers Training College	2,000,000		
	Sub-Total	39,250,000	27,650,000	
Amounts due to other grants and other transfers				
	Lukolis Assistant County Commissioner's office	4,000,000		
	Aisinge Location chief's office	600,000		
	Argoron Location Chiefs Office	250,000		
	Bursary- Secondary & Tertiary institutions	-		
	Emergency	138,618		
	Sub-Total	4,738,618	37,814,052	
Acquisition of assets				
	Motor Cycle	37,743		
	Purchase of Furniture	101,126		

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Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
	Construction of Pit latrine	5,104		
Others (specify)		149,973	149,973	
	Roads	50,083		
	A.I.A (Sale of Tenders	55,000		
	Roobinhood Tax Reversal	2,000		
	Sub-Total	107,083	147,083	
Funds pending approval				
	Grand Total	46,912,773	70,623,199	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	685,000	-	-	685,000
Buildings and structures	13,694,896	-	-	13,694,896
Transport equipment	6,141,257	-	-	6,141,257
Office equipment, furniture and fittings	2,806,642	-	-	2,806,642
ICT Equipment, Software and Other ICT Assets	1,845,712	96,900	-	1,942,612
Other Machinery and Equipment	1,077,542	-	-	1,077,542
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	26,251,049	96,900	-	26,347,949

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Busia Township Primary School	National Bank	0102220580160 0	6,302,052	7,768,505
Ngelechom Primary School	National Bank	0102203654270 0	30,464	5,765
Alupe Primary School	National Bank	4237093601	12,405	5,750
Angorom Primary School	National Bank	0102222778650 0	2,330	400,000
Okatekok Primary School	National Bank	2036823900	21,722	-
Palama Primary School	National Bank	0104701807540 0	84	-
Amoni Primary School	National Bank	0102221686850 0	4,970	-
St Pauls Amerikwai Primary School	National Bank	0102203835830 0	12,327	-
Chakol Girls Primary School	National Bank	0102203652920 0	3,030	-
		Sub-Total	6,389,384	8,180,020
Acunet Primary School	Equity Bank	1050279117587	141,952	2,164,892
Osasamet Primary School	Equity Bank	0780278650219	5,817	297,232
Apatit Primary School	Equity Bank	1050279091488	3,818	187,213
Ojamii Primary School	Equity Bank	0780279087273	8,205	210,899
Obekai Primary School	Equity Bank	1050279072312	264,149	661,024
Okerebwa Primary School	Equity Bank	0780279071882	112,660	153,200
Katelenyang Primary School	Equity Bank	1050279055687	1,173,340	974,300
Okatekok Secondary School	Equity Bank	0780279096956	1,007	139,779
Kodedema Girls Secondary School	Equity Bank	1050278833666	3,733,435	22,657
Angorom Secondary School	Equity Bank	0780279828676	165,105	2,163,880
Amukura Chief's Office	Equity Bank	1050279076811	4,113	89,047
Kaujakito Chief's Office	Equity Bank	1050279770552	647	2,000,000
Teso south NGCDF Lands PMC Chakol Division	Equity Bank	1050277243285	7,508	800,000
Kotur Chief's Office	Equity Bank	1050279825641	737,476	4,000,000
Kwang'amor Chief's Office	Equity Bank	1050279825634	43,732	2,805,380

