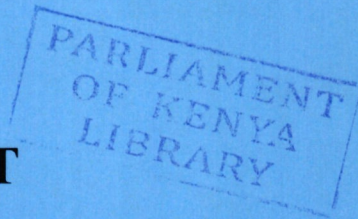


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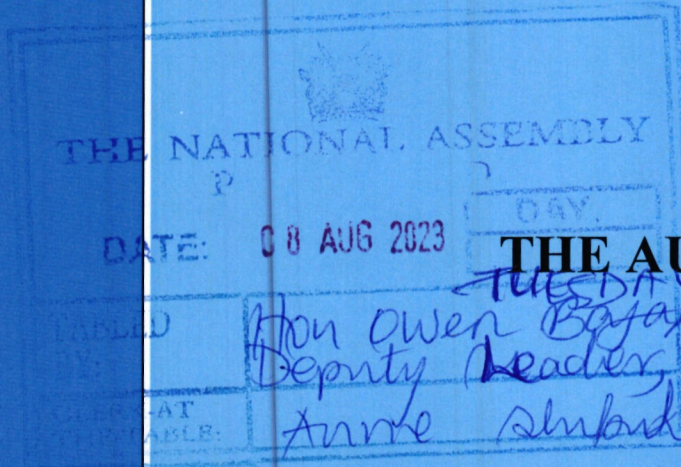


*Enhancing Accountability*



**REPORT**

**OF**



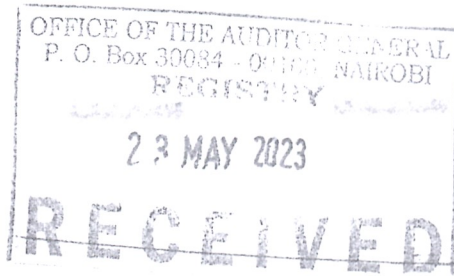
**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND - EMUHAYA  
CONSTITUENCY**

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





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EMUHAYA 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)

*Emuhaya 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;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;

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

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- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

**Core Values**

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

**Functions of NG-CDF Committee**

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

**(b) Key Management**

The Emuhaya 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**

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

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

No	Designation	Name
1.	A.I.E holder	Paul Charles Mogendi
2.	Sub-County Accountant	Dennis Majani
3.	Chairman NGCDFC	Kelvin Ongaya
4.	Member NGCDFC	Benjamin Opande

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 67-50307  
LUANDA – BUSIA ROAD  
NEXT TO DOS LUANDA

**(f) Emuhaya Constituency NGCDF Contacts**

Telephone: (254) 0728508674  
E-mail: [cdfemuhaya@ngcdf.go.ke](mailto:cdfemuhaya@ngcdf.go.ke)  
Website: [www.emuhaya.co.ke](http://www.emuhaya.co.ke)

*Emuhaya Constituency  
National Government Constituencies Development Fund (NGCDF)  
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(g) Emuhaya Constituency NGCDF Bankers

EQUITY BANK  
LUANDA BRANCH  
P. O BOX 34-50307  
LUANDA – KENYA  
A/C 1120299846566

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

II. NG-CDFC Chairman’s Report

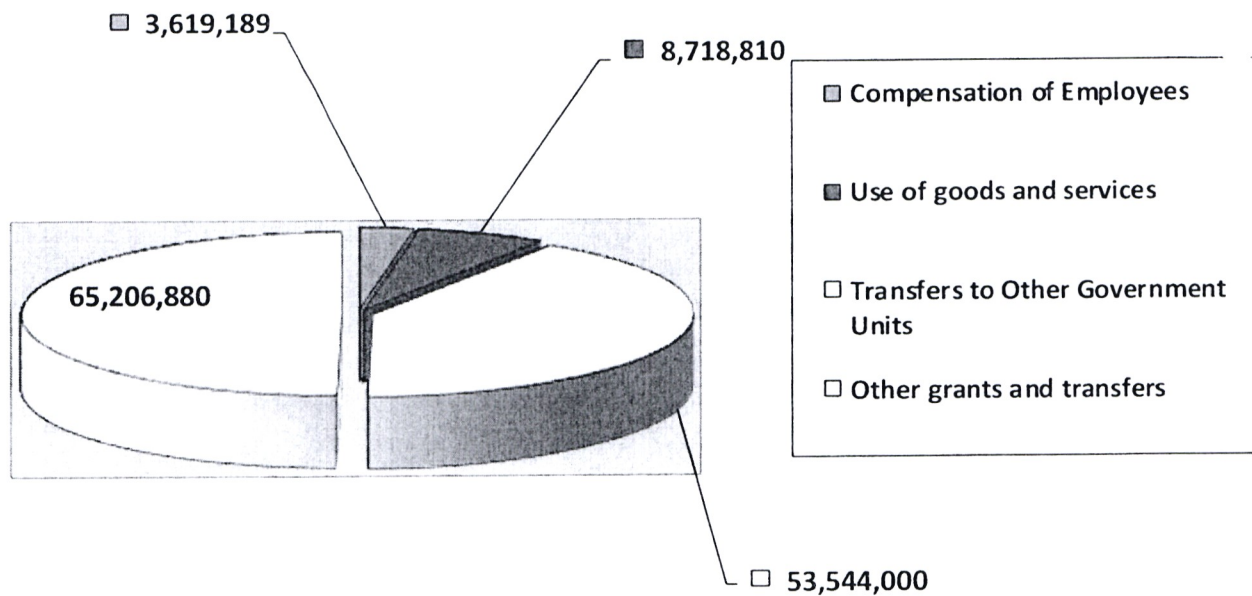


I hereby present our Constituency Annual Report and Financial Statements for the Year ended 30th June 2022 during which we recorded a fairly good performance amid various operational challenge. I express my sincere appreciation to my fellow committee members for their time and dedication during the period and for their insights and expertise.

The performance is hereby summarised as shown below:

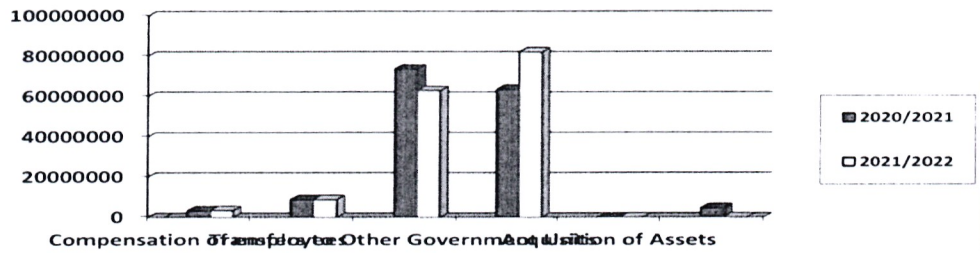
Mr.Kelvin Ongaya, Chairman NG-CDFC Emuhaya

**2021 – 2022 Financial Year Budget**



The pie chart above shows the summary of the budget for the year 2021-2022.

