

REPUBLIC OF KENYA



*Enhancing Accountability*

**REPORT**

DATE: 08 MAR 2023

DAY

Wednesday

TABLED  
BY:

Hon. Owen Bayo, CBS, MP  
Deputy Majority Leader

CLERK-AT  
THE TABLE:

Miriam Mudo

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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



*Revised Template 30<sup>th</sup> June 2021*



**EMUHAYA CONSTITUENCY**

**NATIONAL GOVERNMENT CONSTITUENCIES  
DEVELOPMENT FUND**

**REPORTS AND FINANCIAL STATEMENTS**

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

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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)*  
*Reports and Financial Statements for The Year Ended June 30, 2021*

<b>Table of Content</b>	<b>Page</b>
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	3
II. NG-CDFC CHAIRMAN'S REPORT	6
III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES	10
IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	12
V. STATEMENT OF MANAGEMENT RESPONSIBILITIES	15
VI. REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- EMUHAYA CONSTITUENCY	16
VII. STATEMENT OF RECEIPTS AND PAYMENTS	17
VIII. STATEMENT OF ASSETS AND LIABILITIES	18
IX. STATEMENT OF CASHFLOW	19
X. SUMMARY STATEMENT OF APPROPRIATION	20
X. BUDGET EXECUTION BY SECTORS AND PROJECTS	22
XI. SIGNIFICANT ACCOUNTING POLICIES	27
XII. NOTES TO THE FINANCIAL STATEMENTS	31



## **I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

### **(a) Background information**

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

### **Mandate**

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

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

### **Vision**

Equitable Socio-economic development countrywide

### **Mission**

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

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

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**Core Values**

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

**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**

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 C Mogendi
2.	Sub-County Accountant	Dennis Majani
3.	Chairman NGCDFC	Gideon Oyalo
4.	Member NGCDFC	

**(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

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

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**(f) Emuhaya Constituency NGCDF Contacts**

Telephone: (254) 728508674  
E-mail: cdfemuhaya@ngcdf.go.ke  
Website: www.emuhaya.co.ke

**(g) Emuhaya Constituency NGCDF Bankers**

EQUITY BANK  
LUANDA BRANCH  
P.O BOX 34-50307  
LUANDA – KENYA  
A/C NO. 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

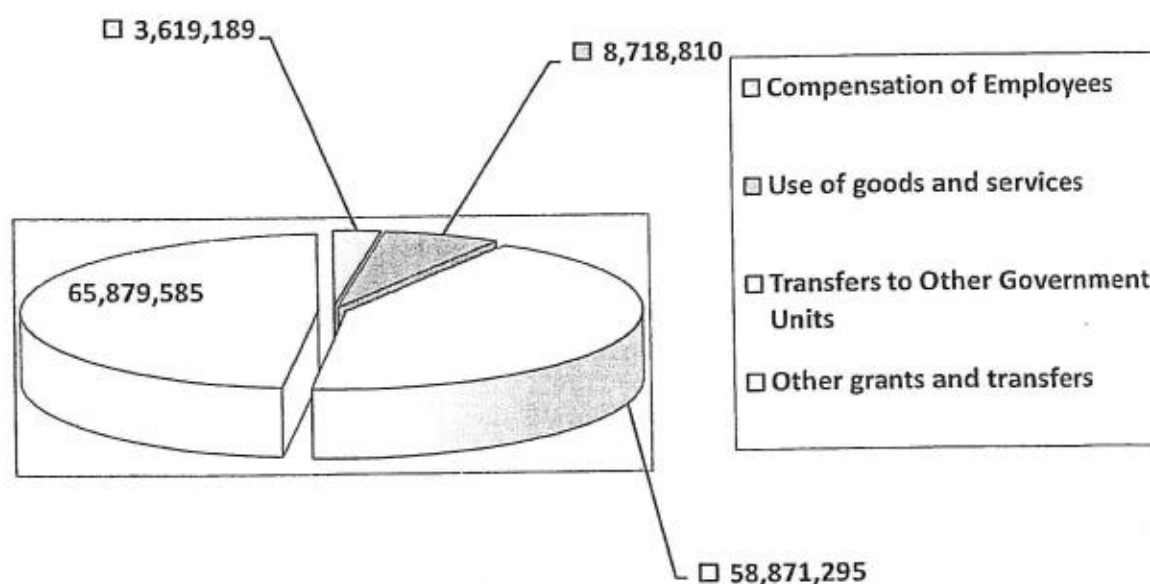


Mr. Gideon Oyalo, Chairman NG-CDFC Emuhaya

I hereby present our Constituency Annual Report and Financial Statements for the Year ended 30th June 2021 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:

### 2020 – 2021 Financial Year Budget

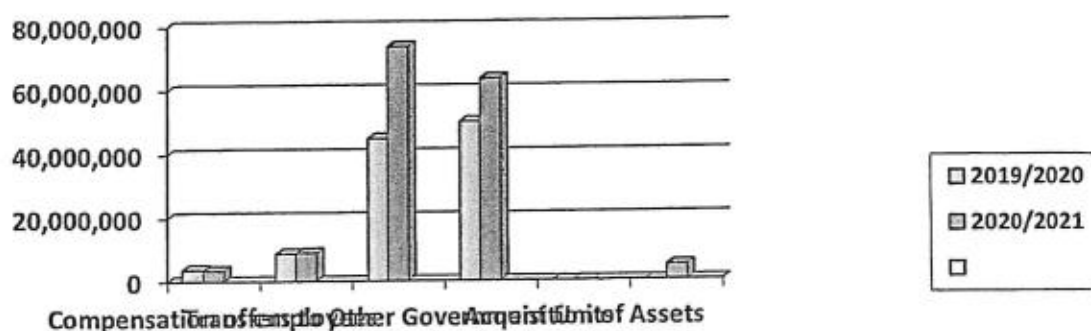


The pie chart above shows the summary of the budget for the year 2020-2021.