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Sports Amukura Division	Equity Bank	1050277174879	5,843	5,843
Teso South NG-CDF Sports Chakol Division	Equity Bank	1050277175008	1,163	1,163
Kochek Primary School	Equity Bank	1050279202158	7,518,510	7,845,080
Kwang'amor Primary School	Equity Bank	1050279600006	252,503	166,790
Omoloi Primary School	Equity Bank	1050279961629	33	400,000
Olepito Primary School	Equity Bank	0780279832307	285	400,000
Okame Primary School	Equity Bank	0780279896161	14,170	400,000
Aderema Primary School	Equity Bank	1050279829703	133	400,000
Teso south NGCDF Desks PMC	Equity Bank	1050279043532	2,639,121	1,102,035
Teso South DCC Office	Equity Bank	1050277158050	18,615	4,691
Kabosokipi Pimary	Equity Bank	1050297245370	4,328,098	-
Airstrip Primary	Equity Bank	0780277572929	20,419	-
Osuret Primary	Equity Bank	1050277624398	52,226	-
Apegei Special School	Equity Bank	1050277778692	3,835	-
Kodedema Secondary School	Equity Bank	1050277175161	3,835	-
Amukura TTC	Equity Bank	1050277350371	1,839,055	520,455
Okame Technical Training Institute	Equity Bank	1050277362056	66,229	-
Kaliwa Chief's Office	Equity Bank	1050277755575	820	-
Aremit Chief's Office	Equity Bank	1050277755565	14,559	-
Ang'orom Chief's Office	Equity Bank	1050277175574	14,559	-
Ochude AP Camp	Equity Bank	1050277174933	1,945	-
Environment PMC Amukura Division	Equity Bank	1050277300672	2,504	-
Environment PMC Chakol Division	Equity Bank	1050277175380	3,403	-
Kodedema Primary School	Equity Bank	1050278833666	3,733,435	-
Papa Primary School	Equity Bank	1050278823911	100	-
Karisa primary school	Equity Bank	0780264688412	240,570	-

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
St. Pauls Amukura high school	Equity Bank	1050280737091	948,530	-
Apokor Special School	Equity Bank	0780280230341	4,430	-
St Marys Amukura Girls Secondary school	Equity Bank	1050299700626	26,464	-
St lukes Amoni Primary school	Equity Bank	0780280573461	5,765	-
Kaliwa Primary school	Equity Bank	1050280855627	4,999,550	-
Teso South NGCDF PMC –OKAME Technical and Vocational Training	Equity Bank	1050277362048	80	-
Teso South NG-CDF Sports	Equity Bank	1050277174879	5,843	-
Teso South NG-CDF Strategic Plan	Equity Bank	1050277324046	520	-
Teso South NG-CDF PMC lands Amukura Division	Equity Bank	1050277175161	3,835	-
Chakol Division Assistant County Commissioners office	Equity Bank	0780280174331	400,152	-
Okiporo Primary School	Equity Bank	0780264386884	3,210	-
		Sub-Total	33,577,309	27,465,436
Irukan Primary School	Co-operative Bank	01141130167100	38,556	257,622
Oburi Primary School	Co-operative Bank	01141130598500	8,163	662,652
Akiriamas Primary School	Co-operative Bank	01141011829600	3,155	1,985
St. Thomas Chakol Boys Primary School	Co-operative Bank	01022205801600	650	500
Ochude Primary School	Co-operative Bank	01139235142500	6,504	5,790
Opokoto Primary School	Co-operative Bank	01141130223500	66,719	2,218,497
Goria Primary School	Co-operative Bank	01141058637800	186,120	2,200,000
Ojaamong Primary School	Co-operative Bank	01139236478400	137,246	2,200,000
St. Charles Lwanga Otimong Seconndary School	Co-operative Bank	01139235824400	7,529	425,037
Busia Township Secondary School	Co-operative Bank	01141238578300	28,104	2,327,722
Apokor Secondary School	Co-operative Bank	01139058632300	154,426	2,165,000
Machakusi Girls Secondary School	Co-operative Bank	01141050738900	191,862	2,942,000
Otimong Primary School	Co-operative Bank	01139050212000	2	1,724