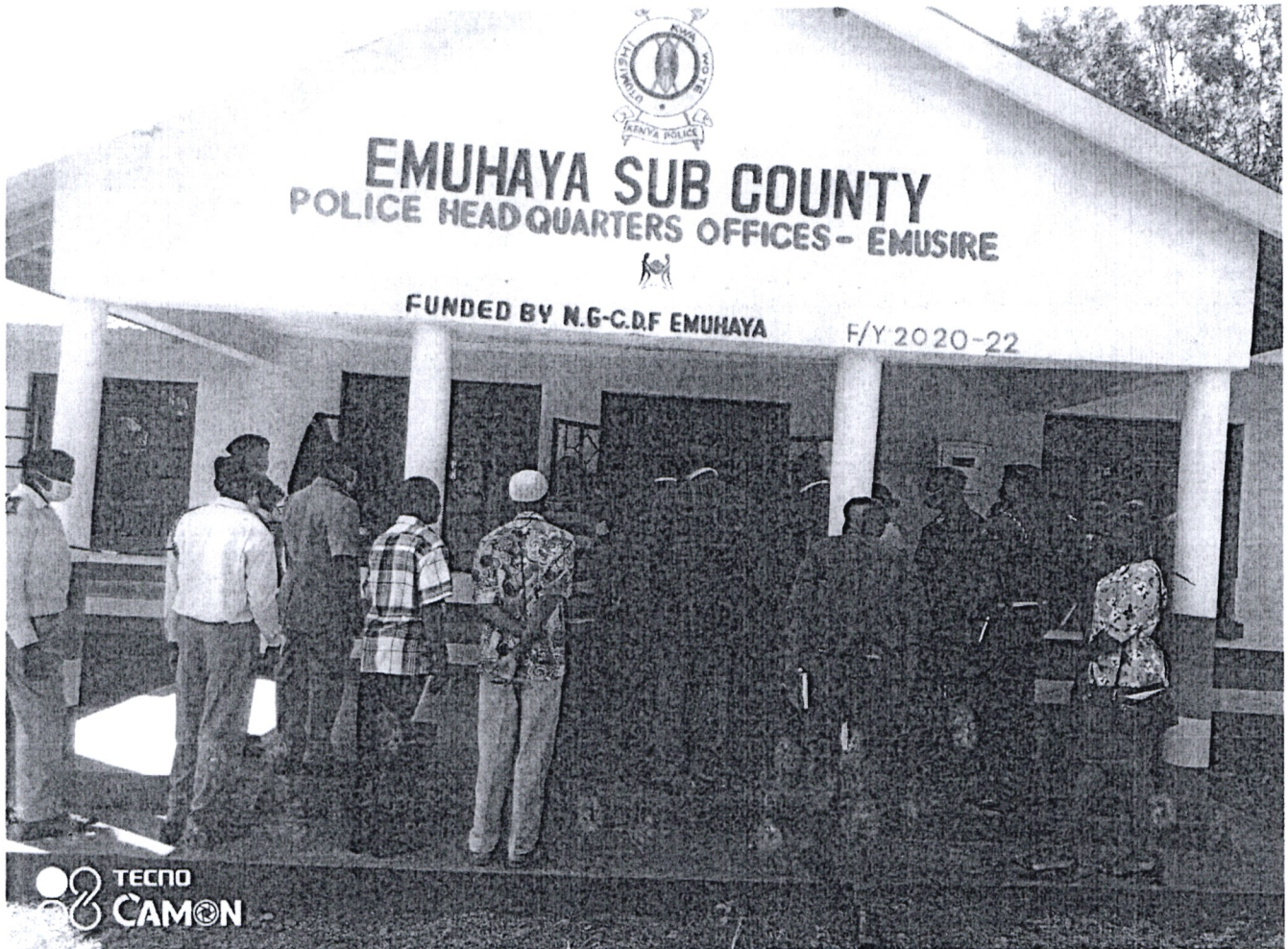
**Statement Of Expenditure Comparison between FY 20120-2021 and 2021-2022**



***Achievements in the Financial Year 2021/2022***



ESIBILA SECONDARY SCHOOL AT A COST OF KSHS 7, 544,000



EMUHAYA SUB-COUNTY POLICE HEQUARTERS AT A COST OF KSHS 8,467,300.00

### **IMPLEMENTATION CHALLENGES**

Disbursement of funds was not done fully during the financial year under review i.e. 2021/2022 FY. However, despite this, we managed to spend/absorb what we had received from the Board.

**Signature**

  
.....

**CHAIRMAN NGCDF COMMITTEE**

## **I. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES**

### **Introduction**

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

The key development objectives of *Emuhaya Constituency 2018-2022* plan are to:

- a) Education – The constituency will continue lobbying for increased interventions from the ministry of education, well-wishers and development partners and continue with community sensitization in areas with low enrolment/retention/transition rates to keep pupils/students in school.
- b) To ease Security – The constituency leadership will hold sensitization forums to ensure cohesiveness among communities residing in the constituency; construct offices to accommodate patrol bases and police/AP posts; construct administrators' offices (DCC, ACCs, Chiefs and Ass. Chiefs)
- c) Towards improving un-employment rates, efforts will be made to promote agri-business initiatives and value addition; empower the youth through skills and capacity transfer; promote recreational activities including games and sports and develop the capacity of women and youth through training on entrepreneurship, leadership and management. Efforts will be made to sensitize the youth on the importance of acquiring life skills, hence improving enrolment rates in tertiary institutions and at the same time lobby for the introduction of Middle-level colleges in Emuhaya.
- d) To improve agricultural productivity. Concerted efforts will be made towards promoting farming and consumption of traditional food crops; promoting proper farming methods and crop management; enhance value addition and processing industries ;lobbying for revitalization of extension services; enhancing collaboration with stake holders; encouraging use of alternative inputs; improving infrastructure and market access; promoting adoption of proper farming methods ;promoting co-operative and marketing and societies and encouraging agroforestry to increase land under trees cover.
- e) On environmental sustainability, the constituency will organize tree planting days.

### **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:

*Emuhaya Constituency  
National Government Constituencies Development Fund (NGCDF)  
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Constituency Program	Objective	Outcome	Indicator	Performance
Education	To provide an enabling learning environment to all Teachers/lecturers, pupils and students in the constituency	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Increased number of usable physical infrastructure build in primary, secondary, and tertiary institutions, Number of bursary beneficiaries at all levels increased.	In FY 21/22 we built 28 classrooms, 7 administration offices and 12 sanitary facilities both in primary and secondary schools.
Security	To enhance security in the constituency	More administrative units were constructed	More business coming up since the insecurity level is low; Less criminal cases reported.	In FY 21/22 we purchased 4 pieces of land for administration purposes, and more security units were constructed within the constituency.
Environment	To promote environmental sustainability			No project done during the fy 2021/2022
Sports	To harness talent and empower youth	Funded sports activities in the entire constituency.		In FY 21/22 kitty funded sports (Football, Athletics volleyball and netball)
Disaster Management	To cater for any unforeseen occurrences in the constituency			No project done during the fy 2021/2022

## **II. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING**

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

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

Environmental care is one of the main responsibilities Emuhaya NG CDF has taken care of. We undertake this by observing the following;

- Managing and disposing all wastes in acceptable manner.
- Complying with all relevant environmental legislation, regulation and accepted practice.
- Providing regular training to the CDFC and staff so that they can keep the environment safe.
- Monitoring and continuously improving environmental performance.
- Supporting the establishment of tree nurseries and purchasing seedling and their planting.
- Protecting the environment by striving to prevent and minimize our contribution to pollution of land, air, and water
- Developing our management processes to ensure that environmental factors are considered during planning and implementation

## **3. Employee welfare**

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

Emuhaya NGCDF Constituency is committed to fair and ethical market practises.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice including cordial Supply chain and supplier relations by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests

#### **5. Community Engagements-**

Emuhaya 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.

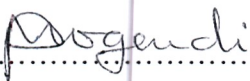
**Public participation** is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

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.

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

  
.....

Paul C Mogendi.

FAM

### III. 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-Emuhaya 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-Emuhaya 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- Emuhaya 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.

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

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The Accounting Officer in charge of the NGCDF Emuhaya 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- Emuhaya Constituency financial statements were approved and signed by the Accounting Officer on \_\_\_\_\_ 2022.

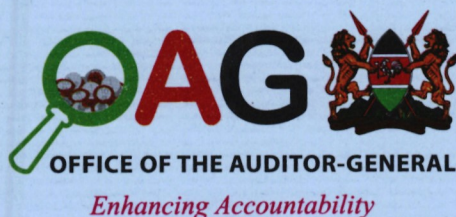
  
.....

**Name: Kelvin Ongaya**  
**Chairman – NGCDF Committee**

  
.....

