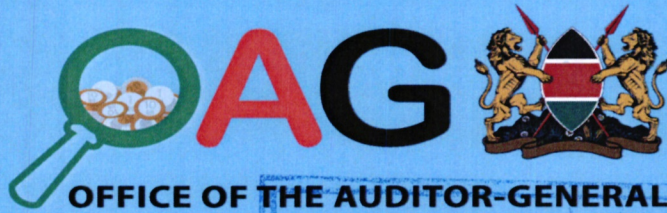


REPUBLIC OF KENYA



*Enhancing Accountability*

THE NATIONAL ASSEMBLY

DATE: 27 JUL 2023

DAY:

Thursday

**REPORT**

BY:

Hon Naani Wago, MP  
Deputy Majority Whip

CLERK AT

THE ASSEMBLY:

**OF**

Finlays Mumbiki

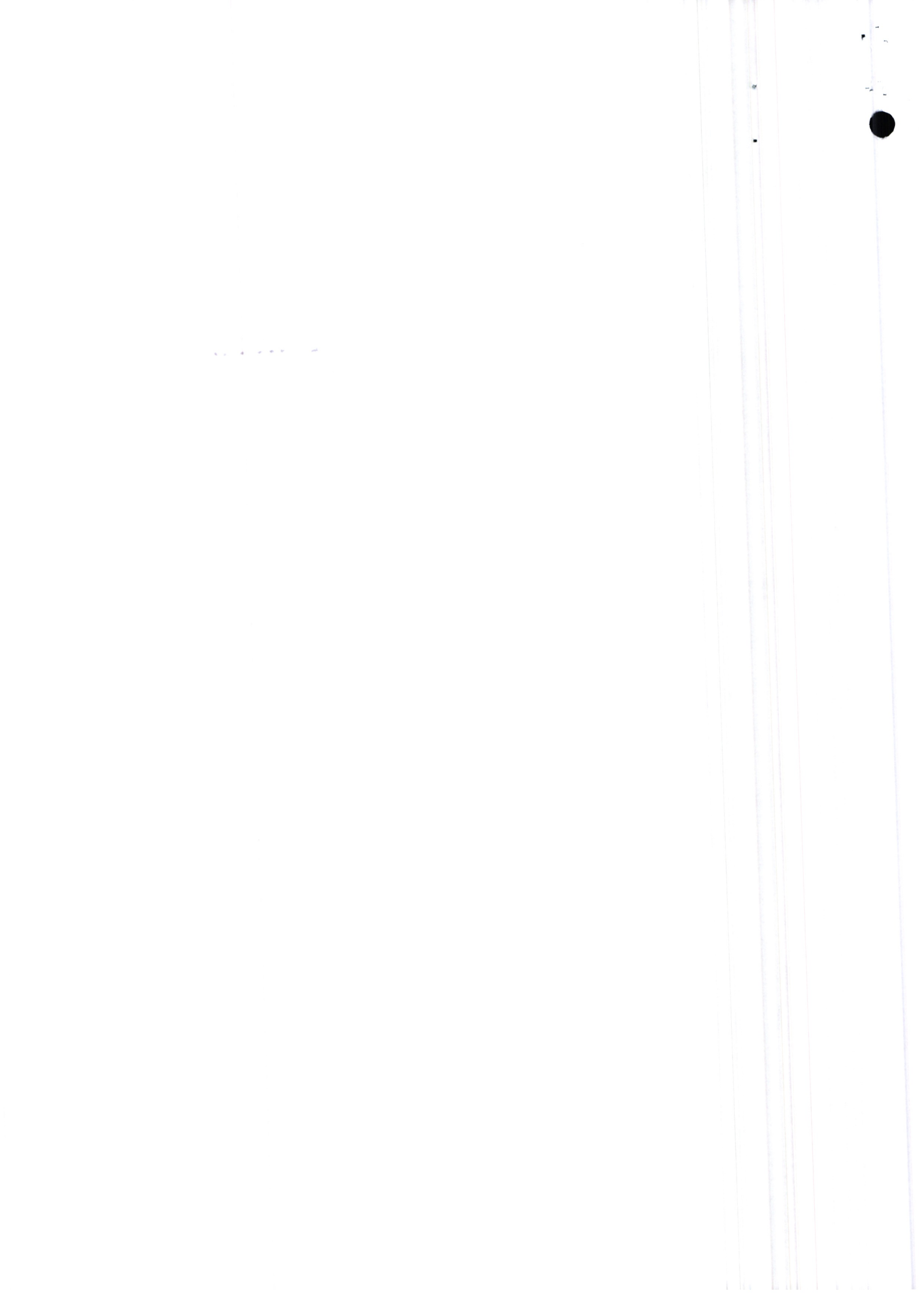
**THE AUDITOR-GENERAL**

PARLIAMENT  
OF KENYA  
LIBRARY

**ON**

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

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



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY

19 MAY 2023

**RECEIVED**



FUND ACCOUNT MANAGER  
NG-CDF HAMISI CONSTITUENCY  
P. O. Box 262 - 50309,  
KAIMOSI



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HAMISI CONSTITUENCY  
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> JUNE 2022

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

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

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## I. Key Constituency Information and Management

### (a) Background information

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

### Mandate

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

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

## ***Hamisi Constituency***

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

#### ***Annual Report and Financial Statements for The Year Ended June 30, 2022***

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- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

#### **Vision**

Equitable Socio-economic development countrywide

#### **Mission**

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

#### **Core Values**

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

#### **Functions of NG-CDF Committee**

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

#### **(b) Key Management**

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

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

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2022 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Silverius M. Wakoli
2.	Sub-County Accountant	Roseline Awino
3.	Chairman NGCDFC	Robert Serete
4.	Member NGCDFC	Mary Jemaiyo

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Hamisi Constituency NGCDF. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the Constituency Committee for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

**(e) Hamisi Constituency NGCDF Headquarters**

P.O. Box 262-50309,  
Shamahoho ACC's Office Grounds,  
Chavakali – Kapsabet Highway  
Kaimosi, KENYA

**(f) Hamisi Constituency NGCDF Contacts**

Telephone: (254) 722959351  
E-mail: [cdfhamisi@ngcdf.go.ke](mailto:cdfhamisi@ngcdf.go.ke)  
Website: [www.ngcdfhamisi.go.ke](http://www.ngcdfhamisi.go.ke)

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

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**(g) Hamisi Constituency NGCDF Bankers**

Kenya Commercial Bank  
KCB Mbale Branch  
Account No. 1102380598  
P.O. Box 1123  
Maragoli.

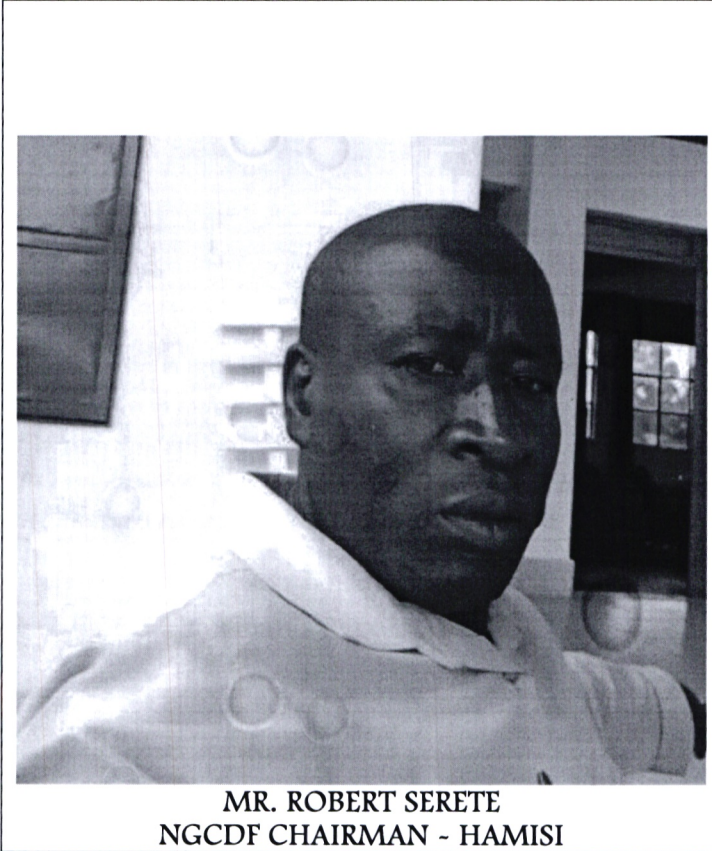
**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

II. NG-CDF Chairman's Report



**Hamisi Constituency Geographic and Climatic Background**

Hamisi is one of the five constituencies in Vihiga County. It borders Aldai constituency to the east, Ikolomani and Emgwen constituencies to the north, Vihiga and Sabatia constituencies to the west and Kisumu East constituency to the south. The constituency covers an area of 189.1 km<sup>2</sup>.

The constituency has an equatorial climate with fairly distributed rainfall throughout the year. It has an average precipitation of 1900mm. Temperatures range between 14°C to 32°C with a mean of 23°C. The climate support a variety of cash crops mainly tea, coffee and horticultural crops. Dairy farming is also practiced in the constituency.

Hamisi NG-CDF was allocated Kshs. 137,088,879 for the financial year 2021/2022. The Constituency had a final budget of Kshs. 203,832,949 which constitutes Kshs. 137,088, 879 of the original budget, Kshs. 21,655,190 of the opening cashbook balance as at 1<sup>st</sup> July 2021 and Kshs. 45,088,879 amount owed to the Constituency as at 30<sup>th</sup> June, 2021. During the year under review, the Constituency spent Kshs. 178,711,308 representing 88% utilization. The unutilized fund as at 30<sup>th</sup> June 2022 was Kshs. 25,121,641.

