


REPUBLIC OF KENYA



*Enhancing Accountability*



 <b>REPORT</b> NATIONAL ASSEMBLY PAPERS LAID	
DATE: 07 MAR 2023	DAY: TUESDAY
TABLED BY: <b>OF</b>	The Leader of the Majority party (LOM) Inzofu Mwale
CLERK-AT-THE-TABLE:	

**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
GARISSA TOWNSHIP CONSTITUENCY**

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



*Revised Template 30<sup>th</sup> June 2021*



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30034 - 00100, NAIROBI  
REGISTRY

29 SEP 2021

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**GARISSA TOWNSHIP CONSTITUENCY**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	2
II. NG-CDFC CHAIRMAN'S REPORT .....	5
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES .....	8
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING .....	9
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES .....	13
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- GARISSA TOWNSHIP CONSTITUENCY 14	
VII. STATEMENT OF RECEIPTS AND PAYMENTS .....	15
VIII. STATEMENT OF ASSETS AND LIABILITIES .....	16
IX. SUMMARY STATEMENT OF APPROPRIATION.....	18
X BUDGET EXECUTION BY SECTORS AND PROJECTS.....	20
XI. SIGNIFICANT ACCOUNTING POLICIES.....	28
XII. NOTES TO THE FINANCIAL STATEMENTS .....	32



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

**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



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

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**Core Values**

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

**Functions of NG-CDF Committee**

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

**(b) Key Management**

The GARISSA TOWNSHIP Constituency NGCDF day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

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

No	Designation	Name
1.	A.I.E holder	HASSAN BILLOW ISMAIL
2.	Sub-County Accountant	MOHAMED A. ADEN
3.	Chairman NGCDFC	SIYAD HARED
4.	Member NGCDFC	NOOR MOULID

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box GARISSA TOWNSHIPXX  
GARISSA TOWNSHIP Building/House/Plaza  
GARISSA TOWNSHIP Avenue/Road/Highway  
Nairobi, KENYA



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

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**(f) GARISSA TOWNSHIP Constituency NGCDF Contacts**

Telephone: (254) GARISSA TOWNSHIPGARISSA TOWNSHIPXX  
E-mail: GARISSA TOWNSHIPGARISSA TOWNSHIPXX.go.ke  
Website: www.go.ke

**(g) GARISSA TOWNSHIP Constituency NGCDF Bankers**

Equity Bank( K) Ltd  
Branch GARISSA

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**II. NG-CDFC CHAIRMAN'S REPORT**

I wish to take this opportunity to present the Annual Report and Financial Statements Garissa Township constituency for the financial year 2020/2021. This report highlights the constituency key performance and challenges experienced during the reporting period. We share the activities that have been implemented to address poverty at grassroots levels. This has continually ensured there is reduction of poverty levels and enhanced regional equity.

During the period of review, the constituency continued to implement its strategic plan and guided by the NG-CDF Act 2015 and its regulation alongside other applicable laws and regulations. Specifically, the committee continued to implement National government functions in the areas of Education infrastructure, education bursary, social security programmes, security infrastructure, sports and environment.

Primary and secondary schools benefited from infrastructural development through renovation and construction of Classrooms, Administration Blocks, laboratories, Toilets and dormitories. The constituency also financed construction of security offices for chiefs and assistant chiefs and security installations mainly police posts. The contribution of the Fund in the education sector has seen an increase in the enrolment and retention rates in the constituency. Additionally, there has been enhanced security as a result of security projects implemented by the Fund.

During the year under review, the constituency had an allocation of Kshs Ksh.137,088,879, opening balance of Kshs 59,759,715 and pending disbursements for previous financial years of Kshs 54,367,724. This totals to a final budget of Kshs 251,216,318. A total of Kshs 220,027,439 was available for spending within the reporting period out of which Kshs 155,743,651 was utilized leaving a balance of Kshs 95,472,667 to be utilized in the subsequent financial year

The summary the budget performance against actual amounts for current year based on sectors is as tabulated below:-

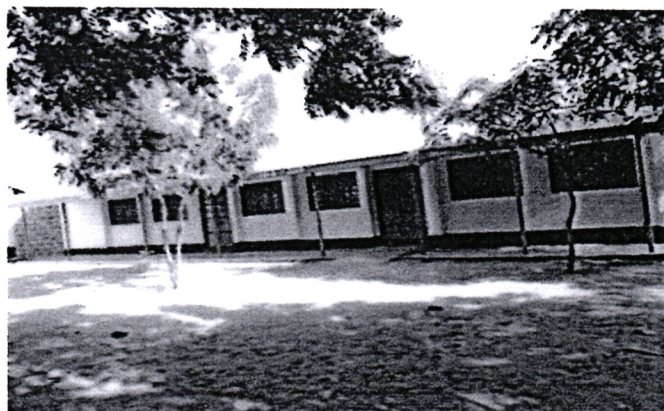
	<b>Total Budget</b>	<b>Actual Expenditure</b>
Compensation of Employees	7,977,624	300,000
Use of goods and services	21,915,344	6,303,437
Transfers to Other Government Units	128,318,752	71,876,973
Other grants and transfers	93,004,598	77,263,241



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

<b>Total</b>	<b>251,216,318</b>	<b>155,743,651.00</b>
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The NG-CDF has improved the Education and Security infrastructures of Garissa Township Constituency.