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

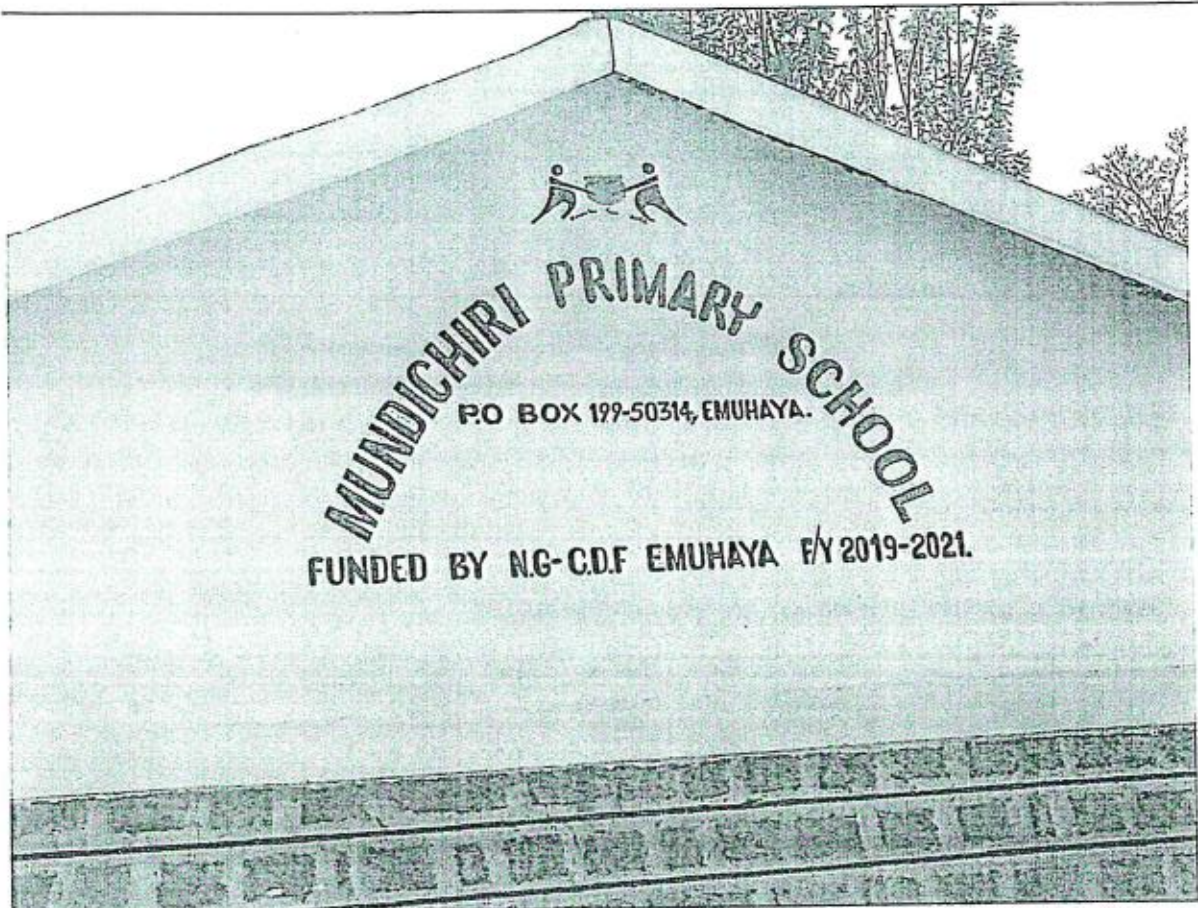
**Statement Of Expenditure Comparison between FY 2019-2020 and 2020-2021**



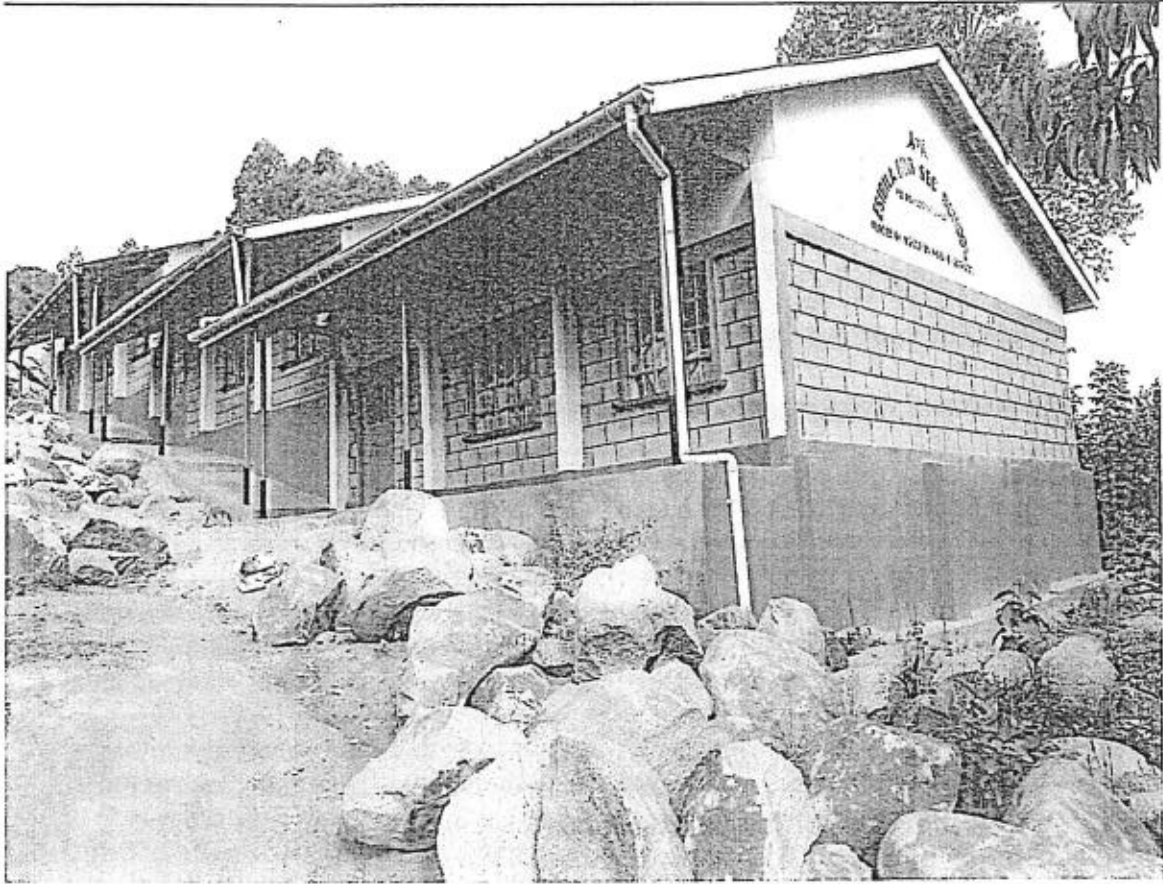
**Achievements in the Financial Year 2020/2021**



Renovations of 6 classrooms in Emanyinya Primary School at a cost of Kshs 1,500,000



Construction of 3 classrooms at a cost of Kshs 2,100,000



Construction of 3 classrooms at Esibila Boys High School at a cost of Kshs 2,200,000.

#### **IMPLEMENTATION CHALLENGES**

Disbursement of funds was not done fully during the financial year under review i.e. 2020/2021 FY. However, despite this, we managed to spend/absorb what we had received from the Board.

Signature

**CHAIRMAN NGCDF COMMITTEE**

### **III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETERMINED OBJECTIVES**

#### **Introduction**

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

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)  
Reports and Financial Statements for The Year Ended June 30, 2021*

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 20/21 we increased number of classrooms, administration offices and sanitary facilities by 14 more classrooms in Primary and secondary institutions and 19 new latrines in both 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 20/21 we purchased land for administration purposes, and four more security units were constructed within the constituency.
Environment	To promote environmental sustainability			
Sports	To harness talent and empower youth	Funded sports activities in the entire constituency.		In FY 20/21 kitty funded sports(Football, volleyball and netball)
Disaster Management	To cater for any unforeseen occurrences in the constituency			



#### **IV. 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 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

##### **2. Environmental performance**

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.

## **V. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

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

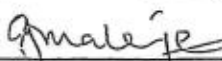
The Accounting Officer in charge of the NGCDF-Emuhaya Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

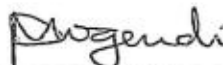
The Accounting Officer in charge of the NGCDF-Emuhaya Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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, 2021, 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.

