

REPUBLIC OF KENYA



Enhancing Accountability

REPORT THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 15 MAR 2023

DAY:

TABLED
OF

Hon. Samuel Chepkonga, MP
on behalf of Majority leader

CLERK-AT
THE-TABLE:

Christine Ndindi

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – EMGWEN CONSTITUENCY**

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



EMGWEN CONSTITUENCY
NATIONAL GOVERNMENT CONSTITTUENCIES 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)

***EMGWEN 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
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 Emgwen 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	Wesley Maina
2.	Sub-County Accountant	Collins Nundu
3.	Chairman NGCDFC	Shadrack Rotich
4.	Member NGCDFC	Julius Maiyo

(d) Fiduciary Oversight Arrangements

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

NGCDF OFFICE BUILDING
P.O. Box 1215
Kapsabet.
Nandi, KENYA

(f) Emgwen Constituency NGCDF Contacts

Telephone: (254) 721885464
E-mail: cdfemgwen@ngcdf.go.ke
Website: www.go.ke

(g) Emgwen Constituency NGCDF Bankers

Equity Bank
A/c No:0490297850306
Branch Kapsabet

(h) Independent Auditors

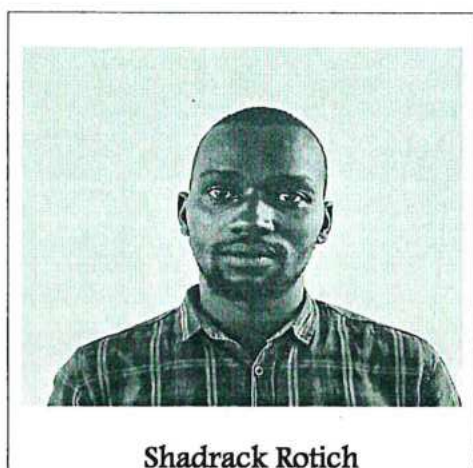
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

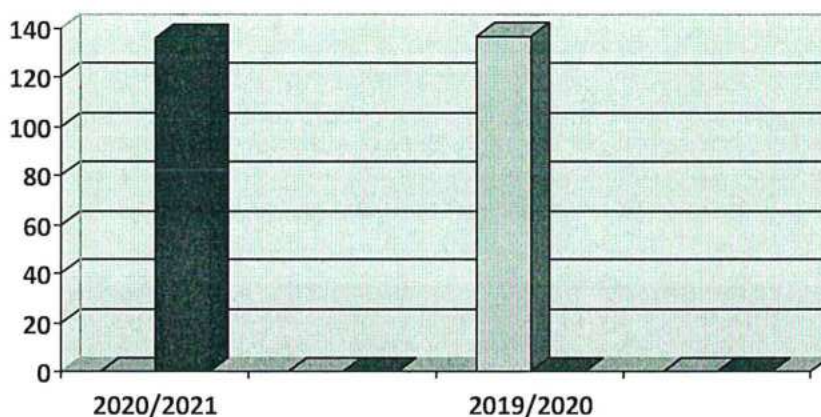
II. NG-CDFC CHAIRMAN’S REPORT

Include among others the following:



During the year ,the constituency was allocated a total of Kshs 137,088,879.31 which was less than the previous f/y .

On receipts of the above allocations Emgwen National Government Constituency Development Fund Committee (NGCDFC) pursuant to the provision of the National Government CDF Act 2015, As amended in 2016, had allocated funds to various projects with reference to the priorities of the public participation meeting held across the constituency. However, during the f/y we received 80 % of the allocation equivalent to Kshs 92,000,000 plus Kshs57,367,724 and 400,000 being the allocation for 22019/2020 and 2017/2018 , however this funds were disbursed to their respective projects.

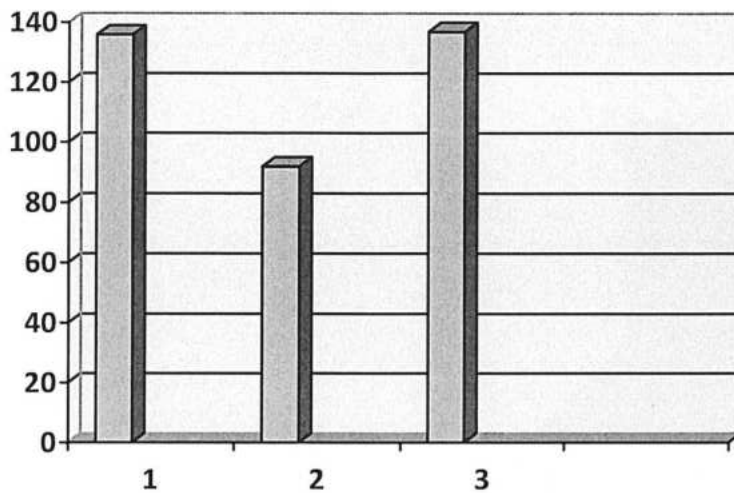


e

Sector Prioritization

Total allocation received during the f/y 2020/2021 is Kshs 149,767,724 of which Kshs 66,480,000 was allocated as transfer to other Government units which consist of transfer to primary school and secondary schools. However other grants and transfer is Kshs 43,664,235 which consists of Emergency ,Tertiary institution ,Environment, Bursary .other allocation consist of administration –committee expenses, goods and services, m& c –goods and services , committee expenses and compensation of employee

Summary of the budget of performance against actual amounts for current year based on economic classification and programmes.

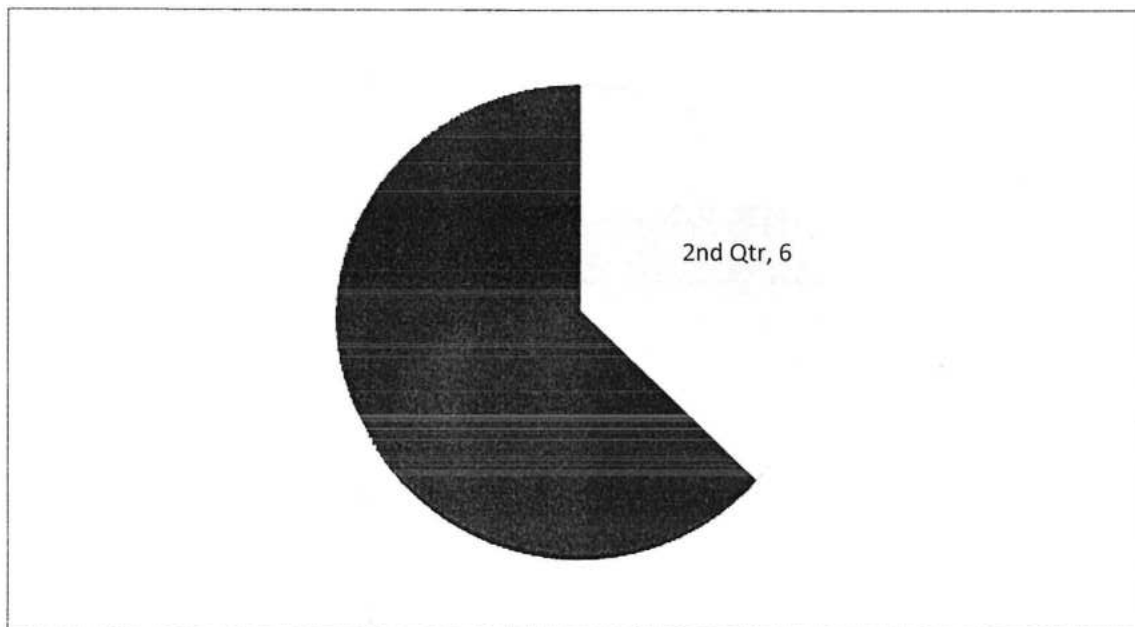


1 unit represent kshs 1,000,000

Key

1. Original Budget Allocation F/Y 2019/2020
2. Total Allocation Received during the f/y
3. Total Actual on Comparable Basis i.e The Total Funds Allocated during the year was implemented at 75.1% comparatively plus the last disbursement of f/y 2019/2020