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

**Hamisi Constituency Population Project and Density by Division**

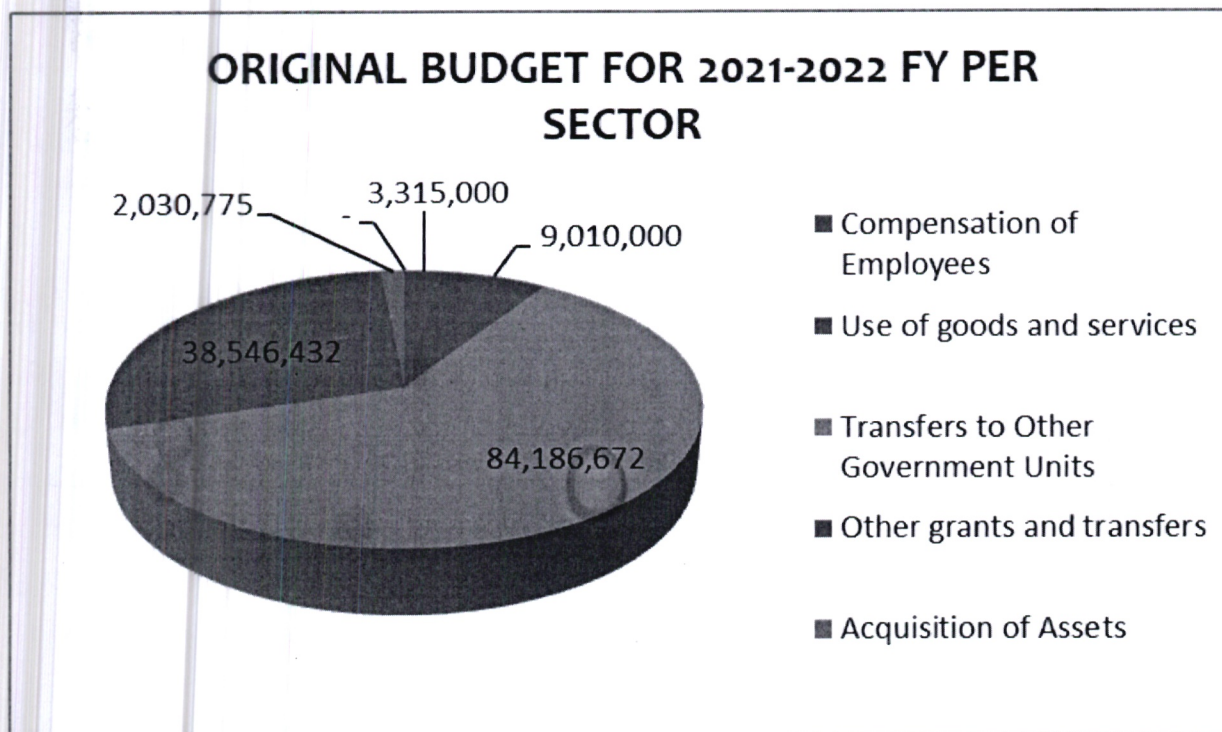
The population of the constituency was 159,241 by the 2019 housing and population census and is projected at 173,424 by 2022 and 179,406 by 2025.

**Administrative Units**

CONSTITUENCY	DIVISION	NOs. LOCATION	NOs. SUB- LOCATION
HAMISI	Shamakhokho	2	5
	Shaviringa	2	6
	Tambua	2	9
	Jepkoyai	2	8

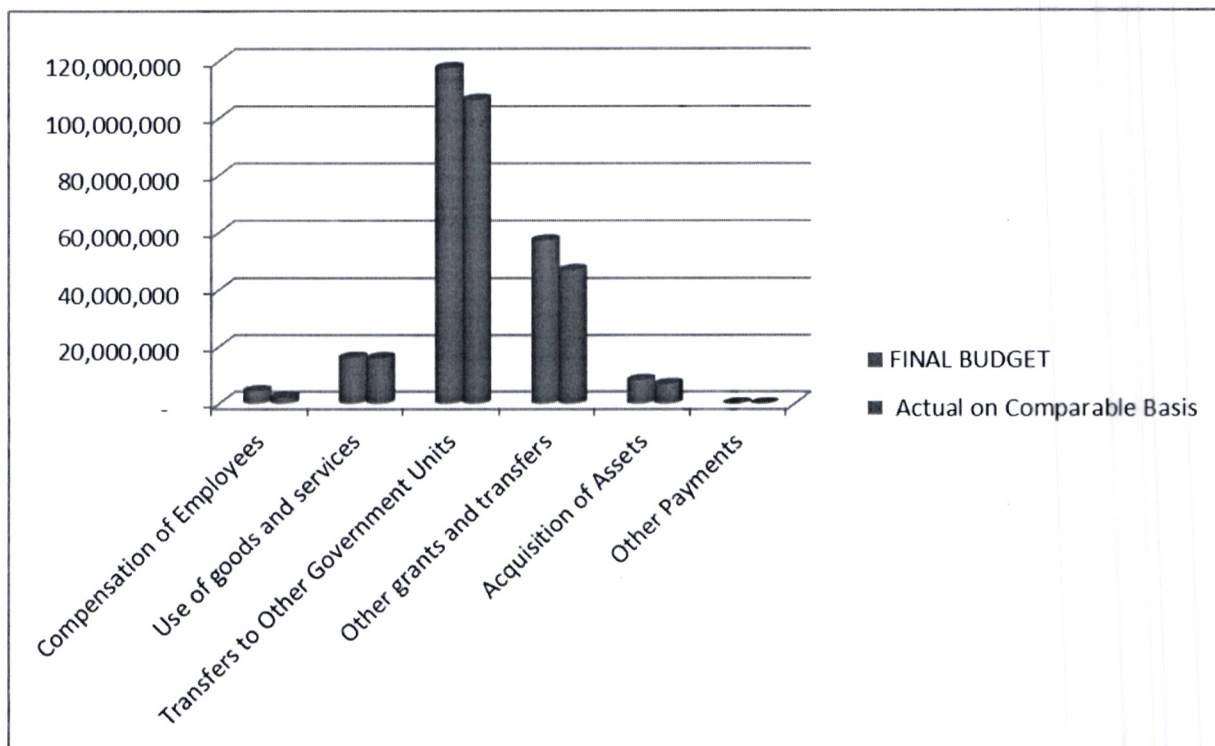
The constituency has seven electoral wards namely Banja, Shamakhokho, Muhudu, Shaviringa, Tambua, Jepkoyai and Gisambai.

The Constituency had a budget of Kshs.137,088,879 during the financial year 2021-2022. The budget was distributed as per the illustrated pie chart below:-



*Pic. 1: Pie chart showing distribution of the original budget for 2021-2022 financial year per sector.*

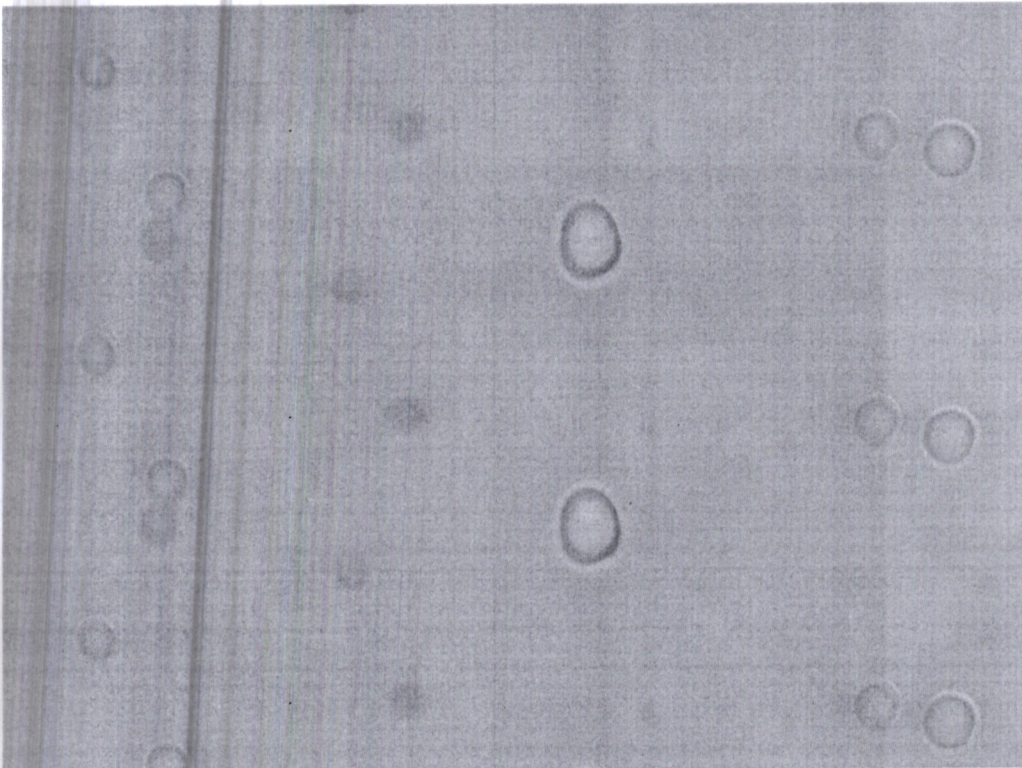
Summary of the budget performance against actual amounts for current year based on sectors is as per the illustrations below:-



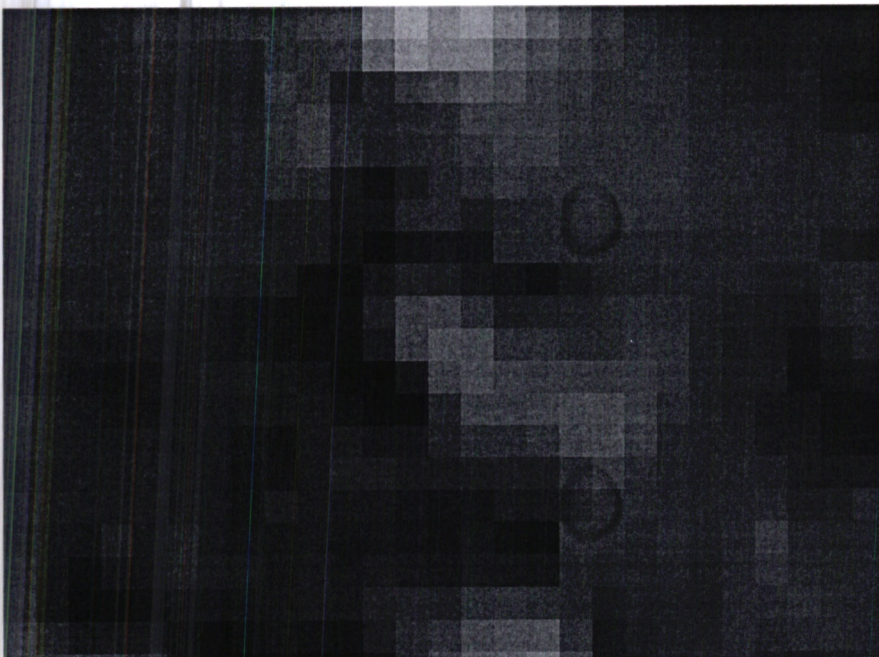
*Fig. 2: Column chart showing Summary of the budget performance against actual amounts for the 2021-2022 financial year per sector.*

