


REPUBLIC OF KENYA



Enhancing Accountability

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REPORT

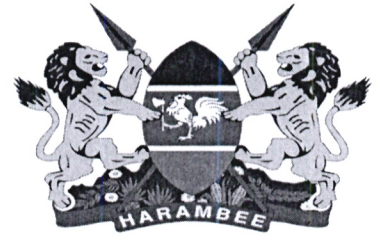
OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE, 2019**



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - KHWISERO
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30 JUNE 2019

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

100

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) -
KIIWISERO CONSTITUENCY
Reports and Financial Statements
For the year ended 30 June 2019**

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KIIWISERO CONSTITUENCY**
Reports and Financial Statements
For the year ended 30 June 2019

1. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NG-CDF Act, 2015. At cabinet level, NG-CDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

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

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

Vision

Equitable Socio-economic development countrywide

Mission

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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
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Core Values

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

(b) Key Management

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

- i. National Government Constituencies Development Fund Board (NG-CDFB)
- ii. National Government Constituency Development Fund Committee (NG-CDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	Bernard S. Misiko
2.	National Sub-County Accountant	Meshack Yaura Wakoli
3.	Chairman NGCDFC	Justus M. Ambasu
4.	Member NGCDFC	Phanice Amadi

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of NGCDF -KHWISERO Constituency. 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) NG-CDF KHWISERO Constituency Headquarters

P.O. Box 124 - 50135
Opposite Khwisero Police Station
Eshibinga – Khwisero Road
Khwisero, KENYA



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KHWISERO CONSTITUENCY**
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(f) NG-CDF KHWISERO Constituency Contacts

Telephone: (254) -0722 269 298
E-mail: cdfkhwisero@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NG-CDF KHWISERO Constituency Bankers

1. Kenya Commercial Bank
Mumias Branch
P.O. Box 193 -50102
MUMIAS, Kenya

Account No. 1240448929

(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



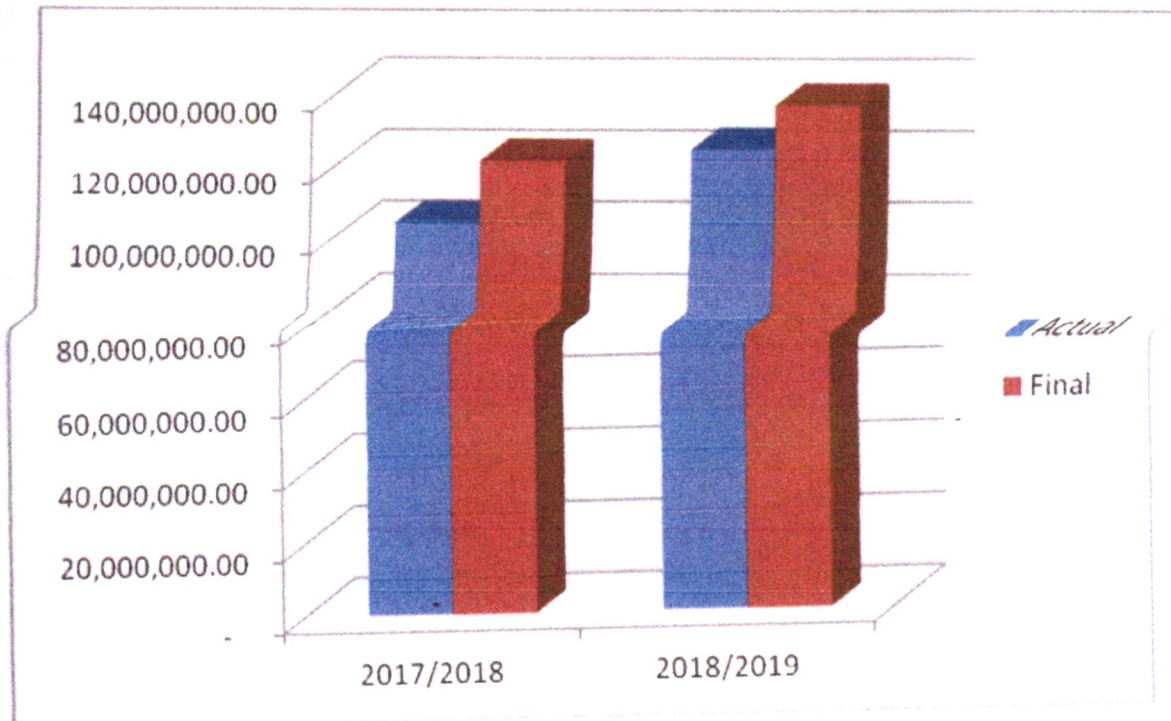
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KHWISERO CONSTITUENCY**

Reports and Financial Statements

For the year ended 30 June 2019

II. FORWARD BY THE CHAIRMAN NG-CDF COMMITTEE

Khwisero NG-CDF Committee, by close of financial year at 30th June 2019, had received all allocated funds from the Board. This included the previous amount owing from the Board for 2016/2017 financial year of sh. 3,520,000. We also received sh.11,379,310, which was for 2017/2018 financial year, but received in July 2018. This was a supplementary budgetary allocation during the previous year (2017/2018 fy). Thus on comparable basis, we had a higher amount received in the year under review compared to 2017/2018 financial year.



Bar graph comparing Original Budget against Actual utilization of funds for the two financial years

From the graph above, the Final figures are higher than Actual in both years. However, utilization rate in the year under review is higher than that in the previous.

It is also important to note that during the year under review, we disbursed more than in the previous year 2017/2018. In 2017/2018 and 2018/2019 FY, we made payments totalling Ksh.104,795,975 and Ksh.125,363,309 respectively. This is as shown in figure below.

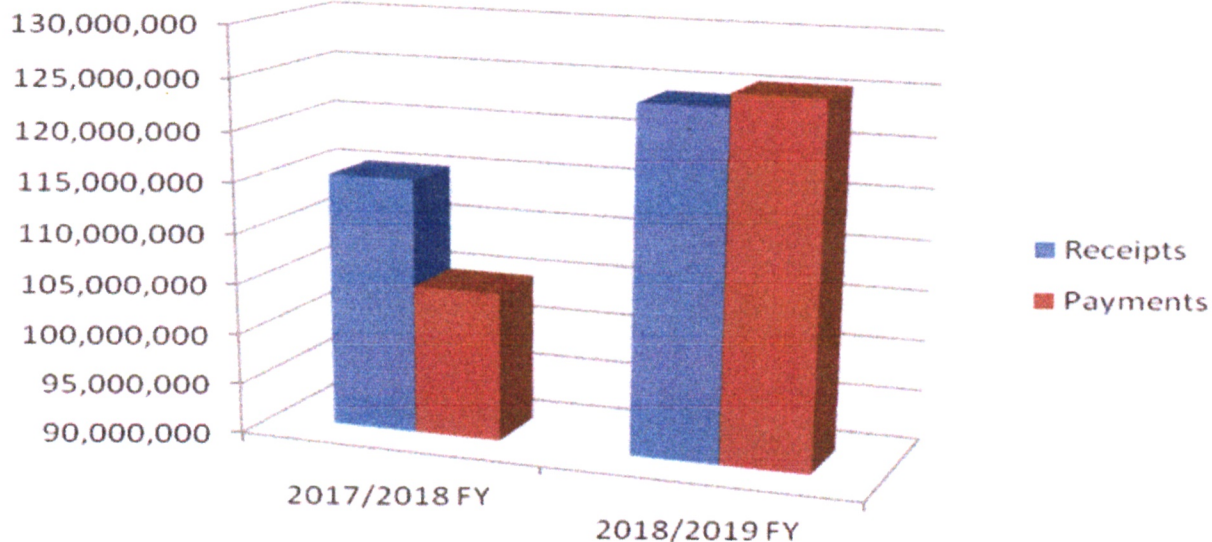


Comparing Receipts in the two financial years



On comparable basis, the Pie chart shows Receipts from the NG-CDF Board in the two financial years

However, about half of the allocation for 2018/2019 financial year was received about two weeks to closure of the financial year (i.e sh.55,040,876). Although most of it was disbursed to the respective PMCs by 30th June, 2019, it was unutilized as at 30/6/2019. The funds will therefore be utilized in the 2019/2020 financial year.