**Name: Paul C Mogendi**  
**Finance Account Manager**

# REPUBLIC OF KENYA



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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 - EMUHAYA 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 - Emuhaya Constituency set out on pages 1 to 41, which 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 the National Government Constituencies Development Fund - Emuhaya Constituency as at 30 June, 2022, 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 Public Finance Management Act and National Government Constituencies Development Fund Act, 2015.

## **Basis for Qualified Opinion**

### **1. Unsupported Training Expenditure**

The statement of financial performance reflects use of goods and services of Kshs.8,839,185 which includes training expenses of Kshs.1,635,001 as disclosed in Note 5 to the financial statements. However, the schedule provided for training totalled to Kshs.1,631,900 resulting to unexplained and unreconciled variance of Kshs.3,101.

In addition, review of the payment vouchers revealed that they lacked sufficient and appropriate supporting documents. Further, payment vouchers amounting to Kshs.501,000 paid vide cheque numbers. 011260,011261 and 011330 were not provided for audit review.

In the circumstances, the accuracy and completeness of the training expenditure of Kshs.1,635,001 for the year ended 30 June, 2022 could not be confirmed.

### **2. Unsupported Bursaries Expenditure**

The statement of financial performance reflects other grants and other transfers balance of Kshs.80,573,795 which includes bursaries of Kshs.60,567,556 as disclosed in Note 7 to the financial statements. However, only Kshs.22,940,547 (or 38%) of the disbursed bursaries were acknowledged, leaving a balance of Kshs.37,627,009 (or 62%) unacknowledged by the benefitting learning institutions.

In the circumstance, the accuracy and completeness bursaries disbursements of Kshs.37,627,009 for the year ended 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 National Government Constituencies Development Fund - Emuhaya Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits

of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

### **Key Audit Matters**

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

### **Other Matter**

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

The summary statement of appropriation reflects that the Fund had an approved final receipt budget of Kshs.207,865,996 and actual receipt of Kshs.182,604,105 resulting in a budget shortfall of Kshs.25,261,891 (or 12%) of budget.

Similarly, the Fund expended an amount of Kshs.154,988,174 against an approved budget of Kshs.207,865,996 resulting to an under expenditure of Kshs.52,877,822 or 25% of the budget.

In addition, review of the budget execution by projects and programs revealed that the Constituency incurred unapproved over-expenditure on bursaries as tabulated below:

<b>Item</b>	<b>Final Budget (Kshs.)</b>	<b>Actual Expenditure (Kshs.)</b>	<b>Over-Expenditure (Kshs.)</b>
Bursary-Secondary Schools	40,768,294	42,723,795	1,955,501
Bursary-Tertiary Institutions	14,336,498	17,843,761	3,507,263

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

#### **2. Late Authority to Incur Expenditure (AIE) Releases**

The summary statement of appropriation reflects final budget of Kshs.207,865,996 which includes an amount of Kshs.46,288,879 referred to as previous years outstanding disbursements. However, examination of records indicated that AIE number A888 544 of Kshs.13,173,012 relates to exchequer releases to the Fund that were disbursed after the end of the financial year while Kshs.12,092,879.35 had not been received as at the time of the audit inspection in April, 2023.

Late release of Exchequer affected the Fund's budget performance and execution for the year ended 30 June, 2022.

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Failure to Constitute a Project Management Committees for Implemented Projects**

The statement of financial performance and reflects other grants and transfers amount of Kshs.80,573,795 which includes security projects expenditure of Kshs.11,066,029 as disclosed in Note 7 to the financial statements. However, four (4) projects were undertaken without constitution and involvement of project management committees.

In addition, transfer to other Government units of Kshs.62,191,780 as disclosed in Note 6 to the financial statements includes transfers to secondary schools of Kshs.22,294,000, out of which Kshs.7,544,000 was paid to a local contractor towards purchase of a school bus and the project implemented without involvement of a project management committee.

This is contrary to Regulation 15(1) of the NG-CDF Regulations 2016 which states that there shall be appointed a project management committee for each project in a Constituency which shall—(a) implement projects in consultation with the relevant departments of government; (b) maintain proper records of all minutes, accounting documents and other records in relation to projects being implemented; (c) open and maintain an independent bank account for each project; (d) prepare returns and file them with a Constituency Committee.

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

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

The statement of receipts and payments reflects other grants and transfers of Kshs.80,573,795 which includes emergency projects expenditure of Kshs.6,154,350 as disclosed at Note 7 to the financial statements. However, the utilization of the emergency reserve was not reported to the Board within thirty days of occurrence of the emergency. This is contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016 which states that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

### **3.0 Stalled Projects**

#### **3.1 Construction of Emusire Sub-County Offices**

As previously reported, the construction of sub county offices in Emusire was awarded to a local contractor on 26 July 2019 at a contract sum of Kshs.49,666,629. The contract was for a period of thirty-six (36) weeks and execution was to be done in two phases, with expected completion date of 3 April, 2020. However, review of records revealed that the amount certified as payable was Kshs.48,989,442 while the project implementation status report dated 30 June, 2022 indicated that the project stalled at 97% completion level.

In addition, field verification observed that the incomplete work(s) included tilling of third floor, construction of reception counter, electrical works, roof water down pipe drainage, balustrading, stairs and balcony rails, construction of garage, septic tank and terrazzo finishes at the stairs and the contractor was not on site.

In the circumstances, value for money from the expenditure of Kshs.48,989,442 on the project could not be confirmed.

#### **3.2 Construction of Emuhaya Sub County Police Service Office**

Review of records revealed that the Constituency constructed Emuhaya Sub County Police offices in phases at a contract sum of Kshs.8,467,300 with the contractor having been paid the full amount as at 30 June, 2022. However, field verification of the project carried out at the time of audit in March, 2023 revealed that the building had not been put into beneficial use as additional works that had not been implemented due to lack of funds. In addition, review of records revealed that there is an unresolved land dispute on the parcel of land on which the project was erected.

In the circumstances, the value for money from the expenditure of Kshs.8,467,300 expended on the project could not be confirmed. Also, in the absence of confirmation and determination of the rightful owners of the land, the dispute may escalate leading to loss of public funds.

#### **3.3 Completion of a Two (2) Storey at Mungoye Secondary School**

Review of records revealed that the works the towards completion of a two storey building housing 12 classrooms and administration block at Mungoye Secondary School awarded to a local contractor at a contract sum of Kshs.18,100,000 during 2013-2014 financial year. However, information on the actual expenditure on the project was not provided for audit review. In addition, an amount of Kshs.9,000,000 allocated towards the project during the period under review had disbursed been disbursed to the project management committee account by 30 June, 2022.

Further, field inspection at the time of audit in the month of March, 2023 revealed that the completion works had stalled and works on second floor consisting of 4 classrooms and staffrooms had not commenced.

In the circumstances, the value for money from the expenditure of Kshs.9,000,000 expended on the projects for the year ended 30 June, 2022 could not be confirmed

### **3.4 Construction of 2No. Classrooms at Mukhungu Primary School**

Review of records revealed that works were awarded to a local contractor towards construction of 2 No. classrooms to completion at Mukhungu Primary School in the 2019-2020 financial year. However, field inspection at the time of audit in March, 2023 revealed that works which includes; plaster, external render, flooring, glazing and painting had not commenced as additional funding had been disbursed.

In the circumstances, members of the public have been denied the benefits accruing from completion of the project.

### **4. Underutilized Facilities at Eluyeka Primary School**

The statement of receipts and payments reflects transfer to other Government units of Kshs.62,7801 which includes transfers to primary schools of Kshs.22,294,000 as disclosed in Note 6 to the financial statements. Review of records revealed that the Fund constructed two (2) classrooms, eight (8) door pit latrine to completion and purchased land at a total cost of Kshs.2,650,000. However, field inspection at the time of audit in March, 2023 revealed that one classroom was not occupied. Management explained that no teachers can be posted to the school since it is not registered.