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 30/6/2021 2021.

  
Chairman NGCDF Committee  
Name: Gideon Oyalo

  
Fund Account Manager  
Name: Paul C Mogendi





# REPUBLIC OF KENYA

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



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

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

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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 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 17 to 50,



which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Emuhaya Constituency as at 30 June, 2021, 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, 2012 and the National Government Constituencies Development Fund Act, 2015.

### **Basis for Qualified Opinion**

#### **1. Unsupported Cash and Cash Equivalents Balance**

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.28,689,131 as disclosed in Note 10 to the financial statements. However, the balance was not supported with bank reconciliation statements, certificate of bank balance and board of survey reports.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.28,689,131 could not be confirmed.

#### **2. Unsupported Prior Year Adjustment**

The statement of assets and liabilities reflects a prior year adjustment of Kshs.631,425 as disclosed in Note 14 to the financial statements. However, the Management has not explained or provided details of the adjustment.

In the circumstances, the accuracy and completeness of the prior year adjustment balance of Kshs.631,425 could not be confirmed.

#### **3. Unsupported Expenditure on Use of Goods and Services**

The statement of receipts and payments reflects use of goods and services expenditure of Kshs.8,930,943 as disclosed in Note 5 to the financial statements. The amount includes committee allowances of Kshs.3,076,927 which further includes two (2) payments totaling Kshs.658,910 which were not supported by monitoring and evaluation reports, minutes of the CDF Committee and invitation letters for the attended workshops.

In the circumstances, the regularity of expenditure on use of goods and services of Kshs.658,910 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**

#### **Budgetary Control and Performance**

The summary statement of appropriation reflects final receipts budget and actual on a comparable basis of Kshs.225,293,665 and Kshs.179,004,786 respectively, resulting to an under-funding of Kshs.46,288,879 or 21% of the budget. Similarly, the Fund spent Kshs.154,200,970 against an approved budget of Kshs.225,293,665 resulting to an underperformance of Kshs.71,092,695 or 32% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

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

#### **Conclusion**

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

#### **Basis for Conclusion**

##### **1.0 Implementation of Projects**

##### **1.1 Bunyore Teachers Training College**

The statement of receipts and payments reflects an expenditure of Kshs.73,664,888 in respect of transfers to other Government entities which, as disclosed in Note 6 to the financial statements includes transfers to tertiary Institutions of Kshs.13,514,888. Review of records indicate that an initial contract for the construction of two (2) twin dormitories at the College was awarded at a sum of Kshs.14,771,000 for thirty-six (36) weeks. However, the contractor and the Management mutually agreed to terminate the contract after works valued Kshs.4,586,949 had been certified and paid.

The Management re-tendered the works at a contract sum of Kshs.10,360,400 for seventeen (17) weeks. However, performance bond was not provided for audit contrary to Regulation 135 of the Public Procurement and Assets Disposal Regulations, 2020

which states that the threshold for providing performance security for goods, works and non-consultancy services shall be for contracts above Kshs.5,000,000. The works were certified complete on 10 September, 2021 and a full payment was made. However, audit inspection conducted in April, 2022 revealed that works valued at Kshs.1,324,180 had not been carried out despite the full payment.

In the circumstances, value for money could not be confirmed.

## **1.2 Construction of Sub-County Offices in Emusire**

The statement of receipts and payments and Note 7 to the financial statements reflects other grants and transfers amount of Kshs.63,527,117. The amount includes Kshs.16,190,466 for security projects. The construction of sub county offices in Emusire was awarded on 26 July, 2019 for a sum of Kshs.49,666,629 for thirty-six (36) weeks and execution in two phases expected to have ended on 3 April, 2020. Physical verification carried out in the month of April, 2022 revealed that the works were incomplete, the contractor was still on site and the time had lapsed by more than two (2) years. The incomplete works included tilling of 3<sup>rd</sup> floor, construction of a reception counter, electrical works, roof water down pipe drainage, balustrading, stairs and balcony rails, construction of garage, septic tank, terrazzo finishes at stairs and final painting although Kshs.48,989,442 or 98% had been certified as payable. Further, contract extension and performance bond were not provided for audit.

In the circumstances, the objectives of the project have not been attained and value for money may not be realized.

## **1.3 Rural Electrification Project**

The statement of receipts and payments reflects other grants and transfers of Kshs.63,527,117 as disclosed in Note 7 to the financial statements. The amount includes Kshs.16,190,466 in respect to security projects. The Management entered into a framework contract with Rural Electrification Corporation on 20 July, 2020 for the establishment of 1\*50 Kva transformer, construction of approximately 1.2km of Kv 3-phase and 3.56km single phase lines and connect approximately fifty-five (55) households to the grid and a commitment amount of Kshs.3,130,646 paid. However, audit inspection carried out in the month of April, 2022 revealed that the households are yet to be connected to the grid and the Corporation has not provided support documents for the commitment amount of Kshs.3,130,646.

In the circumstances, value for money for the expenditure of Kshs,3,130,646 could not be confirmed.

## **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 controls, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

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

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

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

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

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

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

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

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



reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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

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

**Nairobi**

**23 September, 2022**



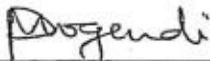
*Emuhaya Constituency  
National Government Constituencies Development Fund (NGCDF)  
Reports and Financial Statements for The Year Ended June 30, 2021*

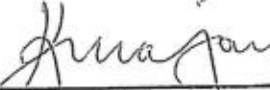
**VII. STATEMENT OF RECEIPTS AND PAYMENTS**

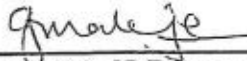
	Note	2020 - 2021	2019 - 2020
			Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF Board	1	161,367,724	121,840,876
Proceeds from Sale of Assets	2		-
Other Receipts	3	-	30,000
<b>TOTAL RECEIPTS</b>		<b>161,367,724</b>	<b>121,870,876</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,400,995	3,695,093
Use of goods and services	5	8,930,943	8,669,178
Transfers to Other Government Units	6	73,664,888	44,817,341
Other grants and transfers	7	63,527,117	48,793,093
Acquisition of Assets	8	-	-
Other Payments	9	4,677,027	-
<b>TOTAL PAYMENTS</b>		<b>154,200,970</b>	<b>105,974,705</b>
<b>SURPLUS/DEFICIT</b>		<b>7,166,754</b>	<b>15,896,170</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Emuhaya Constituency financial statements were approved on

30/6/2021 2021 and signed by:

  
\_\_\_\_\_  
**Fund Account Manager**  
Name: Paul C Mogendi

  
\_\_\_\_\_  
**National Sub-County  
Accountant**  
Name: Dennis Majani  
ICPAK M/No:

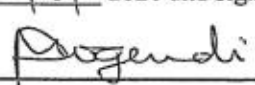
  
\_\_\_\_\_  
**Chairman NG-CDF Committee**  
Name: Gideon Oyalo

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

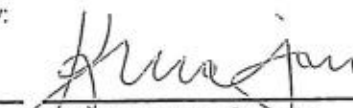
**VIII. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances ( as per the cash book)	10A	28,689,131	17,637,062
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>28,689,131</b>	<b>17,637,062</b>
Accounts Receivable			
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>28,689,131</b>	<b>17,637,062</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable (Deposits)			
Retention	12A	2,843,873	365,423
Gratuity	12B	1,357,020	581,580
<b>NET FINANCIAL SSETS</b>		<b>24,488,238</b>	<b>16,690,059</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	16,690,059	1,966,955
Prior year adjustments	14	631,425	(1,173,066)
Surplus/Defict for the year		7,166,754	15,896,170
<b>NET FINANCIAL POSITION</b>		<b>24,488,238</b>	<b>16,690,059</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Emuhaya Constituency financial statements were approved on 30/6/2021 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: Gideon Oyalo