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

However, there have been emerging issues like **political, economic, social, legal** and global challenges influencing the implementation of NG-CDF Project. Other issues that affected the project implementation process included the late disbursement of funds and time lapse to approval of projects. However, NG CDF Garissa Township managed to perform satisfactorily in terms of ensuring development programs are undertaken despite the said challenges. Included above find pictorial representation of budget expenditure against actual comparable implemented status and the absorption rate per expenditure categorization as incurred through the financial year 2020/2021

A handwritten signature in black ink, appearing to be 'S. A. M. M.', written over a horizontal line.

**Signature**

**CHAIRMAN 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 *Garissa Township Constituency 2018-2022* plan are to: **(Enumerate all the objectives of the constituency as per the Strategic Plan)**

- a) To have all children of school going age attending school
- b) To ensures the community is secured
- c) To promotes environmental conservation through installation of water gutters and water tanks to schools and police stations.
- d) To promote sporting and recreation facilities and provide sporting kits to the youths.
- e) To reduce or avoid ,the potential losses from hards,assure prompt appropriate assistance to victims of disaster

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> <li>- number of usable physical infrastructure build in primary, secondary, and tertiary institutions</li> <li>- number of bursary's beneficiaries at all levels</li> </ul>	In FY 20/21 we increased number of classrooms, dormitories, laboratories etc from ... to... in the following schools/institutions Students benefited from bursaries in secondary, tertiary and university levels
Security	To ensure the community is secured through construction of police posts and	Ensuring good cooperation with the security organs	Good working condition for the officers	We constructed new police offices and also renovated some office block



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

	staff houses.			
Environment	promotes environmental conservation	Mobilise community to participate on tree planting exercise	Installation of water gutters and water tanks to schools and police stations.	Community tree planting
Sports	Promote sporting and recreation facilities.	Ensures that they are healthy and engaged to discourage their involvement in criminal activities.	Develops talents through annual sporting events.	We promoted 20 clubs within the reporting period
Emergency	To reduce or avoid ,the potential losses from hards,assure prompt appropriate assistance to victims of disaster,	Ensure community participation	Environmental change	We ensured fully participation of the community

**IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

Garissa Township 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 GARISSA TOWNSHIP NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** GARISSA TOWNSHIP 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**

NGCDF has ensured the following in regards to environmental conservation;

- a) TO ensure students full participation during tree planting process.
- b) To ensure students participate during agro-forestry
- c) To ensure fully participation during water conservation.

**3. Employee welfare**



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

We invest in providing the best working environment for our employees. Garissa Township 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. Garissa Township 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-**

GARISSA TOWNSHIP 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-**

GARISSA TOWNSHIP 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.

**Garissa Township Constituency**

**National Government Constituencies Development Fund (NGCDF)**

**Reports and Financial Statements for The Year Ended June 30, 2021**

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

**Public Awareness**

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

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



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

**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-Garissa Township 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-Garissa Township 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- Garissa Township 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 Garissa Township 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- Garissa Township Constituency financial statements were approved and signed by the Accounting Officer on 23/08/2021.



**Chairman NGCDF Committee**  
Name:

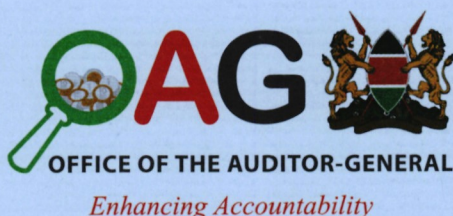


**Fund Account Manager**  
Name:



# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
E-mail: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - GARISSA TOWNSHIP CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021**

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### PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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 - Garissa Township Constituency set out on pages *Report of the Auditor-General on National Government Constituencies Development Fund - Garissa Township Constituency for the year ended 30 June, 2021*



15 to 48, 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 the 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 the National Government Constituencies Development Fund - Garissa Township Constituency as at 30 June, 2021 and 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, 2015 and the National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in the Financial Statements**

The following variances were noted between comparative balances reflected in the financial statements and the balances reflected in the audited financial statements for 2019/2020.