FY 2020/2021 COMPARED TO FY 2019/2020
ALLOCATION



Key

1. Showing almost equal allocation for the two f/y

KEY ACHIEVEMENTS IN THE FINANCIAL YEAR 2020/2021

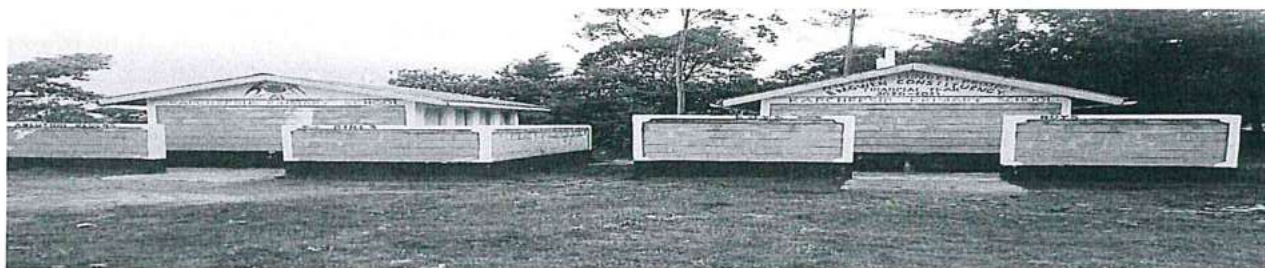


FIG 1.1 Kapchepsir Primary School construction of 2 pit latrines with 8 doors each was funded by NGCDF Emgwen Constituency in FY 2020/2021 through a normal funding to enhanced better learning environment.



FIG 1.2 Kosgey Irimis Primary School Renovations of 9no of classrooms was funded by NGCDF Emgwen Constituency in FY 2020/2021 through a normal funding to enhanced better learning environment.

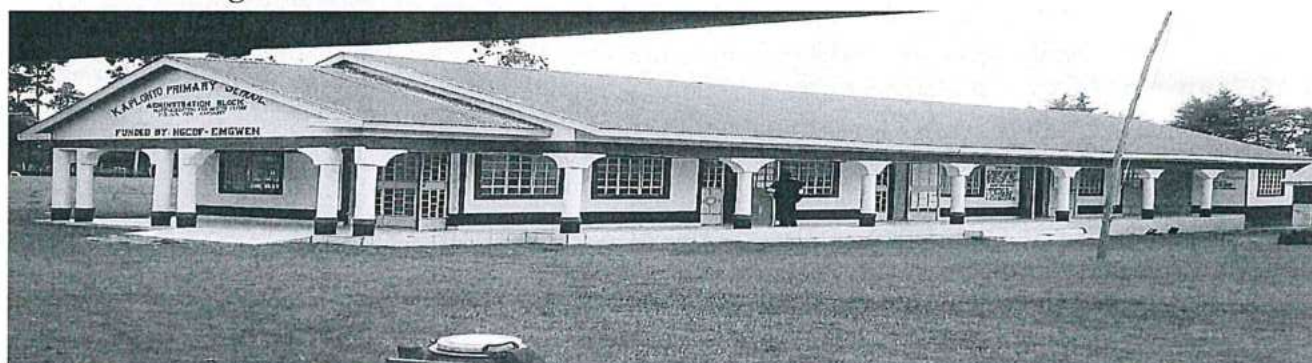


FIG 1.3 Kaplonyo Primary School Construction of 8 roomed school Administration block was funded by NGCDF Emgwen Constituency in FY 2020/2021 through a normal funding to enhanced better learning environment.

Sign: 

CHAIRMAN NGCDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED 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.

Emgwen is a constituency whose latent for growth is promising. The constituency stands feet high on the potent of the capable constituents, its geographical location and the existence of natural resources. The recognition of its potential development and growth majorly depends on its process of planning for and regulating physical and economic development that capitalizes on reliable opportunities and prudent financial and administrative threads.

In underscoring the planning of the constituency, the National Government Constituency Development Fund Committee (NG-CDFC) in its strategic plan (2018-2023) outlined key strategic objectives that were to be used to spur development in the constituency. The plan sort to contribute towards the identification of how and where development programmes identified will be implemented especially in the economic activities with special focus on marketing and value addition, improved social infrastructure on road development and improved governance. It was anticipated that this will help in achieving food security, improved quality of education, health care for all, expanded access to ICT and environmental conservation among others.

The key development objectives of NGCDF-EMGWEN Constituency's 2018 - 2022 plan are to:

In underscoring the above, the key development objectives of NGCDFC-Emgwen Constituency's 2018-2022 plan included but not limited to;

Strategic Area One: Education

Objective: Become a national model for education by improving schools infrastructure, improving performance, reducing dropout rates and increasing primary, secondary and higher education transition rates.

Initiative: Develop and enhance schools infrastructure to enhance facilities and provide conducive learning environment for children.

Initiative: Enhance and develop social programmes that support education within the constituency.

Strategic Area Two: Water and Environment

Objective: Improve access to clean water and a more sustainable and conserved environment in Emgwen through natural resources conservation initiatives

Initiative: Initiate and enhance conservation programs within the constituency

Initiative: Water and Sanitation: To ensure water sustainability in the Constituency

Strategic Area Three: Security

Objective: Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery and make the constituency secure

Initiative: Improving infrastructure and service delivery

Strategic Area Four: Sports

Objective: Empower and develop youth and special groups to reduce dependence and

spur economic growth through sports Initiative: Develop and empower youth and special groups through sports.

Strategic Area Five: Information Communication and Technology (ICT)

Objective: Enhance access to information and technology by Emgwen residents and use ICT to enhance service delivery and spurring development.

Initiative: Enhancement of infrastructure and accessibility of ICT resources in the constituency.

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels	In FY 20/21 we increased number of classrooms, dormitories, laboratories etc from ... to... in the following schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	Equip, facilitate and enhance capacity of provincial administration and other security organs in order to improve service delivery	Develop and enhance provincial administration and other security organs infrastructure to enhance service delivery	Number of usable physical infrastructure built in locations, sub locations and fencing of police stations	Number of renovated chiefs' offices increased from 2 to 4 Number of assistant chiefs' offices increased from 1 to 5
Environment	Improve access to clean toilet and a more sustainable and conserved environment through natural resources conservation	Construction of pit latrines to promote access to clean environment Equip schools and public facilities with sanitation	Number of pit latrines	Number of pit latrines increased from 0 to 16

	initiatives facilities			
Sports	Empower and develop youth and special groups to	Reduced dependence and spur economic growth through sports	Number of youth groups benefitting from the sports programm	Number of youth groups benefitting from the sports programme increased from 30 to 50 Information
Emergency				

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** EMGWEN 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

Environment Policy and Action Plan Protection of the environment in which we live and operate is part of Emgwen NG-CDF initiatives Care for the environment is one of our key responsibilities and an important aspect in the way in which carry out our operations.

3. Our Environmental Policy

In this policy statement Emgwen NG-CDF commits to:

- Comply with all relevant environmental legislation, regulations and approved codes of practice
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Seeking to keep wastage to a minimum and maximize the efficient use of materials and resources
- Managing and disposing of all wastage in a responsible manner;
- Providing training for our CDFC and staff so that we all work in accordance with this and within an environmentally aware culture
- Regularly communicating our environmental performance to our employees and other significant stakeholders
- Developing our management processes to ensure that environmental factors are considered during planning and implementation

4. Employee welfare

We invest in providing the best working environment for our employees. EMGWEN 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. EMGWEN 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.

5. Market place practices-

EMGWEN 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

6. Community Engagements-

Emgwen NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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

Public Awareness

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

EMGWEN 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-EMGWEN 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-EMGWEN Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- EMGWEN 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 EMGWEN 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- EMGWEN Constituency financial statements were approved and signed by the Accounting Officer on _____ 2021.



Chairman NGCDF Committee

Name: SHADRACH RUTHI



Fund Account Manager

Name: WELLY MUMU

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
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Anniversary Towers
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P.O. Box 30084-00100
NAIROBI

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

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 – Emgwen Constituency set out on pages 16 to 63, which comprise of the statement of assets and liabilities as at 30 June, 2021, and the

Report of the Auditor-General on National Government Constituencies Development Fund - Emgwen Constituency for the year ended 30 June, 2021

statement of receipts and payments, statement of cash flows and the summary statement of appropriation for the year then ended, and 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 – Emgwen Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Financial Management Act, 2012.