***Some of the key achievements during the financial year 2021/2022***

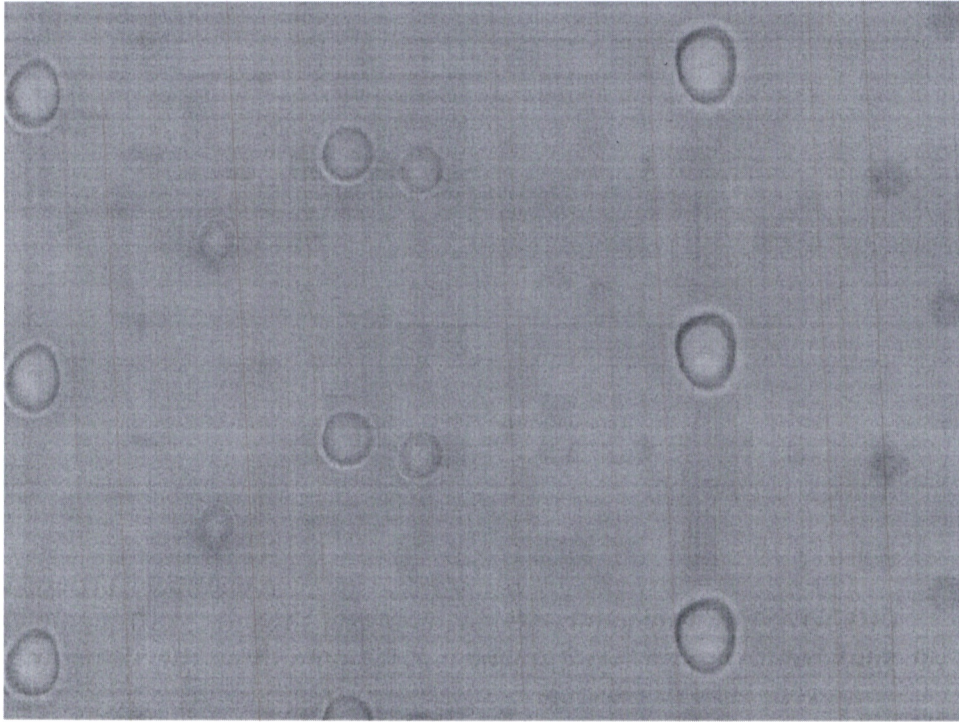
During the year under review, Hamisi NG-CDF achieved much in education sector. Several primary and secondary schools classrooms, laboratories and administration blocks were constructed including Muhaya Secondary school, George Khaniri Secondary School - Jepkoyai, Dr. Gimose Secondary School – Jeviriri, Luther Primary School, Kasegeli Primary School, Kapkoi Primary School, Jebrongo Primary School, Egemeni Primary School, Banja Muslim Primary school, Friends Givavei Special School and Gambaragai Primary School. Some of the pictorial presentation for the constructed classrooms achieved during the financial year under review are as follows:-



Pic. 1: Dr. Gimose Secondary School - Jeviriri newly constructed 2No. classrooms fully funded by Hamisi NG-CDF



Pic. 2: Gamoi Secondary School newly constructed Science Laboratory fully funded by Hamisi NG-CDF



Pic. 3: Gidagadi Secondary School newly constructed 3No. classrooms fully funded by Hamisi NG-CDF

Hamisi NG-CDF also achieved much in renovation of classrooms in primary and secondary schools. Some of the institutions that benefited from renovation of classrooms included Chebunaywa Primary school, Mwembe Primary School, Ivola Primary School, Kabinjari Primary school etc. the following are some of the pictorial presentation of renovated classrooms during the financial year.



Pic. 4: Kabinjari Primary School newly renovated 8No. classrooms fully funded by Hamisi NG-CDF

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

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Hamisi NG-CDF also achieved much in security sector by construction and renovations of police stations and chiefs offices.



Pic. 5: Gambogi modern Police Station newly constructed fully funded by Hamisi NG-CDF

List the implementation challenges and recommended way forward.

Shortage of technical officers from the public works to supervise the projects. The NGCDFC has employed a qualified clerk of works to help on the same.

Poor road network to some schools. The NGCDFC has liased with KeRRA and County Government on maintenance of roads heading to schools.

Delay in disbursement of funds to the Constituency. The treasury to disburse funds on time and lamp sum.

Some PMCs taking long to have meetings to pay the contractors leading to delay in implementation.

Hamisi NGCDFC to induct the PMCs on importance of hastening implementation of the projects.

.....  
Sign

Mr. Robert Serete  
CHAIRMAN NG-CDF COMMITTEE

**FUND ACCOUNT MANAGER  
NG-CDF HAMISI CONSTITUENCY  
P. O. Box 262 - 50309,  
KAIMOSI**

**III. Statement Of Performance Against Predetermined Objectives for FY2021/22**

**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 *Hamisi Constituency 2018-2022* plan are to:

- a) Improving access to quality education by rehabilitation/ renovation/ Construction of classrooms, sanitary facilities, laboratories, library and boarding facilities, computer labs/ classes in schools in the Constituency, provision of laboratory equipment and ICT facilities to schools, provision of bursary to needy and bright students at all levels of learning
- b) Harnessing youth and women talent and local culture by funding youth and women tournaments
- c) Improving access to safe drinking water by purchase of water pumps, tanks and pipes
- d) Catering for any unforeseen occurrences in the Constituency
- e) Enhancing security in the constituency by construction/ rehabilitation of chiefs offices, police stations and police housing among others
- f) Improving and tracking of implementation of NGCDF programmes
- g) Promoting health and clean environment by planting indigenous trees at the public places

**Progress on attainment of Strategic development objectives**

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number	In FY 21/22 - Hamisi NG-CDF renovated from 17 to 67 classrooms and constructed 21 from 14 classrooms. It also constructed 1 laboratories and 5 administration block

*Hamisi Constituency*

*National Government Constituencies Development Fund (NGCDF)*

*Annual Report and Financial Statements for The Year Ended June 30, 2022*

Constituency Sector	Objective	Outcome	Indicator	Performance
			of bursary's beneficiaries at all levels	- Bursary beneficiaries at all levels were as follows:- Bursary Tertiary – 8,377,800 Bursary Secondary – 9,392,300 Bursary Special schools – 838,200
Security	To ensure all Ass. chiefs, chiefs and the Ass. County Commissioners' have an office  To have modern police stations and posts at the Constituency	Access to quality services  Reduced crime rate	- number of usable physical infrastructure build at the locational levels  - Number of crimes reported	Hamisi NGCDFC constructed Muhudu Chiefs office and Kipchekwen Assistant chiefs office  - The NGCDFC constructed Gambogi Police Station to completion
Environment	To have health and clean environment	Access to good health and sanitation	- Number of Indigenous trees planted - Number of sanitary facilities constructed	- During the financial year 2021-2022, Hamisi NGCDFC constructed Construction of 10-door exhaustible pit latrine. 2-doors will accommodate PWDs at Butiti and Simbi Primary Schools
Sports	Harnessing youth and women talent	Increased youth and women talents	- Numbers of tournaments held	Hamisi NGCDF committee held one football tournament and

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

Constituency Sector	Objective	Outcome	Indicator	Performance
				one marathon run held during the month of December 2021 and April 2022
Emergency	Catering for any unforeseen occurrences in the Constituency	Preparedness to unforeseen occurrences	- Number of unforeseen occurrences in the constituency	Hamisi NGCDF committee allocated Kshs. 7 million under the emergency kitty to cater unforeseen occurrences.

#### IV. Environmental and Sustainability Reporting

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

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

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 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.*
- *NG-CDF staff Have at least one day in FY to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.*

## **3. Employee welfare**

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

Hamisi 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-**

Hamisi 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.

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

  
.....  
Name: Mr. Silverius M. Wakoli  
FAM

FUND ACCOUNT MANAGER  
NG-CDF HAMISI CONSTITUENCY  
P. O. Box 262 - 50309,  
KAIMOSI

## V. Statement of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Hamisi 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, 2022. 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-Hamisi 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, 2022, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Hamisi 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 Hamisi Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency*'s financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

### **Approval of the financial statements**

The NGCDF- Hamisi Constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2022.



.....  
**Name: Robert Serete**  
**Chairman – NGCDF Committee**



.....  
**Name: Silverius M. Wakoli**  
**Finance Account Manager**

**FUND ACCOUNT MANAGER**  
**NG-CDF HAMISI CONSTITUENCY**  
**P. O. Box 262 - 50309,**  
**KAIMOSI**

# REPUBLIC OF KENYA

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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 - HAMISI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2022**

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### **PREAMBLE**

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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-Hamisi Constituency set out on pages 1 to 48, which

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*Report of the Auditor-General on National Government Constituencies Development Fund- Hamisi Constituency for the year ended 30 June, 2022*

comprise of the statement of assets and liabilities as at 30 June, 2022, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund-Hamisi Constituency as at 30 June, 2022, 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 Constituency Development Fund Act, 2015 and the Public Finance Management Act, 2012.

### **Basis for Qualified Opinion**

#### **1. Stale Cheque**

The statement of financial position and as disclosed in Note 10 to the financial statements reflects bank balance of Kshs.25,121,641. Included in the bank reconciliation statement for June, 2022 are cheque payments in the year amounting to Kshs.386,000 relating to disbursements of bursaries. These cheques were part of the reported expenditure of Kshs.178,711,308 in the statement of receipts and payments. However, subsequent clearance indicated that the cheques had not been cleared by the bank and therefore rendered stale. Further, these cheques had not been reversed in the cashbook.