<b>Component</b>	<b>Amount as Per Current Financial Statements (Kshs)</b>	<b>Amount as Per Prior Year Audited Statements (Kshs)</b>	<b>Variance (Kshs)</b>
Other receipts	757,549	-	757,549
Use of goods and services	6,621,540	5,834,512	787,028
Surplus/Deficit(Reported in statement of assets and liabilities)	22,372,008	21,401,487	970,521
Bank balance (as per cashbook)	59,759,715	59,789,193	(29,478)
Net cashflow from operating activities	22,372,008	22,401,487	(29,479)
Net increase in cash and cash equivalents	22,372,008	22,401,487	(29,479)
Unutilized funds	59,759,715	98,024,729	(38,265,014)

In addition, a prior year adjustment of Kshs.541,412 as disclosed at Note 14 to the financial statements being reversal of stale cheques in the cashbooks, was not supported by a list of the reversed cheques and the cashbook extract.

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.



## **2. Misclassification of Office and General Supplies**

The statement of receipts and payments as disclosed in Note 5 to the financial statements reflects use of goods and services amount of Kshs.6,303,437. Included in this amount is an expenditure of Kshs.748,000 classified under office and general supplies instead of other operating expenses.

Consequently, the accuracy of the office and general supplies expenditure of Kshs.748,000 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 - Garissa Township 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**

#### **1. Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actuals on comparable basis of Kshs.251,216,318 and Kshs.220,027,439 respectively resulting in an underfunding of Kshs.31,188,879 or 12% of the budget. Similarly, the Fund spent Kshs.155,743,651 against an approved budget of Kshs.251,216,318 resulting in an under-expenditure of Kshs.95,472,667 or 38% of the budget.

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

#### **2. Project Implementation Status Report**

Review of the project status report revealed that Management budgeted to undertake thirty-nine (39) projects at a cost of Kshs.85,683,556. However, thirty-two (32) projects amounting to Kshs.69,941,778 were complete, three (3) projects with a budgeted cost of Kshs.18,229,263 were on-going while four (4) projects amounting to Kshs.10,241,778 were not started at all.

The underutilization of the funds and subsequent slow implementation of the development programs 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**

#### **Failure to Report Utilization of Emergency Reserve to the Board**

Review of records revealed that the utilization of the emergency reserve was not reported to the Board within thirty (30) days of the occurrence of the emergency as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

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

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

## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### **Conclusion**

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

### **Basis for Conclusion**

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash



Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal control, risk management and overall governance.

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to overall 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 controls 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 policies and procedures may deteriorate.

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

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

- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

**23 September, 2022**

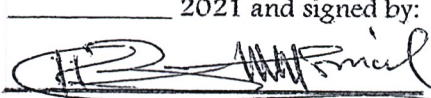
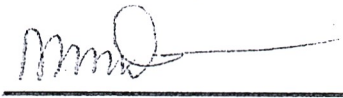



**Garissa Township Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

**VII. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2020 - 2021	2019 - 2020
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	160,267,724	126,513,289
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	757,549
<b>TOTAL RECEIPTS</b>		<b>160,267,724</b>	<b>127,270,838</b>
<b>PAYMENTS</b>			
Compensation of employees	4	300,000	300,000
Use of goods and services	5	6,303,437	6,621,540
Transfers to Other Government Units	6	71,876,973	81,280,290
Other grants and transfers	7	77,263,241	16,697,000
Acquisition of Assets	8	-	-
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>155,743,651</b>	<b>104,898,830</b>
<b>SURPLUS/DEFICIT</b>		<b>4,524,073</b>	<b>22,372,008</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Garissa Township Constituency financial statements were approved on \_\_\_\_\_ 2021 and signed by:

 Fund Account Manager Name:	 National Sub-County Accountant Name: ICPAK M/No:	 Chairman NG-CDF Committee Name:
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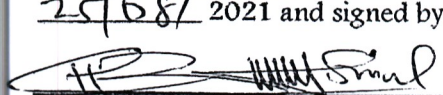


**Garissa Township Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021**

**VIII. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	64,825,200	59,759,715
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>64,825,200</b>	<b>59,759,715</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>64,825,200</b>	<b>59,759,715</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>NET FINANCIAL ASSETS</b>		<b>64,825,200</b>	<b>59,759,715</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	59,759,715	37,387,706.45
Prior year adjustments	14	541,412	
Surplus/Deficit for the year		4,524,073	22,372,008
<b>NET FINANCIAL POSITION</b>		<b>64,825,200</b>	<b>59,759,715</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Garissa Township Constituency financial statements were approved on 25/08/2021 and signed by:



Fund Account Manager  
Name:



National Sub-County  
Accountant  
Name:  
ICPAK M/No:



Chairman NG-CDF Committee  
Name:



**Garissa Township 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
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	160,267,724	126,513,289
Other Receipts	3		757,549
		160,267,724	127,270,838
<b>Payments for operating activities</b>			
Compensation of Employees	4	300,000	300,000
Use of goods and services	5	6,303,437	6,621,540
Transfers to Other Government Units	6	71,876,973	81,280,290
Other grants and transfers	7	77,263,241	16,697,000
Other Payments	9	-	-
		155,743,651	104,898,830
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	541,412	-
<b>Net Adjustments</b>		541,412	-
<b>Net cash flow from operating activities</b>		<b>5,065,485</b>	<b>22,372,008</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
		<b>5,065,485</b>	<b>22,372,008</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	59,759,715	37,387,706.45
<b>Cash and cash equivalent at END of the year</b>		<b>64,825,200</b>	<b>59,759,715</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Garissa Township Constituency financial statements were approved on 21/06/2021 and signed by:



Fund Account Manager  
Name:



National Sub-County  
Accountant  
Name:  
ICPAK M/No:



Chairman NG-CDF Committee  
Name:



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

**IX. SUMMARY STATEMENT OF APPROPRIATION**

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a		b	c=a+b	d	e=c-d	f=d/c %
Transfers from NG-CDF Board	137,088,879	Opening Balance (C/BK) and AIA	54,367,724	251,216,318	220,027,439	31,188,879	88%
Proceeds from Sale of Assets	-			0	-	-	0%
Other Receipts				0			
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>		<b>54,367,724</b>	<b>251,216,318</b>	<b>220,027,439</b>	<b>31,188,879</b>	<b>88%</b>
<b>PAVMENTS</b>							
Compensation of Employees	1,611,781		3,725,793	7,977,624	300,000	7,677,624	4%
Use of goods and services	8,329,115		12,808,496	21,915,344	6,303,437	15,611,907	29%
Transfers to Other Government Units	75,683,557		30,635,195	128,318,752	71,876,973	56,441,779	56%
Other Grants and transfers	51,464,426		7,198,241	93,004,598	77,263,241	15,741,357	83%
Acquisition of Assets	0		0	0	-	-	
Other Payments	0		0	0	-	-	
<b>TOTAL</b>	<b>137,088,879</b>		<b>54,367,724</b>	<b>251,216,318</b>	<b>155,743,651</b>	<b>95,472,667</b>	<b>62%</b>

*\*\*Funds pending approval are sums not yet approved by the board for utilisation and include approved allocations and/or AIA not yet allocated for specific projects.*



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

- i. The underutilization of 71% on use of goods and services is due to delay in receipt of funds from the Board
- ii. Delayed receipt of funds delayed the implementation of approved projects hence the utilization difference of 56% under transfer to other government units
- iii. Delayed receipt of funds delayed the implementation of approved projects hence the utilization difference of 83% under transfer to other government units

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	95,472,667
Less undisbursed funds receivable from the Board as at 30th June 2021	31,188,879
	64,283,788
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	541412
Cash and Cash Equivalents at the end of the FY 202021	64,825,200

The NGCDF-Garissa Township Constituency financial statements were approved on 25/08/2021 and signed by:



Fund Account Manager  
Name:



National Sub-County  
Accountant  
Name:  
ICPAK M/No:



Chairman NG-CDF Committee  
Name:



*Garissa Township 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(a) 2020/2021 Kshs	Adjustments(b)		Final Budget c = (a+b) 2020/2021 Kshs	Actual on comparable basis(d) 30/06/2021 Kshs	Budget utilization difference(e = c-d) Kshs	% of Utilization (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
<b>I.0 Administration and Recurrent</b>							
1.1 Compensation of employees	1,611,781	2,640,050	3,725,793	7,977,624	300,000	7,677,624	
1.2 Committee allowances	2,770,167	-	0	2,770,167	951,000	1,819,167	34
1.3 Use of goods and services	1,646,282	777,734.00	5,508,495	7,932,511	1,252,437	6,680,074	16
<b>Total</b>	<b>6,028,230</b>	<b>3,417,784</b>	<b>9,234,288</b>	<b>18,680,302</b>	<b>2,503,437</b>	<b>16,176,865</b>	
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,200,000	-	-	1,200,000	0	1,200,000	-
2.2 Committee allowances	1,800,000	-	2,300,000	4,100,000	4,100,000	-	100
2.3 Use of goods and services	912,666			912,666	-	912,666	-
<b>Total</b>	<b>3,912,666</b>	<b>-</b>	<b>2,300,000</b>	<b>6,212,666</b>	<b>4,100,000</b>	<b>2,112,666</b>	
<b>3.0 Emergency</b>	<b>7,192,207</b>	<b>-</b>	<b>8,183,172</b>	<b>15,375,379</b>		<b>477,138</b>	
3.1 Primary Schools	-	-	-	-	-	-	-
Kazuko Girls primary school PMC	-	-	-	-	2,198,241	-	-
Korakora Primary School PMC	-	-	-	-	1,200,000	-	-