Basis for Qualified Opinion

1.0 Misclassification of Expenditure

The statement of receipts and payments reflects use of goods and services amount of Kshs.14,655,438 as disclosed in Note 5 to the financial statements. The amount includes training and other operating expenses amounts of Kshs.2,931,000 and Kshs.2,151,000 respectively. However, review of documents in support of the expenditure revealed that the expenditures relate to other Committee expenses.

In the circumstances, the expenditure was charged to wrong account and Management has not fairly presented and disclosed the expenditure in the financial statements.

2.0 Unsupported Expenditure on Use of Goods and Services

The statements of receipts and payments reflects use of goods and services amount of Kshs.14,655,438 as disclosed in Note 5 to the financial statements which include communication, supplies and services amount of Kshs.270,000. However, payment vouchers were not provided for audit review.

In the circumstances, accuracy and completeness of communication, supplies and services amount of Kshs.270,000 could not be confirmed.

3.0 Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.32,721,813 as disclosed in Note 10A to the financial statements. Review of bank reconciliation statement revealed that payments totalling to Kshs.20,653,157 were in the cash book but were not recorded in bank statement representing unrepresented cheques out of which Kshs.2,687,301 were stale as at 30 June, 2021 and had not been reversed in the cash book.

Further, the bank reconciliation statement revealed that payment totalling Kshs.63,038 were recorded in bank statement but not in cash book. The payments related to bank charges not posted in the cash book.

In the circumstance, the accuracy and completeness of cash and cash equivalents balance of Kshs.32,721,813 could not be confirmed.

4.0 Unsupported Project Management Committee (PMC) Bank Balances

Note 17.4 to the financial statements and Annex 5 reflect Project Management Committee (PMC) bank balances totalling to Kshs.18,137,879. However, cash books, bank balance certificates, bank statements and bank reconciliation statements for the accounts were not provided for audit. Further, seventy-one (71) Projects received funding during the year under review. However, Annex 5 to the financial statements reflects forty four (44) PMC account balances and the annexure is incomplete.

In the circumstance, the accuracy and completeness of the PMC bank account balances of Kshs.18,137,879 could not be confirmed.

5.0 Unutilized Funds

The summary statement of appropriation and budget execution by sectors and Projects reflect budget utilization difference amount of Kshs.89,810,692. However, Note 17.3 to the financial statements reflects unutilized funds balance of Kshs.85,521,642 resulting to variance of Kshs.4,289,050 which was not reconciled. Further, recasting of balances in Note 17.3 revealed a total of Kshs.73,015,251 instead of Kshs.85,521,642 reflected. In addition, Annex 3 on unutilized funds reflects total amount of Kshs.80,772,575, while recasting of the amounts result in a total of Kshs.74,758,679.

In the circumstances, the accuracy and completeness of unutilized funds balance of Kshs.85,521,642 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 – Emgwen 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

1.0 Budgetary Control and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.216,453,993 and Kshs.159,365,114 respectively resulting in under-funding of Kshs.57,088,879 or 26 % of the budget. Similarly, the Fund expended an amount of Kshs.126,643,301 against an approved budget of Kshs.216,453,993 resulting in an under-expenditure of Kshs.89,810,692 or 41% of the approved budget.

The under-funding and under-expenditure affected the planned activities and impacted negatively on service delivery to the residents of Emgwen Constituency.

2.0 Prior Year Matters

In the audit report of the previous year, several paragraphs were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, the Management has not resolved the issues nor given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates

3.0 Projects Implementation Status

During the financial year under review, the Fund had an approved budget of Kshs.149,099,956 for implementation of one hundred and five (105) projects out of which an amount of Kshs.74,649,000 was disbursed for implementation of seventy (70) projects. The balance of thirty-five (35) projects with a budget of Kshs.74,450,956 were not funded. Further, physical verification of the projects revealed that six (6) projects with a total budget of Kshs.9,500,000 were partially complete.

Failure to fund and complete projects denied the residents of Emgwen Constituency the envisioned benefits.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1.0 Procurement of Security Projects

The statement of receipts and payments reflects other grants and transfers amount of Kshs.45,064,235 as disclosed in Note 7 to the financial statements. The amount includes expenditure on security projects of Kshs.2,100,000 which further includes expenditure for the construction of Kiminda Chief's Office at a sum of Kshs.1,300,000. However, the contract, tender documents, appointment letters of tender opening, Evaluation and Inspection and Acceptance Committees, advertisement, tender opening register, minutes of the tender opening, evaluation reports, notification of award, acceptance letter, notification to unsuccessful bidders and signed professional opinion, bank statements, cashbook, certified payment interim certificates and Project Implementation Committee progress reports were not provided for audit.

2.0 Non-Compliance with Public Procurement and Disposal Act, 2015

Other grants and transfers balance also includes an expenditure of Kshs.800,000 for the construction of 6 rooms - Kapsabet Township Chief's Office. Review of the procurement documents revealed that the tender opening minutes were signed by three (3) members out of eight (8) members present contrary to Section 78(11) of the Public Procurement and Asset Disposal Act, 2015. The eight (8) Tender Opening Committee Members were also in the Evaluation Committee contrary to Section 78 (1)(b) of Public Procurement and Asset Disposal Act, 2015.

Further, the tender advertisement required bidders to attach completion certificates for the previous works. However, the Company recommended by the Evaluation Committee and awarded the contract did not include completion certificates for the previous works done. In addition, signed contract document, notifications to the four (4) unsuccessful bidders and signed professional opinion were not provided for audit.

The contractor accepted the offer on 6 June, 2019 while letter of notification of award was dated 10 June, 2019, an indication of inconsistencies in the award process.

In the circumstances, the appropriateness of the procurement process for the project could not be confirmed.

3.0 Bursary to Secondary and Tertiary Institution

The other grants and transfers amount includes bursary for secondary and tertiary schools of Kshs.22,21,235 and Kshs.12,184,000 respectively. However, list of beneficiaries, acknowledgement in form of receipts and acknowledgement letters from the institutions were not provided for audit. Further, the Fund does not maintain current/updated database of secondary schools, colleges and universities registered by the Ministry of Education to ascertain whether the students who applied for bursary are in the registered institutions.

In addition, the Bursary Appraisal Committees did not confirm from the institutions if the bursary applicants had received funding from other sources. The criteria on how the needy students were identified was not disclosed.

In the circumstances, Management did not follow the procedures for award of the bursary and was in breach of the law.

4.0 Emgwen Vocational Training College

The statement of receipts and payments reflects transfers to other Government units amount of Kshs.65,080,000, which includes expenditures on transfers of title deeds for three parcels of land, numbers 147,148 and 881 to Emgwen Technical and Vocational College, fencing of two (2) acres of land, purchase of concrete posts, installation of main gate with sentry and construction of three (3) flush toilets of Kshs.1,380,000, Kshs.800,000, Kshs.500,000, Kshs.300,000 and Kshs.400,000 respectively. Review of the supporting documents for the expenditure revealed anomalies noted below:

- (i) The fencing was not complete.
- (ii) The main gate was installed without the sentry flash toilets.
- (iii) The analysis of previous payments and outstanding balance was not provided for audit.
- (iv) The title deed was not provided to show ownership of the land had been transferred to Emgwen Technical and Vocational College.

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


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

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

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

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

I also provide Management with a statement that I have complied with relevant ethical requirements regarding independence, and 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

04 October, 2022

*Emgwen 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
RECEIPTS			
Transfers from NGCDF Board	1	149,767,724	126,929,925
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		149,767,724	126,929,925
PAYMENTS			
Compensation of employees	4	1,843,628	1,669,530
Use of goods and services	5	14,655,438	16,638,078
Transfers to Other Government Units	6	65,080,000	69,500,000
Other grants and transfers	7	45,064,235	38,552,152
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		126,643,301	126,359,760
SURPLUS/DEFICIT		23,124,423	570,165


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



Fund Account Manager
Name: *Wesley Mwangi*



National Sub-County
Accountant
Name: *Collins Mwendu*
ICPAK M/No: *16554*



Chairman NG-CDF Committee
Name: *SHADRACK ROTICH*

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	32,721,813	9,597,390
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		32,721,813	9,597,390
Accounts Receivable			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		32,721,813	9,597,390
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
NET FINANCIAL SSETS		32,721,813	9,597,390
REPRESENTED BY			
Fund balance b/fwd 1st July...		9,597,390	9,027,225
Prior year adjustments	14	-	
Surplus/Defict for the year		23,124,423	570,165
NET FINANCIAL POSITION		32,721,813	9,597,390


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



Fund Account Manager
 Name: Wesley main.