In the circumstances, value for money from the expenditure of Kshs.2,650,000 incurred on Eluyeka primary school could not be confirmed.

### **5. Unutilized Primary School Project Funds**

Review of the summary statement of appropriation reflects a balance of Kshs.52,877,822 as budget utilisation difference, and which as detailed in in the budget execution by sectors and projects to the financial statements which includes a balance of Kshs.2,300,000 in respect to a primary school to purchase land of approx.0.4 Ha and construction of 2 No. classrooms to completion at Kshs.800,000 and Kshs.1,500,000 respectively. The balance remained un-utilized as at the close of the financial year 2020/2021 and 2021/2022 and no explanation was provided for the failure utilize the available funds.

In the circumstances, under-utilization of the funds affected the planned activities and may have impacted negatively on service delivery to the public.

## 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 governance were not effective.

### **Basis for Conclusion**

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash Basis) and for maintaining effective internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal 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, 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 Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

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

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

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and 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 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 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.

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

**Nairobi**

**05 July, 2023**


*Emuhaya Constituency  
National Government Constituencies Development Fund (NGCDF)  
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V. Statement of Receipts and Payments for the Year Ended 30th June 2022


	Note	2021-2022 Kshs	2020-2021 Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	158,115,867	161,367,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>158,115,867</b>	<b>161,367,724</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,383,414	3,400,995
Use of goods and services	5	8,839,185	8,930,943
Transfers to Other Government Units	6	62,191,780	73,664,888
Other grants and transfers	7	80,573,795	63,527,117
Acquisition of Assets	8	-	-
Other Payments	9	-	4,677,027
<b>TOTAL PAYMENTS</b>		<b>154,988,174</b>	<b>154,200,970</b>
<b>SURPLUS/DEFICIT</b>		<b>3,127,693</b>	<b>7,166,754</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

Name: Paul C Mogendi

  
National Sub-County  
Accountant

Name: Dennis Majani  
ICPAK M/No:

  
Chairman NG-CDF  
Committee




Name: Kelvin Ongaya

*Emuhaya Constituency  
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VI. Statement of Assets and Liabilities As At 30<sup>th</sup> June, 2022

	Note	2021-2022 Kshs	2020-2021 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	29,745,176	28,689,131
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>29,745,176</b>	<b>28,689,131</b>
<b>Accounts Receivable</b>			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>29,745,176</b>	<b>28,689,131</b>
<b>FINANCIAL LIABILITIES</b>			
<b>Accounts Payable (Deposits)</b>			
Retention	12A	2,119,944	2,843,873
Gratuity	12B	9,300	1,357,020
<b>NET FINANCIAL SSETS</b>		<b>27,615,931</b>	<b>24,488,238</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	24,488,238	16,690,059
Prior year adjustments	14	-	631,425
Surplus/Deficit for the year		3,127,693	7,166,754
<b>NET FINANCIAL POSITION</b>		<b>27,615,931</b>	<b>24,488,238</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: Paul C Mogendi	Name: Dennis Majani	Name: Kelvin Ongaya

ICPAK M/No:



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

Receipt/Expense Item	Original Budget a	Opening Balance (C/Bk) and AIA	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>							
Transfers from NG-CDF Board	137,088,879	24,488,238	46,288,879	207,865,996	182,604,105	25,261,891	87.8%
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	0.0%
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>24,488,238</b>	<b>46,288,879</b>	<b>207,865,996</b>	<b>182,604,105</b>	<b>25,261,891</b>	<b>87.8%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,619,189	-	-	3,619,189	3,383,414	235,775	93.5%
Use of goods and services	8,718,810	6,848	-	8,725,658	8,839,185	(113,527)	101.3%
Transfers to Other Government Units	53,544,000	12,126,265	24,001,398	89,671,663	62,191,780	27,479,883	69.4%
Other grants and transfers	65,206,880	12,355,125	22,166,269	99,728,274	80,573,795	19,154,479	80.8%
Acquisition of Assets	-	-	-	-	-	-	0.0%
Other Payments	6,000,000	-	121,212	6,121,212	-	6,121,212	0.0%

**Emuhaya Constituency  
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TOTAL	137,088,879	24,488,238	46,288,879	207,865,996	154,988,174	52,877,822	74.6%
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- (a) Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)  
 (b) The overutilization under use of goods and services is as a result of balance brought forward from previous financial year.  
 (c) The underutilization of funds under Transfer to other government units and other grants and transfer is due for late receipt of funds.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	52,877,822
Less undisbursed funds receivable from the Board as at 30th June 2022	25,261,891
Add Accounts payable	27,615,931
Less Accounts Receivable	2,129,244
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the FY 2021/2022	29,745,175

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



Fund Account Manager

Name: Paul C Mogendi



National Sub-County Accountant

Name: Dennis Majani  
ICPAK M/No:



Chairman NG-CDF Committee

Name: Kelvin Ongaya

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

Programme/Sub-programme	Original Budget 2021/2022 Kshs	Adjustments		Final Budget 2021/2022 Kshs	Actual on comparable basis 30/06/2022 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,619,189	-	-	3,619,189	3,383,414	235,775
1.2 Committee allowances	1,626,144	-	-	1,626,144	1,661,043	(34,899)
1.3 Use of goods and services	2,980,000	6,848.00	-	2,986,848	2,994,448	(7,600)
<b>Total</b>	<b>8,225,333</b>	<b>6,848</b>	<b>-</b>	<b>8,232,181</b>	<b>8,038,905</b>	<b>193,276</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,635,001	-	-	1,635,001	1,631,900	3,101
2.2 Committee allowances	1,277,666	-	-	1,277,666	1,276,630	1,036
2.3 Use of goods and services	1,200,000	-	-	1,200,000	1,275,347	(75,347)
<b>Total</b>	<b>4,112,666</b>	<b>-</b>	<b>-</b>	<b>4,112,666</b>	<b>4,183,877</b>	<b>(71,211)</b>
<b>3.0 Emergency</b>						
3.1 Primary Schools	7,192,207	90,486.00	-	7,282,693	6,154,350	1,128,343
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects						
<b>Total</b>	<b>7,192,207</b>	<b>90,486.00</b>	<b>-</b>	<b>7,282,693</b>	<b>6,154,350</b>	<b>1,128,343</b>
<b>4.0 Bursary and Social Security</b>						

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.1 Secondary Schools	28,597,227	9,492,279.00	2,678,788.12	40,768,294	42,723,795	(1,955,501)
4.2 Tertiary Institutions	13,400,000	671,467.00	265,031.00	14,336,498	17,843,761	(3,507,263)
4.3 Social Security			-			
4.4 Special Needs	1,000,000	-	4,000,000.00	5,000,000		5,000,000
<b>Total</b>	<b>42,997,227</b>	<b>10,163,746</b>	<b>6,943,819</b>	<b>60,104,792</b>	<b>60,567,556</b>	<b>(462,764)</b>
5.0 Sports	2,727,134	-	9,865	2,736,999	2,785,860	(48,861)
<b>Total</b>	<b>2,727,134</b>	<b>-</b>	<b>9,865</b>	<b>2,736,999</b>	<b>2,785,860</b>	<b>(48,861)</b>
6.0 Environment						
6.1 Emuhaya D.C.C offices' compound	150,000	-	-	150,000		150,000
6.2 Mumboko Primary school	-	-	100,000	100,000		100,000
6.3 Eluyeka primary school	-	-	80,000	80,000		80,000
6.4 Essunza Secondary school	-	-	80,000	80,000		80,000
<b>Total</b>	<b>150,000</b>	<b>-</b>	<b>260,000</b>	<b>410,000</b>	<b>-</b>	<b>410,000</b>
7.0 Primary Schools Projects (List all the Projects)						
7.1 Eluyeka Primary school	550,000	-	-	550,000	550,000	-
7.2 Eluyeka Primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.3 Eluyeka Primary school	600,000	-	-	600,000	600,000	-
7.4 Ebukoolo Primary school	1,000,000	-	-	1,000,000	1,000,000	-