Receipts and Payments for the two financial years on comparable basis



NATIONAL GOVERNMENT COMMITTEE
KHWISERO CONSTITUENCY
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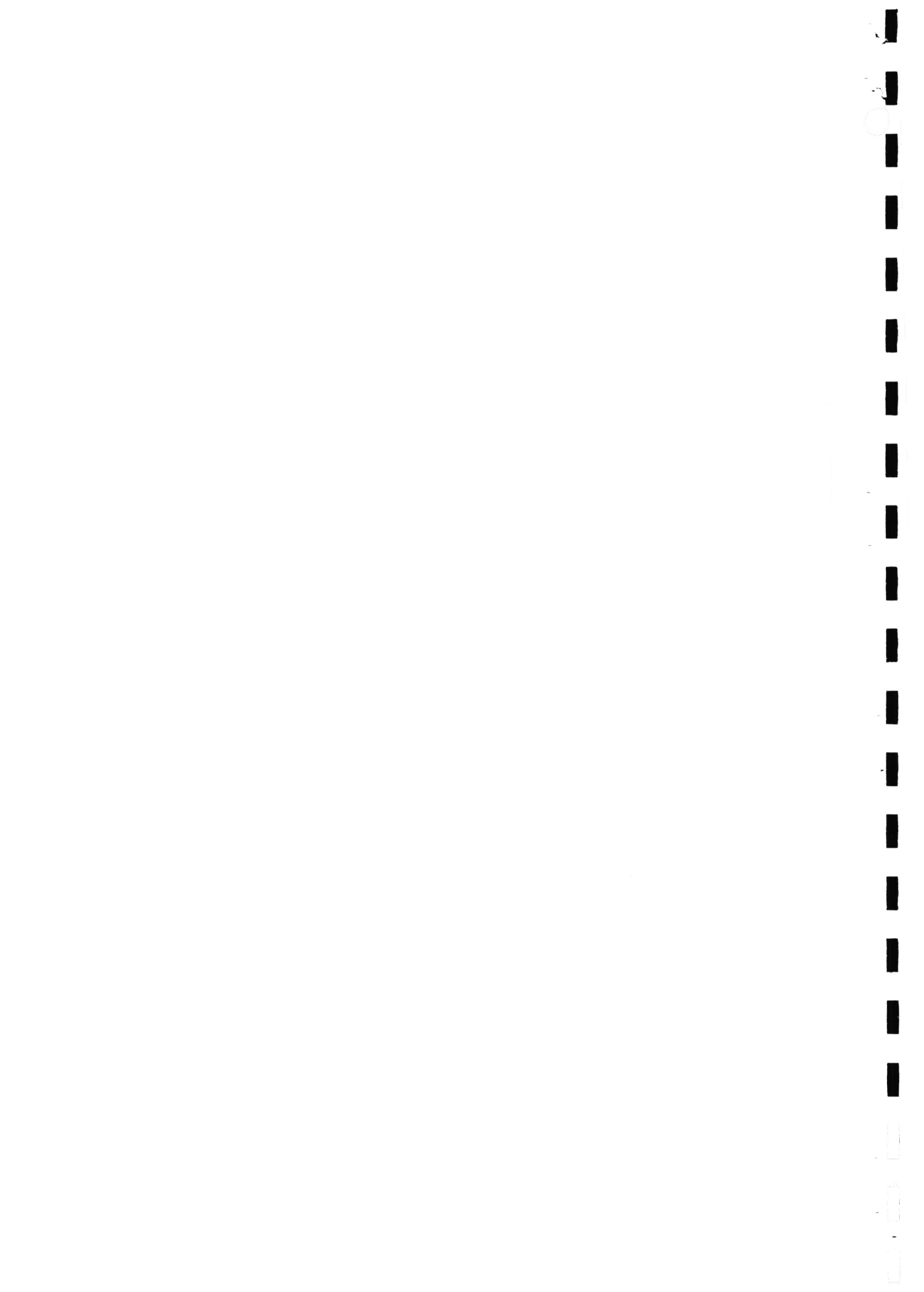
During the period under review, the Committee was able to fund a number of projects, which were allocated enough money to completion after Presidential directive on completion of all ongoing public projects before starting new ones. Some of the identified, but complete projects include the following:



Elukanji Primary School – Kisa North Ward : Construction of an Administration Block to completion at a cost of Ksh.1,500,000 (Funded from 2017/2018 and completed under 2018/2019 financial year). Complete and in use.



Emalindi Girls' Secondary School - Located in Kisa East Ward : Construction of a twin Dormitory.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
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Funding spread in two financial years i.e 2017/2018 and 2018/2019. Both occupied by students.



St. Mathew's Ikomero Secondary School - Located in Kisa West Ward: Construction of a Twin Science Laboratory. Funded in more than two financial years - completed under 2018/2019 following Presidential directive.



Shirali Secondary School - Located in Kisa Central Ward: Construction of a Single Science Laboratory. Funded in two financial years, 2017/2018 and completed under 2018/2019. In use.



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Mushiangubu Primary School - Located in Kisa Central Ward: Construction of an Administration block. Funded in two financial years i.e 2017/2018 and completed under 2018/2019. Complete and in use.

During the 2017/2018 financial year, the committee allocated funds for generation of a Constituency Strategic plan. Due to delays in funds release, the Strategic Plan was done in 2018/2019 financial year. It was launched on 5th July 2019. This is therefore an achievement for the Constituency. This will be a road map for implementation for the remaining years. It will be acting as a guide during our funds allocations to various projects.

It is imperative to note that managing NG-CDF funds is not a walk in the park. We meet challenges every now and then as follows:

- ✓ The constituents heavily depend on bursary kitty for the education of their children. This overdependence might compromise the committee's integrity. However, to solve such, we have Sub Locational Bursary Sub Committees that vet bursary applications and forward their findings to the Bursary Sub Committee before award to beneficiaries.
- ✓ Political interference is another challenge in the management of the kitty. Some constituents are always negative because of political dynamics. We always encourage the use of Complaints/suggestion box so that it is official.
- ✓ Decision making is tricky in the committee meetings. This is because each of the members has a particular interest for their ward. Through NG-CDFC trainings, the members are aware that they represent the entire constituency and not a ward. Should there be a problem, it will be for the whole constituency. Hence teamwork.
- ✓ Slow pace at which the NG-CDF Board releases funds to constituencies is another very serious challenge. Although this is based on collections from the taxes, it is affecting project implementation. The NG-CDF Board released about half of the allocation two weeks to closure of financial year. Other constituencies are yet to receive all their funds for the just ended financial year. The NG-CDF Act 2015 should be followed to ensure disbursements are timely.