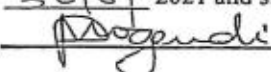


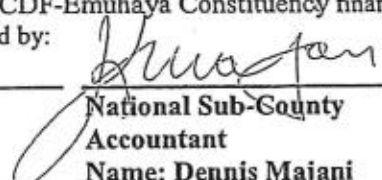
**Emuhaya Constituency**  
**National Government Constituencies Development Fund (NGCDF)**  
**Reports and Financial Statements for The Year Ended June 30, 2021**

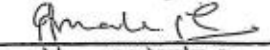
**IX. STATEMENT OF CASHFLOW**

		2020 - 2021	2019 - 2020
		Kshs	Kshs
<b>Receipts from operating activities</b>			
Transfers from NGCDF Board	1	161,367,724	121,840,876
Other Receipts	3	-	30,000
		<b>161,999,149</b>	<b>121,870,876</b>
<b>Payments for operating activities</b>			
Compensation of Employees	4	3,400,995	3,695,093
Use of goods and services	5	8,930,943	8,669,178
Transfers to Other Government Units	6	73,664,888	44,817,341
Other grants and transfers	7	63,527,117	48,793,093
Other Payments	9	4,677,027	-
		<b>154,200,970</b>	<b>105,974,705</b>
<b>Adjusted for:</b>			
Decrease/(Increase) in Accounts receivable	15	-	-
Increase/(Decrease) in Accounts Payable	16	3,253,890	947,003
Prior year Adjustments	14	631,425	(1,173,066)
<b>Net Adjustments</b>		<b>3,885,315</b>	<b>(226,063)</b>
<b>Net cash flow from operating activities</b>		<b>11,052,069</b>	<b>15,670,107</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>11,052,069</b>	<b>15,670,107</b>
Cash and cash equivalent at BEGINNING of the year	10	17,637,062	1,966,955
Cash and cash equivalent at END of the year		<b>28,689,131</b>	<b>17,637,062</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Emuhaya Constituency financial statements were approved on 30/8/2021 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: Gideon Oyalo**

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

**X. SUMMARY STATEMENT OF APPROPRIATION**

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
<b>RECEIPTS</b>							
Transfers from NG-CDF Board	137,088,879	17,637,062	70,567,724	225,293,665	179,004,786	46,288,879	79.5%
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts				-	-	-	-
<b>TOTAL RECEIPTS</b>	<b>137,088,879</b>	<b>17,637,062</b>	<b>70,567,724</b>	<b>225,293,665</b>	<b>179,004,786</b>	<b>46,288,879</b>	<b>79.5%</b>
<b>PAYMENTS</b>							
Compensation of Employees	3,619,189	-	-	3,619,189	3,400,995	218,194.20	94.0%
Use of goods and services	8,718,810	786.00	-	8,719,596	8,930,943	(211,347)	102.4%
Transfers to Other Government Units	62,109,858	13,100,000	39,583,586	114,793,444	73,664,888	41,128,556	64.2%
Other grants and transfers	62,641,022	4,536,276	26,307,111	93,484,409	63,527,117	29,957,292	68.0%
Acquisition of Assets	-	-	-	-	-	-	-
Other Payments	-	-	4,677,027	4,677,027	4,677,027	-	100.0%
<b>TOTAL</b>	<b>137,088,879</b>	<b>17,637,062</b>	<b>70,567,724</b>	<b>225,293,665</b>	<b>154,200,970</b>	<b>71,092,695</b>	<b>68.4%</b>

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

- i. *Transfers from NG – CDF Board – This is occasioned by the under receipts of Funds from the Board.*
- ii. *Transfer to Other Government Units – This is as a result of late under receipts of Funds during the Financial year*
- iii. *Other Grants and transfers - This is as a result of late under receipts of Funds during the financial year*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	71,092,695
Less undisbursed funds receivable from the Board as at 30th June 2021	46,288,879
	24,803,816
Add Accounts payable	3,253,890
Less Accounts Receivable	-
Add/Less Prior Year Adjustments	631,425
Cash and Cash Equivalents at the end of the FY 202021	28,689,131

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

**X. BUDGET EXECUTION BY SECTORS AND PROJECTS**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
	2020/2021	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements	2020/2021	30/06/2021	
	Kshs		Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>	<b>8,225,333</b>	<b>786</b>	<b>-</b>	<b>8,226,119</b>	<b>8,222,271</b>	<b>3,848</b>
1.1 Compensation of employees	3,619,189	-	-	3,619,189	3,619,189	-
1.2 Committee allowances	1,626,144	-	-	1,626,144	1,626,144	-
1.3 Use of goods and services	2,980,000	786	-	2,980,786	2,976,938	3,848
<b>2.0 Monitoring and evaluation</b>	<b>4,112,667</b>	<b>-</b>	<b>-</b>	<b>4,112,667</b>	<b>4,109,667</b>	<b>3,000</b>
2.1 Capacity building	1,635,001	-	-	1,635,001	1,635,001	-
2.2 Committee allowances	1,277,666	-	-	1,277,666	1,277,666	-
2.3 Use of goods and services	1,200,000	-	-	1,200,000	1,197,000	3,000
<b>3.0 Emergency</b>	<b>7,192,207</b>	<b>2,900</b>	<b>-</b>	<b>7,195,107</b>	<b>7,104,621</b>	<b>90,486</b>
<b>4.0 Bursary and Social Security</b>	<b>35,000,000</b>	<b>2,546,620</b>	<b>14,787,207</b>	<b>49,633,827</b>	<b>35,350,908</b>	<b>14,282,919</b>
4.2 Secondary Schools	20,000,000	-	6,467,327	26,467,327	16,975,048	9,492,279
4.3 Tertiary Institutions	13,000,000	2,546,620	6,319,880	19,166,500	18,386,140	780,360
4.4 Special Schools	2,000,000	-	2,000,000	4,000,000	-	4,000,000
<b>5.0 Sports</b>	<b>2,659,729</b>	<b>476</b>	<b>-</b>	<b>3,560,205</b>	<b>3,550,340</b>	<b>9,865</b>
<b>6.0 Environment</b>	<b>440,000</b>	<b>-</b>	<b>1,150,782</b>	<b>1,590,782</b>	<b>1,330,782</b>	<b>260,000</b>
6.1 Esirulo Secondary school	80,000	-	-	80,000	80,000	-
6.2 Mumboko Primary School	100,000	-	-	100,000		100,000
6.3 Eluyeka Primary school	80,000	-	-	80,000		80,000
6.4 Bunyore Teachers Training college	100,000	-	-	100,000	100,000	-
6.5 Essunza Secondary school	80,000	-	-	80,000		80,000
6.6 Ebusiekwe hills	-	-	250,000	250,000	250,000	-
6.7 esalwa natural spring	-	-	100,000	100,000	100,000	-
6.8 Essaba natural spring	-	-	100,000	100,000	100,000	-
6.9 Ekaita natural spring	-	-	100,000	100,000	100,000	-
6.10 esibila secondary school	-	-	80,000	80,000	80,000	-



