

REPUBLIC OF KENYA



Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

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REPORT

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2023**





OFFICE OF THE AUDITOR GENERAL
ELDORET REGIONAL OFFICE

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EMGWEN CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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)
Annual Report and Financial Statements for The Year Ended June 30, 2023***

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I. Acronyms and Abbreviations

NGCDF-National Government Constituency Development Fund

PFM-Public Finance Management

IPSAS-International Public Sector Accounting Standards.

PMC- Project Management Committee

FY-Financial Year

II. 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 2022. 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;

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- 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)

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Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Ms. Anne Gichini
2.	Sub-County Accountant	CPA Philemon Kitum
3.	Chairman NGCDFC	Mr. John Busienei
4.	Member NGCDFC	Mrs. Margaret Busienei

(c) 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.

(d) Emgwen Constituency NGCDF Headquarters

NGCDF OFFICE BUILDING
P.O. Box 1215
Kapsabet.
Kapsabet/Kisumu Road
NANDI, KENYA

(e) Emgwen Constituency NGCDF Contacts

Telephone: (254) 0207865222
E-mail: cdfEmgwenconstituency@ngcdf.go.ke
Website: www.cdfEmgwenconstituency.go.ke

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(f) Emgwen Constituency NGCDF Bankers

Equity Bank
A/c No:0490297850306
Branch Kapsabet

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDF Chairman's Report



On behalf of Emgwen NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2022/2023 annual report and financial statements for the fund.

Emgwen NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposals as proposed by the residents of Emgwen constituency and ensure that all approved projects meet the requirements of sec 24 of the NG-CDF Act

2015, Capacity building of the project management committees (Pmc's), monitoring and evaluation of the funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (Pmc), projects monitoring and regular ngcdf committee meetings.

Emgwen NG-CDF committee registered exemplary performance in the year under review as demonstrated by implementation of projects, programmes and activities in the sectors of Education, security, sports and environment which fall within the mandate of the Fund established by the NGCDF ACT 2015(as amended in 2016).

The fund augmented the national government's infrastructure development in education sector through construction, renovation and equipping of schools.

In detail, NG-CDF Emgwen has been able to achieve the following during the financial year;

A total of 63classrooms, 4dormitories, 2laboratories, 3administration blocks 3 teacher houses, 2dining halls,3 School buses and 32toilet blocks were constructed and or renovated through the allocation to the fund.

The fund's contribution towards education infrastructure across the constituency supported the 100% government transition policy. Emgwen NG-CDF committee also funded the construction of 6 security facilities amounting to ksh.6, 350,000 in the year which have enhanced security in the constituency.

In addition, the fund supported retention of students in secondary and tertiary institutions through allocation of bursary. A total of Kes.39, 000,000 was allocated as bursary to needy students in the constituency. NG-CDF Emgwen committee has developed bursary award criteria to ensure only the needy students are awarded bursary.

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A). Budget Performance

In the financial year 2022/2023 NG-CDF Emgwen budget performance against actual amounts for current year based on economic classification and programmes, was very impressive due to timely disbursement of funds to the constituency by the NG-CDF BOARD,

In the financial year ended June 30th, 2023, NG-CDF Emgwen had a cumulative approved budget of Kshs **221,866,783** and the entire budget was fully disbursed to the constituency by the NGCDF Board within the financial year.

NG-CDF Emgwen disbursed the received funds as follows;

Kes 4,000,000 was disbursed to various schools and other government agencies for implementation of the approved projects,

Kes 37,555,078 was issued as bursaries to needy students in the constituency,

Kes 8,231,854 was used in payment of NG-CDF committee allowances, monitoring, evaluation, use of goods and services and other administration expenses,

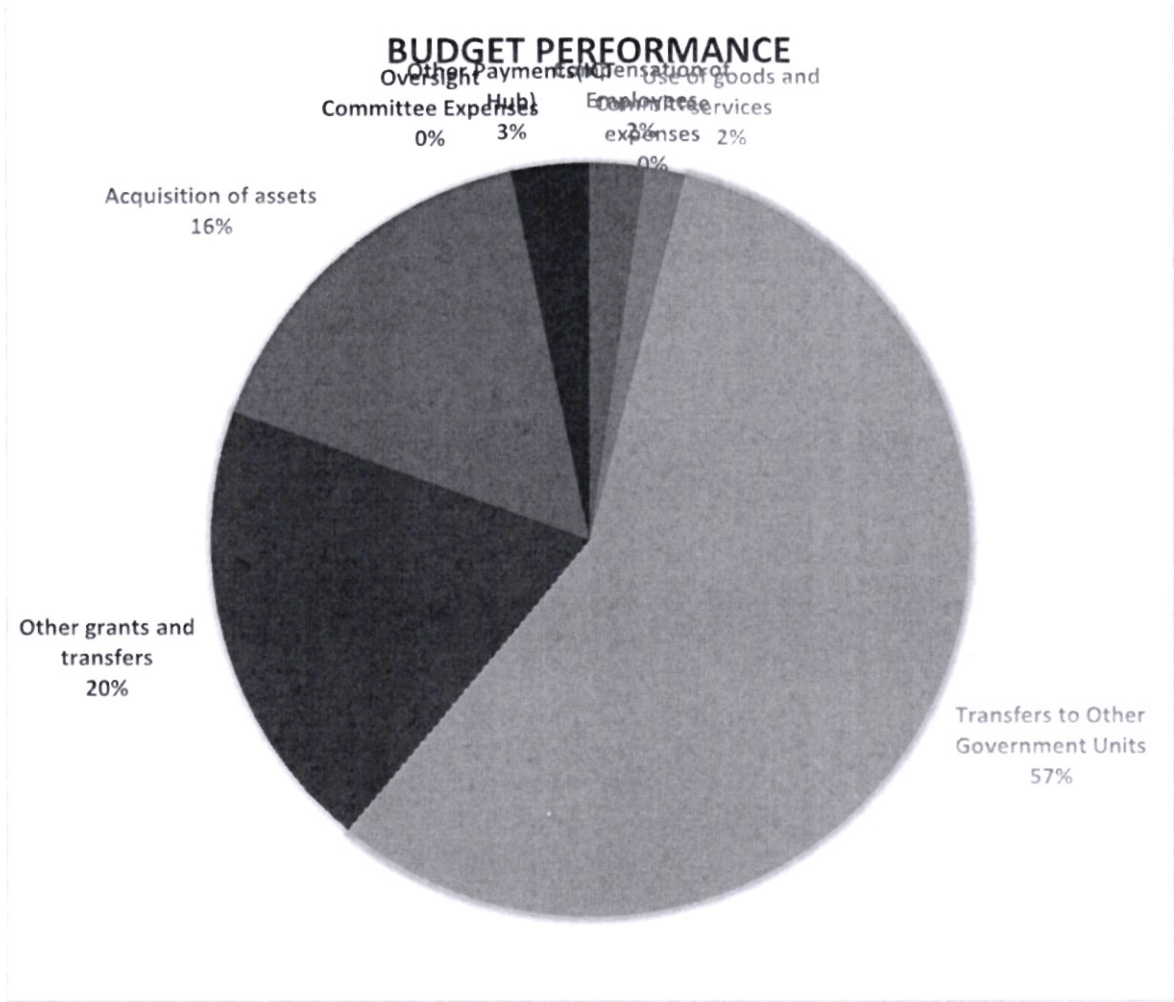
Kes 2,681,940 was used in payment of NG-CDFC staff salaries and gratuity,

Kes 5,000,000 was used to fund emergency occurrences in the constituency,

Kes 1,240,050 was used to fund Sports activities in the constituency,

The performance during the year is summarised as follows;

PAYMENTS	Final Budget	Total Expenditure	Budget utilization difference	% of utilization
Compensation of Employees	4,988,475	2,681,940	2,306,535	46%
Committee expenses	3,748,499	3,747,500	999	0%
Use of goods and services	6,099,191	4,484,354	1,614,837	26%
Transfers to Other Government Units	58,662,300	4,000,000	54,662,300	93%
Other grants and transfers	62,571,382	43,795,128	18,776,254	30%
Acquisition of assets	15,442,000	0	15,442,000	100%
Oversight Committee Expenses	1,300,000	1,290,000	10,000	1%
Other Payments (ICT Hub)	3,200,000	-	3,200,000	100%
TOTAL	156,011,847	59,998,922	96,012,925	62%



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Herein attached are pictorials to depict successful projects undertaken during the year.