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.5 Ebusioya Primary school	700,000	-	-	700,000	-	700,000
7.6 Esibakala Primary school	750,000	-	-	750,000	750,000	-
7.7 Mwiwala Primary school	850,000	-	900,000	1,750,000	1,750,000	-
7.8 Mwiwala Primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.9 Musirili Primary school	-	2,300,000	-	2,300,000	-	2,300,000
7.10 Emwatsi Primary school	750,000	-	-	750,000	-	750,000
7.11 Ebumbuya Primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.12 Ebukanga Primay school	750,000	-	-	750,000	-	750,000
7.13 Essaba Primary school	750,000	-	750,000	1,500,000	1,500,000	-
7.14 Muchula Primary school	900,000	-	64,229	964,229	900,000	64,229
7.15 Ebulamba Primary school	900,000	-	-	900,000	-	900,000
7.16 Emanyinya Primary school	750,000	-	-	750,000	-	750,000
7.17 Esirulo Primary school	750,000	-	-	750,000	750,000	-
7.18 Mundichiri Primary school	750,000	-	-	750,000	-	750,000
7.19 Mwitukho Fimary school						750,000
7.20 Emmukunzi Primary school	750,000	-	-	750,000	-	750,000
7.21 Esibuye Primary school	750,000	-	500,000	1,250,000	1,250,000	-
7.22 Eluthobe Primary school	750,000	1,000,000	-	1,750,000	1,000,000	750,000

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

Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.23 Ebungangwe Primary school	750,000	-	-	750,000	-	750,000
7.24 Ikumu Primary school	750,000	-	-	750,000	-	750,000
7.25 Ebbitsi Primary school	750,000	869,282	-	1,619,282	869,282	750,000
7.26 Ebusiloli Primary school	750,000	-	-	750,000	-	750,000
7.27 Mukhombwe Primary school	750,000	-	-	750,000	-	750,000
7.28 Ilungu Primary school	750,000	1,000,000	-	1,750,000	1,000,000	750,000
7.29 Essunza Primary school	750,000	-	-	750,000	-	750,000
7.30 Emusire Primary school	750,000	-	1,000,000	1,750,000	1,750,000	-
7.31 Kilingili Primary school	750,000	1,000,000	-	1,750,000	1,000,000	750,000
7.32 Ebusiratsi C.O.G Primary	1,500,000	-	-	1,500,000	1,500,000	-
7.33 Mwituha Primary school	900,000	-	750,000	1,650,000	1,650,000	-
7.34 Emusutswi Primary school	900,000	-	-	900,000	-	900,000
7.35 Ebuyalu Primary school	450,000	-	-	450,000	-	450,000
7.36 Salvation Armsyspecial school	-	-	-	-	-	-
7.37 Ebucheli Primary School	-	-	600,000	600,000	-	600,000
7.38 Mukhungu Primary school	-	-	1,200,000	1,200,000	1,200,000	-
7.39 Esibila Primary School	-	750,000	-	750,000	750,000	-
7.40 Mumboko Primary school	-	750,000	-	750,000	750,000	-

*Emuhaya Constituency  
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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
7.41 Ikalikha Primary school	-	3,057,877	61,405.00	3,119,282	3,119,282	-
7.42 Esalwa Primary School	-	1,000,000	-	1,000,000	1,000,000	-
7.43 Ebulondi Primary School	-	1,000,000	-	1,000,000	1,000,000	-
7.44 Emurembe Primary school	-	1,500,000	-	1,500,000	1,500,000	-
<b>Total</b>	<b>28,750,000</b>	<b>14,227,158</b>	<b>6,625,634</b>	<b>49,602,792</b>	<b>31,638,563</b>	<b>17,964,229</b>
<b>8.0 Secondary Schools Projects (List all the Projects)</b>						
Esibila Secondary school	4,544,000.00	-	3,000,000.00	7,544,000	7,544,000	-
Mungoye Secondary school	9,000,000.00	-	-	9,000,000	-	9,000,000
Esirulo Secondary school	600,000.00	-	-	600,000	600,000	-
Ebukhaya Secondary school	2,000,000.00	-	2,500,000.00	4,500,000	2,500,000	2,000,000
Itumbu Secondary school	3,000,000.00	-	-	3,000,000	3,000,000	-
Esikhuyu Secondary school	1,500,000.00	-	-	1,500,000	1,500,000	-
Esikhuyu Secondary school	600,000.00	-	-	600,000	-	600,000
Emanyinya Secondary school	1,150,000.00	-	-	1,150,000	1,150,000	-
Ebunangwe Secondary school	-	-	3,000,000.00	3,000,000	3,000,000	-
Mwituha Secondary school	-	-	3,000,000.00	3,000,000	3,000,000	-
<b>Total</b>	<b>22,394,000.00</b>	<b>-</b>	<b>11,500,000.00</b>	<b>33,894,000.00</b>	<b>22,294,000.00</b>	<b>11,600,000.00</b>

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
<b>10.0 Security Projects</b>						
Emuhaya Sub-county Police Service	2,967,300.00	-	5,500,000.00	8,467,300	8,467,300	-
Emuhaya Sub-county Police Service commissioner offices' compound	300,000.00	-	-	300,000	298,729	1,271
Duka Moja Police Post	1,000,000.00	-	-	1,000,000	-	1,000,000
Emuhaya magistrate court	500,000.00	-	-	500,000	500,000	-
Ipali AP Camp/Assistant chief office	7,173,011.17	-	5,800,000.00	12,973,011	-	12,973,011
Emuhaya Administration centre	200,000.00	-	-	200,000	-	200,000
Emurembe Ap camp	-	-	2,852,585.00	2,852,585	2,471,404	381,182
<b>Total</b>	<b>12,140,311</b>	<b>-</b>	<b>14,952,585</b>	<b>27,092,896</b>	<b>12,537,433</b>	<b>14,555,464</b>
<b>11.0 Acquisition of assets</b>						
11.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	-	-	-	-	-
11.4 Purchase of computers	-	-	-	-	-	-
11.5 Purchase of land	-	-	-	-	-	-
<b>12.0 Others</b>						
Rural Electrification and Renewable Energy Corporation Mmbihilo- Musibala	3,000,000.00	-	76,309.18	3,076,309.18	-	3,076,309.18

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Programme/Sub-programme	Original Budget 2021/2022	Adjustments		Final Budget 2021/2022	Actual on comparable basis 30/06/2022	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Rural Electrification and Renewable Energy Corporation Wamachese- Wamwila	3,000,000.00	-	44,902.70	3,044,902.70	-	3,044,902.70
<b>Total</b>	<b>6,000,000</b>	<b>-</b>	<b>121,211.88</b>	<b>6,121,212</b>		<b>6,121,212</b>
<b>13.0 Tertiary institutions Projects (List all the Projects)</b>						
Bunyore Teachers Training College	2,400,000.00	-	2,675,764.00	5,075,764	4,863,267	212,497
Ebunangwe Technical Teachers training	-	-	4,000,000	4,000,000	4,000,000	-
<b>Total</b>	<b>2,400,000</b>	<b>-</b>	<b>6,675,764</b>	<b>9,075,764</b>	<b>8,863,267</b>	<b>212,497</b>
<b>Funds pending approval**</b>						
<b>Total</b>	<b>137,088,879</b>	<b>24,488,238</b>	<b>46,288,879</b>	<b>207,865,996</b>	<b>154,988,114</b>	<b>52,877,882</b>

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

## **XI. Significant Accounting Policies**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

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

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

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

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

***Significant Accounting Policies continued***

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

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

**Proceeds from Sale of Assets**

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

**Other receipts**

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

***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

***Significant Accounting Policies continued***

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

***Significant Accounting Policies continued***

**6. Cash and Cash 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.

***Significant Accounting Policies continued***

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

***Significant Accounting Policies continued***

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on xx June 20xx 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.