**Emuhaya Constituency**

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

**Reports and Financial Statements for The Year Ended June 30, 2021**

6.11 Essunza secondary school	-	-	80,000	80,000	80,000	-
6.12 Esirulo primary school	-	-	80,000	80,000	80,000	-
6.13 ilingili secondary school	-	-	80,000	80,000	80,000	-
6.14 Emwatsi area	-	-	280,782	280,782	280,782	-
<b>7.0 Primary Schools Projects</b>	<b>38,838,562</b>	<b>10,800,000</b>	<b>17,664,229</b>	<b>66,564,229</b>	<b>45,950,000</b>	<b>20,614,229</b>
<b>(List all the Projects)</b>						
7.1 Esalwa primary school	1,000,000	-	-	1,000,000	-	1,000,000
7.2 Musirili Primary school	1,500,000	-	800,000	2,300,000	-	2,300,000
7.3 Emurembe Primary school	1,500,000	-	1,200,000	2,700,000	1,200,000	1,500,000
7.4 Emwatsi Primary School	500,000	800,000	-	1,300,000	1,300,000	-
7.5 Ebusiloli Primary School	1,500,000	-	-	1,500,000	1,500,000	-
7.6 Mwiya Primary School	900,000	-	-	900,000		900,000
7.7 Mungoye Primary School	1,500,000	-	600,000	2,100,000	2,100,000	-
7.8 Ebusiloli primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.9 Kilingili Primary School	1,000,000	-	-	1,000,000		1,000,000
7.10 Ebumbuya primary school	800,000	-	-	800,000	800,000	-
7.11 Emusutswi Primary school	1,400,000	-	600,000	2,000,000	2,000,000	-
7.12 Mukhombe Primary school	1,500,000	-	600,000	2,100,000	2,100,000	-
7.13 Mwituka primary school	750,000	-	600,000	1,350,000	600,000	750,000
7.14 Emanyinya primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.15 Mundichiri primary school	1,500,000	-	600,000	2,100,000	2,100,000	-
7.16 Emmukunzi primary school	750,000	1,200,000	-	1,950,000	1,950,000	-
7.17 Ebuyalu special school	750,000	-	-	750,000	750,000	-
7.18 Essaba primary school	750,000	-	1,200,000	1,950,000	1,200,000	750,000
7.19 Mwitukho primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.20 Essunza primary school	1,000,000	-	-	1,000,000	1,000,000	-
7.21 Emuhondo primary school	700,000	-	-	700,000	700,000	-
7.22 Emusire primary school	1,000,000	800,000	-	1,800,000	800,000	1,000,000
7.23 Ikumu primary school	1,500,000	-	-	1,500,000	1,500,000	-
7.24 Mumboko Primary School	750,000	1,600,000	-	2,350,000	1,600,000	750,000
7.25 Esirulo Primary school	1,500,000	-	-	1,500,000	1,500,000	-



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

7.26 Eluhobe primary school	1,000,000	-	-	1,000,000	-	1,000,000
7.27 Ilungu Primary school	1,000,000	-	1,200,000	2,200,000	1,200,000	1,000,000
7.28 Eluyeka Primary school	800,000	-	-	800,000	800,000	-
7.29 Ebulondi Primary school	1,000,000	-	800,000	1,800,000	800,000	1,000,000
7.30 Ebukobelo Primary school	750,000	-	600,000	1,350,000	1,350,000	-
7.31 Ikalikha Primary school	750,000	-	-	750,000	-	750,000
7.32 Esibuye Primary school	500,000	800,000	-	1,300,000	800,000	500,000
7.33 Esibila primary school	750,000	-	-	750,000	-	750,000
7.34 Ebukhuliti primary school	-	1,200,000	-	1,200,000	1,200,000	-
7.35 Assebu primary school	-	1,200,000	-	1,200,000	1,200,000	-
7.36 Ebukanga primary school	-	800,000	-	800,000	800,000	-
7.37 Ematsuli primary school	-	600,000	-	600,000	600,000	-
7.38 Ebuyalu primary school	-	600,000	-	600,000	600,000	-
7.39 Emmabwi primary school	-	1,200,000	-	1,200,000	1,200,000	-
7.40 Esibakala primary school	-	-	1,200,000	1,200,000	1,200,000	-
7.41 Elununi primary school	-	-	600,000	600,000	600,000	-
7.42 Msiakhupa primary school	-	-	2,500,000	2,500,000	2,500,000	-
7.43 Mukhungu primary school	-	-	1,200,000	1,200,000	-	1,200,000
7.44 Ebututi primary school	-	-	700,000	700,000	700,000	-
7.45 Salvation army special school	-	-	800,000	800,000	-	800,000
7.46 Ebucheli primary school	-	-	600,000	600,000	-	600,000
7.47 Mwitukho primary school	-	-	600,000	600,000	600,000	-
7.48 Muchula primary school	-	-	64,229	64,229	-	64,229
7.49 Essumba primary school	-	-	600,000	600,000	600,000	-
7.50 Ikalikha primary school	2,369,282	-	-	2,369,281.50	-	2,369,282
7.51 Ebbitsi primary school	869,281	-	-	869,281.49	-	869,281
<b>8.0 Secondary Schools Projects (List all the Projects)</b>	<b>10,000,000</b>	<b>2,300,000</b>	<b>16,100,000</b>	<b>28,400,000</b>	<b>14,200,000</b>	<b>14,200,000</b>
8.1 Esibila secondary school	3,000,000	-	1,000,000	4,000,000	1,000,000	3,000,000
8.2 Bunyore Boys' secondary school	1,500,000	-	-	1,500,000	1,500,000	-