Construction to completion of 6 door latrine at Kapsabet Township Primary School FY 2022/2023



Construction to completion of 4 classroom at Sasimon ADC Primary School FY 2017-2023



Renovations of 8 classrooms to completion; floor tiles and painting. FY 2020/2021

B). Emerging issues related to NG-CDF in Emgwen Constituency are;

- ❖ Education, Security, Sports, Environment, Water and Roads sectors almost entirely depend on NG-CDF on infrastructure development.
- ❖ Prioritization of projects to fund is becoming more difficult due to the numerous high impacts and deserving projects being proposed by the residents.
- ❖ Increase in population is piling pressure on NG-CDF to allocate more funds to various development infrastructures to cater for the residents.
- ❖ There's a growing Need to compete with the county government in infrastructure development to justify the long existence of NG-CDF.

C). NG-CDF Implementation challenges in Emgwen Constituency are;

- ❖ Overdependence on the fund by the public and National government functions on all development related needs.
(To overcome this, NG-CDF Emgwen Committee employs public participation at the ward level in identification of priority projects for funding and bursary beneficiaries within the constituency).
- ❖ Funds disbursement from the board is untimely and unpredictable leading to delays in execution of budgets occasioning unnecessary budgetary adjustments and delays in the implementation of approved projects.
(NG-CDF Emgwen committee continues to work with the board to facilitate timely disbursement of funds and will endeavour to disburse funds to the project management committees (PMC`s) as soon as it receives).

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- ❖ Many projects are allocated funds (thinly spread projects)- leading to projects receiving insufficient funds

(To overcome this challenge, NG-CDF Emgwen is focusing on allocating enough funds to complete the project within at most 2 years).

Moving forward NG-CDF Emgwen Committee remains steadfast in delivering on our mandate of transforming lives (maendeleo kwa wote) thus creating a better society for all.



.....
CHAIRMAN NGCDF COMMITTEE

IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

Introduction

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

The key development objectives of *Emgwen Constituency 2022-2027* plan are to:

(Enumerate all the objectives of the constituency as per the Strategic Plan)

Progress on attainment of Strategic development objectives

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

s	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	In FY 22/23 -we increased number of classrooms in Primary Schools by 63classrooms, secondary schools by 29 classrooms, 2dormitories, 3laboratories and Pit Latrines by an extra 32 in the various schools/institutions - Bursary beneficiaries at all levels were as per the attached schedules
Security	To have a safe and secure environment for business, learning and where the residents go about their lives without fearing for their lives and property.	-Decrease in the number of insecurity related incidents. -Improved security and a more secure business environment	-Numbers of usable physical infrastructure build in Police stations. Chief's offices, DCI and county Commissioners security facilities. -	In FY 22/23 We built four chiefs offices,2 police offices and blocks,3 staff houses in various security installations/locations in the constituency.

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Environment	To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.	Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of climate change.	Number of tree seedlings planted in public land. -sustainable environmental management activities.	In FY 22/23 - we increased number of trees planted where hundreds of tree seedlings were purchased, distributed and planted in various schools approximately 5,000 in number
Sports	To Nurture sporting talent, This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.	Increased engagement and persons earning a decent living from exploiting their sporting talent. -reduced unemployment rate among the youth.	Number of youth, women and persons living with disabilities taking up sporting activities. -Number of usable physical sporting infrastructure build.	In FY 22/23 -we organised the constituency sports tournament where trophies, games kits and balls were awarded to the winning teams in every ward in the constituency.
Emergency	To be able to urgently address Unforeseen occurrences in the constituency.	Immediate restoration of daily activities at minimum disruption of daily life occasioned by unforeseen Occurrences.	Numbers of usable physical infrastructure build and other emergency related activities addressed.	In FY 22/23 -we constructed Pit latrine blocks and re-roofing of classrooms in various schools When the schools were facing immediate closure by the county department of health.

V. Statement of Governance

Functions and appointment 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.

Appointment

Regulation 5(1) makes reference to procedure of member selection, the members of a Constituency Committee provided for under section 43(2) (b), (c) and (d) of the CDF Act shall be selected by a selection panel established under paragraph (4) upon an occurrence of a vacancy in the Constituency Committee.

Regulation 5(2) refers to occurrence of a vacancy, a vacancy shall occur in Constituency Committee upon—

- a) Commencement of a new parliamentary term;
- b) Dissolution of a Constituency Committee;
- c) Removal of a member of a Constituency committee; or
- d) The occurrence of a vacancy in a Constituency Committee.

Regulation 5 (3) refers to constitution of a selection panel, upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

Regulation 5(4) refers to members constituting selection panel, the selection panel referred to in paragraph (1) shall consist of—

- a) One person nominated by the national government official in charge of the sub-county or a Designated representative, who shall be the chairperson of the selection panel;
- b) The Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- c) Two persons, one of either gender, nominated by the Constituency office.

Regulation 5(5) refers to invitation of applicants for appointment to be members of the committee, the officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

Regulation 5(6) the selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section 43(2)(b)(c) and (d) of the Act

Regulation 5(7), the officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates

Together with the report of the selection panel.

Regulation 5(8) the Board shall co-opt the person referred to in section 43(2)(g) of the Act to ensure equitable representation in the membership of a Constituency Committee.

Regulation 5(9) refers to notification on nomination, the Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

Regulation 5(10) the Board shall submit the names of the seven persons selected from each Constituency in accordance with section 43(2), (b), (c), (d) and (e) of the Act to the National Assembly for approval.

Regulation 5(11) refers to appointment and resignation, the Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

The selection panel shall stand dissolved upon the appointment of the members of a Constituency

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Committee. The Board shall, within fourteen days after gazettelement of the members of a Constituency Committee inform the members of their appointment in writing.

A member of a Constituency Committee who is appointed under section 43 (2) (b), (c), (d), (e) and (g) may at any time resign from office by giving notice, in writing, to the officer of the Board and a copy thereof to the Board. At least one of the Constituency Committee members appointed under section 43(2), (b), (c) or (d) shall be a mandatory signatory to the Constituency accounts.

Removal of a member of NGCDF Committee

Regulation 10 (1) refers to removal of a member, the members of a Constituency Committee may remove a member in accordance with section 43 (13) and (14) of the Act upon receipt of a complaint against a member.

A complaint against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

The complaint referred to in paragraph (2) shall clearly set out the particulars of the issues complained of.

The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting.

If, at a meeting held pursuant to paragraph (4), members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice.

A copy of the complaint and any other grounds of removal shall be attached to the notice issued under paragraph (5).

The member against whom the complaint is raised may be required to respond to the complaint in writing.

The member against whom a complaint is raised may, in addition to the written response required under paragraph (7), elect to be heard orally, and a Constituency Committee may hear such a member.