In the circumstances, the accuracy of bank balance of Kshs.25,121,641 could not be confirmed and the intended beneficiaries did not receive value from the stale cheques.

#### **2. Unsupported Bursaries Disbursements**

The statement of receipts and payments reflects other grants and transfers and as disclosed in Note 7 to the financial statements of Kshs.46,971,380 which includes bursaries to secondary schools, tertiary institutions and special schools of Kshs.9,981,190 Kshs.8,377,800 and Kshs.838,200 totaling to Kshs.19,197,190. Although the bursaries were disbursed as per the summarized schedules provided. However, full names of the learning institution as per the bank account name, Bank name, bank branch name, bank account number of the learning institution, bursary amount, full name of the student, admission number, type of institution, county in which the learning institution is located were not provided for audit review.

In the circumstances, the completeness and accountability of the expenditure of Kshs.19,197,380 as at 30 June, 2022 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the St. Joseph Technical Institute of the Deaf Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

### **Budgetary Control and Performance**

The summary statement of appropriations reflects total budgeted expenditure and actual on a comparable basis Kshs.203,832,949 and Kshs.178,711,308 resulting to under-expenditure of Kshs.25,121,641 or 12% of the budget.

The under expenditure affected the planned activities for the year and may have negatively impacted service delivery to the public.

## **REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES**

### **Conclusion**

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

### **Basis for Conclusion**

#### **1. Proposed Construction of a Modern Ablution Block with Overhead Water Tank**

The contract for the works was awarded to a local contractor at a contract sum of Kshs.2,030,775 for a period of twenty-four (24) weeks. The project commenced on 11 February, 2022 with expected completion date of 11 June, 2022. Audit inspection exercise carried out on 16 March, 2023 revealed that the contractor was not on site and no work was going on while actual amount paid to date is Kshs.1,000,000 or 100%. Further, review of the project's progress report as at March, 2023 revealed that the works were 70% complete. In addition, the contract period had expired on 11 June, 2022 and no evidence or formal extension of the contract period was provided for audit purposes.

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In the circumstances, delay in the completion of works will negatively impacts realization of intended benefits to the public.

## **2. Unsupported Emergency Projects**

The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflects other grants and transfers of Kshs.46,971,380 which includes an expenditure on emergency projects amounting Kshs.6,836,190. However, there was no proof provided to ascertain that the emergency relates to urgent, unforeseen need for expenditure that cannot be delayed until the next financial year without harming the public interest of the constituents. In addition, there was no evidence provided to confirm that the use of the emergency reserves was reported to the Board within thirty (30) days of occurrence as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

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

The Constituency Committee is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as committee

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

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

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

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

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

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

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

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

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

- Identified and assessed 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 obtained audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the appropriate 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 constituency 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 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 communicated with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

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

  
CPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

27 June, 2023

*Hamisi Constituency*

*National Government Constituencies Development Fund (NGCDF)*

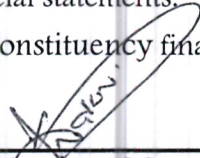
*Annual Report and Financial Statements for The Year Ended June 30, 2022*


VII. Statement Of Receipts and Payments for the Year Ended 30th June 2022


	Note	2021-2022	2020-2021
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	182,177,758	166,067,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>182,177,758</b>	<b>166,067,724</b>
<b>PAYMENTS</b>			
Compensation of employees	4	2,309,560	3,144,948
Use of goods and services	5	16,387,921	16,214,635
Transfers to Other Government Units	6	106,542,447	95,125,000
Other grants and transfers	7	46,971,380	31,314,278
Acquisition of Assets	8	6,500,000	4,600,000
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>178,711,308</b>	<b>150,398,860</b>
<b>SURPLUS/DEFICIT</b>		<b>3,466,450</b>	<b>15,668,864</b>

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

The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Name: Silverius M. Wakoli

Name: Roselyne Awino  
ICPAK M/No: 14378

Name: Robert Serete

FUND ACCOUNT MANAGER  
NG-CDF HAMISI CONSTITUENCY  
P. O. Box 262-50309,  
KAIMOSI

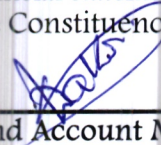
**Hamisi Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

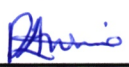
VIII. Statement of Assets and Liabilities As At 30<sup>th</sup> June, 2022


	Note	2021-2022	2020-2021
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	25,121,641	21,655,190
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>25,121,641</b>	<b>21,655,190</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>25,121,641</b>	<b>21,655,190</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	-	-
Gratuity	12B	-	-
<b>NET FINANCIAL SSETS</b>		<b>25,121,641</b>	<b>21,655,190</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	21,655,190	5,986,327
Prior year adjustments	14	-	-
Surplus/Deficit for the year		3,466,450	15,668,864
<b>NET FINANCIAL POSITION</b>		<b>25,121,641</b>	<b>21,655,190</b>
		-	-

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

The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
 Fund Account Manager

  
 National Sub-County  
 Accountant

  
 Chairman NG-CDF  
 Committee

Name: Silverius M. Wakoli

Name: Roselyne Awino  
 ICPAK M/No: 14378

Name: Robert Serete

**FUND ACCOUNT MANAGER**  
**NG-CDF HAMISI CONSTITUENCY**  
**P. O. Box 262 - 50309,**  
**KAIMOSI**

*Hamisi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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**IX. Statement of Cash Flows for the Year Ended 30th June 2022**

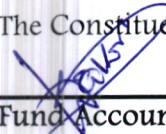
		2021-2022	2020-2021
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	182,177,758	166,067,724
Other Receipts	3	-	-
		<b>182,177,758</b>	<b>166,067,724</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	2,309,560	3,144,948
Use of goods and services	5	16,387,921	16,214,635
Transfers to Other Government Units	6	106,542,447	95,125,000
Other grants and transfers	7	46,971,380	31,314,278
Other Payments	9	-	-
		<b>172,211,308</b>	<b>145,798,860</b>
<b>Adjusted for:</b>			
Decrease/ (Increase) in Accounts receivable	15	-	-
Increase/ (Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
<b>Net Adjustments</b>		<b>-</b>	<b>-</b>
<b>Net cash flow from operating activities</b>		<b>9,966,450</b>	<b>20,268,864</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(6,500,000)	(4,600,000)
<b>Net cash flows from Investing Activities</b>		<b>(6,500,000)</b>	<b>(4,600,000)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
<b>Cash and cash equivalent at BEGINNING of the year</b>	10	<b>21,655,190</b>	<b>5,986,327</b>
<b>Cash and cash equivalent at END of the year</b>		<b>25,121,641</b>	<b>21,655,190</b>
		-	-

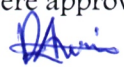
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

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

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The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

  
Fund Account Manager

  
National Sub-County  
Accountant

  
Chairman NG-CDF  
Committee

Name: Silverius M. Wakoli

Name: Roselyne Awino  
ICPAK M/No: 14378

Name: Robert Serete

**FUND ACCOUNT MANAGER  
NG-CDF HAMISI CONSTITUENCY  
P. O. Box 262 - 50309,  
KAIMOSI'**

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

X. Summary Statement of Appropriation for the Year Ended 30<sup>th</sup> June 2022

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 %
<b>RECEIPTS</b>		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879	21,655,190	45,088,879	203,832,949	203,832,949	-	100%
Proceeds from Sale of Assets	-	-	-	-	-	-	
Other Receipts	-	-	-	-	-	-	
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>21,655,190</b>	<b>45,088,879</b>	<b>203,832,949</b>	<b>203,832,949</b>	<b>-</b>	<b>100%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,315,000	535,160	611,840	4,462,000	2,309,560	2,152,440	52%
Use of goods and services	9,010,000	4,480,040	3,060,839	16,550,879	16,387,921	162,958	99%
Transfers to Other Government Units	84,186,672	9,000,000	24,425,000	117,611,672	106,542,447	11,069,225	91%
Other grants and transfers	38,546,432	7,639,991	11,091,200	57,277,623	46,971,380	10,306,243	82%
Acquisition of Assets	2,030,775	-	5,900,000	7,930,775	6,500,000	1,430,775	82%
Other Payments	-	-	-	-	-	-	
<b>TOTAL</b>	<b>137,088,879</b>	<b>21,655,190</b>	<b>45,088,879</b>	<b>203,832,949</b>	<b>178,711,308</b>	<b>25,121,641</b>	<b>88%</b>

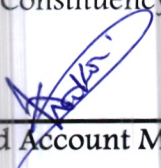


**Hamisi Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**Note:**

- ❖ The adjustments column is the Cash book opening balance as at 1<sup>st</sup> July 2021 of Kshs. 21,655,190 and amounting owing to the Constituency as at 30<sup>th</sup> June 2021 of Kshs. 45,088,879.
- ❖ The utilization difference of Kshs. 25,121,641 is the Cashbook balance as at 30<sup>th</sup> June 2022.
- ❖ The underutilization was as a resultant of late disbursement of funds to the Constituency.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	25,121,641
Less undisbursed funds receivable from the Board as at 30th June 2022	-
	25,121,641
Add Accounts payable	-
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	25,121,641

The Constituency financial statements were approved on \_\_\_\_\_ 2022 and signed by:

		
_____ Fund Account Manager	_____ National Sub-County Accountant	_____ Chairman NG-CDF Committee

Name: Silverius M. Wakoli

Name: Roselyne Awino  
ICPAK M/No: 14378

Name: Robert Serete

**FUND ACCOUNT MANAGER**  
**NG-CDF HAMISI CONSTITUENCY**  
**P. O. Box 262 - 50309,**  
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**Hamisi Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Annual Report and Financial Statements for The Year Ended June 30, 2022**