Sign:.....
CHAIRMAN NG-CDF COMMITTEE



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KIIWISERO CONSTITUENCY**

**Reports and Financial Statements
For the year ended 30 June 2019**

III. STATEMENT OF ENTITY 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-KHWISERO 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 30 June 2019. 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-KHWISERO 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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended 30 June 2019, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-KHWISERO Constituency further confirms the completeness of the accounting records maintained for the *entity*, 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-KHWISERO Constituency confirms that the entity 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 entity'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-KHWISERO Constituency financial statements were approved and signed by the Accounting Officer on 23/8 / 2019.



Fund Account Manager
Name: BERNARD S. MISIKO
WAKOLI



Sub-County Accountant
Name: MESHACK YAURA

ICPAK Member Number: 13319



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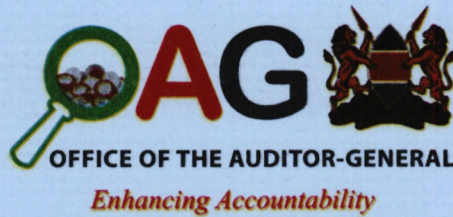
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REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KHWISERO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Khwisero Constituency set out on pages 2 to 37, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Khwisero Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Unsupported Payment to Khwisero Technical Training Institute

The Management established a Project Management Committee (PMC) under the name Khwisero Technical Training Institute and opened an account with a commercial bank. The purpose of the PMC was for construction of concrete pole fencing of the proposed Institute at an estimated cost of Kshs.1,550,000. However, the Management paid a total amount of Kshs.11,550,000 to the Institute resulting to an unexplained overpayment totalling to Kshs.10,000,000.

Further, certificate of payment indicated that a total of Kshs.9,693,640 was paid but details of the specific works done were not disclosed.

Consequently, the accuracy, completeness and validity of payment totalling to Kshs.11,550,000 to Khwisero Technical Training Institute for the year ended 30 June, 2019 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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.

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing 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, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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


Nancy Gathungu
AUDITOR-GENERAL

Nairobi

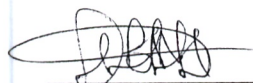
17 September, 2021

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KHWISERO CONSTITUENCY**
Reports and Financial Statements
For the year ended 30 June 2019

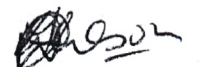
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2018-2019	2017-2018
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board	1	123,940,186	115,238,620
Other Receipts	2	75,000	-
TOTAL RECEIPTS		124,015,186	115,238,620
PAYMENTS			
Compensation of employees	3	1,812,383	1,618,593
Use of goods and services	4	8,564,087	6,191,616
Transfers to Other Government Units	5	62,300,786	52,020,345
Other grants and transfers	6	49,092,752	44,965,421
Other Payments	7	3,668,256	-
TOTAL PAYMENTS		125,438,264	104,795,975
SURPLUS/DEFICIT		(1,423,078)	10,442,645

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KHWISERO Constituency financial statements were approved on 23/8 2019 and signed by:



Fund Account Manager
Name: BERNARD S. MISIKO



National Sub-County Accountant
Name: MESHACK YAURAWAKOLI
ICPAK Member Number: 13319




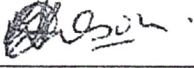
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
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For the year ended 30 June 2019

V. STATEMENT OF ASSETS AND LIABILITIES

II. STATEMENT OF FINANCIAL ASSETS			
	Note	2018-2019	2017-2018
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	12,373,632	13,796,710
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		12,373,632	13,796,710
Current Receivables			
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		12,373,632	13,796,710
FINANCIAL LIABILITES			
Accounts Payable			
NET FINANCIAL ASSETS		<u>12,373,632</u>	<u>13,796,710</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	12	13,796,710	3,354,065
Surplus/Deficit for the year		(1,423,078)	10,442,645
NET LIABILITIES		12,373,632	13,796,710
		-	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KHWISERO Constituency financial statements were approved on 23/8/2019 and signed by:


Fund Account Manager
Name: BERNARD S. MISIKO


National Sub-County Accountant
Name: MESHACK YAURA WAKOLI
ICPAK Member Number: 13319




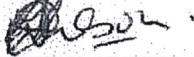
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF)-
KHWISERO CONSTITUENCY
Reports and Financial Statements
For the year ended 30 June 2019**

VI. STATEMENT OF CASHFLOW

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
Receipts			
Transfers from CDF Board	1	123,940,186	115,238,620
Other Receipts	2	75,000	
Total Receipts		124,015,186	115,238,620
Payments			
Compensation of Employees	3	1,812,383	1,618,593
Use of goods and services	4	8,564,087	6,191,616
Transfers to Other Government Units	5	62,300,786	52,020,345
Other grants and transfers	6	49,092,752	44,965,421
Other Payments	7	3,668,256	-
Total Payments		125,438,264	104,795,975
Total Receipts Less Total Payments		(1,423,078)	10,442,645
Adjusted for:			
Outstanding Imprest	11	-	
Net Adjustments			-
Net cash flow from operating activities		(1,423,078)	10,442,645
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(1,423,078)	10,442,645
Cash and cash equivalent at BEGINNING of the year	12	13,796,710	3,354,065
Cash and cash equivalent at END of the year		12,373,632	13,796,710

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-KHWISERO Constituency financial statements were approved on 23/8/2019 and signed by:


Fund Account Manager
Name: BERNARD S. MISIKO


National Sub-County Accountant
Name: MESHACK YAURA WAKOLI
ICPAK Member Number: 13319

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

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VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	109,040,876	28,696,020	137,736,896	137,736,896	0	100.0%
Proceeds from Sale of Assets			-		-	
Other Receipts		75,000	75,000	75,000	-	100.0%
TOTAL RECEIPTS	109,040,876	28,771,020	137,811,896	137,811,896	0	100.0%
PAYMENTS						
Compensation of Employees	2,358,868	1,067,000	3,425,868	1,904,175	1,521,693	55.6%
Use of goods and services	7,454,811	2,598,524	10,053,335	8,564,087	1,489,248	85.2%
Transfers to Other Government Units	55,554,014	15,068,394	70,622,408	62,468,318	8,154,090	88.5%
Other grants and transfers	43,673,183	5,256,206	48,929,389	48,925,220	4,169	100%
Acquisition of Assets	-	0	-	-	-	0.0%
Other Payments	-	4,705,897	4,705,897	3,668,256	1,037,641	78.0%
Un-allocated Funds		75,000	75,000	-	75,000	
TOTAL	109,040,876	28,771,020	137,811,896	125,530,056	12,281,840	91.0%


NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY
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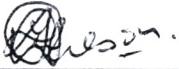
(a) The Sh.75,000 reflected above is as a result of Appropriation in Aid – through sale of tender documents during the financial year.