The member against whom a complaint is made may call witnesses.

If the member against whom a complaint is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter.

Notwithstanding paragraph (10), a Constituency Committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing.

If the member against whom a complaint is made fails to respond to the complaint as may be directed by a Constituency Committee, the Committee may proceed and make a determination based on the evidence available.

A Constituency Committee shall issue its decision on the complaint within seven days after the conclusion of the hearing.

If a Constituency Committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen days of the decision.

The communication to the Board under paragraph (14) shall include duly executed proceedings, together with all the supporting documents.

The Board shall, within thirty days after receipt of the communication in paragraph (14), consider the matter and issue a final declaration which shall be binding on all parties.

A Constituency Committee may remove the Chairperson or secretary from their respective positions for failing to perform their functions, under regulations 8 and 9 respectively.

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A Constituency Committee shall inform the Chairperson or Secretary of the reasons for the proposed removal, and shall give the Chairperson or Secretary reasonable opportunity to be heard. A Chairperson or secretary who is removed pursuant to paragraph (19) shall continue to discharge duties as a member of the Constituency Committee.

At least two thirds of the total membership of a Constituency Committee shall be required to remove the Chairperson or secretary from office.

The functions of a Constituency Committee shall be to –

- a) Build the capacity of project management committees and Committee and sensitize the Community on the operations of the Fund;
- b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- c) Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- d) Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- e) In approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- f) Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- g) In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- h) Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- i) Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- j) Ensure that all projects receive adequate funding and are completed within three years;
- k) Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies;
- l) (I) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- m) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- n) Ensure that project reports are prepared and submitted to the Board;
- o) Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- p) Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- q) Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- r) Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- s) Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act;
- t) Submit to the Board the report stipulated in section 5(5) of the Act, which report shall contain-
 - i) A list of all the new projects commenced during the financial year and their completion

- status; and
- u) A list of all projects approved, funded and commenced during previous financial years, and their completion status;
 - u) Enter into performance contracting with the Board on an annual basis;
 - v) In exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution;
 - w) Receive returns from project management committees in accordance with regulation 15;
 - x) Maintain a database of project management committees and reports from the respective committees;
 - y) Ensure that the reports referred to in paragraph (x) are received before funding is released for each phase of the project being implemented;
 - z) Record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office;
 - aa) Receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
 - bb) Ensure that the committee does not enter into commitments for which funding has not been allocated;
 - cc) Ensure projects are labelled in accordance with the guidelines issued by the Board; and
 - dd) Perform any other function assigned to it by the Board.

VI. Environmental and 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 depressed economic performance that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as a development strategy within the constituency. On macro levels FY 22/23 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

- *Report on the frequency of how often NG-CDF supported students carry out environmental conservation activities e.g. planting trees once in an academic calendar*
- *Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.*
- *NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.*
- .

3. 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.

4. 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 interest

5. 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 has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.


.....

Anne Gichini

Fund Account Manager.

VII. 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, 2023. 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, 2023, 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

Emgwen Constituency

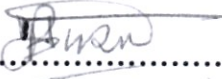
National Government Constituencies Development Fund (NGCDF)

Annual Report and Financial Statements for The Year Ended June 30, 2023

prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

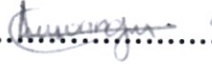
Approval of the financial statements

The NGCDF- Emgwen Constituency financial statements were approved and signed by the Accounting Officer on _____ 2023.



.....
Name: John Busienei

Chairman – NGCDF Committee



.....
Name: Anne Gichini

Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - EMGWEN CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

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

An unmodified opinion does not necessarily mean that 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 1 to 51, which comprise of the statement of assets and liabilities as at 30 June, 2023, and the statement of receipts and payments, statement of cash flows and the summary statement

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Emgwen Constituency as at 30 June, 2023, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Inaccuracies of Balances in the Financial Statements

The statement of receipts and payments reflects other grants and transfers comparative balance of Kshs.61,157,369. However, Note 8 to the financial statements of previous year's certified statements reflects a balance of Kshs.61,257,369 resulting to unexplained variance of Kshs.100,000.

Further, the statement of assets and liabilities reflects fund balance brought forward of Kshs.17,796,814 while Note 15 to the financial statements reflects a balance of Kshs.44,787,892 resulting to unexplained variance of Kshs.26,991,078.

In the circumstances, the accuracy of other grants and transfers and the fund balance comparative balances could not be confirmed.

2. Unsupported Project Management Committee Account Balances

Note 19.4 to the financial statements reflects Project Management Committee (PMC) account balance of Kshs.4,554,283 in respect to seventy-one (71) bank accounts in various commercial banks as detailed in Annex 5 to the financial statements. However, the bank statements and certificates of bank confirmation for the 71 bank accounts were not provided for audit.

In the circumstances, the accuracy and completeness of the PMC account balances of Kshs.4,554,283 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National 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.

Emphasis of Matter

Budgetary Performance and Control

The summary statement of appropriation reflects receipts budget and actual on a comparable basis of Kshs.156,011,847 and Kshs.104,796,814 respectively resulting to under-funding of Kshs.51,215,033 or 33% of the budget. Similarly, the statement reflects actual expenditure of Kshs.59,998,922 against actual receipt 104,796,814 resulting to under-utilization of Kshs.44,797,892 or 43% of total receipts.

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

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

Unresolved Prior Year Audit Matters

In the audit of the previous year, several issues were raised under the Report on the Financial Statements and Report on Lawfulness and Effectiveness in Use of Public Resources. Management indicated that the prior year audit issues were resolved. However, there was no evidence to support that the issues were resolved.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing 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

Project Implementation Status

During the year under review, the Fund had planned to implement forty (40) projects with a budget of Kshs.103,839,492. However, out of this number, fifteen (15) or 38% of the projects costing Kshs.22,600,000 had not started, nine (9) or 22% of the projects worth Kshs.19,004,300 were in progress while only sixteen (16) or 40% of the projects worth Kshs.62,235,192 had been completed.

In the circumstances, the value for money was not obtained from the 15 projects which had not started.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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

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

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance

with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, 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 control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

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

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

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

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

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


 FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

24 May, 2024

*Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

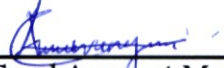
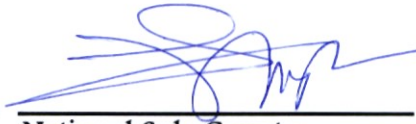
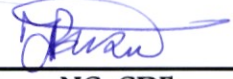
I. Statement of Receipts and Payments for the Year Ended 30th June 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	87,000,000	182,088,879
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		87,000,000	182,088,879
PAYMENTS			
Compensation of employees	4	2,681,940	2,927,359
Committee expenses	5	3,747,500	6,723,000
Use of goods and services	6	4,484,354	9,266,150
Transfers to Other Government Units	7	4,000,000	116,840,000
Other grants and transfers	8	43,795,128	61,157,369
Acquisition of Assets	9	-	-
Oversight Committee Expenses	10	1,290,000	-
Other Payments	11	-	-
TOTAL PAYMENTS		59,998,922	197,013,878
SURPLUS/DEFICIT		27,001,078	(14,924,999)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on _____ 2023 and signed by:

*Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

 Fund Account Manager	 National Sub-County Accountant	 Chairman NG-CDF Committee
Name: Anne Gichini	Name: CPA Philemon Kitum ICPAK M/NO: 17617	Name: John Busienei

Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

X. Statement Of Assets and Liabilities As At 30th June, 2023

	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	44,797,892	17,796,814
Cash Balances (cash at hand)	12B	-	-
Total Cash and Cash Equivalents		44,797,892	17,796,814
Accounts Receivable			
Outstanding Imprests	13	-	-
TOTAL FINANCIAL ASSETS		44,797,892	17,796,814
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	14A	-	-
Gratuity	14B	-	-
NET FINANCIAL SSETS		44,797,892	17,796,814
REPRESENTED BY			
Fund balance b/fwd 1st July...	15	17,796,814	32,721,813
Prior year adjustments	16	-	-
Surplus/Defict for the year		27,001,078	(14,924,999)
NET FINANCIAL POSITION		44,797,892	17,796,814


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 8/9/ 2023 and signed by:

*Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

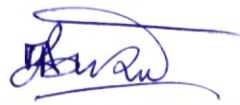

Fund Account Manager

Name: Anne Gichini



National Sub-County
Accountant

Name: CPA Philemon Kitum
ICPAK M/NO: 17617



Chairman NG-CDF Committee

Name: John Busienei

*Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*


XI. Statement Of Cash Flows for The Year Ended 30th June 2023

		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	87,000,000	182,088,879
Other Receipts	3	-	-
		87,000,000	182,088,879
Payments for operating activities			
Compensation of Employees	4	2,681,940	2,927,359
Committee expenses	5	3,747,500	6,723,000
Use of goods and services	6	4,484,354	9,266,150
Transfers to Other Government Units	7	4,000,000	116,840,000
Other grants and transfers	8	43,795,128	61,257,369
Oversight Committee Expenses	10	1,290,000	-
Other Payments	11	-	-
		59,998,922	197,013,878
Adjusted for:			
Decrease/(Increase) in Accounts receivable	17	-	-
Increase/(Decrease) in Accounts Payable	18	-	-
Prior year Adjustments	16	-	-
Net Adjustments		-	-
Net cash flow from operating activities		27,001,078	(14,924,999)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	12	17,796,814	32,721,813
Cash and cash equivalent at END of the year		44,797,892	17,796,814

Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

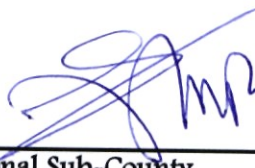
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on _____ 2023 and signed by:



Fund Account Manager

Name: Anne Gichini



**National Sub-County
Accountant**

Name: CPA Philemon Kitum
ICPAK M/NO: 17617



Chairman NG-CDF Committee

Name: John Busienei

XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipt/Expense Item	Original Budget		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		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	138,215,033	17,796,814	-	156,011,847	104,796,814	51,215,033	32.83
Proceeds from Sale of Assets	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-
TOTAL RECEIPTS	138,215,033	17,796,814	-	156,011,847	104,796,814	51,215,033	32.83
PAYMENTS							
Compensation of Employees	4,091,661	896,814	-	4,988,475.00	2,681,940	2,306,535	46%
Committee expenses	2,918,000	830,499	-	3,748,499.00	3,747,500	999	0%
Use of goods and services	5,429,690	669,501	-	6,099,191.00	4,484,354	1,614,837	26%
Transfers to Other Government Units	46,462,300	12,200,000	-	58,662,300.00	4,000,000	54,662,300	93%
Other grants and transfers	59,371,382	3,200,000	-	62,571,382.00	43,795,128	18,776,254	30%
Acquisition of Assets	15,442,000	-	-	15,442,000.00	-	15,442,000	100%
Oversight Committee Expenses	1,300,000	-	-	1,300,000.00	1,290,000	10,000	1%
Other	3,200,000	-	-	3,200,000.00	-	3,200,000	100%

Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

Payments(Strategic Plan)		-			-		
TOTAL	138,215,033	17,796,814	-	156,011,847	59,998,922	96,012,925	62%

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

Explanatory Notes.

- Compensation of Employees is underutilized due to over budgeting for the same over the years.
- Transfers to Other Government Units is underutilized due to funds being received at the end of the financial year.
- Other Grants and Transfers is under-utilized due to funds being received at the end of the financial year.
- Acquisition of assets is underutilized due to Ongoing procurement procedures at the end of the financial year.
- Other Payments is underutilized due to funds being received at the end of the financial year.

Kes 17,796,814 are the unutilized funds brought forward from FY 2021/2022(refer to cashbook/bank closing balance as at 30th June 2022.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	96,012,925
Less undisbursed funds receivable from the Board as at 30 th June 2023	51,215,033
	44,797,892
Increase/(decrease) Accounts payable	0
(Decrease)/Increase Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the 30 th June 2023	44,797,892

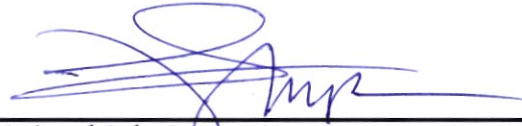
The Constituency financial statements were approved by NG CDFC on _____ 2023 and signed by:

*Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
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Fund Account Manager

Name: Anne Gichini



National Sub-County Accountant

Name: CPA Philemon Kitum
ICPAK M/NO: 17617



Chairman NG-CDF Committee

Name: John Busienei

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XIII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

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				
	2022-2023			2022-2023	30/06/2023		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	4,091,661	896,814	-	4,988,475	2,681,940	2,306,535	46%
1.2 Committee allowances	1,768,000	830,499	-	2,598,499	1,768,000	830,499	32%
1.3 Use of goods and services	2,433,240	669,501	-	3,102,741	2,588,244	514,497	17%
Total	8,292,901	2,396,814	-	10,689,715	7,038,184	3,651,531	34%
2.0 Monitoring and evaluation							
2.1 Capacity building	1,070,000		-	1,070,000	1,039,000	31,000	3%
2.2 Committee allowances	1,150,000		-	1,150,000	1,979,500	-829,500	-72%
2.3 Use of goods and services	1,926,450		-	1,926,450	857,110	1,069,340	56%
Total	4,146,450	-	-	4,146,450	3,875,610	270,840	7%
3.0 Emergency							
3.1 Primary Schools							
Ndubeneti Primary School	500,000	-	-	500,000	500,000	-	0%
Mokwo Primary School	500,000	-	-	500,000	500,000	-	0%
Kapsabet Township Primary School	500,000	-	-	500,000	500,000	-	0%
Burende Hills Primary School	600,000	-	-	600,000	600,000	-	0%

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Kamenon Primary School	600,000	-	-	600,000	600,000	-	0%
Kabore Primary School	600,000	-	-	600,000	600,000	-	0%
Kiplolok Primary School	600,000	-	-	600,000	600,000	-	0%
Mokwo Primary School	500,000	-	-	500,000	500,000	-	0%
Kabeyio Primary School	600,000	-	-	600,000	600,000	-	0%
3.2 Secondary schools		-	-	-		-	0%
3.3 Tertiary institutions		-	-	-		-	0%
3.4 Security projects		-	-	-		-	0%
3.5 Unutilised	2,636,190	-	-	2,636,190		2,636,190	100%
Total	7,636,190	-	-	7,636,190	5,000,000	2,636,190	35%
4.0 Bursary and Social Security							
4.1 Secondary Schools	26,285,192	-	-	26,285,192	22,959,750	3,325,442	13%
4.2 Tertiary Institutions	18,000,000	-	-	18,000,000	13,312,128	4,687,872	26%
4.3 Social Security	3,000,000	-	-	3,000,000	1,283,200	1,716,800	57%
4.4 Special Needs				-	-	-	0%
Total	47,285,192	-	-	47,285,192	37,555,078	9,730,114	21%
5.0 Sports							
Constituency Sports Tournament	2,350,000	-	-	2,350,000	1,240,050	1,109,950	47%
Regional Sports Tournament	350,000	-	-	350,000		350,000	100%
Total	2,700,000	-	-	2,700,000	1,240,050	1,459,950	54%
6.0 Environment							
Mogoiywo Hill Primary School	350,000	-	-	350,000	-	350,000	100%
St.Marys Kapchorwa Secondary School	400,000	-	-	400,000	-	400,000	100%
Emgwen Technical Training Institute		-	-	0	-	-	0%
Kipkeibon Secondary School		500,000	-	500,000	-	500,000	100%