***Significant Accounting Policies continued***

**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

I. Transfers from NGCDF Board

Description		2021-2022	2020 - 2021
		Kshs	Kshs
Normal Allocation	AIE NO. B 104714	-	20,000,000
	AIE NO. A 823507	-	35,000,000
	AIE NO. B 124510	-	9,000,000
	AIE NO. B 124926	-	8,500,000
	AIE NO. B 124839	-	14,367,724
	AIE NO. B 119782	-	12,000,000
	AIE NO. B 128072	-	6,900,000
	AIE NO. B 128382	-	7,000,000
	AIE NO. B 132127	-	6,000,000
	AIE NO. B 138795	-	12,000,000
	AIE NO. B 126380	-	11,600,000
	AIE NO. B 126090	-	7,000,000
	AIE NO. B 140526	-	12,000,000
	AIE NO. B 140874	33,000,000	-
	AIE NO. B 105624	34,000,000	-
	AIE NO. B 105968	30,000,000	-
	AIE NO. B 132485	6,000,000	-
	AIE NO. B128797	12,000,000	-
	AIE NO. B154396	12,000,000	-
	AIE NO. B 154289	20,000,000	-
	AIE NO. B 155805	9,915,867	-
	AIE NO. A 888973	1,200,000	-
Conditional Grants	AIE NO...		
Receipt from other Constituency			
<b>TOTAL</b>		<b>158,115,867</b>	<b>161,367,724</b>

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2. Proceeds From Sale of Assets

	2021-2022	2020-2021
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)		
<b>Total</b>	-	-

3. Other Receipts

	2021-2022	2020-2021
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	-	-

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*Notes to the Financial Statements (Continued)*

4. Compensation of Employees

Description	2021-2022	2020 - 2021
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,393,751	2,374,251
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	745,952	775,440
Employer Contributions Compulsory national social security schemes	243,711	251,304
<b>TOTAL</b>	<b>3,383,414</b>	<b>3,400,995</b>

5. Use Of Goods and Services

Description	2021-2022	2020 - 2021
	Kshs	Kshs
Utilities, supplies and services	244,000	300,000
Electricity	60,000	85,169
Water & sewerage charges	72,000	72,000
Office rent	-	-
Communication, supplies and services	324,000	640,000
Domestic travel and subsistence	756,000	283,800
Printing, advertising and information supplies & services	400,000	657,222
Rentals of produced assets	-	-
Training expenses	1,635,001	809,890
Hospitality supplies and services	294,000	343,109
Other committee expenses	822,144	-
Committee allowance	2,251,666	3,076,927
Insurance costs	-	-

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Specialised materials and services	-	-
Office and general supplies and services	712,000	999,200
Fuel , oil & lubricants	270,000	450,000
Other operating expenses		-
Bank service commission and charges	130,000	77,480
Other Operating Expenses	300,375	1,075,430
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	568,000	60,716
Routine maintenance- other assets	-	-
<b>TOTAL</b>	<b>8,839,185</b>	<b>8,930,943</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 (See Attached List)	31,638,563	45,950,000
Transfers To Secondary Schools (See Attached List)	22,294,000	14,200,000
Transfers To Tertiary Institutions (See Attached List)	8,259,217	13,514,888
<b>Total</b>	<b>62,191,780</b>	<b>73,664,888</b>

**7. Other Grants and Other transfers**

	2021-2022	2020-2021
	Kshs	Kshs
Bursary – secondary schools (see attached list)	42,723,795	16,975,048
Bursary – tertiary institutions (see attached list)	17,843,761	18,386,140
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	-
Social Security programmes (NHIF)		
Security projects (see attached list)	11,066,029	16,190,466
Sports projects (see attached list)	2,785,860	3,550,340
Environment projects (see attached list)	-	1,320,502
Emergency projects (see attached list)	6,154,350	7,104,621
<b>Total</b>	<b>80,573,795</b>	<b>63,527,117</b>

**8. Acquisition Of Assets**

Non Financial Assets	2021-2022	2020 - 2021
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and and General Equipment	-	-
Purchase of computers ,printers and other IT equipments	-	-

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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>	-	-

*Notes To the Financial Statements (Continued)*

9. Other Payments

	2021-2022	2020-2021
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	4,677,027
	-	4,677,027

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>Equity Bank, Luanda Branch . Emuhaya NG-CDF</i>	<i>A/C no.1120299846566</i>	29,745,176	28,689,131
Equity Bank		-	-
		-	-
<b>TOTAL</b>		29,745,176	28,689,131
<b>10B: CASH IN HAND)</b>			
		2021-2022	2020 - 2021
		Kshs (30/6/2022)	Kshs (30/6/2021)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
<b>TOTAL</b>		-	-

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**11: Outstanding Imprests**

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

*Notes to the Financial Statement Continued*

**12A. Retention**

	2021-2022	2020-2021
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	2,843,873	365,423
Retention held during the year (B)	1,500,750	2,478,450
Retention paid during the Year (C)	2,224,679	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	2,119,944	2,843,873

**12B. Gratuity**

	2021-2022	2020-2021
	KShs	KShs
Gratuity as at 1 <sup>st</sup> July (A)	1,357,020	581,580
Gratuity held during the year (B)	745,952	775,440
Gratuity paid during the Year (C)	2,093,672	-
Closing Gratuity as at 30 <sup>th</sup> June D= A+B-C	9,300	1,357,020

*[Provide short appropriate explanations as necessary]*

**13. Balances Brought Forward**

	2021-2022 (1 <sup>st</sup> July 2021)	2020-2021 (1 <sup>st</sup> July 2020)
	Kshs	Kshs
Bank accounts	28,689,131	17,637,062
Cash in hand	-	-
Imprest	-	-
Total	28,689,131	17,637,062

*[Provide short appropriate explanations as necessary]*

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14. Prior Year Adjustments

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2021/2022
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-		1,173,073
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others ( <i>specify</i> )	-	-	-
<b>Total</b>	-	-	<b>1,173,073</b>

15. Changes in Accounts Receivable – Outstanding Imprests

	2021-2022	2020-2021
	KShs	KShs
Outstanding Imprest as at 1 <sup>st</sup> July (A)	-	-
Imprest issued during the year (B)	12,447,270	14,317,772
Imprest surrendered during the Year (C)	12,447,270	14,317,772
closing accounts in account receivables D= A+B-C	-	-
<b>Changes in Account Receivables E= D-A</b>		

16. Changes in Accounts Payable – Deposits and Retentions

	2021 – 2022	2020 – 2021
	KShs	KShs
Deposit and Retentions as at 1 <sup>st</sup> July (A)	4,200,893	947,003
Deposit and Retentions held during the year (B)	2,246,702	3,253,890
Deposit and Retentions paid during the Year (C)	4,318,351	-
closing account payables D= A+B-C	2,129,244	4,200,893

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Changes in Accounts Payable E= D-E	(2,071,649)	3,253,890
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*Notes to the Financial Statements (Continued)*

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
NGCDFC Staff	-	-
Others ( <i>specify</i> )	-	-
Total	-	-

17.3: Unutilized Fund (See Annex 3)

	2021-2022	2020- 2021
	Kshs	Kshs
Compensation of employees	122,248	-
Use of goods and services	-	6,848
Amounts due to other Government entities (see attached list)	30,279,883	41,728,556
Amounts due to other grants and other transfers (see attached list)	16,475,691	29,357,292
Acquisition of assets	-	-
Others ( <i>specify</i> )	6,000,000	-
Funds pending approval	-	-
	<b>52,877,822</b>	<b>71,092,696</b>

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17.4: PMC account balances (See Annex 5)

	2021-2022	2020-2021
	Kshs	Kshs
PMC account balances (see attached list)	12,671,263	14,515,737
Total	12,671,263	14,515,737