(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

- i. Adjustments in the table above include: Sh.3,520,000 which was for 2016/2017 financial year, but received in 2018/2019 after approval of reallocated funds by the NGCDF Board. Secondly, our Supplementary budgetary allocation of sh.11,379,310 under 2017/2018 financial year was received in 2018/2019. Thirdly, we also commenced the 2018/2019 financial year with a cash book balance of sh. 13,796,710. These three categories total Ksh.28,696,020, which is additional funds to the 2018/2019 FY allocation of 109,040,876. However, 55,040,876, which is about half of our allocation for 2018/2019fy was received two weeks to closure of financial year. Hence to be utilized in the subsequent financial year.*
- ii. Our NG-CDFC staff are on 1year contract. By 30th June 2019, most of them were slightly past half of the contract term. Hence the utilization of 55.6%. Part of the allocation to be utilized in the next financial year 2019/2020.*
- iii. Under Use of Goods and services, some funds were yet to be utilized by close of the financial year as a result of delayed funds disbursement from the Board. Hence the utilization of 85.2%.*
- iv. For Transfer to other Government Units, there were some PMCs yet to be paid by close of the financial year. They had not availed documents for funds request and transfer. Hence the utilization of 86.2%.*
- v. Under Other Payments, there was delay in funds disbursement, which were received almost at the end of 2018/2019 FY. This therefore led to delay in disbursement to the affected PMCs. Hence the 78.0%.*

The NGCDF-KHWISERO Constituency financial statements were approved on 23RD August 2019 and signed by:


Fund Account Manager
Name: BERNARD S. MISIKO


National Sub-County Accountant
Name: MESHACK YAURA WAKOLI
ICPAK Member Number: 13319



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

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BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES					
Programme/Sub-programme	Original Budget	Adjustments	Final Budget	Actual on comparable basis	Budget utilization difference
	2018/2019		2018/2019	2018/2019	2018/2019
	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration/Recurrent					
Employees' Salaries	2,358,868.00		2,358,868.00	1,904,175.00	454,693.00
Goods and Services	2,815,584.53	370,758.62	3,186,343.15	2,807,187.00	379,156.15
Committee Expenses	1,368,000.00	312,000.00	1,680,000.00	1,664,400.00	15,600.00
Sub-Total			0.00		
2.0 Monitoring and Evaluation			0.00		
Goods and Services	601,226.00	945,689.32	1,546,915.32	1,543,500.00	3,415.32
Committee Expenses	1,170,000.00		1,170,000.00	1,150,000.00	20,000.00
Capacity Building of NG-CDFs/PMCs	1,500,000.00		1,500,000.00	1,500,000.00	0.00
Sub-Total					
3.0 Emergency					
Emergency	5,738,993.45	3,446,536.83	9,185,530.28	4,450,714.00	4,734,816.28
Sub-Total					
4.0 Bursary and Social Security Programme					
Bursary Secondary Schools	26,449,190.00	700,000.00	27,149,190.00	27,099,829.43	49,360.57
Bursary Tertiary Schools	5,323,000.00		5,323,000.00	5,323,000.00	-
Bursary Special Schools	262,000.00		262,000.00	262,000.00	-

100

100

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100

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

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For the year ended 30 June 2019

Sub-Total					
5.0 Sports					
Constituency Sports Activities	0	1,736,206.00	1,736,206.00	1,736,206.00	-
Sub-Total					
6.0 Environment	0		0.00		-
Sub-Total			0.00		
7.0 Primary School Projects					
Mulwanda Primary School	200,000.00	750,000.00	950,000.00	950,000.00	-
Ebuhonga Primary School	100,000.00		100,000.00	100,000.00	-
Emung'abo Primary School	100,000.00		100,000.00	100,000.00	-
Khwisero Primary School	500,000.00		500,000.00	500,000.00	-
Elukanji Primary School	500,000.00		500,000.00	500,000.00	-
Mushiangubu Primary School	218,000.00	1,282,207.00	1,500,207.00	1,500,207.00	-
Munjeche Primary School	150,000.00		150,000.00	0	150,000.00
Ekambuli Primary School	1,200,000.00		1,200,000.00	1,200,000.00	-
Ebuhonga Primary School	800,000.00		800,000.00	800,000.00	-
Emukhonzulu Primary School	750,000.00		750,000.00	750,000.00	-
Ebukanga Primary School	800,000.00		800,000.00	800,000.00	-
Mundeku Primary School	850,000.00		850,000.00	850,000.00	-
Eshirali Primary School	800,000.00		800,000.00	800,000.00	-
Munyanza Primary School	850,000.00		850,000.00	850,000.00	-
Emako Primary School	800,000.00		800,000.00	800,000.00	-
Ebuyonga Primary School	850,000.00	854,000.00	1,704,000.00	1,704,000.00	-
Eshikhungula Primary School	800,000.00		800,000.00	800,000.00	-
Ebukwala Primary School	850,000.00		850,000.00	850,000.00	-



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

Reports and Financial Statements

For the year ended 30 June 2019

Ematundu Primary School	850,000.00		850,000.00	850,000.00	-
Ekambuli Primary School	-	200,000.00	200,000.00	200,000.00	-
Eshibinga Primary School	750,000.00		750,000.00	750,000.00	-
Emakuche Primary School	850,000.00		850,000.00	850,000.00	-
Eshiruli Primary School	800,000.00		800,000.00	800,000.00	-
Munjiti Primary School	750,000.00		750,000.00	750,000.00	-
Mushichubulu Primary School	850,000.00		850,000.00	850,000.00	-
Eshinutsa Primary School	850,000.00		850,000.00	0.00	850,000.00
Mwikalikha Primary School	850,000.00		850,000.00	0.00	850,000.00
Ebukutenga Primary School	850,000.00		850,000.00	850,000.00	-
Luanda SDA Primary School	800,000.00		800,000.00	800,000.00	-
Enyanya Primary School	850,000.00		850,000.00	850,000.00	-
Sub-Total					
8.0 Secondary School Projects					
Khwisero Girls' Secondary School	867,936.54		867,936.54	0.00	867,936.54
Mulwanda Secondary School	400,000.00		400,000.00	400,000.00	-
Emwaniro Secondary School	2,670,000.00		2,670,000.00	2,670,000.00	-
St. Mathew's Ikomero Secondary School	2,670,000.00		2,670,000.00	2,670,000.00	-
Emalindi Girls' Secondary School	5,205,750.00	1,000,000.00	6,205,750.00	6,205,750.00	-
Mushinaka Secondary School	100,000.00		100,000.00	100,000.00	-
Mundoli Girls' Secondary School	1,279,267.00	500,000.00	1,779,267.00	1,100,000.00	679,267.00
Shirali Secondary School	1,143,060.00		1,143,060.00	1,143,060.00	-
Emalindi Girls' Secondary School	1,250,000.00		1,250,000.00	-	1,250,000.00
Ekatsombero Secondary School	450,000.00		450,000.00	-	450,000.00