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Tulon Primary School		500,000	-	500,000	-	500,000	100%
2020-2021				-	-	-	0%
							0%
							0%
							0%
Total	750,000	1,000,000		1,750,000	-	-	0%
7.0 Primary Schools Projects				-		-	0%
St.Roberts Arwos Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
ACK Kipsugur Primary School	1,600,000	-	-	1,600,000	-	1,600,000	100%
AIC Cheliliat Primary School	2,700,000	-	-	2,700,000	-	2,700,000	100%
AIC Kaptumoo Primary School	800,000	-	-	800,000	-	800,000	100%
AIC Olangata Primary School	1,600,000	-	-	1,600,000	-	1,600,000	100%
Burende Hill Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
Chebonge Primary School	1,600,000	-	-	1,600,000	-	1,600,000	100%
Chepkoiyo Primary School	400,000	-	-	400,000	-	400,000	100%
Kabaskei Primary School	400,000	-	-	400,000	-	400,000	100%
Kabongwa Primary School	400,000	-	-	400,000	-	400,000	100%
Kamenon Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
Kamobo Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
Kapchemoiywo Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
Kapsumbeiywo Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
Kiptenden Primary School	1,000,000	-	-	1,000,000	-	1,000,000	100%
Mogoiywo Hill Primary School	1,600,000	-	-	1,600,000		1,600,000	100%
Sasimon ADC Primary School	2,000,000	-	-	2,000,000	2,000,000	-	0%
SDA Tendwet Primary School	1,600,000	-	-	1,600,000	-	1,600,000	100%
St. Josephs Kiptarei Primary School	1,600,000	-	-	1,600,000	-	1,600,000	100%

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St.Georges Kabirirsang Primary School	400,000	-	-	400,000	-	400,000	100%
Tebesonik Primary School	1,500,000	-	-	1,500,000	-	1,500,000	100%
kiptilalon primary school		-	-	-	-	-	0%
Kapkesengin primary school		-	-	-	-	-	0%
Terige primary School		-	-	-	-	-	0%
Burende primary school		-	-	-	-	-	0%
Kabwareng primary school		-	-	-	-	-	0%
Sda tendwet primary school		-	-	-	-	-	0%
Chebarus boarder primary school		-	-	-	-	-	0%
Meswo Primary School		1,000,000	-	1,000,000	-	1,000,000	100%
Ndubeneti Primary School		1,000,000	-	1,000,000	-	1,000,000	100%
							0%
Total	25,200,000	2,000,000		27,200,000	2,000,000	25,200,000	93%
8.0 Secondary Schools Projects							
ACK St.Thomas Kapchumba Secondary School	400,000.00	-	-	400,000		400,000	100%
ACK St.Thomas Kapchumba Secondary School	1,000,000.00	-	-	1,000,000		1,000,000	100%
Barngetuny Secondary School	1,000,000.00	-	-	1,000,000		1,000,000	100%
Barngetuny Secondary School	2,000,000.00	-	-	2,000,000	2,000,000	-	0%
Chepkumia Secondary School	3,100,000.00	-	-	3,100,000		3,100,000	100%
Fr.Kuhn Mixed Secondary School	2,000,000.00	-	-	2,000,000		2,000,000	100%
Kipkeibon Secondary School	1,000,000.00	-	-	1,000,000		1,000,000	100%
Kipsigak High School	1,000,000.00	-	-	1,000,000		1,000,000	100%
Ndubeneti Secondary School	9,762,300.00	-	-	9,762,300		9,762,300	100%
Chepkumia Secondary School		2,000,000	-	2,000,000		2,000,000	100%

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Kapsabet Girls High school		3,000,000	-	3,000,000		3,000,000	100%
Kapsabet Deaf Secondary School		1,000,000	-	1,000,000		1,000,000	100%
Kipkeibon Secondary School		2,000,000	-	2,000,000		2,000,000	100%
A.i.c kapchemoiwo secondary School		1,000,000	-	1,000,000		1,000,000	100%
Our lady of Victory Sec School- Kapnyeberai		1,200,000	-	1,200,000		1,200,000	100%
Kipkeibon secondary school			-	-		-	0%
Total	21,262,300	10,200,000	-	31,462,300	2,000,000	29,462,300	94%
9.0 Tertiary institutions Projects			-	-	-	-	0%
Emgwen Technical Training Institute			-	-	-	-	0%
Total	-	-	-	-	-	-	0%
10.0 Security Projects				-	-	-	0%
Kamobo Chief's Office	1,000,000			1,000,000	-	1,000,000	100%
Kabirirsang Chiefs Office		1,200,000		1,200,000	-	1,200,000	100%
Terige Chiefs Office		1,000,000		1,000,000	-	1,000,000	100%
Total	1,000,000	2,200,000		3,200,000	-	-	0%
11.0 Acquisition of assets			-	-		-	0%
Emgwen NG-CDF Office	15,442,000	-	-	15,442,000		15,442,000	100%
	-	-	-	-	-	-	0%
	-	-	-	-	-	-	0%
	-	-	-	-	-	-	0%
Total	15,442,000	-	-	15,442,000		15,442,000	0%

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12.0 Oversight Committee Expenses (itemize)		-		-		-	0%
Accommodation Allowance	300,000	-	-	300,000	291,000	9,000	3%
Committee allowances	300,000	-	-	300,000	299,000	1,000	0%
Daily Subsistence Allowance	150,000	-	-	150,000	150,000	-	0%
General Office Supplies: papers, pencils, forms, small office equipment	100,000	-	-	100,000	100,000	-	0%
Refined Fuels and Lubricants for Transport	250,000	-	-	250,000	250,000	-	0%
Travel Costs	200,000	-	-	200,000	200,000	-	0%
Total	1,300,000	-	-	-	1,290,000	-	0%
13.0 Other payments			-	-		-	0%
Emgwen NG-CDF Strategic Plan	3,200,000	-	-	3,200,000	-	3,200,000	100%
Total	3,200,000	-	-	-	-	-	0%
14.0 unallocated fund			-	-	-	-	0%
Unapproved projects		-	-	-	-	-	0%
AIA		-	-	-	-	-	0%
PMC savings		-	-	-	-	-	0%
Total	-	-	-	-	-	-	0%
	138,215,033	17,796,814	-	156,011,847	59,998,922	96,012,925	62%

XIV. 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.

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from sale of tender documents, rent receipts, interest earned on bank balances, hire of Plant/Equipment/Facilities, Unutilized funds from PMCs among others.

Unutilized Funds from PMCs.

All unutilized funds of the Project Management Committee (PMC) are returned to the constituency account. Unutilized funds from PMCs are recognised as other receipts upon return to the constituency account.

External Assistance

External assistance refers to grants and loans received from local, multilateral and bilateral development partners. In the year under review there was no external assistance received.

b) Recognition of payments

The Entity recognises all payments when the event occurs and the related cash has actually been paid out by the entity.

Significant Accounting Policies continued

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each constituency and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Equivalent.

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year.

Significant Accounting Policies continued

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30 June 2022 for the period 1st July 2022 to 30th June 2023 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.