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Kosera Primary School	Co-operative Bank	01141050781100	6,055	388,000
Akites Primary School	Co-operative Bank	01139236210300	19,397	385,000
Alupe Special School	Co-operative Bank	01139236202300	3,333	400,000
Aciit Primary School	Co-operative Bank	01139238426900	38,135	790,000
Kamarinyang Primary School	Co-operative Bank	01141050775100	73,684	1,200,000
Parater Primary School	Co-operative Bank	01141130168900	48,947	-
Among'ura Primary School	Co-operative Bank	01139238431400	9,099	-
St. Thomas Chakol Primary School	Co-operative Bank	01139235919700	9,068	-
Aburi Primary School	Co-operative Bank	01139130186600	558	-
St Josephs Amukara Girls Primary School	Co-operative Bank	01141058689200	59	-
Okisimo Primary School	Co-operative Bank	01141050789500	8,475	-
Apokor Primary	Co-operative Bank	01141050775700	1,623	-
Kamarinyang Primary School	Co-operative Bank	01141050775100	73,684	-
Machakusi Primary School	Co-operative Bank	01141058687700	2,865	-
Asinge Primary	Co-operative Bank	01141050771500	1,200,029	-
Osipata Primary School	Co-operative Bank	01141130615200	1,760	-
Morukeyan Primary School	Co-operative Bank	01141050743800	3,202	-
Keriamata Primary School	Co-operative Bank	01139238497000	2,202,012	-
Okiporo Primary School	Co-operative Bank	01141050775100	73,684	-
Okokoru Primary School	Co-operative Bank	01139236484600	44,425	-
Katelenyang Secondary School	Co-operative Bank	01141130587500	53,328	-
St. James Kwangamor Secondary School	Co-operative Bank	01141011836600	58,297	-
Fr. Okodoi Secondary School	Co-operative Bank	01141011830200	90,129	-
St. Mark Machakusi Secondary School	Co-operative Bank	01141050738900	191,862	-

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PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
Odioi Primary School	Co-operative Bank	0114105077500 0	29,825	-
Kotur Primary School	Co-operative Bank	0114105866900 0	7,767,126	-
Aterait Primary School	Co-operative Bank	0114105075360 1	215	-
Akoreet Primary School	Co-operative Bank	0114101186690 0	500	-
Morukamosing Primary School	Co-operative Bank	0114105075790 0	2,200,000	400,000
Kidera Primary School	Co-operative Bank	0114101185710 0	3,639,458	-
		Sub-Total	18,679,867	18,971,529
Akobwait Primary School	KCB	1128501562	-	262,843
St. Michael Apatit Secondary School	KCB	1119507197	-	536,935
St. Peter's Aterait Secondary School	KCB	1235267350	-	400,000
		Sub-Total	-	1,199,778
		Grand-Total	58,646,559	55,816,763

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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.	Cash and cash equivalents - The statement of assets and liabilities reflect cash and cash equivalents balance of kshs. 1,255,477 as at 30 th June 2020. However, the audit review showed unrepresented cheques of kshs. 2,725,318 out of which, cheques totalling kshs. 704,306 were stale and not reversed. The accuracy of cash and cash equivalents could not be confirmed.	The stale cheques have since been reversed to the cashbook and replaced as required.	Resolved	
2.	The PMC account balances – The financial statements reflect PMC account balances totalling Kshs. 56,266,888 however, the bank certificates of balances were not availed for audit. In addition, huge balances were outstanding in Busia Primary School, Kochek Primary School and Kotur Chief's office and no explanation was provided for under-utilisation.	Sampled bank balance certificates for PMCs were provided for audit review as requested. The PMCs with huge balances was as a result of delay in receiving funds from the board therefore, at the time of audit, the PMCs had just received the disbursements. The projects have since commenced and	Resolved	

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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)
		therefore the funds have been utilized.		
3.	Budget performance – The Fund recorded 36% under expenditure during the year under review.	The under expenditure of 36% was as a result of delay in receiving funds from the board at the time of the audit. The funds have since been received and utilized.	Resolved	
4.	Project Implementation Status – 22 projects which had received funds during the year under review remained ongoing yet should have been completed by December 2020. No reason was provided for the delay in implementation.	The projects have since been completed and handed over.	Resolved	