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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 30 <sup>th</sup> June 2022	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance		Comments
		2021/22	2020/21	
Compensation of employees		-		
Use of goods & services			6,848	
Amounts due to other Government entities		-		
ESALWA PRIMARY SCHOOL	Renovation of 4 classrooms	-	1,000,000	
MUSIRILJI PRIMARY SCHOOL	Construction of classroom	2,300,000	2,300,000	
EMUREMBE PRIMARY SCHOOL	Construction of classroom	-	1,500,000	
MWUYALA PRIMARY SCHOOL	Purchase of land	-	900,000	
KILINGILJI PRIMARY SCHOOL	Renovation of 4 classrooms	750,000	1,000,000	
MWITUHA PRIMARY SCHOOL	Construction of classroom	-	750,000	
ESSABA PRIMARY SCHOOL	Construction of classroom	-	750,000	
EMUSIRE PRIMARY SCHOOL	Renovation of 4 classrooms	-	1,000,000	
MUMBOKO PRIMARY SCHOOL	Construction of classroom	-	750,000	
ELUHOBE PRIMARY SCHOOL	Renovation of 4 classrooms	-	1,000,000	
ILUNGU PRIMARY SCHOOL	Renovation of 4 classrooms	750,000	1,000,000	
EBULONDI PRIMARY SCHOOL	Renovation of 4 classrooms	-	1,000,000	
IKALIKHA PRIMARY SCHOOL	Construction of classroom	-	750,000	
ESIBUYE PRIMARY SCHOOL	Renovation of 2 classrooms	-	500,000	
ESIBILA PRIMARY SCHOOL	Construction of classroom	-	750,000	
MUKHUNGU PRIMARY SCHOOL	Construction of 2 classroom	-	1,200,000	
SALVATION ARMY SPECIAL SCHOOL	Cnstruction of Adm. Block	-	800,000	

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EBUCHELI PRIMARY SCHOOL	Purchase of land	600,000	600,000
MUCHULA PRIMARY SCHOOL	Construction of classroom	64,229	64,229
IKALIKHA PRIMARY SCHOOL	Construction of classroom		1,500,000
IKALIKHA PRIMARY SCHOOL	Construction of Adm. Block		869,282
EBBITSI PRIMARY SCHOOL	Renovation of 3 classrooms	750,000	869,281
EBUSIOYA PRIMARY SCHOOL	Purchase of land	700,000	-
EMWATSI PRIMARY SCHOOL	Renovation of 3 classrooms	750,000	-
EBULAMBA PRIMARY SCHOOL	Construction of Adm. Block	900,000	-
EMANYINYA PRIMARY SCHOOL	Renovation of 3 classrooms	750,000	-
MWITUKHO PRIMARY SCHOOL	Construction of 1 classroom	750,000	-
Emmukunzi Primary school	Construction of 1 classroom	750,000	-
Eluhobe Primary school	Renovation of 3 classrooms	750,000	-
Ebunangwe Primary school	Construction of 1 classroom	750,000	-
Ikumu Primary school	Construction of 1 classroom	750,000	-
Ebusiloli Primary school	Renovation of 3 classrooms	750,000	-
Mukhombe Primary school	Renovation of 3 classrooms	750,000	-
Essunza Primary school	Renovation of 3 classrooms	750,000	-
Emusustwi Primary school	Renovation of 3 classrooms	900,000	-
Ebuyalu Primary school	Construction of 6 doors Pit Latrine	450,000	-
Ebukanga Primary school	Construction of 1 classroom	750,000	-
Mundichiri Primary School	Construction of 1 classroom	750,000	-
<b>SECONDARY SCHOOL</b>			
ESIBILA SECONDARY SCHOOL	Purchase of bus	-	3,000,000
MWITUHA SECONDARY SCHOOL	Construction of dining	-	3,000,000
EBUKHAYA SECONDARY SCHOOL	Construction of dining	-	2,500,000
EBUNANGWE HIGH SCHOOL	Construction of laboratory	-	3,000,000

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EMMABWI SECONDARY SCHOOL	Purchase of land	-	700,000
MUNGOYE SECONDARY SCHOOL	Purchase of land	-	1,000,000
IKUMU SECONDARY SCHOOL	Purchase of land	-	1,000,000
Esikhuyu secondary school	Construction of classroom	600,000	-
Ebukhaya Secondary School	Construction of laboratory	2,000,000	-
Emmabwi secondary school	Purchase of land	700,000	-
Mungoye Secondary school	Completion of classrooms block	9,000,000	-
<b>TERTIARY INSTITUTIONS</b>		-	-
BUNYORE TEACHERS TRAINING COLLEGE	construction of hostels	-	2,675,764
EBUNANGWE technical TEACHERS TRAINING INSTITUTE	fencing of compound	-	4,000,000
<b>Sub-Total</b>		<b>29,464,229</b>	<b>41,728,556</b>
Amounts due to other grants and other transfers			
BURSARY		-	14,044,357
<b>SECURITY PROJECTS</b>			
EMUHAYA ADMINISTRATION CENTRE	Construction of sub county offices	-	2,852,585
EMUHAYA SUB COUNTY POLICE OFFICES	Construction of administration	-	5,500,000
EMUREMBE ADMINISTRATION/ ASSISTANT CHIEFS	Construction of poice offices	-	800,000
EMUHAYA MAGISTRATE COURT	Construction of court	-	5,800,000
SPORTS	Sports	-	9,865
Emuhaya Administration Centre	Construction of offices	2,074,138	-
Emuhaya Deputy county commissioner offices' compound	Fencing of compound	1,000,000	-

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Emuhaya Magistrate court	Construction of court	12,973,011	-
Ipali AP Camp/ Assistant chief office	Fencing of compound	200,000	-
<b>ENVIRONMENTAL PROJECTS</b>			
MUMBOKO PRIMARY SCHOOL	Planting trees	100,000	100,000
ELUYEKA PRIMARY SCHOOL	Planting trees	80,000	80,000
ESSUNZA SECONDARY SCHOOL	Planting trees	80,000	80,000
EMUHAYA DCC OFFICE	Planting trees	150,000	-
<b>EMERGENCY</b>	Emergency	1,120,343	90,486
<b>Sub-Total</b>		<b>17,413,593</b>	<b>29,357,293</b>
<b>Acquisition of assets</b>			
<b>Others (specify)</b>			
REREC Mimbihilo-Musiabala	Electrification	3,000,000	-
REREC Wamachese - Wamwila	Electrification	3,000,000	-
<b>Sub-Total</b>		<b>6,121,212</b>	<b>-</b>
<b>Funds pending approval</b>			
<b>Other Machinery and Equipment</b>			
<b>Heritage and cultural assets</b>			
<b>Intangible assets</b>			
<b>Total</b>		<b>52,877,822</b>	<b>71,092,697</b>

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Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f/f (Kshs) 2020/21	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2021/22
Land	2,300,000.00	-	-	2,300,000.00
Buildings and structures	41,293,933.26	-	-	41,293,933.26
Transport equipment	7,005,545.00	-	-	7,005,545.00
Office equipment, furniture and fittings	1,816,038.00	-	-	1,816,038.00
ICT Equipment, Software and Other ICT Assets	2,076,739.00	-	-	2,076,739.00
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>54,492,255.26</b>			<b>54,492,255.26</b>

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Annex 5 –PMC Bank Balances As At 30<sup>th</sup> June 2022