National Sub-County
 Accountant
 Name: COLLINS NWANO
 ICPAK M/No: 16554



Chairman NG-CDF Committee
 Name: SHADRACH POTIT


Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
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STATEMENT OF CASHFLOW

		2021- 2020	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	149,767,724	126,929,925
Other Receipts	3	-	-
		149,767,724	126,929,925
Payments for operating activities			
Compensation of Employees	4	1,843,628	1,669,530
Use of goods and services	5	14,655,438	16,638,078
Transfers to Other Government Units	6	65,080,000	69,500,000
Other grants and transfers	7	45,064,235	38,552,152
Other Payments	9	-	-
		126,643,301	126,359,760
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	-
Net cash flow from operating activities		23,124,423	570,165
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		23,124,423	570,165
Cash and cash equivalent at BEGINNING of the year	10	9,597,390	9,027,225
Cash and cash equivalent at END of the year		32,721,813	9,597,390

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


Fund Account Manager
 Name: *high name*


National Sub-County
Accountant
 Name: *COLLINS NUNDA*
 ICPAK M/No: *16554*


Chairman NG-CDF Committee

Name: *SHADDACK ROUCH*

**Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
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IX. SUMMARY STATEMENT OF APPROPRIATION

Receipt/Expense Item	Original Budget	Opening Balance (C/Bk) and AIA	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS			Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879	9,597,390	69,767,724	216,453,993	159,365,114	57,088,879	73.6%
Proceeds from Sale of Assets				-	-	-	0.0%
Other Receipts				-	-	-	0.0%
TOTAL RECEIPTS	137,088,879	9,597,390	69,767,724	216,453,993	159,365,114	57,088,879	73.6%
PAYMENTS							
Compensation of Employees	2,985,333		1,519,362	4,504,695	1,843,628	2,661,067	40.9%
Use of goods and services	9,352,666	2,814,786	1,200,000	13,367,452	14,655,438	(1,287,986)	109.6%
Transfers to Other Government Units	75,406,750		56,718,117	132,124,867	65,080,000	67,044,867	49.3%
Other grants and transfers	49,344,130	6,782,604	10,330,245	66,456,979	45,064,235	21,392,744	67.8%
Acquisition of Assets				-	-	-	0.0%
Other Payments				-	-	-	0.0%
TOTAL	137,088,879	9,597,390	69,767,724	216,453,993	126,643,301	89,810,692	58.5%
	0	-	-	0	32,721,813	(32,721,813)	

***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 project*


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

- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]
- i. On Receipts, the total Receipts from the NGCDF Board is 73.6 % which is due to a Total Fund which was planned in September 2019 for proposal submission of kshs 137,088,879.31
 - ii. Compensation of Employee is 40.9%, due to minimum number of staff from the previous years
 - iii. Use of goods and services 109.6%, there was awaiting of funds from the board for the last allocation
 - iv. Transfer to other government units 49.3% ,there was awaiting of funds from the board for the last allocation
 - v. Other Grants and transfer 67.8% ,there was awaiting of funds from the board for the last allocation
 - vi. There was no acquisition of assets for this financial year.

The NGCDF-EMGWEN Constituency financial statements were approved on _____ 2021 and signed by:



Fund Account Manager
Name: *WSPY MUMI*



Sub-County Accountant
Name: *COLLINS NUNDA*
ICPAK Member Number: *16554*

*Emgwen 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	89,810,692
Less undisbursed funds receivable from the Board as at 30th June 2021	57,088,879
	32,721,813
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 202021	32,721,813

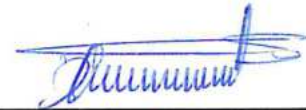
The NGCDF-EMGWEN Constituency financial statements were approved on _____ 2021 and signed by:



Waziyi Mwan...
Fund Account Manager
Name: *[Signature]*
9-9-9-9



National Sub-County
Accountant
Name: *Colinus Mwan...*
ICPAK M/No: *16554*



Chairman NG-CDF Committee
Name: *STADDAK ROTICH*

*Emgwen 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)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2020/2021			2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	2,985,333		1,519,363	4,504,696	1,843,628	2,661,068	
1.2 Committee allowances	4,000,000		1,200,000	5,200,000	6,149,400	(949,400)	118
1.3 Use of goods and services	1,240,000	814,786		2,054,786	2,133,038	(78,252)	104
Total	8,225,333	814,786	2,719,363	11,759,482	10,126,066	1,633,416	
2.0 Monitoring and evaluation							
2.1 Capacity building	1,000,000	1,000,000		2,000,000		2,000,000	-
2.2 Committee allowances	2,300,000	1,000,000		3,300,000	6,373,000	(3,073,000)	193
2.3 Use of goods and services	812,666			812,666		812,666	-
Total	4,112,666	2,000,000	0	6,112,666	6,373,000	(260,334)	
3.0 Emergency	7,192,206		2,000,000	3,492,206		3,492,206	
3.1 Primary Schools							
mosobecho primary school				300,000	300,000	-	-

**Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
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Kipsotoi primary school					300,000	300,000	-	
A.I.C Kapkobai Primary school					1,000,000	1,000,000	-	
I.P.A Kaimosi Primary school					300,000	300,000	-	
A.I.C Olangata Academy					600,000	600,000	-	
Burende Hills Primary School					400,000	400,000	-	
Kiropket Primary School					250,000	250,000	-	
Kabongwa Primary school					300,000	300,000	-	
A.i.c Chelliit Academy					1,500,000	1,500,000	-	
kapsombeiywo Primary School					250,000	250,000	-	
Mugunya Primary School					500,000	500,000	-	
Total	7,192,206	-	2,000,000	9,192,206	5,700,000	3,492,206		
4.0 Bursary and Social Security								
4.1 Secondary Schools	17,718,368	105,577	2,747,361	20,571,306	22,211,235	(1,639,929)	108	
4.2 Tertiary Institutions	15,691,778			15,691,778	12,184,000	3,507,778	78	
4.4 Special Needs	3,800,000			3,800,000	1,100,000	2,700,000	29	
Total	37,210,146	105,577	2,747,361	40,063,084	35,495,235	4,567,849		
5.0 Sports								
5.1	2,741,778			2,741,778		2,741,778	-	
Total	2,741,778	-	0	2,741,778	-	2,741,778		
6.0 Environment								
			3,482,883	3,482,883		3,482,883		

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

6.1 kipkeibon Secondary school	500,000				500,000	500,000	-	
6.2 Emgwen Technical Training Institute	500,000				769,000	(769,000)		
6.3 Tulon Primary School	500,000				500,000	500,000		
Kiminda Chiefs Office	200,000				200,000	200,000		
Total	1,700,000	-	3,482,883	5,182,883	1,769,000	3,413,883		
7.0 Primary Schools Projects								
chebongei primary school			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Mogoiywo Hill Primary School			1,200,000	1,200,000	1,200,000	1,200,000	-	100
Chepkoiyo Primary School			1,200,000	1,200,000	1,200,000	1,200,000	-	100
St Patrick Chepsonoi Primary School			500,000	500,000	500,000	500,000	-	100
Sirwa Yala Primary School			1,200,000	1,200,000	1,200,000	1,200,000	-	100
Ac Tegat Primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Tebesomik Primary School			2,400,000	2,400,000	2,400,000	2,400,000	-	100
Kiminda Primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Kapkangani Primary school			500,000	500,000	500,000	500,000	-	100
meswo Primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Kosgei Irimis Primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Kabiret primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Kabongwa Primary School			1,200,000	1,200,000	1,200,000	1,200,000	-	100
Kapchepsir Primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100
Kaplonyo Primary School			1,000,000	1,000,000	1,000,000	1,000,000	-	100