**X. Budget Execution by Sectors and Projects for the Year Ended 30<sup>th</sup> June 2022**

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation (f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2021/2022			2021/2022	30/06/2022		
	Kshs		Kshs	Kshs	Kshs	Kshs	
<b>1.0 Administration and Recurrent</b>							
1.1 Compensation of employees	3,315,000	535,160	611,840	4,462,000	2,309,560	2,152,440	52%
1.2 Committee allowances	2,910,000	576,000	689,179	4,175,179	4,160,500	14,679	100%
1.3 Use of goods and services	2,000,000	835,000	572,182	3,407,182	3,298,352.30	108,830	97%
<b>Total</b>	<b>8,225,000</b>	<b>1,946,160</b>	<b>1,873,202</b>	<b>12,044,362</b>	<b>9,768,412</b>	<b>2,275,949</b>	<b>81%</b>
<b>2.0 Monitoring and evaluation</b>							
2.1 Capacity building	1,000,000	611,200	-	1,611,200	1,611,000	200	100%
2.2 Committee allowances	2,300,000	1,667,840	974,520	4,942,360	4,940,200	2,160	100%
2.3 Use of goods and services	800,000	790,000	824,958	2,414,958	2,377,869	37,089	98%
<b>Total</b>	<b>4,100,000</b>	<b>3,069,040</b>	<b>1,799,478</b>	<b>8,968,518</b>	<b>8,929,069</b>	<b>39,449</b>	<b>100%</b>
<b>3.0 Emergency</b>							
3.1 Primary Schools	7,192,207	-	-	7,192,207	6,836,190	356,017	95%
3.2 Secondary schools							
3.3 Tertiary institutions							

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

3.4 Security projects			-	-		-	
3.5 Unutilised							
<b>Total</b>	<b>7,192,207</b>	<b>-</b>	<b>7,192,207</b>	<b>6,836,190</b>	<b>356,017</b>	<b>95%</b>	
<b>4.0 Bursary and Social Security</b>							
4.1 Secondary Schools	11,000,000	700,000	3,895,288	15,595,288	9,981,190	5,614,098	64%
4.2 Tertiary Institutions	6,000,000	-	5,865,200	11,865,200	8,377,800	3,487,400	71%
4.3 Social Security	-	-	-	-	-	-	-
4.4 Special Needs	800,000	454,990	430,712	1,685,702	838,200	847,502	50%
<b>Total</b>	<b>17,800,000</b>	<b>1,154,990</b>	<b>10,191,200</b>	<b>29,146,190</b>	<b>19,197,190</b>	<b>9,949,000</b>	<b>66%</b>
<b>5.0 Sports</b>	<b>2,664,225</b>	<b>285,001</b>	<b>-</b>	<b>2,949,226</b>	<b>2,948,000</b>	<b>1,226</b>	<b>100%</b>
5.1	-	-	-	-	-	-	-
<b>Total</b>	<b>2,664,225</b>	<b>285,001</b>	<b>-</b>	<b>2,949,226</b>	<b>2,948,000</b>	<b>1,226</b>	<b>100%</b>
<b>6.0 Environment</b>							
Hamisi DCC's Office	890,000	-	-	890,000	890,000	-	100%
Butiti Primary School	800,000	-	-	800,000	800,000	-	100%
Simbi Primary School	800,000	-	-	800,000	800,000	-	100%
Malinda Secondary School	-	-	400,000	400,000	400,000	-	100%
<b>Total</b>	<b>2,490,000</b>	<b>-</b>	<b>400,000</b>	<b>2,890,000</b>	<b>2,890,000</b>	<b>-</b>	<b>100%</b>
<b>7.0 Primary Schools Projects</b>							
Banja Muslim Pri. School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Boyani Primary School	400,000	-	600,000	1,000,000	400,000	600,000	40%
Bumbo Primary School	-	700,000	-	700,000	700,000	-	100%

**Hamisi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Buyangu Primary School	-	600,000	-	600,000	600,000	-	100%
Chebunaywa Prim. School	1,500,000	-	-	1,500,000	1,500,000	-	100%
Chepsaga Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Egemeni Primary School	4,300,000	-	2,000,000	6,300,000	6,300,000	-	100%
Gambaragai Primary School	1,000,000	-	950,000	1,950,000	1,950,000	-	100%
Gamuguywa Prim. School	500,000	-	-	500,000	500,000	-	-
Gavudunyi Primary School	850,000	-	-	850,000	850,000	-	100%
Gidagadi Primary School	-	1,000,000	-	1,000,000	1,000,000	-	100%
Gidimo Primary School	800,000	-	-	800,000	800,000	-	100%
Gimarian Primary School	400,000	-	-	400,000	400,000	-	-
Gimomoi Primary School	800,000	-	-	800,000	800,000	-	100%
Givavei Special School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Givavei Special School	300,000	-	-	300,000	300,000	-	100%
Givogi Primary School	2,700,000	-	1,000,000	3,700,000	3,700,000	-	100%
Imusutsu Primary School	500,000	-	400,000	900,000	900,000	-	100%
Ivola Primary School	1,300,000	800,000	-	2,100,000	2,100,000	-	100%
Jebrongo Primary School	3,500,000	3,000,000	1,000,000	7,500,000	7,500,000	-	100%
Jeptorol Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Jeviriri Primary School	600,000	-	-	600,000	600,000	-	100%
Jeviriri Primary School Rd	3,000,000	-	-	3,000,000	3,000,000	-	-
Jidereri Primary School	400,000	-	-	400,000	400,000	-	100%

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Jidereri Primary School	250,000	-	-	250,000	250,000	-	100%
Jivuye Primary School	-	-	800,000	800,000	800,000	-	100%
Kabinjari Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Kaimosi Demo Pri.School	700,000	-	-	700,000	700,000	-	100%
Kapchemgung Pri. School	600,000	-	400,000	1,000,000	1,000,000	-	100%
Kapkoi Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100%
Kapkoi Primary School Rd	3,000,000	-	-	3,000,000	-	3,000,000	-
Kapsegeli Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Kapsoi Primary School	700,000	-	-	700,000	700,000	-	100%
Kaptik Primary School	300,000	-	-	300,000	300,000	-	100%
Kaptis Primary School	-	800,000	-	800,000	800,000	-	100%
Kimarani Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100%
Kinu Primary School	1,500,000	-	-	1,500,000	1,500,000	-	100%
Kitagwa Primary School	800,000	-	700,000	1,500,000	1,500,000	-	100%
Kitambazi Primary School	2,000,000	-	500,000	2,500,000	2,500,000	-	100%
Luther Primary School	2,000,000	-	800,000	2,800,000	2,800,000	-	100%
Lwombei Primary School	1,000,000	-	1,000,000	2,000,000	2,000,000	-	100%
Madeya Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Mahanga Primary School	-	-	500,000	500,000	500,000	-	100%
Makuchi Primary School	800,000	-	-	800,000	800,000	-	100%
Malinda Primary School	1,500,000	-	-	1,500,000	1,500,000	-	100%

***Hamisi Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Mudindi Primary School	-	-	1,000,000	1,000,000	1,000,000	-	100%
Muhudu Primary School	1,500,000	-	700,000	2,200,000	2,200,000	-	100%
Mukisangula Pri. School	-	-	1,000,000	1,000,000	1,000,000	-	100%
Museywa Primary School	-	800,000	-	800,000	800,000	-	100%
Mutave Primary School	-	-	300,000	300,000	300,000	-	100%
Mutiva Primary School	800,000	-	-	800,000	800,000	-	100%
Muyere Primary School	800,000	-	-	800,000	800,000	-	100%
Mwanzo ADC Pri. School	-	-	600,000	600,000	600,000	-	100%
Mwembe Primary School	500,000	-	375,000	875,000	875,000	-	100%
Nyang'ori Primary School	1,200,000	-	-	1,200,000	1,200,000	-	100%
Saosi Primary School	800,000	-	-	800,000	800,000	-	100%
Saride Primary School	800,000	-	-	800,000	800,000	-	100%
Senende Primary School	1,800,000	-	-	1,800,000	1,800,000	-	100%
Senende Primary School	800,000	-	-	800,000	800,000	-	100%
Shikomoli Primary School	400,000	-	-	400,000	400,000	-	100%
Shipala Primary School	450,000	-	-	450,000	450,000	-	100%
Shiru Primary School	800,000	-	-	800,000	800,000	-	100%
Tigoi Primary School	400,000	-	-	400,000	400,000	-	100%
Viyaro ADC Primary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
<b>Total</b>	<b>61,050,000</b>	<b>7,700,000</b>	<b>14,625,000</b>	<b>83,375,000</b>	<b>75,875,000</b>	<b>7,500,000</b>	<b>91%</b>
<b>8.0 Secondary Schools Projects</b>							
Bishop Sulumeti Sec. School			600,000				100%

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				600,000	600,000	-	
Chepsaga Secondary School	800,000	-	-	800,000	-	800,000	0%
Dr. Gimose Sec. - Jeviriri	2,000,000	-	800,000	2,800,000	2,800,000	-	100%
Dr. Maurice Dangana Sec.	-	-	1,500,000	1,500,000	1,500,000	-	100%
Gamalenga Sec. School	-	-	800,000	800,000	800,000	-	100%
Gamoi Secondary School	1,867,447	-	1,000,000	2,867,447	2,867,447	-	100%
George Khaniri Jepkoyai	1,569,225	-	1,000,000	2,569,225	2,500,000	69,225	97%
Gidagadi Secondary School	1,000,000	-	1,000,000	2,000,000	2,000,000	-	100%
Gimarian Secondary School	2,000,000	-	-	2,000,000	2,000,000	-	100%
Gimengwa Sec. School	1,200,000	-	-	1,200,000	-	1,200,000	-
Givole Secondary School	600,000	-	-	600,000	600,000	-	100%
Imusutsu Secondary School	800,000	-	-	800,000	800,000	-	100%
Kapchemgung Sec.School	2,000,000	-	700,000	2,700,000	2,700,000	-	100%
Kapsotik Secondary School	2,200,000	-	-	2,200,000	2,200,000	-	100%
Kinu Secondary School	500,000	-	-	500,000	500,000	-	100%
Kisasi Secondary School	800,000	-	-	800,000	800,000	-	100%
Kitagwa Secondary School	-	-	2,000,000	2,000,000	2,000,000	-	100%
Makuchi Secondary School	-	500,000	-	500,000	500,000	-	100%
Malinda Secondary School	-	-	400,000	400,000	400,000	-	100%
Muhaya Secondary School	2,000,000	-	-	2,000,000	2,000,000	-	100%
Musiri Secondary School	1,000,000	-	-	1,000,000	1,000,000	-	100%
Simbi Secondary School.	1,300,000	-	-	1,300,000	1,300,000	-	100%
St. Veronica - Kimarani.	1,500,000	800,000	-	2,300,000	800,000	1,500,000	35%