**Emuhaya Constituency**

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

**Reports and Financial Statements for The Year Ended June 30, 2021**

8.3 Mwituha Secondary school	2,000,000	-	1,000,000	3,000,000	-	3,000,000
8.4 Ebukhaya Secondary school	1,500,000	-	1,000,000	2,500,000	-	2,500,000
8.5 Ebunangwe High school	2,000,000	-	1,000,000	3,000,000	-	3,000,000
8.6 Essunza secondary school	-	500,000	-	500,000	500,000	-
8.7 Ebuyalu secondary school	-	1,200,000	-	1,200,000	1,200,000	-
8.8 Emmukunzi secondary school	-	600,000	-	600,000	600,000	-
8.9 Emmabwise secondary school	-	-	700,000	700,000	-	700,000
8.10 Mungoye secondary school	-	-	1,000,000	1,000,000	-	1,000,000
8.11 Esirulo Secondary school	-	-	1,000,000	1,000,000	1,000,000	-
8.12 Emanyinya secondary school	-	-	3,000,000	3,000,000	3,000,000	-
8.13 Ikumu secondary school	-	-	1,000,000	1,000,000	-	1,000,000
8.14 Esikhuyu secondary school	-	-	800,000	800,000	800,000	-
8.15 Ebusiratsi secondary school	-	-	4,000,000	4,000,000	4,000,000	-
8.16 Ematsuli secondary school	-	-	600,000	600,000	600,000	-
9.0 Tertiary institutions Projects (List all the Projects)	13,771,295	-	6,419,357	20,190,652	13,514,888	6,675,764
9.1 Bunyore Teachers Training college	9,771,295	-	6,419,357	16,190,652	13,514,888	2,675,764
9.2 Ebunangwe technical teachers training Institute	4,000,000	-	-	4,000,000	-	4,000,000
10.0 Security Projects	17,349,086	1,986,280	11,807,684	31,143,050	16,190,466	14,952,584
10.1 Emuhaya Administration Centre	8,549,086	1,986,280	3,377,038	13,912,404	11,059,820	2,852,585
10.2 Emuhaya Sub-county Police offices	4,000,000	-	1,500,000	5,500,000	-	5,500,000
10.3 Emurembe Administration police/Assistant chief's	800,000	-	600,000	1,400,000	600,000	800,000
10.4 Emuhaya magistrate court	4,000,000	-	1,800,000	5,800,000	-	5,800,000
10.5 Rural Electrification and Renewable Energy Corporation	-	-	3,130,646	3,130,646	3,130,646	-
10.6 EMATSULI AP CAMP	-	-	600,000	600,000	600,000	-
10.7 DUKA MOJA POLICE PATROL BASE	-	-	800,000	800,000	800,000	-
11.0 Acquisition of assets	-	-	-	-	-	-

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

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	-	-	-	-	-	-
12.0 Others	-	-	4,677,027	4,677,027	4,677,027	-
12.1 Strategic Plan	-	-	-	-	-	-
12.2 Innovation Hub	-	-	4,677,027	4,677,027	4,677,027	-
Funds pending approval**				-		-
<b>Total</b>	<b>137,088,880</b>	<b>17,637,062</b>	<b>70,567,724</b>	<b>225,293,666</b>	<b>154,200,970</b>	<b>71,092,695</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.

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

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

#### **Proceeds from Sale of Assets**

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

#### **Other receipts**

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



***Unutilized Funds from PMCs.***

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

**External Assistance**

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

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**

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

**6. Cash and Cash Equivalents.**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprests 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 June 2020 for the period 1<sup>st</sup> July 2020 to 30<sup>th</sup> June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2021.

**14. Errors**

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i.e. 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.

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

**XII. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
Normal Allocation	AIE NO. B 041036		53,840,876
Normal Allocation	AIE NO. B 047402		4,000,000
Normal Allocation	AIE NO. B 047774		16,000,000
Normal Allocation	AIE NO. B 047829		7,000,000
Normal Allocation	AIE NO. B 104198		10,000,000
Normal Allocation	AIE NO. B 104275		15,000,000
Normal Allocation	AIE NO. B 096555		16,000,000
Normal Allocation	AIE NO. B 104714	20,000,000.00	
Normal Allocation	AIE NO. A 823507	35,000,000.00	
Normal Allocation	AIE NO. B 124510	9,000,000.00	
Normal Allocation	AIE NO. B 124926	8,500,000.00	
Normal Allocation	AIE NO. B 124839	14,367,724.10	
Normal Allocation	AIE NO. B 119782	12,000,000.00	
Normal Allocation	AIE NO. B 128072	6,900,000.00	
Normal Allocation	AIE NO. B 128382	7,000,000.00	
Normal Allocation	AIE NO. B 132127	6,000,000.00	
Normal Allocation	AIE NO. B 138795	12,000,000.00	
Normal Allocation	AIE NO. B 126380	11,600,000.00	
Normal Allocation	AIE NO. B 126090	7,000,000.00	
Normal Allocation	AIE NO. B 140526	12,000,000.00	
<b>TOTAL</b>		<b>161,367,724</b>	<b>121,840,876</b>



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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**2. PROCEEDS FROM SALE OF ASSETS**

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

**3. OTHER RECEIPTS**

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts Sale of Tender Documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere (Equity bank)	-	30,000
<b>TOTAL</b>	<b>-</b>	<b>30,000</b>

**4. COMPENSATION OF EMPLOYEES**

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,374,251	2,375,756
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	775,440	581,580
Employer Contributions Compulsory national social security schemes	251,304	737,757
<b>TOTAL</b>	<b>3,400,995</b>	<b>3,695,093</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**5. USE OF GOODS AND SERVICES**

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Utilities, supplies and services	300,000	253,359
Electricity	85,169	-
Water & sewerage charges	72,000	-
Office rent	-	-
Communication, supplies and services	640,000	632,500
Domestic travel and subsistence	283,800	312,600
Printing, advertising and information supplies & services	657,222	650,198
Rentals of produced assets	-	-
Training expenses	809,890	1,493,183
Hospitality supplies and services	343,109	300,000
Other committee expenses	-	-
Committee allowance	3,076,927	3,385,551
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	999,200	980,600
Fuel , oil & lubricants	450,000	-
Other operating expenses	-	-
Bank service commission and charges	77,480	-
Other Operating Expenses	1,075,430	550,000
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	60,716	111,187
Routine maintenance- other assets		
<b>TOTAL</b>	<b>8,930,943</b>	<b>8,669,178</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Transfers to Primary Schools	45,950,000	19,455,771
Transfers to Secondary Schools	14,200,000	19,956,000
Transfers to Tertiary Institutions	13,514,888	5,405,570
<b>TOTAL</b>	<b>73,664,888</b>	<b>44,817,341</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Bursary - Secondary ( see attached list)	16,975,048	17,149,769
Bursary -Tertiary ( see attached list)	18,386,140	6,688,400
Bursary- Special Schools	-	-
Mocks & CAT ( see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects ( see attached list)	16,190,466	10,704,225
Sports Projects ( see attached list)	3,550,340	2,667,150
Environment Projects ( see attached list)	1,320,502	-
Emergency Projects ( see attached list)	7,104,621	11,583,549
<b>TOTAL</b>	<b>63,527,117</b>	<b>48,793,093</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**8. ACQUISITION OF ASSETS**

<b>Non-Financial Assets</b>	<b>2020 - 2021</b>	<b>2019 - 2020</b>
	<b>Kshs</b>	<b>Kshs</b>
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 General Equipment	-	-
Purchase of computers ,printers and other IT equipment's	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**9. OTHER PAYMENTS**

	<b>2020 - 2021</b>	<b>2019 - 2020</b>
	<b>Kshs</b>	<b>Kshs</b>
Strategic Plan	-	-
ICT Hubs	4,677,027	-
<b>TOTAL</b>	<b>4,677,027</b>	<b>-</b>



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**10: CASH BOOK BANK BALANCE**

**10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)**

10A: Bank Balances (cash book bank balance)			
Name of Bank, Account No. & currency	Account Number	2020 - 2021 Kshs (30/6/2020)	2019 - 2020 Kshs (30/6/2019)
Equity Bank, Luanda Branch. Emuhaya NG-CDF	A/C no.1120299846566	28,689,131	17,637,062
		-	-
		-	-
<b>TOTAL</b>		<b>28,689,131</b>	<b>17,637,062</b>
10B: CASH IN HAND)			
		2020 - 2021 Kshs (30/6/2021)	2019 - 2020 Kshs (30/6/2020)
Location 1		-	-
Other receipts (specify)		-	-
<b>TOTAL</b>		<b>-</b>	<b>-</b>