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY
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St. Joseph's Shirotsa Secondary School	1,500,000.00		1,500,000.00	1,500,000.00	-
Emwiru Secondary School	850,000.00	800,000.00	1,650,000.00	1,650,000.00	-
Emung'abo Secondary School	1,500,000.00		1,500,000.00	1,500,000.00	-
Emutsasa Girls' Secondary School	850,000.00		850,000.00	850,000.00	-
Emuruba Secondary School	1,500,000.00		1,500,000.00	1,500,000.00	-
Khwisero Mixed Secondary School	1,600,000.00		1,600,000.00	1,600,000.00	-
Munjiti Secondary School		900,000.00	900,000.00	900,000.00	-
Ekambuli Secondary School		1,600,000.00	1,600,000.00	1,600,000.00	-
Ibinda Secondary School		1,100,000.00	1,100,000.00	1,100,000.00	-
Sub-Total					
9.0 Tertiary institutions projects					
Khwisero Technical Training Institute	11,550,000.00		11,550,000.00	11,550,000.00	-
10.0 Security Projects					
Khwisero West Division ACC's Office	2,000,000.00	3,520,000.00	5,520,000.00	5,520,000.00	-
Khwisero Police Station Staff houses	1,500,000.00		1,500,000.00	1,500,000.00	-
Khwisero Police Station Toilet	100,000.00		100,000.00	-	100,000.00
Kisa Central Location Chief's Office	800,000.00		800,000.00	800,000.00	-
Khwisero DCC's Residential House	1,500,000.00		1,500,000.00	1,500,000.00	-
Khwisero East ACC's Office	0	500,000.00	500,000.00	500,000.00	-
Khumusalaba Police Patrol Base	0	500,000.00	500,000.00	500,000.00	-
Mundobelwa AP Camp	0	501,595.48	501,595.48	-	501,595.48
Sub - Total					



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

Reports and Financial Statements

For the year ended 30 June 2019

11.0 Acquisitions of Assets				-	-
12.0 Others					
Strategic Plan	0	2,500,000.00	2,500,000.00	2,499,000.00	1,000.00
ICT Hubs	0	4,677,027.20	4,677,027.20	3,827,027.20	850,000.00
A in A (Sale of tenders)		75,000.00	75,000.00		75,000.00
Sub-Total					
GRAND TOTAL	109,040,875.52	28,771,020.45	137,811,895.97	125,530,055.63	12,281,840.34

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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
KHWISERO CONSTITUENCY**

**Reports and Financial Statements
For the year ended 30 June 2019**

IX. 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 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-KHWISERO 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.

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –

KHWISERO CONSTITUENCY

Reports and Financial Statements

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SIGNIFICANT ACCOUNTING POLICIES

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is 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 public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –

KHWISERO CONSTITUENCY

Reports and Financial Statements

For the year ended 30 June 2019

SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

In-kind contributions are donations that are made to the Entity 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 Entity 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 the Central Bank of Kenya and at various commercial banks at the end of the financial year.

7. Accounts Receivable

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

8. Accounts Payable

For the purposes of these financial statements, deposits 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. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. 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 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 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.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
KHWISERO CONSTITUENCY
Reports and Financial Statements
For the year ended 30 June 2019**

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are 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 June 2018 for the period 1st July 2018 to 30th June 2019 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2019.

14. Errors

Material prior period errors shall be 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

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
 KHWISERO CONSTITUENCY
 Reports and Financial Statements
 For the year ended 30 June 2019**

X. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
AIE NO. A896993	1	3,520,000	
AIE NO. B005042	2	11,379,310	
AIE NO. B030084	3	10,000,000	
AIE NO. B030467	4	15,000,000	
AIE NO. B006414	5	6,000,000	
AIE NO. A699150	6	11,000,000	
AIE NO. B042765	7	12,000,000	
AIE NO. B047552	8	55,040,876	
AIE NO. A892582	1		28,428,275
AIE NO. A855852	2		5,500,000
AIE NO. A892828	3		37,905,172
AIE NO. A896871	4		43,405,173
TOTAL		123,940,186	115,238,620



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. OTHER RECEIPTS

	2018-2019	2017-2018
	Kshs	Kshs
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	75,000	0
Other Receipts Not Classified Elsewhere	0	0
Total	75,000	0

3. COMPENSATION OF EMPLOYEES

	2018-2019	2017-2018
	Kshs	Kshs
Basic wages of contractual employees	1,606,001	1,473,005
Basic wages of casual labour	0	0
Personal allowances paid as part of salary		
House allowance	0	0
Transport allowance	0	0
Leave allowance	0	0
Gratuity	54,424	0
Other personnel payments - NSSF	151,958	145,588
Total	1,812,383	1,618,593



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
 KHWISERO CONSTITUENCY
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 For the year ended 30 June 2019**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Utilities, supplies and services		563,116
Electricity	70,000	
Water & sewerage charges	5,275	
Office rent		
Communication, supplies and services	195,278	119,500
Domestic travel and subsistence	304,200	184,000
Printing, advertising and information supplies & services	383,614	
Rentals of produced assets		
Training expenses	2,942,500	1,885,500
Hospitality supplies and services		
Other committee expenses	1,150,000	
Committee allowance	1,664,400	2,926,500
Insurance costs		
Specialised materials and services		
Office and general supplies and services	1,804,020	513,000
Fuel, oil & lubricants		
Other operating expenses	20,000	
Bank service commission and charges	24,800	
Security operations		
Routine maintenance - vehicles and other transport equipment		
Routine maintenance- other assets		
Strategic Plan		
TOTAL	8,564,087	6,191,616
	8,564,087	
	-	