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

Kapnyeberai Primary School					1,000,000			-	
Kapnyeberai primary school				700,000	700,000		700,000	-	100
Kiplolok primary school				300,000	300,000		300,000	-	100
kipsofoi primary school				2,000,000	2,000,000		2,000,000	-	100
kiplenden primary school				1,000,000	1,000,000		1,000,000	-	100
kiptilalon primary school				600,000	600,000		600,000	-	100
lutiet primary school				1,000,000	1,000,000		1,000,000	-	100
Ngomwo primary school				1,000,000	1,000,000		1,000,000	-	100
Ngomwo primary school				300,000	300,000		300,000	-	100
PR Misoi Kapsirichoi Primary School				1,000,000	1,000,000		1,000,000	-	100
ST Georges Kabitirsang Academy				1,000,000	1,000,000		1,000,000	-	100
St Roberts Arwos Primary				10,000,000	10,000,000		10,000,000	-	-
Ipa primary school			1,000,000		1,000,000			1,000,000	-
Kabaskel primary school			1,200,000		1,200,000			1,200,000	-
Terige Primary school			1,000,000		1,000,000			1,000,000	-
Emdin primary School			1,000,000		1,000,000			1,000,000	-
Kipture Primary School			1,000,000		1,000,000			1,000,000	-
Mberia Toleltany primary school			1,000,000		1,000,000			1,000,000	-
Ac Togat Primary School			3,000,000		3,000,000		3,000,000	-	100
Tiryo Primary School			1,000,000		1,000,000		1,000,000	-	100
Kapkaogaon Primary school			1,000,000		1,000,000			1,000,000	-

**Emgwen Constituency
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Kiptamuk Primary school	1,000,000				1,000,000		1,000,000		
Kapkesengin Primary School	1,000,000				1,000,000		1,000,000		
Mosobecho Primary School	1,000,000				1,000,000		1,000,000		
St. Marys Sugut Primary School	1,000,000				1,000,000		1,000,000		
Kapsabet Township Primary School	2,000,000				2,000,000		2,000,000		
Ac Togat Primary School	700,000				700,000	700,000	-		100
St. Roberts Arwos Primary School	5,000,000				5,000,000		5,000,000		
kaptendon primary school	1,000,000				1,000,000	1,000,000	-		100
Kaboen Primary School	1,000,000				1,000,000		1,000,000		
Katanin Primary School	1,000,000				1,000,000		1,000,000		
Kipkeibon Primary School	2,000,000				2,000,000	2,000,000	-		100
Aic Olangata Primata school	1,200,000				1,200,000	1,200,000	-		100
Aic Cheribisi Academy	1,000,000				1,000,000		1,000,000		
St Roberts Arwos Primary school	2,000,000				2,000,000		2,000,000		
Kiptilalon Primary School	1,000,000				1,000,000	1,000,000	-		100
Ngomwo primary school	1,000,000				1,000,000	1,000,000	-		100
Pr Misoi Kapsirichoi Primary school	1,200,000				1,200,000		1,200,000		
Chepkoiyo Primary School	1,200,000				1,200,000		1,200,000		
St Georges Kabirsang Academy	1,200,000				1,200,000		1,200,000		
Burende Hills Primary school	400,000				400,000		400,000		
Kabwareng Primary school	400,000				400,000		400,000		

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SDA Tendwet Primary School	300,000			300,000	300,000	-	
Kaptendon Primary School	1,000,000			1,000,000	1,000,000	-	
Chebarus Border Primary School	400,000			400,000	400,000	-	
total	40,200,000	-	36,100,000	76,300,000	37,000,000	39,300,000	
8.0 Secondary Schools Projects							
Holy Rosary Girls High school- Koibem	2,000,000			2,000,000	2,000,000	100	
Kabikwen secondary School	1,000,000			1,000,000	1,000,000	100	
Chepkumia Secondary School	2,000,000			2,000,000	2,000,000		
St.Mary's Kapchorwa Secondary School	600,000			600,000	600,000	100	
Kipkeibon secondary School	2,000,000			2,000,000	2,000,000	100	
Songoliet Secondary school	1,000,000			1,000,000	1,000,000	100	
Barngetuny Secondary School	400,000			400,000	400,000	100	
Kapkagaon secondary school	1,000,000			1,000,000	1,000,000	-	
Ndubeneti Secondary School	250,000			250,000	250,000	-	
Tiryo Secondary school	600,000			600,000	600,000	100	
Holy Rosary Girls - Koibem	7,452,250			7,452,250	7,452,250	-	
Kabirsang Secondary School	7,452,250			7,452,250	7,452,250	-	
St.Barnabas Togat Secondary School	7,452,250			7,452,250	7,452,250	-	
Chepkumia Secondary School		1,000,000		1,000,000	1,000,000	100	
Holy Rosary Secondary School		1,000,000		1,000,000	1,000,000	100	
Kipsotoi Secondary School		2,000,000		2,000,000	2,000,000	-	

**Emgwen Constituency
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Fr.Kuhn Mixed Secondary School			2,000,000	2,000,000	2,000,000	-	100
Kiborgok Mixed Secondary School			2,000,000	2,000,000	2,000,000	-	100
St.Barnabas Togat Secondary School			1,600,000	1,600,000	1,600,000	-	100
Kipsofoi Secondary School			2,000,000	2,000,000	2,000,000	-	100
Kipkeibon secondary School			400,000	400,000	400,000	-	100
A.i.c Kapchemoiwo Secondary School			2,000,000	2,000,000	2,000,000	-	100
Kapkagaon Secondary School			1,000,000	1,000,000	1,000,000	-	100
Kipsigak Secondary School			2,000,000	2,000,000	2,000,000	-	100
Tiryo Secondary School			1,000,000	1,000,000	1,000,000	-	100
Tulon Secondary School			1,100,000	1,100,000	1,100,000	-	100
Total	33,206,750		19,100,000	52,306,750	26,700,000	25,606,750	1,900
9.0 Tertiary institutions Projects							
Emgwen Technical Training Institute		2,000,000	1,518,117	3,518,117	1,380,000	2,138,117	39
Total	2,000,000	-	1,518,117	3,518,117	1,380,000	2,138,117	
10.0 Security Projects							
Tulon Chiefs Office		500,000		500,000		500,000	
kapsabet township chiefs office			800,000	800,000	800,000	-	
kiminda chiefs office			1,300,000	1,300,000	1,300,000	-	
Total	500,000	-	2,100,000	2,600,000	2,100,000	500,000	81
11.0 Acquisition of assets							
11.1 Motor Vehicles		0	0	-	-	-	-
11.2 Construction of CDF office		0	0	-	-	-	-

**Emgwen Constituency
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11.3 Purchase of furniture and equipment	0			0	-				
11.4 Purchase of computers	0			0	-				
Total	0	-		0	-				
12.0 Other payments									
Emgwen Constituency strategic plan		4,677,027			4,677,027				4,677,027
Emgwen Hubs		2,000,000			2,000,000				2,000,000
Total	0	6,677,027		0	6,677,027		-		6,677,027
13.0 unallocated fund									
Unapproved projects									
AIA									
PMC savings									
Total	0	-		0	-				
	137,088,879	9,597,390		69,767,724	216,453,993		126,643,301		89,810,692

(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-EMGWEN 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 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.

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

	Description		2020-2021	2019-2020
			Kshs	Kshs
				1,076,421
1330407	Normal Allocation	B041079		55,040,876
		B047145		2,812,628
		B047403		4,000,000
		B047773		16,000,000
		B047828		7,000,000
		B104197		10,000,000
		B104274		15,000,000
		B096554		16,000,000
		B104856	57,367,724	
			400,000	
			9,000,000	
		B124925	8,500,000	
		B128071	6,900,000	
		B119781	12,000,000	
		B128381	7,000,000	
		B132126	6,000,000	
		B138794	12,000,000	
		B126379	11,600,000	
			7,000,000	
		B140528	12,000,000	
1330408	Conditional grants	AIE NO...		
1330409	Receipt from other Constituency			
	TOTAL		149,767,724	126,929,925

2. PROCEEDS FROM SALE OF NON FINANCIAL ASSETS

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from the Sale of Buildings		-	-
Receipts from the Sale of Vehicles and Transport Equipment		-	-
Receipts from the Sale Plant Machinery and Equipment		-	-
Receipts from the Sale of Office and General Equipment		-	-
TOTAL		0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Sale of Tender Documents	-	-
Other Receipts Not Classified Elsewhere (specify)	-	-
TOTAL	0	0