Significant Accounting Policies Continued

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 2023.

14. Errors

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

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

15. Related Party Transactions

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

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
Normal Allocation	Kshs	Kshs
B140873		33,000,000
B105645		44,000,000
B105754		22,000,000
B128796		12,000,000
B154395		12,000,000
B154288		19,000,000
B132484		5,000,000
B155804		23,088,879
A895060		12,000,000
B185046	7,000,000	
B185328	6,000,000	
B185589	15,000,000	
B185875	5,000,000	
B206331	12,000,000	
B205717	12,000,000	
B205977	15,000,000	
B207795	15,000,000	
TOTAL	87,000,000	182,088,879

2. Proceeds From Sale of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings	-	-

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Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received		
Rents		
Receipts from sale of tender documents		
Hire of plant/equipment/facilities		
Other Receipts Not Classified Elsewhere		
Total		

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Notes To the Financial Statements (Continued)

4. Compensation of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,685,964	1,898,088
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	16,000
Gratuity-contractual employees	950,936	941,571
Employer Contributions Compulsory national social security schemes	45,040	71,700
TOTAL	2,681,940	2,927,359

5. Committee Expenses

Sitting allowance	2,274,000	3,273,000
Other committee expenses	1,473,500	3,450,000
Total	3,747,500	6,273,000

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6. Use of Goods and services

Description	2022- 2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	10,318	-
Communication, supplies and services	382,640	444,550
Domestic travel and subsistence	139,400	1,343,000
Printing, advertising and information supplies & services	50,000	-
Rentals of produced assets	-	-
Training expenses	1,039,000	3,738,000
Hospitality supplies and services	-	360,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	1,490,732	625,600
Fuel , oil & lubricants	500,000	900,000
Other operating expenses	697,390	1,755,000
Bank Charges	47,527	-
Security operations	127,347	-
Routine maintenance - vehicles and other transport equipment	-	-
Routine maintenance- other assets	-	100,000
TOTAL	4,484,354	15,989,150

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers To Primary Schools (See Attached List)	2,000,000	33,400,000
Transfers To Secondary Schools (See Attached List)	2,000,000	83,440,000
Transfers To Tertiary Institutions (See Attached List)		
Total	4,000,000	116,840,000

8. Other Grants and Other transfers

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	27,745,728	14,675,436
Bursary -Tertiary (see attached list)	8,526,150	31,558,753
Bursary- Special Schools	1,283,200	1,569,000
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	-	500,000
Sports Projects (see attached list)	1,240,050	2,704,180
Environment Projects (see attached list)	-	-
Emergency Projects (see attached list)	5,000,000	10,250,000
Roads Projects	-	-
TOTAL	43,795,128	61,257,369

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and renovation of plant, machinery and equipment	-	-
Acquisition of Land	-	-
Acquisition Intangible Assets	-	-
Total	-	-

10. Oversight Committee Expenses

	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	299,000	-
Other COC expenses	991,000	-
TOTAL	1,290,000	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
TOTAL	-	-

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12. Cash Book Bank Balance

Name Of Bank, Account No. & Currency	2022-2023	2021-2022
	Kshs	Kshs
12A: Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Kapsabet Branch. Emgwen NG-CDF</i>	44,797,892	17,796,814
Total	44,797,892	17,796,814
12 B: Cash on Hand		
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

13. Outstanding Imprests

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

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Notes to the Financial Statement Continued

14. Retention and Gratuity

14 A. Retention	2022-2023	2021-2022
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

14 B. Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

15. Fund Balance B/F

	(1st July 2023)	(1st July 2022)
	Kshs	Kshs
Bank accounts	44,787,892	32,721,813
Cash in hand		
Imprest		
Total		
Less		
Payables: - Retention		
Payables – Gratuity		
Fund Balance Brought Forward		

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16. Prior Year Adjustments

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

17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	KShs	KShs
Outstanding Imprest as at 1 st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
closing accounts in account receivables D= A+B-C	-	-
Net changes in accounts Receivables D – A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	KShs	KShs
Deposit and Retentions as at 1 st July (A)	-	-
Deposit and Retentions held during the year (B)	-	-
Deposit and Retentions paid during the Year (C)	-	-
closing account payables D= A+B-C	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
Total	-	-

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	2,306,535	608,143
Committee Expenses	830,999	-
Use of goods and services	784,837	177,550
Amounts due to other Government entities (see attached list)	54,662,300	23,900,000
Amounts due to other grants and other transfers (see attached list)	18,776,254	5,200,000
Acquisition of assets	15,442,000	-
Oversight Committee Expenses	10,000	-
Others (<i>specify</i>)	-	-
other payments (strategic plan)	3,200,000	-
Total	96,012,925	29,885,693

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19.4: PMC account balances (See Annex 5)

PMC account balances (see attached list)	4,554,283	15,487,988
Total	4,554,283	15,487,988

XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

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

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 Annex 2 - Analysis of Pending Staff Payables*

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022
Compensation of employees	Payment of 7 staff Basic salaries	2,306,535	2,504,957
Use of goods & services	Purchase of General Office Supplies (papers, pencils, forms, small office equipment)	1,615,836	2,720,001
Sub-Total		3,922,371	5,224,958
Amounts due to other Government entities			
Primary Schools			
kiptilalon primary school		-	1,000,000
Kapkesengin primary school		-	1,000,000
Terige primary School		-	1,000,000
Burende primary school		-	400,000
Kabwareng primary school		-	400,000
Sda tendwet primary school		-	300,000
Chebarus boarder primary school		-	400,000
Chepkoiyo Primary School	construction of 2 classrooms to completion	-	
Kiropket Primary Schoool	Renovation of 8 classrooms to completion	-	
Meswo Primary School	completion of 5 roomed administration block	1,000,000	1,000,000
Ndubeneti Primary School	Renovation of 8 classrooms to completion	1,000,000	1,000,000
St.Roberts Arwos Primary School	Completion of 5 roomed Administration Block: Fixing of window panes, plastering, painting and electricity installation	1,000,000	

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ACK Kipsugur Primary School	Construction to completion of two classrooms	1,600,000	
AIC Cheliliat Primary School	Completion of 80 students' bed capacity girls dormitory:flooring, fixing of window panes, plastering, painting and electricity installation	2,700,000	
AIC Kaptumoo Primary School	Construction to completion of 8 doors pit latrines with two door for Persons With Disabilities with hand washing facility	800,000	
AIC Olangata Primary School	Construction to completion of two classrooms	1,600,000	
Burende Hill Primary School	Renovations to completion of 8 classrooms: plastering of walls, hacking of floor, flooring, painting and replacement of doors.	1,000,000	
Chebonge Primary School	Construction to completion of two classrooms	1,600,000	
Chepkoiyo Primary School	Completion of two classrooms:flooring,plastering, painting and electricity installation	400,000	
Kabaskei Primary School	Completion of two classrooms:fixing of window panes, plastering, painting and electrical installation.	400,000	
Kabongwa Primary School	Completion of two classrooms:flooring, plastering, painting and electricity installation	400,000	