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
KHWISERO CONSTITUENCY
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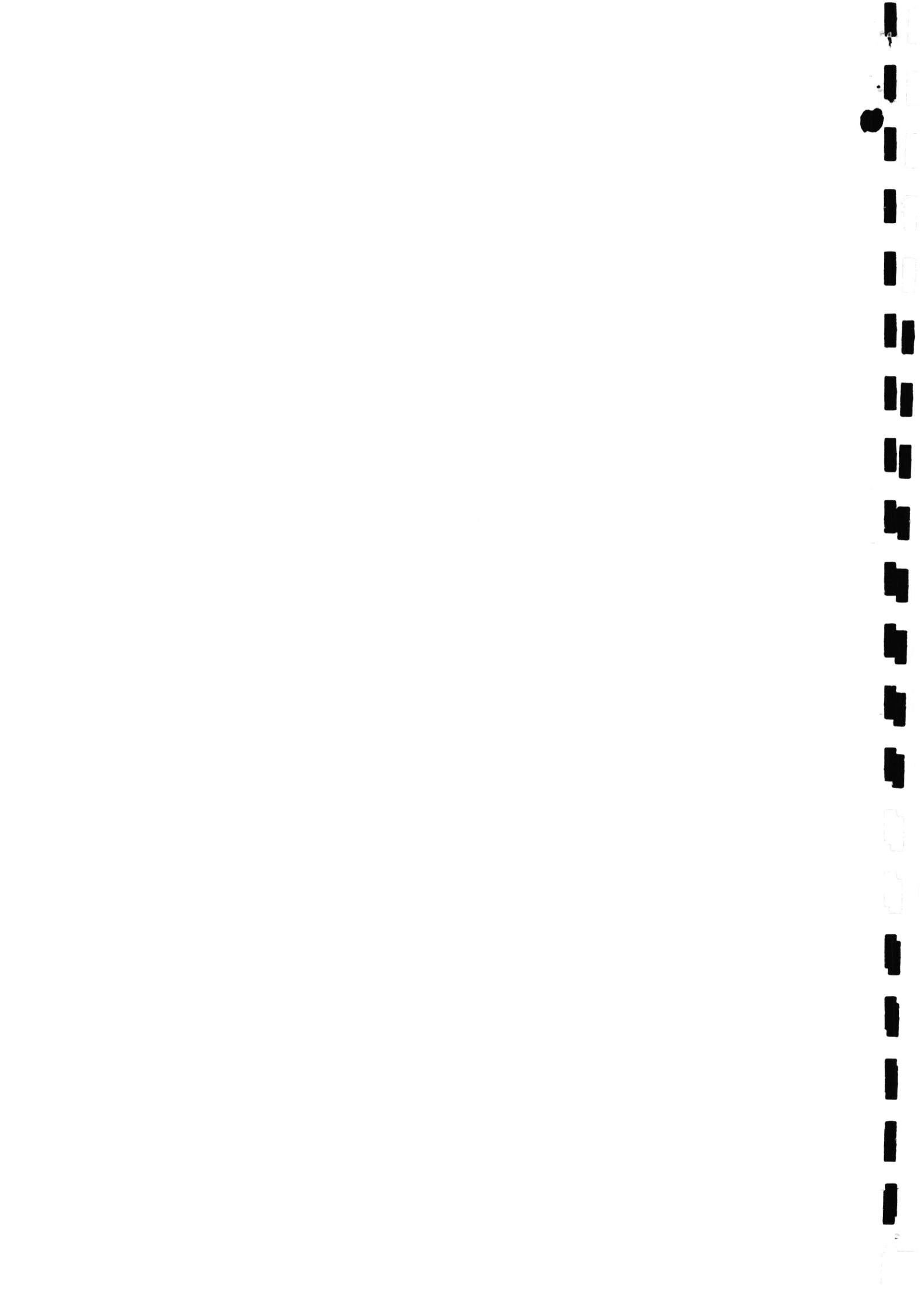
NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Transfers to Primary schools	24,261,976	32,520,345
Transfers to Secondary schools	26,488,810	18,050,000
Transfers to Health institutions		1,450,000
TIVET	11,550,000	-
TOTAL	62,300,786	52,020,345

6. **OTHER GRANTS AND TRANSFERS**

Description	2018-2019	2017 - 2018
	Kshs	Kshs
Bursary -Secondary	27,000,832	27,482,490
Bursary -Tertiary	5,323,000	7,273,000
Bursary-Special schools	262,000	282,000
Mocks & CAT	-	
Security	10,320,000	7,265,000
Sports	1,736,206	1,637,931
Environment	-	-
Emergency Projects	4,450,714	1,025,000
TOTAL	49,092,752	44,965,421



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	2,499,000	0
ICT Hub	1,169,256	0
		0
	3,668,256	0



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2018-2019	2017-2018
	Kshs	Kshs
<i>Kenya Commercial Bank, Mumias Branch, Account No. 1240448929</i>	12,373,632	13,796,710
Total	12,373,632	13,796,710



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. BALANCES BROUGHT FORWARD

	2018-2019	2017-2018
	Kshs	Kshs
Bank accounts	12,373,632	13,796,710
Cash in hand	0	0
Imprest	0	0
Total	12,373,632	13,796,710

[Provide short appropriate explanations as necessary]



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
KHWISERO CONSTITUENCY**

Reports and Financial Statements

For the year ended 30 June 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: STAFF GRATUITY OUTSTANDING

	2018- 2019 Ksh.	2017- 2018 Ksh.
Bonface Sammy Sakwa	24,328	15,666
Bennah Ongalo Ndanyi	4,756	5,595
Jared Omukuba	16,646	-
Daniel Onyimbo	16,646	-
Zakayo Vesto Omeno	10,824	8,288
Francis Peti	9,296	-
Jane Awino Anyangu	9,296	8,288
Cornelius Akayi Achero	-	19,376
Ponziana Ambani Wamaitha	-	8,288
Robert Aputo Kwengu	-	13,839
	91,792	79,340

15.2: UNUTILIZED FUND (See Annex 3)

	2018/2019	2017/2018
	Ksh.	Ksh.
Compensation of employees	454,693	709,780
Use of goods and services	0	604,310
Amounts due to other Government entities (see attached list)	5,947,203	8,786,206
Amounts due to other grants and other transfers (see attached list)	5,971,736	19,071,193
	12,373,632	29,171,489



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) –
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For the year ended 30 June 2019

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.3: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	34,731,569	40,849,221
	34,731,569	40,849,221



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF) – KHWISERO CONSTITUENCY
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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF) – KHWISERO CONSTITUENCY
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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
		a	b	c	d=a-c		
Senior Management							
1							
2							
3							
	Sub Total						
Middle Management							
4							
5							
6							
	Sub Total						
Unionisable Employees							
7							
8							
9							
	Sub Total						
Others (<i>specify</i>)							
10. Bonface Sammy Sakwa	J	35,140	30/10/19	-	24,328	15,666	Due 30/10/19
11. Bennah Ongalo Ndanyi	H	25,116	30/04/19	-	4,756	5,595	Due 30/04/20
12. Jared Omukuba	H	26,826	31/11/19	-	16,646	-	Due 31/11/19
13. Daniel Onyimbo	H		31/11/19	-		-	Due



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF) – KHWISERO CONSTITUENCY
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		26,826			16,646		31/11/19
14. Zakayo Vestio Omeno	C	14,984	30/10/19	-	10,824	8,288	Due 30/10/19
15. Francis Peti	C	14,496	31/11/19	-	9,296	-	Due 31/11/19
16. Jane Awino Anyangu	C	14,496	31/11/19	-	9,296	8,288	Due 31/11/19
17. Cornelius Akayi Achero	-	-	30/11/18	-	-	19,376	Paid
18. Ponziana Ambani Wamaitha	-	-	30/11/18	-	-	8,288	Paid
19. Robert Aputo Kwengu	-	17,124	30/11/18	-	-	13,839	Paid
Sub Total		175,008			91,792	79,340	
Grand Total		175,008			91,792	79,340	



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF) – KHWISERO CONSTITUENCY
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ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees		454,693	709,780	
Use of goods & services			604,310	
Amounts due to other Government entities				
Primary Schools		2,700,000	2,886,206	
Secondary Schools		3,247,203	5,900,000	
Sub-Total		6,401,896	10,100,296	
Amounts due to other grants and other transfers				
Security		601,595	5,021,595	
Others		5,370,141	14,050,302	
Sub-Total		5,971,736	19,071,897	
Sub-Total		12,373,632	29,172,193	
Acquisition of assets		-		
Others (<i>specify</i>)		-		
Sub-Total		-	0	
Grand Total		12,373,632	29,172,193	

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	0	0	0	0
Buildings and structures	19,800,000	0	0	19,800,000
Transport equipment	4,599,500	0	0	4,599,500
Office equipment, furniture and fittings	3,442,935	0	0	3,442,935
ICT Equipment, Software and Other ICT Assets	629,515	0	0	629,515
Other Machinery and Equipment	0	0	0	0
Heritage and cultural assets	0	0	0	0
Intangible assets	0	0	0	0
Total	28,471,950			28,471,950