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

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11: OUTSTANDING IMPRESTS**

11: OUTSTANDING IMPRESTS				
Name of Officer		Amount Taken	Amount Surrendered	Balance (30/6/2020)
	Date imprest taken	Kshs	Kshs	Kshs
			-	-
		-	-	-
		-	-	-
<b>TOTAL</b>		-	-	-

**12A. RETENTION**

	2020-2021	2019-2020
	KShs	KShs
Retention as at 1st July (A)	365,423	365,423
Retention held during the year (B)	2,478,450	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30th June D= A+B-C	2,843,873	365,423

**12B. GRATUITY**

	2020-2021	2019-2020
	KShs	KShs
Gratuity as at 1st July (A)	581,580	581,580
Gratuity held during the year (B)	775,440	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30th June D= A+B-C	1,357,020	581,580

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**13. BALANCES BROUGHT FORWARD**

	2020- 2021	2019- 2020
	Kshs (1/7/2021)	Kshs (1/7/2020)
Bank accounts	17,637,062	1,966,955
Cash in hand		
Imprest		
<b>TOTAL</b>	<b>17,637,062</b>	<b>1,966,955</b>

**14. PRIOR YEAR ADJUSTMENTS**

	Balance b/f FY 2020/2021 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank accounts balances	1,173,073	631,425	1,804,491
Cash in hand	-	-	-
Accounts Payable	-	-	-
Receivables	-	-	-
Others (specify)	-	-	-
<b>Total</b>	<b>1,173,073</b>	<b>631,425</b>	<b>1,804,491</b>

**15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTADING IMPREST**

	2020- 2021	2019- 2020
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)	14,317,772	-
Imprest surrendered during the Year ( C)	14,317,772	-
Net changes in accounts receivables (D=A+B-C)	-	-

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS**

	2020- 2021	2019- 2020
	Kshs	Kshs
Deposits and Retention as at 1st July 2019 (A)	947,003	-
Deposits and Retention held during the year (B)	3,253,890	947,003
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	4,200,893	947,003
Change E=D-A	3,253,890	947,003



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**17. OTHER IMPORTANT DISCLOSURES**

**17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	2020- 2021	2019- 2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**17.2: PENDING STAFF PAYABLES (See Annex 2)**

	2020- 2021	2019- 2020
	Kshs	Kshs
NGCDF Staff	-	-
Others (specify)	-	-
	-	-

**17.3: UNUTILIZED FUND (See Annex 3)**

	2020- 2021	2019- 2020
	Kshs	Kshs
Compensation of employees	-	581,580.00
Use of goods and services	6,848	-
Amounts due to other Government entities (see attached list)	41,728,556	62,106,059.00
Amounts due to other grants and other transfers (see attached list)	29,357,292	25,537,147.14
Acquisition of assets		-
Others (specify)	-	
Funds pending approval		
	<b>71,092,695</b>	<b>88,224,786.14</b>

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**17.4: PMC account balances (See Annex 5)**

	2020- 2021	2019- 2020
	Kshs	Kshs
PMC account balances (see attached list)	14,515,737	17,000,808
	14,515,737	17,000,808

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

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	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.					
11.					
12.					
Sub-Total					
Grand Total					

**Emuhaya Constituency**

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

**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Designation	Date employed	Outstanding Balance 30 <sup>th</sup> June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				



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

**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2020/21	Outstanding Balance 2019/20	Comments
Compensation of employees		-	581,580	
Use of goods & services	Goods and services	6,848	-	
Amounts due to other Government entities			62,106,059	
Primary school				
Esalwa primary school	Renovation of 4 classrooms	1,000,000		
Musirili Primary school	Construction of classroom	2,300,000		
Emurembe Primary school	Construction of classroom	1,500,000		
Mwiyala Primary School	Purchase of land	900,000		
Kilingili Primary School	Renovation of 4 classrooms	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	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 1 classroom	750,000		
Mukhungu primary school	Construction of 2 classroom	1,200,000		
Salvation army special school	Construction of admin block	800,000		
Ebucheli primary school	Purchase of land	600,000		
Muchula primary school	Construction of classroom	64,229		
Ikalikha primary school	Construction of classroom	1,500,000		
Ikalikha primary school	Construction of admin block	869,281.50		
Ebbitsi primary school	Construction of admin block	869,218.49		
Secondary school				
Esibila secondary school	Purchase of bus	3,000,000		
Mwituha Secondary school	Construction of Dining Hall & Kitchen	3,000,000		
Ebukhaya Secondary school	Construction of Dining Hall & Kitchen	2,500,000		
Ebunangwe High school	Construction of Laboratory	3,000,000		
Emmabwisecodary school	Purchase of Land	700,000		
Mungoye secondary school	Purchase of Land	1,000,000		
Ikumu secondary school	Purchase of Land	1,000,000		
Tertiary institutions				
Bunyore Teachers Training college	Ongoing construction of Hostels	2,675,764		
Ebunangwe technical teachers training Institute	Fencing of the compound	4,000,000		
Sub-Total		41,728,556	62,687,639	
Amounts due to other grants and other transfers			25,537,147.14	
Bursary		14,044,357		
Security projects				

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

Emuhaya Administration Centre	Construction of sub-county offices	2,852,585		
Emuhaya Sub-county Police offices	Construction of administration offices	5,500,000		
Emurembe Administration police/Assistant chiefs	Construction of police offices	800,000		
Emuhaya magistrate court	Construction of court	5,800,000		
Sports	Sports	9,865		
Environment Projects				
Mumboko Primary School	Planting of trees	100,000		
Eluyeka Primary school	Planting of trees	80,000		
Essunza Secondary school	Planting of trees	80,000		
Emergency	Emergency	90,486		
Sub-Total		29,357,292	25,537,147.14	
Acquisition of assets				
Others ( <i>specify</i> )				
Sub-Total		-		
Funds pending approval				
Grand Total		71,092,695	88,224,788.14	

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

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	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>