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Kamenon Primary School	Construction to roofing level of 5 roomed administration block comprising of Head Teacher's office, Deputy Head teacher's office, Senior teacher's office ,Secretary's office and Staffroom	1,000,000	
Kamobo Primary School	Construction to roofing level of 5 roomed administration block comprising of Head Teacher's office, Deputy Head teacher's office, Senior teacher's office ,Secretary's office and Staffroom	1,000,000	
Kapchemoiywo Primary School	Renovations to completion of 8 classrooms: plastering of walls, hacking of floor, flooring, painting and replacement of doors.	1,000,000	
Kapsumbeiywo Primary School	Renovations to completion of 8 classrooms: plastering of walls, hacking, flooring, painting and replacement of doors.	1,000,000	
Kiptenden Primary School	Renovations to completion of 8 classrooms :plastering of walls, hacking of floor, flooring, painting and replacement of doors.	1,000,000	
Mogoiywo Hill Primary School	Construction to completion of two classrooms	1,600,000	
SDA Tendwet Primary School	Construction to completion of two classrooms	1,600,000	
St. Josephs Kiptarei Primary School	Construction to completion of two classrooms	1,600,000	

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St.Georges Kabirirsang Primary School	Completion of two classrooms:flooring, plastering, painting and electricity installation	400,000	
Tebesonik Primary School	Completion of 5 roomed Administration Block: fixing of window panes, plastering, painting and electrical installation	1,500,000	
Secondary Schools			
Chepkumia Secondary School	completion of dining hall	2,000,000	2,000,000
Kapsabet Girls High school	construction of 120 beds Dormitory	3,000,000	3,000,000
Kapsabet Deaf Secondary School	Fencing of one acre land	1,000,000	1,000,000
Kipkeibon Secondary School	completion of science lab		2,000,000
A.i.c kapchemoiwo secondary School	Completion of dining hall	1,000,000	1,000,000
Ourlady of Victory Sec School-Kapnyeberai	construction of 2 classrooms to completion	1,200,000	1,200,000
Kipkeibon secondary school		2,000,000	2,000,000
ACK St.Thomas Kapchumba Secondary School	Completion of two classrooms: flooring, plastering, painting and electricity installation	400,000	
ACK St.Thomas Kapchumba Secondary School	Construction to roofing level of 45 students' capacity Science laboratory	1,000,000	
Barngetuny Secondary School	Construction to roofing level of a 45 students' capacity Science laboratory	1,000,000	
Chepkumia Secondary School	Completion of 500 students'capacity dining hall: roofing, flooring, window vanes, plastering, painting and electricity installation	3,100,000	

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Fr.Kuhn Mixed Secondary School	Completion of 80 students' girls dormitory: flooring, plastering, fixing of windows and doors, painting and electricity installation	2,000,000	
Kipkeibon Secondary School	Completion of storey building of twin science laboratory of 80 students' capacity (40 student's on ground floor and 40 student's on first floor) Flooring, plastering, painting and electricity installation	1,000,000	
Kipsigak High School	Completion of one storey building of 4 classrooms: fixing of doors and windows, plastering, painting, plumbing works and painting	1,000,000	
Ndubeneti Secondary School	Purchase of a 46 seater (ISUZU FSR90N COWL E2) school bus fitted with seats to cater for Persons With Disability through one-off purchase basis	9,762,300	
Sub-Total		54,662,300	18,700,000
Amounts due to other grants and other transfers			
Environment			
Emgwen Technical Training Institute	construction of pit latrines	-	1,000,000
Kipkeibon Secondary School	construction of pit latrines	500,000	
Tulon Primary School	construction of pit latrine	500,000	500,000
2020-2021 Funds pending approval from the board		-	1,000,000

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Mogoiywo Hill Primary School	Construction to completion of 6 door pit latrine for girls with two chambers for Persons With Disabilities and a handwashing facility	350,000	
St.Marys Kapchorwa Secondary School	Construction to completion of 6 door pit latrine for girls with two chambers for Persons With Disabilities and a handwashing facility	400,000	
3.0 Emergency			
3.5 Unutilised	To cater for any unforeseen occurrences in the constituency during the financial year	2,636,190	
Bursary and Social Security			
4.1 Secondary Schools	Payment of bursary to needy students	3,325,442	
4.2 Tertiary Institutions	Payment of bursary to needy students	4,687,872	
4.4 Bursary Special Schools	Payment of bursary to needy special students	1,716,800	
Security			
Kamobo Chief's Office	Construction to roofing level of 5 roomed chief's office	1,000,000	
Kabirirsang Chiefs Office	construction of chiefs office	1,200,000	1,200,000
Terige Chiefs Office	construction of chiefs office	1,000,000	1,000,000
Constituency Sports Tournament			
Constituency Sports Tournament	Carry out Constituency Football Sports tournament and the winning teams/schools to be awarded with trophies, balls, goal nets and games kits.	1,109,950	1,260,735

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Regional Sports Tournament	Facilitate regional sports tournament in partnership with other Constituencies within the Region.	350,000	
Sub-Total		18,776,254	5,960,735
Acquisition of assets			
Emgwen NG-CDF Office	Construction to completion of NG-CDF Office comprising of Reception, Boardroom, Registry, ICT room, Kitchen, Latrines, Store and 12 offices for (front office, Chairperson, Member of parliament, Fund Account Manager, Accounts Clerk, Secretary, Clerk of works, Projects clerk, administrative assistant, Staff lounge, Strong room with fireproof and records control)	15,442,000	
Oversight Committee Expenses (itemize)			
Accommodation Allowance	Payment of Accommodation Allowance	9,000	
Committee allowances	Payment of Daily sitting Allowance	1,000	
Others (specify)			
Emgwen NG-CDF Strategic Plan	To facilitate in preparation, Facts collection designing, type setting and printing of Emgwen Constituency Strategic plan for the period between 2023-2027	3,200,000	
Sub-Total		18,652,000	-
Funds pending approval			-

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Grand Total	96,012,925	29,885,693
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Annex 4 – Summary of Fixed Asset Register

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2021-2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost c/f (Kshs) 2022-2023
Land	0			0
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	0			0
Heritage and cultural assets	0			0
Intangible assets	0			0
Total	7,880,153	~	~	7,880,153

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Annex 5 –PMC Bank Balances As At 30th June 2023

Account number	Bank	DATE A/C OPENED	Bank Balance	Bank Balance
			2022/23	2021/22
1139325548200	COOPERATIVE	17.5.2020	27,967	14,215
1139325518100	COOPERATIVE	3.3.2017	19,532	801,665.00
1139326637800	COOPERATIVE	2.2.2012	4,111	4,111.00
1139325518100	COOPERATIVE	4.5.2010	19,532	915,853.00
1139326083300	COOPERATIVE	10.12.2011	976,310	1,006,310.00
1139325182101	COOPERATIVE	28.3.2011	11,464	11,464.00
1139326720900	COOPERATIVE	19.3.2012	465	725.00
1139325568002	COOPERATIVE	27.6.2011	3,544	3,544.00
1139327685802	COOPERATIVE	16.6.2016	20,925	20,925.00
1139328814700	COOPERATIVE	12.8.2015	11,763	8953
1100009420001	COOPERATIVE		498,975	0
1024055713701	NBK	23.11.2011	2,284	2285
1024055687402	NBK	25.3.2008	27,060	6160
102155987401	NBK	25.3.2008	6,792	1,837,292.00
102456790900	NBK	16.4.2012	3,831	1,005,185.00
1025056790400	NBK	14.4.2012	6,405	0.00
1024055585401	NBK	21.5.2010	7,710	1,002,520.00
1024055579801	NBK	16.3.2009	1,770	1,890
<u>1024055527701</u>	<u>NBK</u>	21.11.2011	780	780.00
1024055690701	NBK	16.7.2011	2,934	2,934.00
1025067044300	NBK	1.12.2011	1,550	1,550.00
10250670444300	NBK	11.5.2015	244,205	2,480.00
1022218813900	NBK	6.8.2019	16,380	36,300.00
1022239878400	NBK	19.9.2021	2,875	19,875.00