4. COMPENSATION OF EMPLOYEES

Description	2020-2021	2019-2020
	Kshs	Kshs
Basic wages of contractual employees	1,805,248	1,629,206
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	38,400	40,324
Gratuity-contractual employees	-	-
TOTAL	1,843,648	1,669,530

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	492,000	270,000
Communication, supplies and services	270,000	303,881
Domestic travel and subsistence	674,400	576,300
Printing, advertising and information supplies & services	685,238	378,115
Training expenses	2,931,000	2,872,600
Other committee expenses	4,331,000	3,035,500
Committee allowance	2,405,000	3,864,000
Fuel , oil & lubricants	600,000	400,000
Other operating expenses	2,151,000	4,672,000
Routine maintenance - vehicles and other transport equipment	115,800	265,682
TOTAL	14,655,438	16,638,078

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
		Kshs	Kshs
Transfers to Primary schools		37,000,000	42,000,000
Transfers to Secondary schools		26,700,000	24,500,000
Transfers to Tertiary institutions		1,380,000	3,000,000
Transfers to Health institutions		-	-
TOTAL		65,080,000	69,500,000

7. OTHER GRANTS AND OTHER PAYMENTS

Description		2020-2021	2019-2020
		Kshs	Kshs
Bursary -Secondary		22,211,235	19,379,500
Bursary -Tertiary		12,184,000	15,182,222
Bursary-Special schools		1,100,000	-
Security		2,100,000	2,000,000
Environment		1,769,000	-
Emergency Projects		5,700,000	1,990,430
TOTAL		45,064,235	38,552,152

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets		2020-2021	2019-2020
		Kshs	Kshs
Purchase of Buildings		-	-
Construction of Buildings		-	-
Refurbishment of Buildings		-	-
Purchase of Vehicles		-	-
Purchase of Bicycles & Motorcycles		-	-
Overhaul of Vehicles		-	-
Purchase of office furniture and fittings		-	-
Purchase of computers ,printers and other IT equipments		-	-
Purchase of photocopier		-	-
Purchase of other office equipments		-	-
Purchase of soft ware		-	-
Acquisition of Land		-	-
TOTAL		0	0

9. OTHER PAYMENTS

Description		2020-2021	2019-2020
Strategic plan		-	-
ICT Hubs		-	-
TOTAL		0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2020-2021	2019-2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
EQUITY BANK -KAPSABET BRANCH	A/C no.297850306	32,721,813	9,597,390
10B: CASH IN HAND)			
		2020-2021	2019-2020
		Kshs (30/6/2021)	Kshs (30/6/2020)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
TOTAL		0	0

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2021)</i>
Wesley Maina	Date imprest taken	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
TOTAL		-	-	-

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

12A. RETENTION

Supplier/Contractor	PV No.	2020-2021	2019-2020
		-	-
		-	-
TOTAL		0	0

[Provide short appropriate explanations as necessary.]

12B. GRATUITY

Name of officer	PV No.	2020-2021	2019-2020
Name 1		-	-
Name 2			
Name 3		-	-
TOTAL		-	-

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

Description	2020-2021	2019-2020
	Kshs (1/7/2021)	Kshs (1/7/2020)
Bank accounts	9,597,390	9,027,225
Cash in hand	-	-
Imprest	-	-
TOTAL	9,597,390	9,027,225

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

Description of the error	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
	Kshs	Kshs	Kshs
Bank accounts	9,597,390	-	9,027,225
Cash in hand		-	-
Imprest		-	-
TOTAL	9,595,390	-	9,027,225

**** 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 st July 2020 (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

	2021 – 2020	2020 - 2019
	KShs	KShs
Deposit and Retentions as at 1 st July 2020 (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables 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	2,661,067	1,519,362
Use of goods and services	5,770,407	-
Amounts due to other Government entities (see attached list)	57,906,750	58,800,000
Amounts due to other grants and other transfers (see attached list)		7,594,709
Acquisition of assets		
Hubs	4,677,027	4,677,027
Others (<i>strategic plan</i>)	2,000,000	2,000,000
	85,521,642	75,076,064

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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)	18,137,879	25,759,009
	18,137,879	25,759,009

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2020/2021 d=a-c	Outstanding Balance 2019/2020	Comments
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	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance		Comments
					2021/2020	2019/2020	
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

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ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21	2019/20	
Compensation of employees	payment of staff salaries and gratuity	1,384,052	1,519,362	
Use of goods & services	purchase of fuel ,repairs and maintenance,printing,stationery,telephone,travel and substances	1,240,000	484,967	
committee expenses	payment of committee sitting allowances,transport and conference	1,000,000		
Amounts due to other Government entities		3,624,052	2,004,329	
Ipa primary school	Renovation of 8 classrooms to completion	1,000,000		
Kabaskei primary school	construction of 2 classrooms to completion	1,200,000		
Terige Primary school	Renovation of 8 classrooms to completion	1,000,000		
Emdin primary School	Renovation of 8 classrooms to completion	1,000,000		
Kipture Primary School	Renovation of 8 classrooms to completion	1,000,000		
Mberia Toletany primary school	Renovation of 8 classrooms to completion	1,000,000		
Tiryo Primary School	Renovation of 8 classrooms to completion	1,000,000		
Kapkagaon Primary school	Renovation of 8 classrooms to completion	1,000,000		
Kiptamuk Primary school	Renovation of 8 classrooms to completion	1,000,000		
Kapkesengin Primary School	Renovation of 8 classrooms to completion	1,000,000		
Mosobecho Primary School	Renovation of 8 classrooms to completion	1,000,000		
St. Marys Sugut Primary School	Renovation of 8 classrooms to completion	1,000,000		
Kapsabet Township Primary School	Renovation of 8 classrooms to completion	2,000,000		
St. Roberts Arwos Primary School	completion of 5 roomed administration block	5,000,000		
Kaboen Primary School	Renovation of 8 classrooms to completion	1,000,000		
Katanin Primary School	Renovation of 8 classrooms to completion	1,000,000		

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Kipkeibon Primary School	completion of 5 roomed administration block	2,000,000	
Aic Olangata Primata school	construction of 80 beds dormitory to completion	1,200,000	
Aic Cheribisi Academy	construction of 2 classrooms to completion	1,000,000	
St Roberts Arwos Primary school	Renovation of 8 classrooms to completion	2,000,000	
Kiptilalon Primary School	completion of 5 roomed administration block	1,000,000	
Pr Misoi Kapsirichoi Primary school	construction of 2 classrooms to completion	1,200,000	
Chepkoiyo Primary School	construction of 2 classrooms to completion	1,200,000	
St Georges Kabirirsang Academy	completion of 2 classrooms to completion	1,200,000	
Burende Hills Primary school	completion of 2 classrooms to completion	400,000	
Kabwareng Primary school	completion of 2 classrooms to completion	400,000	
SDA Tendwet Primary School	construction of 2 classrooms to completion	300,000	
Kaptendon Primary School	completion of dining hall	1,000,000	
Chebarus Border Primary School	construction of 2 classrooms to completion	400,000	
Holy Rosary Girls High school-Koibem	completion of two classrooms	2,000,000	
Kabikwen secondary School	completion of 120 beds Dormitory	1,000,000	
Chepkumia Secondary School	completion of dining hall	2,000,000	
Kipkeibon secondary School	construction of 2 classrooms to completion	2,000,000	
Kapkagaon secondary school	completion of 120 beds Dormitory	1,000,000	
Ndubeneti Secondary School	purchase of one acre of land	250,000	
Tiryo Secondary school	completion of 4 classrooms	600,000	
Holy Rosary Girls - Koibem	Purchase of Seater School Bus	7,452,250	
Kabirirsang Secondary School	Purchase of 52 seater School Bus	7,452,250	
St.Barnabas Tegat Secondary School	Purchase of 52 seater School Bus	7,452,250	
		58,800,000	
Sub-Total		65,706,750	58,800,000
Amounts due to other grants and other transfers			

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Security		500,000	2,100,000	
Sports		2,741,777	2,747,354	
Environmental Projects		500,000	2,747,354	
Emergency		1,022,969		
Sub-Total		4,764,746	7,594,708	
Acquisition of assets				
Others (specify)				
Hubs		4,677,027	4,677,027	
Strategic Plan		2,000,000	2,000,000	
Sub-Total		6,677,027	6,677,027	
Funds pending approval				
Grand Total		80,772,575	75,076,064	