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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilization (f=d/c %)
		Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements				
	Kshs		Kshs	Kshs	Kshs	Kshs	
3.2 Secondary schools	-	-	-	-			-
Boy stown Secondary School PMC	-	-	-	-	2,000,000		
Tunani Boys Secondary School PMC	-	-	-	-	3,000,000		
Yathrib Girls Sec.School	-	-	-	-	1,500,000		
3.3 Tertiary institutions	-	-	-	-			-
3.4 Security projects	-	-	-	-			-
3.5 Unutilised	-	-	-	-			-
Korakora Police PMC	-	-	-	-	5,000,000	-	
<b>Total</b>	<b>7,192,207</b>	<b>-</b>	<b>8,183,172</b>	<b>15,375,379</b>	<b>14,898,241</b>	<b>477,138</b>	
<b>4.0 Bursary and Social Security</b>							-
4.1 Secondary Schools	15,000,000	24,341,931	4,015,069	43,357,000	43,357,000	-	100
4.2 Tertiary Institutions	19,272,220	10,000,000	-	29,272,220	19,008,000	10,264,220	65
4.3 Social Security				-			-
4.4 Special Needs				-			
<b>Total</b>	<b>34,272,220</b>	<b>34,341,931</b>	<b>4,015,069</b>	<b>72,629,220</b>	<b>62,365,000</b>	<b>10,264,220</b>	
<b>5.0 Sports</b>							
5.1				-			
<b>6.0 Environment</b>							



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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilization (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>7.0 Primary Schools Projects</b>							
Iftin PRI school	3,600,000	-	-	3,600,000	-	3,600,000	
Iftin PRI school	4,000,000	-	-	4,000,000	-	4,000,000	
Kazuko girls pri school	1,000,000	-	-	1,000,000	-	1,000,000	
Nasib PRI SCH	800,000	-	-	800,000	800,000	-	
SAMBUL PRI SCH	2,000,000	-	-	2,000,000	-	2,000,000	
TUMAINI PRI SCHOOL	2,000,000	-	-	2,000,000	2,000,000	-	
YATHRIB PRI SCH	800,000	-	-	800,000	800,000	-	
ADC PRI SCH	800,000	-	-	800,000	800,000	-	
BOYSTOWN PRI SCH	800,000	-	-	800,000	800,000	-	
BOYSTOWN PRI SCH	2,000,000	-	-	2,000,000	2,000,000	-	
GARISSA PRI SCH	800,000	-	-	800,000	800,000	-	
GARISSA PRI SCH	2,000,000	-	-	2,000,000	-	2,000,000	
<b>TOTAL</b>		-	-				

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(c = c-d)	% of Utilization (f=d/c %)
		Opening Balance (C/Bl) and AIA	Previous years Outstanding Disbursements				
	2020/2021	Kshs	Kshs	2020/2021	30/06/2021	Kshs	
Kazuko Girls primary school PMC	-	-	3,000,000	3,000,000	3,000,000	-	
Boystown primary school PMC	-	-	2,500,000	2,500,000	2,500,000	-	
Yathrib Primary School PMC	-	-	1,000,000	1,000,000	1,000,000	-	
Yathrib Primary School PMC	-	-	800,000	800,000	800,000	-	
Bulla Mzuri Primary School PMC	-	-	1,500,000	1,500,000	1,500,000	-	
Bulla Mzuri Primary School PMC	-	-	1,500,000	1,500,000	1,500,000	-	
<b>total</b>	<b>20,600,000</b>	<b>-</b>	<b>10,300,000</b>	<b>30,900,000</b>	<b>18,300,000</b>	<b>12,600,000</b>	
<b>8.0 Secondary Schools Projects</b>							
BOYSTOWN SEC. SCHOOL	3,600,000	-	-	3,600,000	-	3,600,000	-
COUNTY HIGH SCHOOL	2,741,778	-	-	2,741,778	2,741,778	-	100
COUNTY HIGH SCHOOL	6,000,000	-	-	6,000,000	-	6,000,000	-
GARISSA HIGH SCHOOL	800,000	-	-	800,000	800,000	-	-