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1025055982703	NBK	22.12.2011	68	49,068.00
10240557302101	NBK	3.1.2012	2,268	0.00
1022244879400	NBK	29.3.2022	26,550	2,000,000.00
1022239105100	NBK	16.8.2021	2,690	34,690.00
1022239105101	NBK	16.8.2022	6,792	0.00
1022260557300	NBK	16.8.2023	66,007	0.00
1022261428300	NBK	16.8.2024	0	415.00
490194241661	EQUITY	5.8.2009	0	0.00
490297519331	EQUITY	25.6.2011	32,960	32,961.00
490299596338	EQUITY	18.8.2012	455	2,935,205.00
490298456763	EQUITY	30.11.2011	1,360	1,360.00
490279095881	EQUITY	30.11.2011	2,003,558	0.00
490299954639	EQUITY	21.11.2012	15,445	0.00
490261445225	EQUITY	21.11.2012	281	0.00
490297420673	EQUITY	0	0	0.00
490299872872	EQUITY	1.11.2012	2,932	2,932.00
490262346563	EQUITY	25.4.2014	3,021	3,021.00
490263912769	EQUITY	20.3.2015	5,853	5,853.00
490261496523	EQUITY	26.9.2013	0	0.00
490263909229	EQUITY	19.3.2015	2,885	2,885.00
490299444611	EQUITY	7.10.2012	2,218	2,218.00
490297438314	EQUITY	6.6.2011	201	201.00
490299894529	EQUITY	11.7.2012	3,410	3,410.00
490262795941	EQUITY	9.1.2014	2,863	2,863.00
490261435613	EQUITY	9.10.2013	0	345.00
490299575951	EQUITY	13.8.2012	317	317.00
490261514670	EQUITY	10.1.2013	4,860	4,860.00
4902667700088	EQUITY	2.10.2016	0	475.00
490266876487	EQUITY	19.2.2016	8,703	8,703.00
490298596031	EQUITY	21.12.2011	832	49,832.00
490266678087	EQUITY	2.4.2016	0	1,040.00
4902647119093	EQUITY	17.8.2015	20,328	20,328.00
490299076539	EQUITY	4.11.2012	14,821	14,821.00
490199480281	EQUITY	19.7.2012	1,754	157,426.00
490299467580	EQUITY	16.7.21	3,226	3,226.00

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490294129127	EQUITY	7.7.2009	765	765.00
490299564123	EQUITY	8.10.2012	2,001,418	35,418.00
490299871003	EQUITY	11.1.2012	207	207.00
490262407851	EQUITY	13.5.2014	6,872	6,872.00
490263907856	EQUITY	193.2015	1,173	933.00
490261562899	EQUITY	15.10.2013	1,414	1,414.00
490298503261	EQUITY	12.5.2011	14,423	14,423.00
490276207951	EQUITY	3.9.2018	5,388	868,856.00
4902284101428	EQUITY	3.9.2019	3,732	0.00
1133181236	KCB	29.2.2012	1,109	325,638.00
1168485584	KCB	18.3.2015	186	186.00
1266192778	KCB	16.10.2019	2,735	1,155,329.00
			4,554,283	14,455,512

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Annex 6: 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)
<p>4.7 Misclassification of Training expenses The international Public sector accounting Standard (IPSAS) No.1 paragraph 25 requires that, finance statements shall present fairly the financial performance, and cash flow of an entity. Fair presentations requires the faithful</p>	<p>Observation The statement of recipient and payments reflects use of goods and services amount of Kshs. 15,989,150 which includes Kshs. 3,738,000 in respect to training expense as disclosed Note 5 to the financial statements. However, an audit examination of payment vouchers supporting the</p>	<p>NG-CDFC planned and authorized various training within the financial year to the following groups; PMC, NG-CDFC, STAFF and other stakeholders. In this case the attendance and payment of NG-CDFC members committee expenses falls under the capacity Building/training expenses</p>	<p>Resolved</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)
representation of the effects of transaction, other events, and condition in accordance with the definition and recognition criteria for assets, liabilities, revenue, and expenses set out in IPSASs.		and not committee sitting allowances. See the attached payment vouchers has been provided for evidence Appendix (vi) (a) Voucher no 292 worth 260,000 Appendix (vi) (b) Voucher no 239 worth 236,000 Appendix (vi) (c) Voucher no 54 worth 183,000		

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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>4.4 Stall projects Section 25(1) National Government constituencies Development Fund Act 2015 states; Any funding under this Act shall be for a complete project or a defined phase of a project and may include the acquisition of a land and buildings.</p>	<p>Observation The statement of a recipients and payments reflects transfer to other Government units' amount of Kshs. 116,840,000 which includes Transfers of Secondary Schools amount of Kshs. 83,440,000 and Transfer to primary schools amount of Kshs. 33,400,000 as disclosed in Note 6 to the financial statement. Examination of the documents provided for audit revealed two (2) schools projects with an estimated cost of Kshs.13, 000,000 as detailed below have stalled. The funding was not for complete of defined phase of a project contrary to section 25(1) of the National Government Constituencies Development Fund Act, 2015.</p> <table border="1" data-bbox="478 847 1437 1222"> <tr> <td data-bbox="478 847 666 1007">Chepkumia secondary school</td> <td data-bbox="666 847 855 1007">Constructions OF dining Hall</td> <td data-bbox="855 847 1006 1007">7,000,000</td> <td data-bbox="1006 847 1158 1007">2019/2020</td> <td data-bbox="1158 847 1310 1007">2,000,000</td> <td data-bbox="1310 847 1437 1007">2,000,000</td> </tr> <tr> <td data-bbox="478 1007 666 1158">Kapkeseng in Primary School</td> <td data-bbox="666 1007 855 1158">Contractions of Administration Block</td> <td data-bbox="855 1007 1006 1158">5,000,000</td> <td data-bbox="1006 1007 1158 1158">2018/2019</td> <td data-bbox="1158 1007 1310 1158">1,000,000</td> <td data-bbox="1310 1007 1437 1158">2,000,000</td> </tr> <tr> <td data-bbox="478 1158 666 1222"></td> <td data-bbox="666 1158 855 1222"></td> <td data-bbox="855 1158 1006 1222">13,000,000</td> <td data-bbox="1006 1158 1158 1222"></td> <td data-bbox="1158 1158 1310 1222"></td> <td data-bbox="1310 1158 1437 1222">4,000,000</td> </tr> </table>	Chepkumia secondary school	Constructions OF dining Hall	7,000,000	2019/2020	2,000,000	2,000,000	Kapkeseng in Primary School	Contractions of Administration Block	5,000,000	2018/2019	1,000,000	2,000,000			13,000,000			4,000,000	<p>In the financial year 2021/2022 two (2) projects worth Kshs 13,000,000 were not completed, these projects are; the management has allocated funds this financial year Appendix (iii) (a) Chepkumia Secondary School- construction of dinning hall has been allocated more funds in the financial year 2022-2023 for its completion amounting to Kshs.</p>	Resolved	
Chepkumia secondary school	Constructions OF dining Hall	7,000,000	2019/2020	2,000,000	2,000,000																	
Kapkeseng in Primary School	Contractions of Administration Block	5,000,000	2018/2019	1,000,000	2,000,000																	
		13,000,000			4,000,000																	

*Emgwen Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

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)
		3,100,000. Appendix (iii) (b) Kapkesengin Primary School- there is still pending disbursement of funds at the board in the FY 2020-2021 of construction of administration block; the board is committed and therefore will ensure the disbursement of funds this financial complete the project		

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 Anne Gichini
 Fund Account Manager.