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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	-	-	-	-
Buildings and structures	5,457,448	-	-	5,457,448
Transport equipment	426,890	-	-	426,890
Office equipment, furniture and fittings	1,974,966	-	-	1,974,966
ICT Equipment, Software and Other ICT Assets	20,849	-	-	20,849
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	7,880,153			7,880,153

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TRIAL BALANCE AS AT 30TH JUNE 2020

		DR	CR
Cash and Cash equivalents			
	Bank Balances	32,721,813	
	Cash Balances		
	Outstanding Imprest		
Payments			
	Compensation of Employees	1,843,628	
	Use of goods and services	14,655,438	
	Transfers to Other Government Units	65,080,000	
	Other grants and transfers	45,064,235	
	Acquisition of Assets	-	
	Other Payments	-	
Receipts			
	Transfers from the Board		149,767,724
	Proceeds from sale of assets		
	Others receipts		-
	Prior Year Adjustment		
	Fund Balance b/f		9,597,390
	TOTAL	159,365,114	159,365,114

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

PMC NAME	ACCOUNT NUMBER	BANK	DATE A/C OPENED	BALANCE AS AT 30/6/2021
A.i.c kapchemoiywo secondary school	1021055504402	NATIONAL BANK	14/09/2011	1,443,666
A.i.c Olangata primary school	490280019314	EQUITY	29/08/2019	2,950
Ac Tegat Primary School	1139326637800	COOPERATIVE BANK	12/2/2012	249,791
Barngatuny secondary school	490279095881	EQUITY	25/05/2017	2,148
chebonge primary school	1024062651001	NATIONAL BANK	20/03/2013	5,360
Cheliliat Academy	1139325518100	COOPERATIVE BANK	23/05/2012	5,233
Chepkoiyo primary school	490280307027	equity	2/3/2019	1,000,000
chepkumia secondary school	490299954039	EQUITY	7/9/2010	966,636
fr.kuhn secondary school	490299444611	EQUITY	30/04/2011	193,838
Holy Rosary Girls secondary school	1133181236	KCB	28/09/2010	955,310
Kabikwen secondary school	1139326083300	COOPERATIVE BANK	14/03/2011	7,008
kabongwa primary school	490297438314	EQUITY	12/8/2012	201
kapchepsir primary school	490299575951	EQUITY	20/06/2010	76,817
Kapkagaon secondary school	1025086790400	NATIONAL BANK	23/02/2010	628,025
kapkangani primary school	490278647514	equity	25/06/2011	513,755
kaplonyo primary school	1024055585401	NATIONAL BANK	23/06/2009	22,520
kapnyeberai primary school	490261514670	equity	20/06/2010	999,515
kaptendon primary school	1168485584	KCB	4/6/2010	93,024
kiborgok mixed secondary school	490291614358	EQUITY	23/06/2008	725,706
kiminda primary school	490261562899	EQUITY	12/3/2011	248,614
Kipkeibon primary school	1024055527701	NATIONAL BANK	12/4/2010	2,001,850
kipkeibon Secondary school	490269556042	EQUITY	22/05/2016	1,987,037
kiplolok primary school	490298596031	EQUITY	6/5/2010	1,749,832
kipsigak secondary school	490297468224	EQUITY	4/9/2010	48,422

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Kipsotoi primary school	1139326488000	COOPERATIVE BANK	6/1/2010	233,996
kipsotoi secondary school	113932558002	COOPERATIVE BANK	6/12/2011	1,589
kiptenden primary school	1139325997302	COOPERATIVE BANK	14/05/2012	15,658
kosgei irimis primary school	11326750300	COOPERATIVE BANK	3/5/2013	2,538
lutiet primary school	1024050791400	NATIONAL BANK	12/6/2009	1,000,080
meswo primary school	1024055640801	NATIONAL BANK	3/4/2009	4,844
mogoiywo Hill Primary school	102455930601	NATIONAL BANK	14/06/2011	4,507
ngomwo primary school	1024055690701	NATIONAL BANK	12/2/2010	121,310
pr. Misoi kapsirichoi pry school	1139327685802	COOPERATIVE BANK	14/05/2014	15,045
sirwa yala primary school	490262407851	EQUITY	14/05/2009	65,122
Songoliet Secondary School school	1025067044300	NATIONAL BANK	14/03/2015	1,550
St. patrick chepsonoi primary school	490263909229	equity	9/1/2011	500,055
st.barnabas tegat secondary school	1025055982703	NATIONAL BANK	29/03/2008	1,235,468
st.Georges kabirirsang academy	1022218813900	NATIONAL BANK	21/05/2015	13,550
st.joseph kabirer primary school	1024056557801	NATIONAL BANK	3/6/2010	944,078
St.mary's Kapchorwa secondary school	490162085019	EQUITY	21/03/2016	1,947
Tebesonik primary school	1139328814700	COOPERATIVE BANK	28/06/2014	8,954
Tiryo primary school	490291818835	equity	14/02/2011	168
Tiryo secondary school	490268405445	EQUITY	5/4/2014	11,247
tulon secondary school	1021055796501	NATIONAL BANK	22/03/2009	28,918
				18,137,879

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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)
4.1	<p>A review of the Bank Account No. 297850306 held at the Equity Bank Ltd, Kapsabet Branch, revealed that huge cash withdrawals totaling to Kshs.16,152,200.00 were made during the year by the Fund management as tabulated at appendix 1. An explanation given by the management that these were payments to CDFC members for meetings held was not satisfactory given that members' allowances should be paid directly into the individual officers' bank accounts.</p>	<p>The board have issued guidelines on development of various NGCDF policy instrument including policy on committee allowance and we have been implementing on it. Therefore the management have notice the error and they should follow the national treasury regulation on management skills on cash During the previous financial year 2018/2019, the goods and services A/C had remaining balances of ksh 4,121,030.31, plus the f/y 2019/2020 of kshs 12,363,063 which had made the account to increase.</p>	Resolved on ML	5 days
4.2	<p>Included in the Use of goods and Services costs of Kshs.16,638,078 reflected in the statement of financial performance is Communication, Supplies & Services of Kshs.303,881 which include expenditure sampled below of Kshs.123,881. However,</p>	<p>The management have notice that there was some error due to saving of documents in the drawers which had led to the missing of some vouchers but we have properly and completely documented as per attached documents(annex 4.2)</p>	Resolved on ML	5 days

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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)
	minutes of meetings, payment vouchers and other supporting documents for authorization for Kshs.123,881 was not availed for audit review. The propriety of Kshs.303,881 expenditures Communication, Supplies & Services of the year ended 30th June 2020 could not be confirmed.			
4.3	During the year under review, twenty-three projects with total disbursements of Kshs.30,000,000 were sampled for verification. Nine projects with a total disbursement amounting to Kshs.12,000,000 were found to be complete and in use while nine projects with a total disbursement amounting to Kshs.10,000,000 were partially completed. The management through monitoring and evaluation should follow up on the projects to ensure that projects with disbursed amounts are completed as per schedule.	The management will ensure all projects which are incomplete in accordance with the constituency circular are funded in the following financial year until its completed.	Resolved on ML	5 days
4.4	Included in the other grants and transfers balance of Kshs.38,552,152 are bursary disbursements balance of which Kshs.15,182,222 were disbursed to tertiary institutions. However, the subcommittee minutes showing the criteria used to identify the beneficiaries and award the bursaries were not	We have made available to you all the list of bursary and supporting documentation(annex 4.4) such as minutes.	Resolved on ML	5 days

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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)
	<p>availed for audit verification. Further, the list of the beneficiaries was not availed for audit review. In addition, there was no report confirming that the Constituency Development Fund Committee ratified the list of beneficiaries forwarded by the bursary committee as required by Constituencies Development Fund circular reference number VOL1 /111 dated 13 September 2010. Also the list of bursary sub-committee members including two co-opted members, one whom should be the area Education Officer seconded from the Ministry, was not availed for audit review. Under the circumstance, the management breached the law and the propriety of the expenditure of Kshs. 15,182,222 reported to have been incurred on bursaries during the year under review could not be confirmed.</p>			
4.5	<p>The statement of financial performance reflects Compensation of Employees figure of Kshs.1,669,530 which includes basic wages of temporary employees cost of Kshs. 1,629,206, employer contribution to NSSFcost of Kshs.40,324 respectively as disclosed to the financial statements. However, there were no pay rolls for employees availed to support this expenditure.</p>	<p>The Emgwen constituency management have presented all the payments made during financial year in respect of services which have been rendered to the employees on the payroll as per attached documents. (Annex 4.5)</p>	Resolved on ML	5 days