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

**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2021**

PMC	Bank	Account number	Bank Balance 2020/21	Bank Balance 2019/20
MUKHOMBE PRIMARY SCHOOL	KCB	1132453683	-	1,124.00
EMANYINYA SECONDARY SCHOOL	KCB	1110607695	13,226.75	14,537.75
EMWATSI PRIMARY SCHOOL	KCB	1128789264	501,974.00	-
MWITUKHO PRIMARY SCHOOL	KCB	1137443227	1,502,501.50	3,818.50
EMMUKUNZI SECONDARY SCHOOL	KCB	1135372268	2,923.50	-
EBUKHUYA PRIMARY SCHOOL	EQUITY	1120297444244	296,239.80	-
ESALWA PRIMARY SCHOOL	KCB	1128768704	34,291.50	-
ELUNUNI PRIMARY SCHOOL	KCB	1156281598	5,134.00	1,289.00
EBULONDI PRIMARY SCHOOL	KCB	1128437627	1,425.00	434
ESIRULO PRIMARY SCHOOL	KCB	1110441711	1,450,068.75	-
EMMUKUNZI PRIMARY SCHOOL	KCB	1128102463	-	-
ELUHOBE PRIMARY SCHOOL	KCB	1134640811	-	800,777.00
EBUKANGA SECONDARY SCHOOL	KCB	1135492557	-	-
		1137497211/		
ESIBILA SECONDARY SCHOOL	KCB/EQUITY	1120279027725	226,195.00	1,632,315.00
MUNDICHIRI PRIMARY SCHOOL	KCB	1135268096	632,856.50	57,959.50
ESSUNZA PRIMARY SCHOOL	KCB	1135400210	1,000,368.00	2,624.00
EMUREMBE PRIMARY SCHOOL	KCB	1128390361	24,819.00	25,063.00
EBUKANGA TTI	EQUITY	1120264516476	-	922,409.50
ESSABA SECONDARY SCHOOL	EQUITY	1120261600376	-	104,324.50
MUNGOYE SECONDARY SCHOOL	EQUITY	1120262677491	120,614.00	120,614.00
EBUKOOLO SECONDARY SCHOOL	EQUITY	1120299446123	-	-
ITUMBU PRIMARY SCHOOL	EQUITY	1120269801417	-	1,201,083.26
ILUNGU PRIMARY SCHOOL	EQUITY	1120260535254	20,880.00	-
EMANYINYA PRIMARY SCHOOL	EQUITY	1120269039022	335,940.00	51,120.00
EBBITSI PRIMARY SCHOOL	EQUITY	1120264527719	97,243.00	20,018.00



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

EBUKOBELO PRIMARY SCHOOL	EQUITY	1120277565087	822,049.00	3,309.00
EBUSIRATSI COG PRIMARY SCHOOL	EQUITY	1120297543435	-	-
EBULAMBA PRIMARY SCHOOL	EQUITY	1120298729815	360,970.50	10,970.80
EBUCHELI PRIMARY SCHOOL	EQUITY	1120261493763	-	-
ASSEBU PRIMARY SCHOOL	EQUITY	1120261593871	9,429.00	1,214.00
EBUSILOLI PRIMARY SCHOOL	EQUITY	1120297669043	1,435,025.00	950,000.00
EMBALI ADM CENTRE	EQUITY	1120263364002	-	3,082.00
EBUSIRATSI AP CAMP	EQUITY	1120266392380	-	-
EMANYINYA AP CAMP	EQUITY	1120298713446	-	-
KILINGILI PRIMARY SCHOOL	EQUITY	1120298825577	-	953,587.00
EBUKOOLO AP CAMP	EQUITY	1120266296005	-	60
MWITUHA PRIMARY SCHOOL	EQUITY	1120271458638	-	-
EBUTUTI PRIMARY SCHOOL	EQUITY	1120261526036	585,934.00	3,259.00
ESINAKA PRIMARY	EQUITY	1120279290163	-	2,946,910.00
MUMBOKO PRIMARY SCHOOL	EQUITY	1120279285902	-	4,580.00
IKALIKHA PRIMARY SCHOOL	EQUITY	1120279795780	-	2,030,880.00
EBUSILOLI SECONDARY SCHOOL	EQUITY	1120297669043	-	778,681.00
ESSUNZA SECONDARY SCHOOL	EQUITY	1120279077754	4,221.00	4,000.00
ESIRULO SECONDARY SCHOOL	EQUITY	1120279077304	4,480.00	1,380.00
BUNYORE BOYS SECONDARY	EQUITY	1120278923260	833,152.50	753,336.00
MWITUHA SECONDARY SCHOOL	EQUITY	1120263402646	898,826.00	1,000,331.00
IPALI ADMIN POLICE CAMP	EQUITY	1120279679457	-	1,110,530.00
EMATSULI AP CAMP	EQUITY	1120279403238	-	374,400.00
EBUKHAYA AP CAMP	EQUITY	1120279016121	-	280
ESIBAKALA SECONDARY SCHOOL	EQUITY	1120278948793	-	37,260.00
EBUNANGWE PRIMARY SCHOOL	EQUITY	1120266328646	-	1,360.00
EMUSIRE HIGH SCHOOL	EQUITY	1120297533058	94,945.70	95,125.70
EMUSIRE PRIMARY SCHOOL	KCB	1129105326	921.50	2,638.50

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

ESSABA PRIMARY SCHOOL	KCB	1128504030	1,672.00	33,437.00
ESIBILA SECONDARY SCHOOL	KCB	1137497211	-	107,182.40
ESSABA AP CAMP	KCB	1120342856	-	800,639.50
EMAKAKHA POLICE POST	KCB	1184254990	-	14,486.50
ESIBILA PRIMARY SCHOOL	KCB	1128440121	-	719.5
ESALWA SECONDARY SCHOOL	KCB	1104108895	-	4,490.00
EBUKHAYA PRIMARY SCHOOL	KCB	1135727392	2,506.00	936
EMMABWI PRIMARY SCHOOL	KCB	1128414120	41,916.00	3,641.00
EBUKANGA PRIMARY SCHOOL	KCB	1128430533	2,251.50	739.5
ESIBUYE PRIMARY SCHOOL	KCB	1127963317	-	1,383.50
EBUYALU PRIMARY SCHOOL	KCB	1137362308	-	1,939.50
EMATSULI PRIMARY SCHOOL	KCB	1172327785	2,957.00	3,450.00
ISANDA PRIMARY SCHOOL	KCB	1133081444	-	1,078.25
EBUKANGA AP CAMP	EQUITY	1120299089561	102.50	-
EMATSULI SECONDARY SCHOOL	EQUITY	1120298959878	13,666.00	-
BUNYORE TEACHERS TRAINING	EQUITY	1120279795764	100,000.00	-
ESIBAKALA PRIMARY SCHOOL	KCB	1128917890	212.00	-
MUNGOYE PRIMARY SCHOOL	EQUITY	1120270719075	1,815.00	-
EBUYALU SPECIAL SCHOOL	EQUITY	1120262692634	324,901.00	-
EMUREMBE AP CAMP	EQUITY	1120280076735	615.00	-
DUKA MOJA POST	EQUITY	1120280243686	3,980.00	-
EBUYALU SECONDARY SCHOOL	EQUITY	1120279988221	15,355.00	-
MSIAKHUPA PRIMARY SCHOOL	EQUITY	1120280724801	2,357,310.00	-
MUCHULA PRIMARY SCHOOL	KCB	1132448646	329,823.00	-
<b>Total</b>			<b>14,515,736.50</b>	<b>17,000,807.66</b>

### **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.

<b>Reference No. on the external audit Report</b>	<b>Issue / Observations from Auditor</b>	<b>Management comments</b>	<b>Status: (Resolved / Not Resolved)</b>	<b>Timeframe: (Put a date when you expect the issue to be resolved)</b>
1.	Incorrect opening balances	The balance were corrected and amended in the financial statements	Resolved	
2.	Misstatement of Cash and cash Equivalent	The misstatement was corrected accordingly in the amended financial statement.	Resolved	
3.	Misstatement of Accounts Payable	The misstatement was corrected in the amended financial statement	Resolved	
4.	Misstatement of Error in the summary statement of Appropriation	The misstatement was corrected accordingly in the amended financial statement.	Resolved	
5.	Budgetary Performance and Control			
6.	Delay in Disbursement of Funds			