PMC	Bank	Account number	Bank Balance 2021/22	Bank Balance 2020/21
MUKHOMBE PRIIMARY SCHOOL	KCB	1132453683	-	-
EMANYINYA SECONDARY SCHOOL	KCB	1110607695	11,784	13,227
EMWATSI PRIMARY SCHOOL	KCB	1128789264	-	501,974
MWITUKHO PRIMARY SCHOOL	KCB	1137443227	1,710	1,502,502
EMMUKUNZI SECONDARY SCHOOL	KCB	1135372268	-	2,924
EBUKHUYA PRIMARY SCHOOL	EQUITY	112029744244	-	296,240
ESALWA PRIMARY SCHOOL	KCB	1128768704	5,255	34,292
ELUNUNI PRIMARY SCHOOL	KCR	1156281598	-	5,134
EBULONDI PRIMARY SCHOOL	KCB	1128437627	2,063	1,425
ESIRULO PRIMARY SCHOOL	KCB	1110441711	763,052	1,450,069
EMMUKUNZI PRIMARY SCHOOL	KCB	1128102463	-	-
ELUHOBE PRIMARY SCHOOL	KCB	1134640811	6,118	-
EBUKANGA SECONDARY SCHOOL	KCB	1135492557	-	-
		1137497211/	-	-
ESIBILA SECONDARY SCHOOL	KCB/EQUITY	1120279027725	-	226,195
MUNDICHIRI PRIMARY SCHOOL	KCB	1135268096	8,218	632,857
ESSUNZA PRIMARY SCHOOL	KCB	1135400210	-	1,000,368
EMUREMBE PRIMARY SCHOOL	KCB	1128390361	1,500,354	24,819
EBUKANGA TTI	EQUITY	1120264516476	-	-
ESSABA SECONDARY SCHOOL	EQUITY	1120261600376	-	-
MUNGOYE SECONDARY SCHOOL	EQUITY	1120262677491	-	120,614
EBUKOOLO SECONDARY SCHOOL	EQUITY	1120299446123	-	-
ITUMBU PRIMARY SCHOOL	EQUITY	1120269801417	-	-

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ILUNGU PRIMARY SCHOOL	EQUITY	1120260535254	40,970	20,880
EMANYINYA PRIMARY SCHOOL	EQUITY	1120269039022	-	335,940
EBBITSI PRIMARY SCHOOL	EQUITY	1120264527719	150,784	97,243
EBUKOBELO PRIMARY SCHOOL	EQUITY	1120277565087	-	822,049
EBUSIRATSI COG PRIMARY SCHOOL	EQUITY	1120297543435	6,559	-
EBULAMBA PRIMARY SCHOOL	EQUITY	1120298729815	-	360,971
EBUCHELI PRIMARY SCHOOL	EQUITY	1120261493763	-	-
ASSEBU PRIMARY SCHOOL	EQUITY	1120261593871	-	9,429
EBUSILOLI PRIMARY SCHOOL	EQUITY	1120297669043	-	1,435,025
EMBALI ADM CENTRE	EQUITY	1120263364002	-	-
EBUSIRATSI AP CAMP	EQUITY	1120266392380	-	-
EMANYINYA AP CAMP	EQUITY	1120298713446	-	-
KILINGILI PRIMARY SCHOOL	EQUITY	1120298825577	17,414	-
EBUKOOLU AP CAMP	EQUITY	1120266296005	-	-
MWITUHA PRIMARY SCHOOL	EQUITY	1120271458638	1,619,318	-
EBUTUTI PRIMARY SCHOOL	EQUITY	1120261526036	-	585,934
ESINAKA PRIMARY	EQUITY	1120279290163	-	-
MUMBOKO PRIMARY SCHOOL	EQUITY	1120279285902	146,074	-
IKALIKHA PRIMARY SCHOOL	EQUITY	1120279795780	569,043	-
EBUSILOLI SECONDARY SCHOOL	EQUITY	1120297669043	-	-
ESSUNZA SECONDARY SCHOOL	EQUITY	1120279077754	-	4,221
ESIRULO SECONDARY SCHOOL	EQUITY	1120279077304	-	4,480
BUNYORE BOYS SECONDARY	EQUITY	1120278923260	-	833,153
MWITUHA SECONDARY SCHOOL	EQUITY	1120263402646	-	898,826
IPALI ADMIN POLICE CAMP	EQUITY	1120279679457	-	-
EMATSULI AP CAMP	EQUITY	1120279403238	13,553	-
EBUKHAYA AP CAMP	EQUITY	1120279016121	-	-

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ESIBAKALA SECONDARY SCHOOL	EQUITY	1120278948793	-	-
EBUNANGWE PRIMARY SCHOOL	EQUITY	1120266328646	-	-
EMUSIRE HIGH SCHOOL	EQUITY	1120297533058	-	94,946
EMUSIRE PRIMARY SCHOOL	KCF	1129105326	1,750,922	922
ESSABA PRIMARY SCHOOL	KCB	1128504030	1,500,607	1,672
ESIBILA SECONDARY SCHOOL	KCB	1137497211	-	-
ESSABA AP CAMP	KCB	1120342856	-	-
EMAKAKHA POLICE POST	KCB	1184254990	-	-
ESIBILA PRIMARY SCHOOL	KCB	1128440121	20,999	-
ESALWA SECONDARY SCHOOL	KCB	1104108895	-	-
EBUKHAYA PRIMARY SCHOOL	KCB	1135727392	-	2,506
EMMABWI PRIMARY SCHOOL	KCB	1128414120	-	41,916
EBUKANGA PRIMARY SCHOOL	KCB	1128430533	-	2,252
ESIBUYE PRIMARY SCHOOL	KCB	1127963317	-	-
EBUYALU PRIMARY SCHOOL	KCB	1137362308	-	-
EMATSULI PRIMARY SCHOOL	KCB	1172327785	-	2,957
ISANDA PRIMARY SCHOOL	KCR	1133081444	4,726	-
EBUKANGA AP CAMP	EQUITY	1120299089561	-	103
EMATSULI SECONDARY SCHOOL	EQUITY	1120298959878	-	13,666
BUNYORE TEACHERS TRAINING	EQUITY	1120279795764	-	100,000
ESIBAKALA PRIMARY SCHOOL	KCB	1128917890	120,887	212
MUNGOYE PRIMARY SCHOOL	EQUITY	1120270719075	-	1,815
EBUYALU SPECIAL SCHOOL	EQUITY	1120262692634	-	324,901
EMUREMBE AP CAMP	EQUITY	1120280076735	615	615
DUKA MOJA POST	EQUITY	1120280243686	3,980	3,980
EBUYALU SECONDARY SCHOOL	EQUITY	1120279988221	-	15,355
MSIAKHUPA PRIMARY SCHOOL	EQUITY	1120280724801	934	2,357,310

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MUCHULA PRIMARY SCHOOL	KCB	1132448646	862,320	329,823
EBUMBUYA PRIMARY SCHOOL	EQUITY	1120280645330	457,306	-
ELUYEKA PRIMARY SCHOOL	EQUITY	1120280264321	1,033	-
MUKHUNGU PRIMARY SCHHOL	EQUITY	1120281256350	239,730	-
MWIYALA PRIMARY SCHOOL	EQUITY	1120280891488	1,502,600	-
ESIRULO SECONDARY SCHOOL	EQUITY	1120279077304	5,430	-
ESIBILA BOYS SECONDARY SCHOOL	EQUITY	1120279027725	2,263	-
ESIKHU'YU SECONDARY SCHOOL	EQUITY	1120280431805	278,842	-
EBUNANGWE HIGH SCHOOL	EQUITY	1120264795411	899,307	-
EBUKHAYA SECONDARY SCHOOL	KCB	1132346576	14,667	-
ST PETERS ITUMBU SECONDARY SCHOOL	KCB	1133420842	141,828	-
<b>Total</b>			<b>12,671,263</b>	<b>14,515,737</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)
1.	Cash and cash equivalents	The bank reconciliation, certificate of bank balance and board of survey reports were provided	Resolved.	
2.	Unsupported prior year adjustment	Details and copies of the adjustment were availed	Resolved	
3.	Unsupported committee allowance expenditures	The payments were fully supported	Resolved	
4	Budgetary control and performance			

PAUL CHARLES MOGENDI

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*Paul Mogendi*  
Fund Account Manager.