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND(NGCDF) – KHWISERO CONSTITUENCY
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For the year ended 30 June 2019 (Kshs)

ANNEX 5 - PMC BANK BALANCES AS AT 30TH JUNE 2019

PMC ACCOUNT NAME	BANK	ACCOUNT NO.	BALANCE 2018/2019	BALANCE 2017/2018
ST. STEPHEN'S MULWANDA SECONDARY SCHOOL	COOPERATIVE	01141234520301	503,330	1,350,462
MULWANDA PRIMARY SCHOOL	COOPERATIVE	01141498910601	17,502	65,392
KHWISERO GIRLS' SECONDARY SCHOOL	COOPERATIVE	01141233328000	99,248	1,598,432
ST. MATHEW'S IKOMERO SECONDARY SCHOOL	COOPERATIVE	01141234701001	2,754,331	103,832
EMWANIRO SECONDARY SCHOOL	COOPERATIVE	01141499192101	2,681,224	899,972
KHWISERO SECONDARY SCHOOL	KCB	1258749262	1,600,000	-
EMWIRU MIXED SEC SCHOOL	KCB	1258749165	850,000	-
ST. JOSEPH'S SHIRO TSA SECONDARY SCHOOL	KCB	1258749149	1,500,000	-
DCC'S RESIDENCE	KCB	1258748924	1,500,000	-
CHIEF'S OFFICES KISA CENTRAL	KCB	1258749017	800,000	-
MUNDEKU PRIMARY SCHOOL	KCB	1258748541	850,000	-
ESHIRULI PRIMARY SCHOOL	KCB	1258748894	800,000	-
LUANDA DOHO PRIMARY SCHOOL	KCB	1258748371	800,000	-
EBUKANGA PRIMARY SCHOOL	KCB	1258749122	800,000	-
EBUHONGA PRIMARY SCHOOL	KCB	1234034239	66,880	854,000
SHIRALI PRIMARY SCHOOL	KCB	1258748061	800,000	-
EBUYONGA PRIMARY SCHOOL	KCB	1258748258	850,000	-
IBINDA PRIMARY SCHOOL	KCB	1258748274	850,000	-



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

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EMALINDI GIRLS' SEC SCHOOL	KCB	1234036436	1,130,189	2,000,935
EMULANDA PRIMARY SCHOOL	KCB	1258748185	957,770	-
EMUTSASA PRIMARY SCHOOL	KCB	1258748630	850,000	-
KHWISERO WEST ACC'S OFFICES	KCB	1234811804	1,785,179	550
EBUKUTENGA PRIMARY SCHOOL	KCB	1258749076	850,000	-
EMUTSASA GIRLS' SECONDARY SCHOOL	KCB	1258748711	850,000	-
ESHIKHUNGULA PRIMARY SCHOOL	KCB	1258748967	800,000	-
MUNJITI PRIMARY SCHOOL	KCB	1258748827	750,000	-
ST. FRANCIS ENYANYA PRIMARY SCHOOL	KCB	1258748606	850,000	-
EMUNG'ABO SECONDARY SCHOOL	KCB	1255917342	19,375	-
KHWISERO POLICE STATION- HOUSES	KCB	1234186098	167,650	1,000,550
MUSHINAKA MIXED SECONDARY SCHOOL	KCB	1234180073	218,864	800,200
MUSHICHIBULU PRIMARY SCHOOL	KCB	1255768029	823,975	-
MUSHIANGUBU PRIMARY SCHOOL	KCB	1237280893	316,747	-
EMAKUCHE PRIMARY SCHOOL	KCB	1255581085	850,075	-
EMAKO PRIMARY SCHOOL	KCB	1256319376	252,735	-
EBUKWALA PRIMAR SCHOOL	KCB	1255539798	848,975	-
MUNYANZA PRIMARY SCHOOL	KCB	1255636408	316,715	-
MUNDOLI ACK GIRLS' SECONDARY SCHOOL	KCB	1234025833	577,298	1,001,000
ESHIBINGA PRIMARY SCHOOL	KCB	1255655143	750,000	-
EBUHONGA PRIMARY SCHOOL	KCB	1258748754	800,000	-
EMUNG'ABO PRIMARY SCHOOL	KCB	1234108976	241,466	854,935



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY
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For the year ended 30 June 2019 (Kshs)

ELUKANJI PRIMARY SCHOOL	KCB	1234106728	178,066	1,000,935
MUKHUNZULU PRIMARY SCHOOL	KCB	1255535377	223,975	-
EKAMBULI PRIMARY SCHOOL	KCB	1255507209	1,200,000	-
TOTAL		34,731,569		11,531,195



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

Reports and Financial Statements

For the year ended 30 June 2019 (Kshs)

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. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issues / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2017-2018-1-01-0208-09/Khwisero	<p>1.1 Lack of Supporting Schedules</p> <p>The statement of receipts and payments reflect transfers to other government units figure of Kshs.52,020,345 made up of transfers to primary schools amount of Kshs.32,520,345, transfers to secondary schools figure of Kshs.18,050,000 and transfers to health institutions amount of Kshs.1,450,000 as disclosed in note 6 to the financial statements. However, the details of the institutions that received the funds were not availed for audit review.</p>	<p>A list of institutions that received the funds during 2017/2018 financial year are hereby attached for your verification. They had been availed during audit.</p>	Bernard S. Misiko (FAM)	Resolved	Before end 2018/2019 Financial Year (30/6/2019)
	<p>1.2 Transfers to Health Institutions</p> <p>The transfers to other government units figure of Kshs.52,020,345 includes transfers to health institutions</p>	<p>Funds had been allocated in two financial years for purchase of land for District Hospital. The allocations were:</p>	Bernard S. Misiko (FAM)	Not yet resolved	Before next External audit