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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilization (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
GARISSA HIGH SCHOOL	3,600,000	-	-	3,600,000	-	3,600,000	-
GARISSA SPECIAL SCHOOL FOR THE DEAF	1,741,778	-	-	1,741,778	-	1,741,778	-
IFTIN GIRLS SEC. SCHOOL	800,000	-	-	800,000	800,000	-	-
SAMBUL SEC. SCHOOL	2,500,000	-	-	2,500,000	-	2,500,000	-
NEP GIRLS HIGH SCHOOL	2,500,000	-	-	2,500,000	-	2,500,000	-
NEP GIRLS HIGH SCHOOL	3,600,000	-	-	3,600,000	-	3,600,000	-
NEP GIRLS HIGH SCHOOL	800,000	-	-	800,000	800,000	-	-
SAMBUL SEC. SCHOOL	3,600,000	-	-	3,600,000	-	3,600,000	-
TETU SEC. SCHOOL	3,600,000	-	-	3,600,000	-	3,600,000	-
TUMAINI BOYS SEC. SCHOOL	6,000,000	-	-	6,000,000	-	6,000,000	-
TUMAINI BOYS SEC. SCHOOL	1,000,000	-	-	1,000,000	-	1,000,000	-
TUMAINI BOYS SEC. SCHOOL	2,500,000	-	-	2,500,000	2,500,000	-	-
UMU-SALAMA SEC. SCHOOL	800,000	-	-	800,000	800,000	-	100
UMU-SALAMA SEC. SCHOOL	2,000,000	-	-	2,000,000	-	2,000,000	-

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis (d)	Budget utilization difference (e = c-d)	% of Utilization (f=d/c %)
		Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements				
	<b>Kshs</b>		<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>	
YATHRIB GIRLS SEC. SCHOOL	800,000	-	-	800,000	800,000	-	100
YATHRIB GIRLS SEC. SCHOOL	2,500,000	-	-	2,500,000	2,000,000	500,000	80
YATHRIB GIRLS SEC. SCHOOL	3,600,000	-	-	3,600,000	-	3,600,000	-
NEP GIRLS HIGH SCHOOL	-	5,000,000	-	5,000,000	5,000,000	-	-
YATHRIB GIRLS SEC. SCHOOL	-	2,500,000	-	2,500,000	2,500,000	-	-
SAMBUL SEC. SCHOOL	-	2,500,000	-	2,500,000	2,500,000	-	-
SAMBUL SEC. SCHOOL	-	5,000,000	-	5,000,000	5,000,000	-	-
<b>Total</b>	-	-	-	-	-	-	-
Sambul Boys High School PMC	-	-	3,000,000	3,000,000	3,000,000	-	-
Nep Girls Sec. School PMC	-	-	2,500,000	2,500,000	2,500,000	-	-
Sambul Boys High School PMC	-	-	2,000,000	2,000,000	2,000,000	-	-
Sambul Boys High school PMC	-	-	2,500,000	2,500,000	2,500,000	-	-
Sambul Boys High school PMC	-	-	3,000,000	3,000,000	3,000,000	-	-
Sambul Boys High school	-	-	2,000,000	2,000,000	2,000,000	-	-



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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilization (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
PMC							
Garissa Sec.School	-	-	2,335,195	2,335,195	2,335,195	-	
Tumaini Boys Sec.School	-	-	3,000,000	3,000,000	3,000,000	-	
<b>Total</b>	-	-	-	-	-	-	
	55,083,556	15,000,000	20,355,195	90,418,751	46,576,973	43,841,778	
<b>9.0 Tertiary institutions Projects</b>							
GARISSA TTC	-	7,000,000	-	7,000,000	7,000,000	-	
<b>Total</b>	-	7,000,000	-	7,000,000	7,000,000	-	
<b>10.0 Security Projects</b>							
County Administration Police Office Complex	10,000,000			10,000,000	-	10,000,000	
<b>Total</b>	10,000,000	-	-	10,000,000	-	10,000,000	
<b>11.0 Acquisition of assets</b>							
11.1 Motor Vehicles	-			-	-	-	
11.2 Construction of CDF office	-			-	-	-	
11.3 Purchase of furniture and equipment	-			-	-	-	
11.4 Purchase of computers	-			-	-	-	
<b>Total</b>	-	-	-	-	-	-	
<b>12.0 Other payments</b>							
<b>Total</b>							
<b>13.0 unallocated fund</b>							
Unapproved projects							

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)	Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilization (f=d/c %)
	2020/2021	Opening Balance (C/Blk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	Kshs
AIA						
PMC savings		-	-			
<b>Total</b>	<b>137,088,879</b>	<b>59,759,715</b>	<b>54,367,724</b>	<b>251,216,318</b>	<b>155,743,651</b>	<b>95,472,667</b>

(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)



## **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-Garissa Township 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.

#### **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 30 June 2020 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> 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 30<sup>th</sup> 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.



XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
NGCDF Board			
AIE NO	1		55,040,876
AIE NO B047251	2		3,472,412.90
AIE NO B 047410	3		4,000,000
AIE NO B 041272	4		20,000,000
AIE NO B 047691	5		7,000,000
AIE NO B047881	6		9,000,000
AIE NO B049260	7		19,000,000
AIE NO B104282	8		9,000,000
AIE NO B 124821	1	54,367,724	
AIE NO. B124746	2	5,000,000	
AIE NO. B 124934	3	25,000,000	
AIE NO. B 119789	4	13,000,000	
AIE NO. B 128079	5	6,900,000	
AIE NO. B 128389	6	6,000,000	
AIE NO. B 132134	7	6,000,000	
AIE NO. B 138802	8	13,000,000	
AIE NO. B 126097	9	6,000,000	
AIE NO. B 126387	10	10,000,000	
AIE NO. B 140533	11	15,000,000	
<b>TOTAL</b>		<b>160,267,724</b>	<b>126,513,289</b>

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	-	-
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEIPTS**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	757,549
<b>Total</b>	<b>-</b>	<b>757,549</b>

**4. COMPENSATION OF EMPLOYEES**

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
NG-CDFC Basic staff salaries	290,400	290,400
<b>Personal allowances paid as part of salary</b>		
House Allowance	-	-
Transport Allowance	-	-
Leave allowance	-	-
Gratuity to contractual employees	-	-
Employer Contributions Compulsory national social security schemes	2,400	2,400
Employee contribution to NHIF Schemes	7,200	7,200
<b>Total</b>	<b>300,000</b>	<b>300,000</b>



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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	2020-2021	2019-2020
	Kshs	Kshs
Committee Allowances	4,100,000	3,733,772
Utilities, supplies and services	-	-
Communication, supplies and services	-	-
Office Rent	454,437	360,000
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Other committee Expenses	951,000	-
Training expenses	-	-
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	-	-
Other operating expenses	748,000	1,332,000
Fuel, Oil and Lubricants	-	400,000
Routine maintenance – vehicles and other transport equipment	-	-
Bank service commission and charges	50,000	8,740
Routine maintenance – other assets	-	-
<b>Total</b>	<b>6,303,437</b>	<b>5,834,512</b>

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools (see attached list)	18,300,000	37,000,000
Transfers to secondary schools (see attached list)	46,576,973	44,280,290
Transfers to tertiary institutions (see attached list)	7,000,000	-
<b>TOTAL</b>	<b>71,876,973</b>	<b>81,280,290</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools (see attached list)	43,357,000	6,225,000
Bursary – tertiary institutions (see attached list)	19,008,000	-
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-

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

Security projects (see attached list)		7,000,000
Sports projects (see attached list)	-	1,736,000
Environment projects (see attached list)	-	1,736,000
Emergency projects (see attached list)	14,898,241	-
<b>Total</b>	<b>77,263,241</b>	<b>16,697,000</b>

**8. ACQUISITION OF ASSETS**

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
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	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**9. OTHER PAYMENTS**

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-



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

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
Name of Bank, Account No. EQUITY BANK GARISSA A/C NO. 0580261988646	64,825,199	59,759,715
	-	-
<b>Total</b>	<b>64,825,199</b>	<b>59,759,715</b>
	-	-
<b>10B: CASH IN HAND</b>	-	-
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (specify)	-	-
	-	-
<b>Total</b>	-	-
[Provide cash count certificates for each]	-	-

11. OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
Name of Officer	dd/mm/yy	-	-	-
<b>Total</b>		-	-	-

[Include an annex if the list is longer than 1 page.]

12A. RETENTION

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-

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

Closing Retention as at 30 <sup>th</sup> June D= A+B-C	-	-
--	---	---

*[Provide short appropriate explanations as necessary.]*

**12B. GRATUITY**

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

*[Provide short appropriate explanations as necessary]*

**13. BALANCES BROUGHT FORWARD**

	2020-2021 (1 <sup>st</sup> July 2020)	2019-2020 (1 <sup>st</sup> July 2019)
	Kshs	Kshs
Bank accounts	59,759,715	37,387,706.45
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>59,759,715</b>	<b>37,387,706.45</b>

*[Provide short appropriate explanations as necessary]*

**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	59,759,715	541,412	60,301,127-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>TOTAL</b>	<b>59,759,715</b>	<b>541,412</b>	<b>60,301,127</b>

**\*\* The adjusted balances are not carried down on the face of the financial statement.  
(Entity to provide disclosure on the adjusted amounts)**



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

	2020-2021	2019-2020
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> 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 – 2019	2018 - 2019
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account receivables D= A+B-C	-	-

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	-	-
Others ( <i>specify</i> )	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	1,000,000	3,128,094
Use of goods and services	1,883,422	7,863,742
Amounts due to other Government entities (see attached list)	51,941,778	18,839,914
Amounts due to other grants and other transfers (see attached list)	10,000,000	66,830,780
Acquisition of assets	-	850,000
Others (Strategic plan)	-	512,199
Funds pending approval	-	-
<b>Total</b>	<b>64,825,200</b>	<b>98,024,729</b>



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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