**Hamisi Constituency**

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

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Total		-	-	-	-	-	
13.0 unallocated fund							
Unapproved projects							
AIA							
PMC savings							
Total			-	-	-	-	
	137,088,879	21,655,190	45,088,879	203,832,949	178,711,308	25,121,641	88%

## **XI. Significant Accounting Policies**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents.**

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

**7. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year

***Hamisi Constituency***

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

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are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

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

#### **11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30<sup>th</sup> June 2021 for the period 1<sup>st</sup> July 2021 to 30<sup>th</sup> June 2022 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

#### **12. Comparative Figures**

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

#### **13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2022.

#### **14. Errors**

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

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

#### **15. Related Party Transactions**

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

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XII. Notes to the Financial Statements

1. Transfers from NGCDF Board

Description		2021-2022	2020 - 2021
		Kshs	Kshs
	B140891	33,000,000	
Normal Allocation	B140892	44,000,000	
	B105769	22,000,000	
	B128503	5,000,000	
	B128814	12,000,000	
	B154012	12,000,000	
	B164455	18,000,000	
	B155942	12,088,879	
	A895005	14,000,000	
	B155817	10,088,879	
	AIE NO. B096950		15,000,000
	AIE NO. B104566		3,500,000
	AIE NO. B104600		19,000,000
	AIE NO. B104809		400,000
	AIE NO. B104805		800,000
	AIE NO. A823515		35,367,724
	AIE NO. B124519		9,000,000
	AIE NO. B124943		8,500,000
	AIE NO. B119798		12,000,000
	AIE NO. B128088		6,900,000
	AIE NO. B128398		7,000,000
	AIE NO. B132143		6,000,000
	AIE NO. B138811		12,000,000
	AIE NO. B126107		7,000,000
	AIE NO. B125396		11,600,000
	AIE NO. B140542		12,000,000
Conditional Grants	AIE NO...		
Receipt from other Constituency			
<b>TOTAL</b>		<b>182,177,758</b>	<b>166,067,724</b>

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Notes to the Financial Statements (Continued)

2. Proceeds From Sale of Assets

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Receipts from the Sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Receipts from the Sale of Office and General Equipment	-	-
<b>TOTAL</b>	-	-

3. Other Receipts

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Interest Received		-
Rents		-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>TOTAL</b>	-	-

4. Compensation Of Employees

Description	2021-2022	2020 - 2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,132,440	1,661,340
<b>Personal allowances paid as part of salary</b>		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	-	1,278,828
Employer Contributions Compulsory national social security schemes	177,120	204,780
<b>TOTAL</b>	<b>2,309,560</b>	<b>3,144,948</b>

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Notes to the Financial Statements (Continued)

5. Use Of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	-	-
Electricity	-	70,000
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	116,120	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	1,611,000	3,269,828
Hospitality supplies and services	-	-
Other committee expenses	4,940,200	5,716,990
Committee allowance	4,160,500	3,412,500
Insurance costs	372,961	-
Specialized materials and services	-	-
Office and general supplies and services	4,503,900	3,634,597
Fuel , oil & lubricants	500,000	-
Other operating expenses	-	-
Bank service commission and charges	109,600	110,720
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	40,000	-
Routine maintenance- other assets	33,640	-
<b>TOTAL</b>	<b>16,387,921</b>	<b>16,214,635</b>

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Notes to the Financial Statements (Continued)

6. Transfer to Other Government Units

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Transfers to Primary Schools	75,875,000	61,725,000
Transfers to Secondary Schools	30,667,447	33,400,000
Transfers to Tertiary Institutions	-	-
<b>TOTAL</b>	<b>106,542,447</b>	<b>95,125,000</b>

7. Other Grants and Other transfers

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Bursary - Secondary ( see attached list)	9,981,190	8,607,000
Bursary -Tertiary ( see attached list)	8,377,800	2,899,000
Bursary- Special Schools	838,200	135,000
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NHIF)	-	-
Electricity	-	400,000
Security Projects ( see attached list)	15,100,000	4,300,000
Roads (See attached list)	-	1,500,000
Sports Projects ( see attached list)	2,948,000	2,714,500
Environment Projects ( see attached list)	2,890,000	2,515,000
Emergency Projects ( see attached list)	6,836,190	8,243,778
<b>TOTAL</b>	<b>46,971,380</b>	<b>31,314,278</b>

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Notes to the Financial Statements (Continued)

8. Acquisition Of Assets

<u>Non Financial Assets</u>	2021-2022	2020 - 2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	1,000,000	-
Refurbishment of Buildings	-	4,600,000
Purchase of Vehicles and Other Transport Equipment	5,500,000	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and General Equipment	-	-
Purchase of computers ,printers and other IT equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
<b>TOTAL</b>	<b>6,500,000</b>	<b>4,600,000</b>

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

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Notes to the Financial Statements (Continued)

10: Cash Book Bank Balance

Name of Bank, Account No. & currency	Account Number	2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
<i>Kenya Commercial Bank, Mbale Branch . Hamisi NG-CDF</i>	<i>A/C no. 1102380598</i>	25,121,641	21,655,190
		-	-
		-	-
<b>TOTAL</b>		<b>25,121,641</b>	<b>21,655,190</b>

10B: CASH IN HAND)

		2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts		-	-
<b>TOTAL</b>		<b>-</b>	<b>-</b>

11: Outstanding Imprests

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

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12A. Retention

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

12B. Gratuity

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

13. Balances Brought Forward

	2021-2022	2020- 2021
	Kshs (1/7/2021)	Kshs (1/7/2020)
Bank accounts	21,655,190	5,986,327
Cash in hand	-	-
Imprest	-	-
<b>TOTAL</b>	<b>21,655,190</b>	<b>5,986,327</b>

Notes to the Financial Statements (Continued)

14. Prior Year Adjustments

Description of the error	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2020/2021
	Kshs	Kshs	Kshs
Bank accounts balances	-		-
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others Reversed stale cheques	-	-	-
<b>Total</b>	-	-	-

15. Changes in Accounts Receivable – Outstanding Imprests

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

16. Changes in Accounts Payable – Deposits and Retentions

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

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17. Other Important Disclosures

17.1: Pending Accounts Payable (See Annex 1)

	2021-2022	2020-2021
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
Total	-	-

17.2: Pending Staff Payables (See Annex 2)

	2021-2022	2020-2021
	Kshs	Kshs
NGCDF Staff	1,421,040	-
	-	-
	1,421,040	-

Note that the pending staff payable is the staff gratuity which is part of the cashbook balance in the current financial year and will be paid in the month of July 2022

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020-2021
	Kshs	Kshs
Compensation of employees	2,152,440	1,147,000
Use of goods and services	162,958	7,180,880
Amounts due to other Government entities (see attached list)	11,069,225	33,425,000
Amounts due to other grants and other transfers (see attached list)	10,306,243	18,731,190
Acquisition of assets	1,430,775	6,260,000
Others	-	-
Funds pending approval	-	-
	25,121,641	66,744,070

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	6,903,300	5,509,867
Total	<b>6,903,300</b>	<b>5,509,867</b>

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**Annexes**  
**Annexes: 1 Analysis of Pending Accounts Payable**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2022	Comments
	a	B	C	d=a-c	
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 30th June 2022	Comments
<b>NG-CDFC Staff</b>				
1. Samson M. Okumu	IT Officer / Accounts Assistant	01st August, 2013	357,120	
2. Wilhaight Idah	Clerk of Works	2nd Sept 2018	260,400	
3. Mauline Mireho Elegwa	Records Management Officer	01st August 2018	223,200	
4. Vincent Sakwa	Driver	02nd August, 2021	111,600	
5. Wycliffe Shisiali Muya	Messenger	01st August, 2013	133,920	
6. Mercy Kaduka Agitsa	Clerical officer	1st August 2018	133,920	
7. Julius Kipsaina	Office Assistant	1st August 2018	133,920	
8. Mambo Kevin	Office Assistant	02nd August, 2021	66,960	
<b>Sub-Total</b>			<b>1,421,040</b>	
<b>Grand Total</b>			<b>1,421,040</b>	

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**Annex 3 – Unutilized Fund**

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2021/2022	2020/2021	
Compensation of employees	Payment of staff salaries & Gratuity	2,152,440	1,147,000	
Use of goods & services	Payments of goods & services	162,958	7,180,880	
Amounts due to other Government entities				
<b>a) Primary School Projects</b>				
Boyani Primary School	Classrooms renovation	600,000	600,000	
Bumbo Primary School	Classroom renovation and toilet	-	700,000	
Buyangu Primary School	Classrooms renovation	-	600,000	
Egemeni Primary School	Construction of classrooms	-	2,000,000	
Gambaragai Primary School	Construction of 1No. classroom	-	950,000	
Gamuguywa Primary School	Renovation of classroom	500,000	-	
Gidagadi Primary School	Construction of 1No. classroom	-	1,000,000	
Gimarian Primary School	Renovation of 1No. classroom	400,000	-	
Givogi Primary School	Construction of dormitory	-	1,000,000	
Imusutsu Primary School	Renovation of 1No. classroom	-	400,000	
Ivola Primary School	Renovation of 2No. classrooms	-	800,000	

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Jebrongo Primary School	Construction of classrooms	-	4,000,000	
Jeviriri Primary School Rd	Rehabilitate school road	3,000,000	-	
Jivuye Primary School	Renovation of 2No. classrooms	-	800,000	
Kapchemgung Primary School	Renovation of 1No. classroom	-	400,000	
Kapkoi Primary School Rd	Rehabilitate school road	3,000,000	-	
Kaptis Primary School	Renovation of 2No. classrooms	-	800,000	
Kitagwa Primary School	Renovation of 2No. classrooms	-	700,000	
Kitambazi Primary School	Complete classroom construction	-	500,000	
Luther Primary School	Ongoing construction of 2classrooms	-	800,000	
Lwombei Primary School	Renovation of 2No. classrooms	-	1,000,000	
Mahanga Primary School	Renovation of 1No. classroom	-	500,000	
Mudindi Primary School	Complete construction of 4No. classrooms	-	1,000,000	
Muhudu Primary School	Start renovation of 4No. classrooms	-	700,000	
Mukisangula Primary School	Construction of 1No. classroom	-	1,000,000	
Museywa Primary School	Renovation of classrooms	-	800,000	
Mutave Primary School	Final payment to toilet	-	300,000	
Mwanzo ADC Primary School	Construction of toilet	-	600,000	