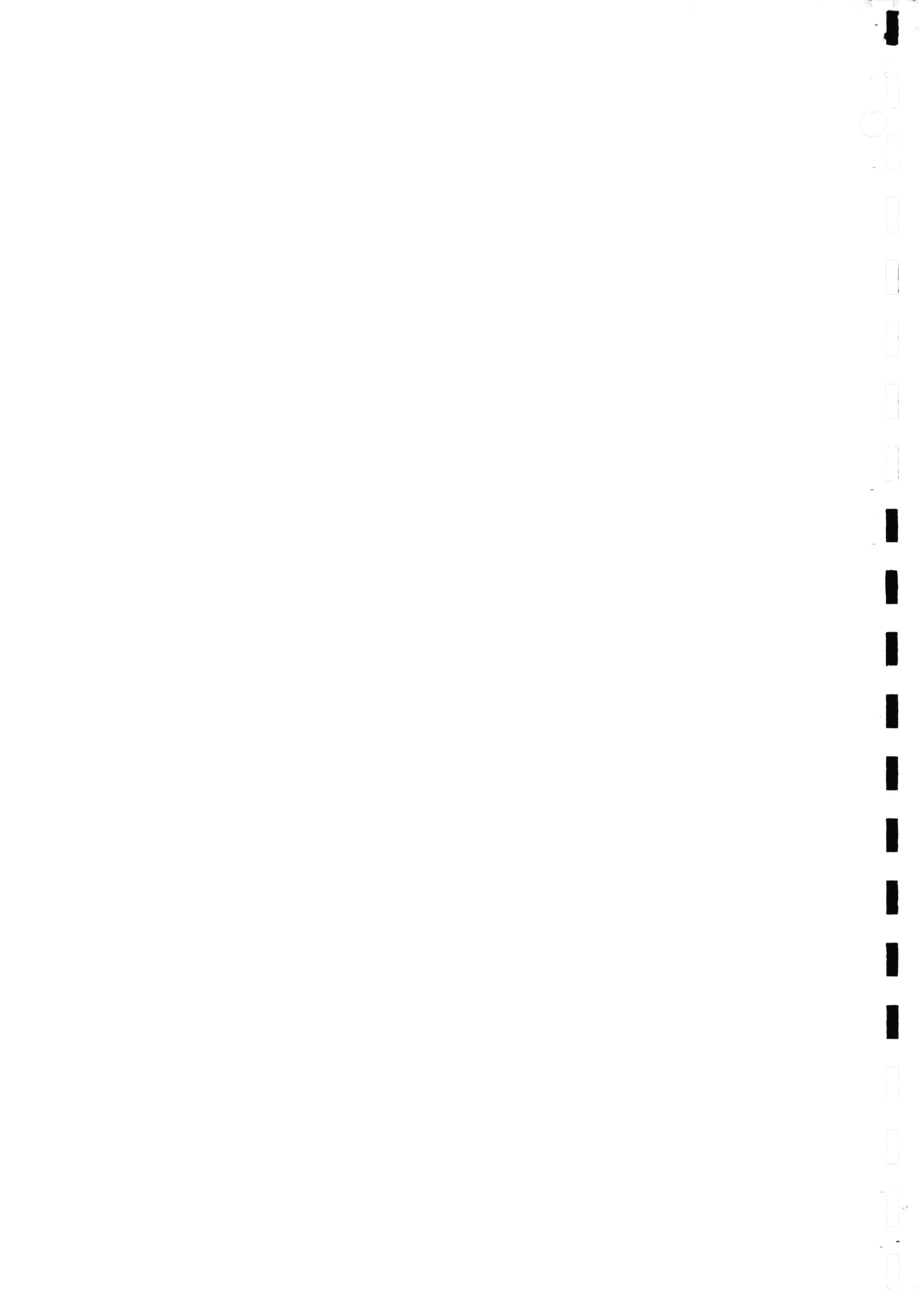


NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

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For the year ended 30 June 2019 (Kshs)

	<p>amount of Kshs.1,450,000 for the year ended 30 June 2018 as disclosed in note 6 to the financial statements. However according to the audited financial statements for the year ended 30 June 2017, the undisbursed amounts due to health institutions amounted to Kshs.1,000,000 as per Annexure 2 to the previous financial statement. The management have not provided explanation on the source of additional amount of Kshs.450,000 given that the health function was devolved and do not fall under projects to be funded and implemented by the NGCDF.</p>	<p>2014/2015 FY Sh. 1,000,000.00 2015/2016 FY Sh. 2,000,000.00 Total of Sh. 3,000,000.00. By the time funds were received, the would be vendor changed his mind and demanded for more than was allocated. Since the committee could not manage such exhorbitant cost, we delayed the payment as we sought for an alternative land. All the funds remained intact until we got another vendor in May 2017. We utilized part of the amount to acquire land Kisa/ Mundobelwa/1911 and paid Sh. 1,550,000 to the PMC account that delt with the transactions. The remaining balance (sh.1,450,000) was released to PMC to acquire an additional</p>			
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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

Reports and Financial Statements

For the year ended 30 June 2019 (Kshs)

		<p>piece of land last year 2018. The total amount so far disbursed is Ksh.3,000,000 as per the allocations in the budgets. We didn't have extra funds apart from the budgetary allocations.</p> <p>Attached are copies of AIEs and extracts of approved codelist confirming the allocations; PMC minutes requesting for transfer of such funds; Bank deposit slips showing how much paid to PMC accounts; PMC minutes, land valuation reports and title deeds.</p>			
	<p>1.3 Emalindi Primary School</p> <p>Included in the transfers to other government units figure of Kshs.52,020,345 is transfers to primary schools amount of Kshs.32,520,345 as disclosed in note 6 to the financial statements. The transfers to primary schools figure of Kshs.32,520,345 in turn</p>	<p>This school was allocated funds in two financial years i.e 2016/2017 FY Sh. 1,000,000.00 and 2017/2018 FY Sh.1,000,000.00. This totals to sh. 2,000,000. The Estimated cost as per BQ was sh. 2,881,614.00. At the</p>	<p>Khwisero NG-CDF Committee</p>	<p>Resolved</p>	<p>Before next External audit, i.e by 30th June 2020.</p>



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

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For the year ended 30 June 2019 (Kshs)

	<p>includes Kshs.1,000,000 disbursed to Emalindi Primary School for completion of administration office block. The project commenced during 2016/2017 financial year at a contract sum of Kshs.2,881,614 and was to be completed in three years. However, as at the time of audit in February 2019, the project was incomplete and appeared to have stalled at roofing level and the contractor was not on site. Consequently, the accuracy and completeness of the transfers to other government units could not be confirmed for the year ended 30 June 2018.</p>	<p>time of audit, the contractor was not on site because we are yet to disburse more funds to the PMC account to complete the remaining works. In the 2018/2019 FY budget, following Presidential Directive on completion of ongoing projects before starting new ones, we allocated funds to all ongoing projects except Emalindi Primary School. As a committee we allocated the balance in the 2019/2020 financial year for completion. The project is complete and in use. There are Completion and Handover Certificates.</p>			
	<p>6.0 Abandoned Constituency Vehicle GK A 371U</p> <p>The summary of fixed asset register at Annexure 1 reflects total assets valued at Kshs.28,471,950 which, include transport equipment amount of Kshs.4,599,500 in</p>	<p>The above mentioned vehicle is currently at the NG-CDF premises, Khwisero. We as Committee forwarded the requisite documents to the Board for disposal (NG-CDFC Minutes,</p>	<p>Khwisero NG-CDF Committee.</p>	<p>Resolved</p>	<p>By end of next financial year i.e 30th June 2020.</p>

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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND (NGCDF) – KHWISERO CONSTITUENCY

Reports and Financial Statements

For the year ended 30 June 2019 (Kshs)

	<p>respect of the Fund motor vehicle. However, as previously reported, the CDF vehicle, Land Rover Puma, GKA371U, was not available for use or verification since April 2017 when it was towed to CMC Nakuru after breaking down on its way to Nairobi. Further, it was noted that the repair arrears which were initially estimated at Kshs.793,544 for overhauling the vehicle were not paid and therefore the vehicle remained held at the CMC garage. A review of the position during 2017/2018 revealed that the vehicle had not been released from the garage and the management have not demonstrated efforts being made to have the vehicle back.</p> <p>Consequently, the projects monitoring and evaluation works were not undertaken during the year and the accuracy and validity of the assets balance of Kshs.28,471,950 as at 30 June 2018 could not be confirmed.</p>	<p>Board of Survey minutes, Mechanical Engineer's Inspection and Valuation reports and filled F.O.58 form). Awaiting the Board's approval on the same.</p>			
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