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

	<b>2020-2021</b>	<b>2019-2020</b>
	<b>Kshs</b>	<b>Kshs</b>
PMC account balances	Nil	Nil
	Nil	Nil

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

**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	
<b>Construction of buildings</b>					
1.					
2.					
3.					
Sub-Total					
<b>Construction of civil works</b>					
4.					
5.					
6.					
Sub-Total					
<b>Supply of goods</b>					
7.					
8.					
9.					
Sub-Total					
<b>Supply of services</b>					
10.					
11.					
12.					
Sub-Total					
Grand Total					



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

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

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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

**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		7,677,624	2,640,050	Pending disbursement
Use of goods & services		10,611,907	777,784	Pending disbursement
<b>Total</b>		<b>16,176,865</b>	<b>3,417,784</b>	Pending disbursement
<b>Amounts due to other Government entities</b>				
Iftin PRI school		3,600,000		
Iftin PRI school		4,000,000		
Kazuko girls pri school		1,000,000		
SAMBUL PRI SCH		2,000,000		
GARISSA PRI SCH		2,000,000		
BOYSTOWN SEC. SCHOOL		3,600,000		
COUNTY HIGH SCHOOL		6,000,000		
GARISSA HIGH SCHOOL		3,600,000		
GARISSA SPECIAL SCHOOL FOR THE DEAF		1,741,778		
SAMBUL SEC. SCHOOL		2,500,000		
NEP GIRLS HIGH SCHOOL		2,500,000		
NEP GIRLS HIGH SCHOOL		3,600,000		
SAMBUL SEC. SCHOOL		3,600,000		
TETU SEC. SCHOOL		3,600,000		
TUMAINI BOYS SEC. SCHOOL		6,000,000		
TUMAINI BOYS SEC. SCHOOL		1,000,000		
UMU-SALAMA SEC. SCHOOL		2,000,000		
YATHRIB GIRLS SEC. SCHOOL		500,000		
YATHRIB GIRLS SEC. SCHOOL		3,600,000		
BOYSTOWN SEC. SCHOOL		3,600,000		
COUNTY HIGH SCHOOL		6,000,000		
GARISSA HIGH SCHOOL		3,600,000		
GARISSA SPECIAL SCHOOL FOR THE DEAF		1,741,778		
<b>Sub-Total</b>		<b>56,441,778</b>	<b>22,000,000</b>	
<b>Amounts due to other grants and other transfers</b>				
County Administration Police Office Complex		10,000,000		
Tertiary Institutions		10,264,220		



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

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Emergency		477,138		
	Sub-Total	20,741,358	34,341,931	
	Grand Total	95,472,667	59,759,715	

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

**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				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	850,000			850,000
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>850,000</b>			<b>850,000</b>



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

**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
YATHRIB PRI SCHOOL PMC	EQUITY BANK	0580277820801	-	-
BOYSTOWN PRI SCHOOL PMC	EQUITY BANK	0580280201980	-	-
TUMAINI SEC. SCHOOL PMC	EQUITY BANK	0580277745942	-	-
YATHRIB GIRLS SEC. SCHOOL	EQUITY BANK	0580279373703	-	-
SAMBUL SEC. SCHOOL PMC	EQUITY BANK	0580280034318	-	-
GARISSA SPECIAL FOR DEAF	EQUITY BANK	0580275946435	-	-
NEP GIRLS SEC. SCHOOL	EQUITY BANK	0580279910644	-	-
KAZUKO GIRLS PRI SCHOOL PMC	EQUITY BANK	0580279729868		
KORAKORA PRI SCHOOL PMC	EQUITY BANK	0580279426959		
Total			Nil	Nil

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

**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)
GSA/TOWNSHIP/ INSP/CDF/7/VOL 1(21)	a) Under expenditure on overall Budget	This was due to delays in funding of the A.I.Es from the NG-CDFB.	Resolved	30/06/2021
	b) Project Implementation and management	Ensures timely disbursement of funds	Resolved	30/06/2021
	c) Award of contract for primary school projects ksh 7,100,000	The projects in questions were complete and the documents which were missing during the audit review were availed for verification.	Resolved	30/06/2021
	d) Unsupported Bursary expenditure ksh 2,039,000	The acknowledgement letters file availed for verification.	Resolved	30/06/2021
	e) Unaccounted for fuel ksh 400,000	The copies of work tickets, delivery notes and detailed orders which were missing during the Audit review were availed for verification	Resolved	30/06/2021
	f) Unaccounted for Committee Expenses ksh 750,000	The missing documents during the exercise were availed for verification	Resolved	30/06/2021



*Garissa Township Constituency  
National Government Constituencies Development Fund (NGCCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

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)
	g) Unreconciled deficit variance	The Variance has been reconciled and availed for verification	Resolved	30/06/2021