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Mwembe Primary School	Complete renovation of 2 classes	-	375,000	
<b>b) Secondary School Projects</b>				
Bishop Sulumeti Sec. School	Ongoing construction of 4No. classrooms and administration	-	600,000	
Chepsaga Secondary School	Construction of toilet	800,000	-	
Dr. Gimose Secondary School - Jeviriri	Complete construction of 2No. classrooms	-	800,000	
Dr. Maurice Dangana Sec. Sch	Ongoing construction of 4No. classrooms and administration	-	1,500,000	
Gamalenga Secondary School	Construction of toilet	-	800,000	
Gamoi Secondary School	Laboratory construction	-	1,000,000	
George Khaniri Sec. Jepkoyai	Ongoing construction of classes	69,225	1,000,000	
Gidagadi Secondary School	Construction of 1No. classroom		1,000,000	
Gimengwa Secondary School	Construction of ablution block	1,200,000	-	
Kapchemgung Secondary School	Construction of multi-purpose hall	-	700,000	
Kitagwa Secondary School	Ongoing construction of classrooms	-	2,000,000	
Makuchi Secondary School	Renovation of dining hall	-	500,000	

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Malinda Secondary School	Complete payment for a classroom	-	400,000	
St. Veronica Girls High School - Kimarani.	Ongoing administration block and classroom construction	1,500,000	800,000	
<b>Sub-Total</b>		<b>11,069,225</b>	<b>33,425,000</b>	
<b>Amounts due to other grants and other transfers</b>				
<b>a) Security Projects</b>				
Gambogi Police Station.	Construct police station	-	5,500,000	
Kipchekwen Ass. Chiefs Office	Construct Ass. Chief office	-	700,000	
Tambua DOs Office	Construct latrine	-	500,000	
<b>b) Environment Projects</b>				
Malinda Secondary School	Complete toilet construction	-	400,000	
<b>c) Bursary</b>				
Secondary Schools	Bursary for needy and bright secondary school students	5,614,098	4,695,288	
Tertiary Institutions	Bursary for needy and bright tertiary school students	3,487,400	5,865,200	
Special Needs	Bursary for needy and bright special school students	847,502	535,000	
<b>d) Sports</b>				
Sports	Hold Hamisi Sports tournament and marathon	1,226	285,000	
<b>e) Emergency</b>				
Emergency	Emergency occurrences	356,017	250,702	
<b>Sub-Total</b>		<b>10,306,243</b>	<b>18,731,190</b>	<b>.</b>

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Acquisition of assets				
Hamisi NG-CDF Office	Construct modern latrines	1,030,775	-	
NG-CDF Double cabin	Purchase of office vehicle	-	5,860,000	
Motorbike	Purchase of office motorbike	400,000	400,000	
Others ( <i>specify</i> )				
	<b>Sub-Total</b>	<b>1,430,775</b>	<b>6,260,000</b>	
Funds pending approval				
	<b>Grand Total</b>	<b>25,121,641</b>	<b>66,744,070</b>	

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2020/2021	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/2022
Land	-	-	-	-
Buildings and structures	4,700,000	-	-	4,700,000
Transport equipment	-	5,900,000	-	5,900,000
Office equipment, furniture and fittings	588,000	-	-	588,000
ICT Equipment, Software and Other ICT Assets	31,150	-	-	31,150
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>5,319,150</b>	<b>5,900,000</b>	<b>-</b>	<b>11,219,150</b>

**Hamisi Constituency****National Government Constituencies Development Fund (NGCDF)****Annual Report and Financial Statements for The Year Ended June 30, 2022****Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2022**

PMC	Account number	Bank	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Ass. Chief Office Kipchekwen	1287203582	KCB	08/07/2021	515	-
Bahati Primary School	1206718412	KCB	02/03/2017	514	514
Banja Muslim Primary School	1126380296	KCB	13/04/2011	256,069	-
Bishop Sulumeti Sec. School	1280326077	KCB	09/11/2020	9,252	13,360
Boyani Primary School	054145164725	KCB	07/10/2008	407,071	243,136
Bumbo Primary School	1258041197	KCB	03/06/2019	569	-
Bumuyange Secondary School	1200684737	KCB	11/10/2016	48,865	402,142
Butiti Primary School	1265832129	KCB	09/10/2019	2,290	-
Buyangu Primary School	1166959996	KCB	25/06/2019	62	299,659
Chebunaywa Primary School	1287026966	KCB	01/07/2021	74,923	-
Chebunaywa Secondary School	1260682447	KCB	15/07/2019	-	117
Chepsaga Primary School	1111134030	KCB	02/03/2009	-	41,261
Cheptech Primary School	1114695998	KCB	22/10/2009	947	1,147
DCC Hamisi	1208679031	KCB	13/04/2019	45,755	-
Dr. Gimose Sec. School Jeviriri	1166786706	KCB	21/01/2015	18,549	20,061
Dr. Maurice Dangana Sec.	1255372516	KCB	11/04/2019	934	20,738
Egemeni Primary School	1210821133	KCB	06/06/2017	22,728	4,748
Friends Kaimosi Primary School	1167036670	KCB	28/01/2015	-	18,409

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PMC	Account number	Bank	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Friends Primary School Givogi	1235866351	KCB	13/07/2013	2,704	32,704
Gamalenga Primary School	1103652745	KCB	13/06/2006	1,106	12,207
Gamalenga Secondary School	1102380946	KCB	11/02/2008	251,878	-
Gambaragai Primary School	1266250360	KCB	17/10/2019	3,986	-
Gambogi Police Station	1294913522	KCB	01/04/2022	343,495	-
Gamoi Secondary School	1147423229	KCB	26/11/2013	7,488	7,488
George Khaniri Sec. Jepkoyai	1274572053	KCB	06/06/2020	277,969	713,412
Gidagadi Primary School	1272997456	KCB	15/04/2020	2,123	2,249
Gidagadi Secondary School	1276717873	KCB	13/08/2022	61,595	97,558
Gidimo Primary School	1126220779	KCB	07/04/2011	69,067	32,787
Gimarian Secondary School	1266268804	KCB	18/10/2019	49,922	2,070
Gimengwa Primary School	1271216612	KCB	21/02/2020	1,846	30,973
Gimengwa Secondary School	1101794909	KCB	13/09/2006	5,744	5,744
Gimomoi Primary School	1101936290	KCB	13/09/2006	1,829	894
Givavei Friends School for the Deaf	1266279563	KCB	18/10/2019	6,143	-
Givogi Primary School	1277193088	KCB	13/07/2018	14,377	16,249
Givole Primary School	1112506136	KCB	30/06/2009	2,974	3,226
Givole Secondary School	1218529180	KCB	17/10/2017	18,266	1,203,275
Goibei Primary School	1103652745	KCB	13/09/2006	1,106	2,843
Itiengere Primary School	1101936703	KCB	13/09/2006	1,652	1,985

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PMC	Account number	Bank	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Ivola Primary School	1101799617	KCB	13/09/2006	27,741	169,829
Ivumbu Primary School	1101818397	KCB	17/06/2016	-	400
Jamulongoji Primary School	1101842903	KCB	13/09/2006	1,078	819
Jeblabuk Primary School	1109395337	KCB	23/10/2008	5,519	5,645
Jebrongo Primary School	1102263486	KCB	02/10/2008	274,072	6,297
Jeptorol Primary School	1112203516	KCB	04/06/2009	1,002,880	3,132
Jidereri Primary School	1169487629	KCB	16/04/2015	262	988
Jinjini Primary School	1260971821	KCB	19/07/2019	934	1,060
Jivuye Primary School	11733894558	KCB	13/08/2015	2,054	1,809
Kabinjari Primary School	1271844508	KCB	07/03/2020	8,249	3,609
Kaimosi Demo Primary School	1173505288	KCB	17/08/2015	95	32,215
Kamuluguywa Primary School	1124388680	KCB	25/01/2011	315	319,379
Kapchemgung Primary School	1172733805	KCB	25/07/2015	1,132	584
Kapchemgung Secondary School	1291352864	KCB	25/11/2021	6,155	-
Kapchorwa ADC Primary School	1197908056	KCB	18/08/2016	2,135	2,135
Kapkoi Primary School	1293930881	KCB	08/03/2022	2,059	-
Kapsegeli Primary School	1258772175	KCB	14/06/2019	334,323	18,449
Kapsogoro Primary School	1125634243	KCB	15/03/2011	275	275
Kapsoi Primary School	1160032092	KCB	17/09/2014	1,733	1,979

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PMC	Account number	Bank	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Kapsotik Secondary School	1109833229	KCB	20/11/2008	2,020	4,060
Kapsotik Primary School	1271636468	KCB	03/03/2020	2,269	87,269
Kaptik Primary School	1173430970	KCB	14/08/2015	286,455	27,455
Kaptik Secondary School	1102282170	KCB	14/09/2022	27,865	428,401
Kaptis Primary School	1278238662	KCB	24/09/2020	2,249	2,400
Kimarani Primary School	1278889531	KCB	30/09/2020	50,525	72,194
Kinu Primary School	1149111763	KCB	13/01/2014	174	678
Kinu Secondary School	1255619007	KCB	17/04/2019	2,264	-
Kipsigor Primary School	1286014344	KCB	20/05/2021	2,975	2,975
Kisasi Secondary School	1296621693	KCB	27/05/2022	22,790	-
Kitagwa Primary School	1287421881	KCB	17/07/2021	2,929	-
Kitagwa Secondary School	1261843843	KCB	06/07/2019	1,614	5,040
Kitambazi Primary School	1111901767	KCB	08/05/2009	8,348	-
Luther Primary School	1258638916	KCB	12/06/2019	1,751	-
Lwombei Primary School	1102262781	KCB	02/10/2016	5,619	-
Madeya Primary School	1101803088	KCB	13/09/2006	1,751	-
Mahanga Primary School	1290242844	KCB	18/10/2021	3,849	-
Makuchi Primary School	1258104008	KCB	04/06/2019	2,357	51,014
Makuchi Secondary School	1110991398	KCB	17/02/2009	50,189	-
Malinda Primary School	1109449992	KCB	24/10/2008	125,685	137