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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)
4.6	The statement of receipts and payments reflects transfers to Tertiary Institutions figure of Kshs.3,000,000 disbursed to Emgwen Technical Training Institute for various projects. However, expenditure returns, and acknowledgment letters were not availed for audit verification. Under the circumstance, it has not been possible to confirm whether funds totaling to Kshs.3,000,000 for the year ended 30 June 2020 were utilized for the intended projects.	Due to the processing of the title deed of the emgwen technical training institute land the management held the remaining balance of kshs 3,000,000 until all the documents are complete. as per attached documents	Resolved on ML	5 days
4.7	Included in the Use of goods and Services costs of Kshs.16,638,078 reflected in the statement of Financial performance is Printing, Advertising & Information of Kshs.378,115 which include expenditure of Kshs.180,045. The propriety of Kshs 378,115 expenditures on Printing, Advertising & Information of the year ended 30th June 2020 could not be confirmed.	All the payment vouchers and other supporting documents have been appropriately provided for authorisation and confirmation by management as per attached documents.	Resolved on ML	5 days
4.8	Annex 5 of the Financial Statements reflect Project Management Committee (PMC) bank balances totaling Kshs.25,759,009 as at 30 June 2020. However, cash books, closing bank balance certificates, bank statements and bank reconciliation statements were not provided for audit review.	The management have availed all the accurate and completely information on cashbooks, bank balance certificate, bank statements and bank reconciliation as per attached documents.	Resolved on ML	5 days

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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)
4.9	<p>Consequently, the existence, accuracy, validity and completeness of the Project Management Committee bank balance for the year ended 30 June 2020 could not be confirmed. The management should ensure that the financial statements are fairly stated and that cash books, closing bank balance certificates, bank statements and bank reconciliation statements are availed for audit review.</p> <p>The Statement of Receipts and Payments indicates total payments of Kshs.126,359,760 for the year ending 30 June 2020. An examination of the underlying records in support of the expenditure revealed the following control weaknesses: -</p> <ul style="list-style-type: none"> • Most of the payment vouchers did not indicate cheque numbers, cash book voucher numbers and dates thereby making it hard to trace the payments in the cash book and bank statements. • Payment vouchers and the attached supporting documents were not stamped with dated paid stamps thereby posing a 	<p>The management have been legibility, validity and authenticity of payment vouchers through examination to confirm appropriate attachment of proper documents and posting of the vouchers in the vote books and cashbooks hence this is appropriate method to control funds.</p>	Resolved on ML	5 days

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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)
4.10	<p>risk of recycling of payment vouchers.</p> <ul style="list-style-type: none"> No indication that internal audit was carried out even on a sample basis given that there was no mark and signature thereof in all the payment vouchers. 			
4.11	<p>The Summary Statement of Appropriation for the National Government Constituencies Development Fund – Emgwen Constituency indicated an approved budget of Kshs.201,435,824 during the financial year 2019/2020 comprising of 2019/2020 allocation of Kshs 137,367,724 and prior year adjustments of Kshs.64,068,100. During the same period, the Fund recorded expenditure of Kshs 126,359,760 or approximately 63% of the budgeted amount resulting in under expenditure of Kshs.75,076,064 or 37% of the budget. The management should ensure that allocated budgetary funds are received and that all the budgeted programs are implemented.</p> <p>The presentation of the financial report and financial statements is not in accordance with the reporting template</p>	<p>There were late timely disbursements of the funds from the NGCDF Board and the allocation of funds of all the projects delayed.</p>	Resolved on ML	5 days
4.11		<p>The management have revised the financial statements and have noticed that there are</p>	Resolved on ML	5 days

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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)
	<p>issued by the International Public Sector Accounting Standards Board as detailed below;</p> <ul style="list-style-type: none"> • Table of contents should be in line with the approved format including indexing and page numbering appropriately. • The numbering in Statement of Receipts and Payments is not in correspondence with the respective numbers in the notes to the financial statements and should be rearranged. • Table of contents require reorganization to capture missing information. • Summary Statement of individual appropriations for both Recurrent and Development are missing. • Annexures should also form part of the table of contents as they follow in the report. <p>The management should revise the financial statements to correct the errors and omissions in the presentation.</p>	<p>some errors due to saving of documents in the drive disk and they have amended it .As per attached financial statement.</p>		

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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)
4.12	Included in the use of goods and services costs of Kshs.16,638,078 reflected in the statement of financial performance is committee allowances of Kshs.3,864,000 which include expenditure sampled below of Kshs.474,000. The propriety of Kshs.3,864,000 expenditures on Committee Allowances of the year ended 30th June 2020 could not be confirmed.	We have made available to you all payment vouchers, supporting documents and minutes on how the committee allowances figure was expensed.(Annex 4.12)	Resolved on ML	5 days
4.13	As per the minuted meetings for the Financial year ending 30th June 2020 there were 33 CDF Committee meeting for which allowances were paid.	The management will comply with the provision of the emgwen constituency guideline or circulars by minimizing the number of the meetings.	Resolved on ML	5 days
4.14	During the financial year 2019/2020, National Government Constituency Development Fund – Emgwen Constituency had an approved budget of Kshs.126,400,000 to be spent on ninety-seven (97) projects excluding emergency, environment, strategic and sports projects. Forty-Nine (49) projects with a total budget of Kshs 60,900,000 were not funded during the year. As at 30 June 2020, according to the projects implementation status report 24 projects had been completed and put into use and the rest were all ongoing at different stages of	The management will ensure all projects which are incomplete in accordance with the constituency circular are funded in the following financial year until its completed	Resolved on ML	5 days

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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)
4.15	<p>completion as detailed in Appendix 2 with works going on or awaiting further funding from NGCDF Board.</p> <p>Included in the use of goods and services balance of Kshs.16,638,078 as reflected in the statement of receipts and payments is fuel, oil and lubricants expenditure of Kshs.400,000 incurred on purchase of fuel. However, procurement records such as tender advertisement, bids/quotations, tender evaluation and award minutes, delivery notes, contract agreements, inspections and acceptance committee reports were not availed for audit verification. Under the circumstance, the propriety of Kshs. 400,000 expenditure reported to have been incurred on fuel, oil and lubricants during the year under review cannot be confirmed.</p>	<p>We have made to you all the proper records underlying the maintenance of the vehicle in the constituency as per the attached copy (see annex 4.15)</p>	Resolved on ML	5 days
4.16	<p>Included in the financial assets figure of Kshs.9,597,390 is bank balances of Kshs 9,597,390 which included un-presented cheques of Kshs.7, 758,593 out of which cheques worth Kshs.449,600 were more than the six (6) months' stipulated period and hence are stale. Some of these cheques dated as far back as March 2019, more than a</p>	<p>The cheques turned to be stale due to covid- 19 pandemic and we acknowledge that the replacing of the cheques in the office was timely difficult hence the treasury intends to do in phases by reversing and adjusting it on cash book.</p>	Resolved on ML	5 days

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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)
4.17	<p>year since date of issue.</p> <p>Included in the financial assets figure of Kshs.9,597,390 is bank balances of Kshs.9,597,390. This was the bank balances as per the cash book and the bank reconciliation stated the bank balance as per bank certificate as Kshs.17,049,500. However, there was no bank balance confirmation certificate to support this figure. The management should avail the bank balance certificate or adjust its financial statements to reflect a true and fair financial posit</p>	<p>The management have availed the accurate and completely bank balance certificate as per attached copy.</p>	<p>Resolved on ML</p>	<p>5 days</p>
4.18	<p>Included in the use of goods and services costs of Kshs.16,638,078 as reflected in the statement of financial performance is training expenses of Kshs.2,872,600 which include sampled expenditure of Kshs.475,800. The management should avail payment vouchers to confirm how the Training expenses figure was expensed.</p>	<p>The management have made available payment vouchers, supporting documents and minutes on how the training expenses figure was expensed. (Annex 4.18)</p>	<p>Resolved on ML</p>	<p>5 days</p>