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PMC	Account number	Bank	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Malinda Secondary School	1266286187	KCB	18/10/2019	1,897	1,897
Muhaya Secondary School	1279177616	KCB	08/10/2020	-	1,186
Muhudu Chiefs Office	1281617334	KCB	18/12/2020	400,380	620
Muhudu Secondary School	1116447703	KCB	10/02/2020	665,915	42,044
Munzatsi Primary School	1168236223	KCB	09/03/2015	3,071	3,071
Munzatsi Secondary School	1179265904	KCB	01/03/2016	56,033	191,572
Museywa Primary School	1102283290	KCB	30/09/2008	2,692	2,544
Musiri Primary School	1236826809	KCB	07/08/2018	6,335	6,335
Musiri Secondary School	1260446069	KCB	10/07/2019	1,696	3,712
Musudzu Primary School	1291402225	KCB	29/11/2021	809	-
Mutave Primary School	1115533126	KCB	04/12/2009	16	1,333
Mutiva Primary School	1236647793	KCB	02/08/2018	45,913	1,153
Muyere Primary School	1162318430	KCB	23/10/2014	37,990	-
Muyere Secondary School	1173505288	KCB	17/08/2016	95	32,215
Mwanzo ADC Primary School	1238554563	KCB	11/09/2018	845	11,165
Mwembe Primary School	1285551816	KCB	21/05/2013	-	15,855
Nyangóri Primary School	1152617761	KCB	30/04/2014	360,756	-
Saosi Primary School	1112975497	KCB	30/07/2009	136,597	39,893
Senende Primary School	1111140596	KCB	22/11/2017	804,353	-
Serem Police Station	1150755873	KCB	13/03/2014	737	65,977

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PMC	Account number	Bank	Date A/C Opened	Bank Balance 2021/22	Bank Balance 2020/21
Shaviringa Divisional HQs	1279452234	KCB	16/10/2020	675	675
Shikomoli Primary School	1114711098	KCB	23/10/2009	731	-
Shipala Primary School	1175861588	KCB	22/10/2015	54	1,245
Shiru Primary School	1102071307	KCB	03/11/2006	2,650	-
Siekuti Primary School	1160502692	KCB	25/09/2014	2,748	24,748
Simbi Secondary School	1110450052	KCB	05/01/2009	58,240	500,203
Simbi Primary School	1101837756	KCB	13/09/2006	11,310	1,768
St. Johns Cheptech Sec. School	1266415181	KCB	22/10/2019	3,926	4,934
St. Veronicah Secondary School	1135267197	KCB	10/07/2012	5,920	55,920
Tambua Dos office	1122467451	KCB	25/10/2020	1,312	17,767
Zululu Primary School	1284836096	KCB	12/04/2021	603	855
				<b>6,903,300</b>	<b>5,509,867</b>

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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)
Hms/Audit/2019-2020-001	<p><b>1.0 Unsupported – Prior Year Adjustments</b>                      As disclosed in Note 14 to the financial statements, the statements of assets and liabilities reflects a prior year adjustment of Kshs. 871,500 relating to reversed stale bursary cheques. However, supporting documents for the prior year adjustment were not provided for audit verifications. Consequently, the accuracy and propriety of prior year adjustments of Kshs. 871,500 as at 30 June, 2020 for audit verifications.</p>	The prior year adjustments of Kshs. 871,500 were the reversed stale cheques. Attached find a copy of the cashbook extract showing the reversed stale bursary cheques		
Hms/Audit/2019-2020-002	<p><b>2.0 Unsupported PMC Bank Balances</b>                      The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs. 5,986,327 out of which a balance of Kshs. 5,218,769 was the PMC bank accounts balances as detailed in Annex 5. However, the bank balances were not supported by the bank certificates. Consequently, the accuracy and completeness of the PMC bank accounts balance of Kshs. 5,218,769 as at 30 June, 2020 could not be confirmed</p>	By the time of audit, the PMC bank balance certificates had not been requested by the auditor. The bank balance certificates are now available for your perusal.		
Hms/Audit/2019-2020-003	<p><b>3.0 Budget Control and Performance</b>                      The statement of appropriation – recurrent and development combined shows that the fund's approval budget for the year 2019/2020 was Kshs. 210,718,365 while the actual amount disbursed</p>	The under absorption was resulted by the late disbursement of funds by the board. Attached find samples of AIEs showing late disbursement		

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	<p>was Kshs. 137,050,641 resulting to underfunding of Kshs. 73,667,724 being 35% of the budgeted amount.</p> <p>In addition, the budgeted expenditure was Kshs. 210,718,365 while actual expenditure was Kshs. 131,064,314 resulting in under-absorption of Kshs. 79,654,051 by 38%</p> <p>The underfunding and under-expenditure affected the planned programs and activities and may have impacted negatively on service delivery to the residents of Hamisi Constituency.</p>	of funds to the Constituency on Annex 2. The funds were later received and utilized in te current financial year as per the approved codelist		
Hms/Audit/2019-2020-004	<p><b>Basic of Conclusion</b></p> <p><b>1.0 Late Remittances of PAYE</b></p> <p>During the year under review, it was observed that the fund paid the commissioner of income tax a total of Kshs. 314,484 as a penalty of late remittances of Pay As You Earn tax. However, the amount had not been budgeted for while no explanation was provided for the delay in tax remittances thus occasioning the voidable expenditure.</p>	The management had no funds during the 2017 election period to pay salaries due to delayed disbursement of funds from the board. Since then, the management has complied with timelines in remittance of statutory deductions for the NG-CDF staff		
Hms/Audit/2019-2020-005	<p><b>2.0 Unsatisfactory Implementation of Emergency projects.</b></p> <p>As disclosed in Note 7 to the financial statements, the statement of receipts and payments reflects other grants and transfers of Kshs. 38,247,193 which includes emergency projects of Kshs. 9,024,993 out of which Kshs. 1,200,000 was transferred to Jamulongoji Primary School for the renovation of</p>	The management has instructed the clerk of works and public works officers to assess the damaged works so that they can be rectified to standard. All the PMCs have been advised		

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	classrooms. However, physical verification done on 11 March, 2021, revealed that the works were poorly done as the floor had cracked already and painting was not done on the rear side of the building. The project was not labelled and a certificate of inspection was not provided for audit verification.	to label all the NG-CDF funded projects after completion for easy identification.		
Hms/Audit/2019-2020-006	<p><b>3.0 Unsatisfactorily Implementation of Secondary Schools Projects</b></p> <p>As disclosed in Note 6 of the financial statements, the statement of receipts and payments reflects transfers to other government units of Kshs. 81,000,000 which includes transfers to secondary schools of Kshs. 22,100,000. However, physical verification of sampled projects in secondary schools revealed various anomalies as detailed below:</p> <p>i. Dr. Gimose Secondary School received Kshs. 4,800,000 for ongoing construction of story building housing 8No. classrooms and an administration section. However, payments of Kshs. 4,800,000 was not supported with detailed certificates indicating quantified works done, inspection and acceptance reports and invoices from the contractor.</p> <p>ii. Muhudu Secondary School received Kshs. 2,000,000 for ongoing completion of 2No. classrooms including roofing, plastering, flooring and painting to completion. However, the school did not have a CDF account while the classrooms were not labelled. Payments made were not supported with detailed certificates indicating quantified works,</p>	<p>The management has liased with public works officers to include quantified works when preparing payment certificates. All the PMCs have been advised to open a separate current NG-CDF project account for ease management and accountability of NG-CDF funds</p> <p>The management has also instructed the PMCs to label NG-CDF funded projects for easy identification</p>	Resolved	

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	inspection and acceptance reports and invoices from the contractor were not provided for audit review.			
	<p><b>4.0 Unsatisfactory Implementation of Primary Schools Projects</b></p> <p>(j) As disclosed in Note 6 to the financial statements, the statement of receipts and payments and Note 6 to the financial statements reflects to other government units of Kshs. 81,000,000 which includes transfers to primary schools of Kshs. 57,900,000 out of which three primary schools received disbursement totalling Kshs. 4,000,000 for various constructions.</p> <p>Physical verifications of the projects in the three primary schools revealed various anomalies as detailed below:</p> <p>(i) Luther Primary School received Kshs. 1,000,000 for the construction of one classroom by laying foundation, plastering, walling, roofing, wiring and fitting doors and windows, painting, fascia board and labelling. A physical verification conducted on 10 March 2021, revealed that the project was not complete as plastering, floor works, doors, windows and window panes, walling, electrical works had not been done and the contractor was not on site</p> <p>(ii) Jebrongo Primary School received Kshs. 1,500,000 for the construction of a one storey building at a contract sum of Kshs. 14,000,000. However, the school had</p>	<p>The Hamisi NG-CDF has planned a capacity building for project management committees throughout the Constituency to educate them on procurement, project management, filing and all the necessary steps to be undertaken before any payment is made to a project and what documents are supposed to accompany the same.</p> <p>At the same time, we always undertake huge projects which require colossal amounts of</p>		

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	<p>received a cumulative total of Kshs. 7,500,000 since initiation of the project in the 2017/2018 financial year. A physical verification carried out on 10 March 2021 revealed that the contractor was on site, but the contract agreement and inspection and acceptance certificates were not provided for audit verification.</p> <p>(iii) Gemeni primary School received Kshs. 1,500,000 for construction of one storey building where the budgeted amount for the project was kshs. 14,000,000. A physical verification carried out on 11 March 2021, revealed that the project was incomplete</p>	<p>money. Hence, the projects are done in phases due to limited funds, but there is a plan to complete those projects in the financial year 2021/2022</p>		

  
 Name  
 Fund Account Manager. P. O. Box 262 - 50309,  
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