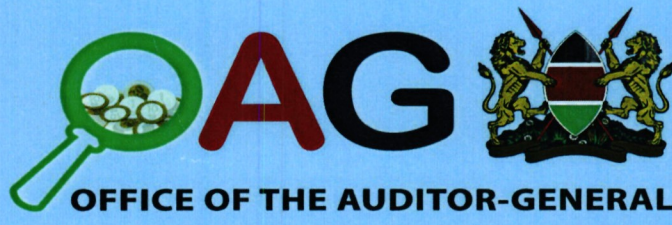


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REPORT

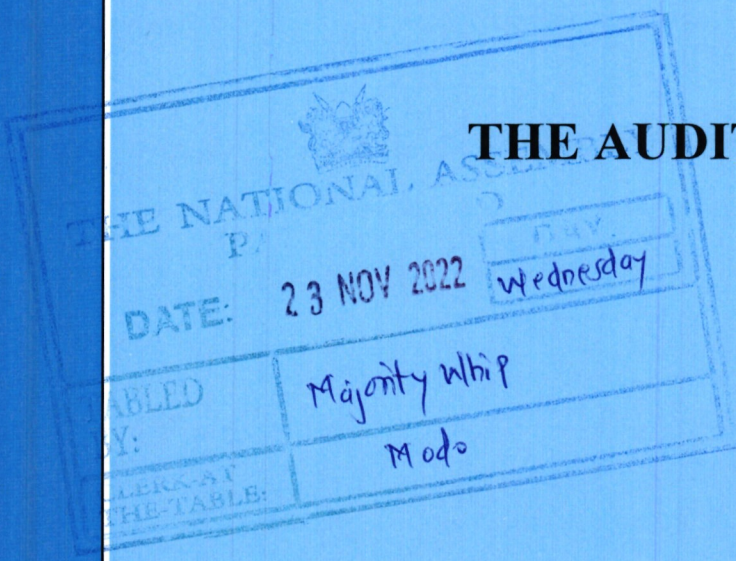
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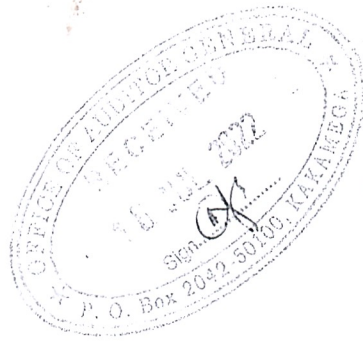
THE AUDITOR-GENERAL

ON

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

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





KHWISERO CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021

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

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

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

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 Khwisero Constituency NG-CDF day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No	Designation	Name
1.	A.I.E holder	Bernard S. Misiko
2.	Sub-County Accountant	Meshack W. Yaura
3.	Chairman NG-CDFC	Daniel S. Sumba
4.	Member NG-CDFC	Musa Ochieng

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of KHWISERO Constituency NG-CDF. The reports and recommendation of ARMC when adopted by the NG-CDF 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) Khwisero Constituency NG-CDF Headquarters

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

(f) KHWISERO Constituency NG-CDF Contacts

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

(g) KHWISERO Constituency NG-CDF Bankers

1. Kenya Commercial Bank
Mumias Branch
P.O. Box 193 -50102
MUMIAS, Kenya
Account No.1240448929

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

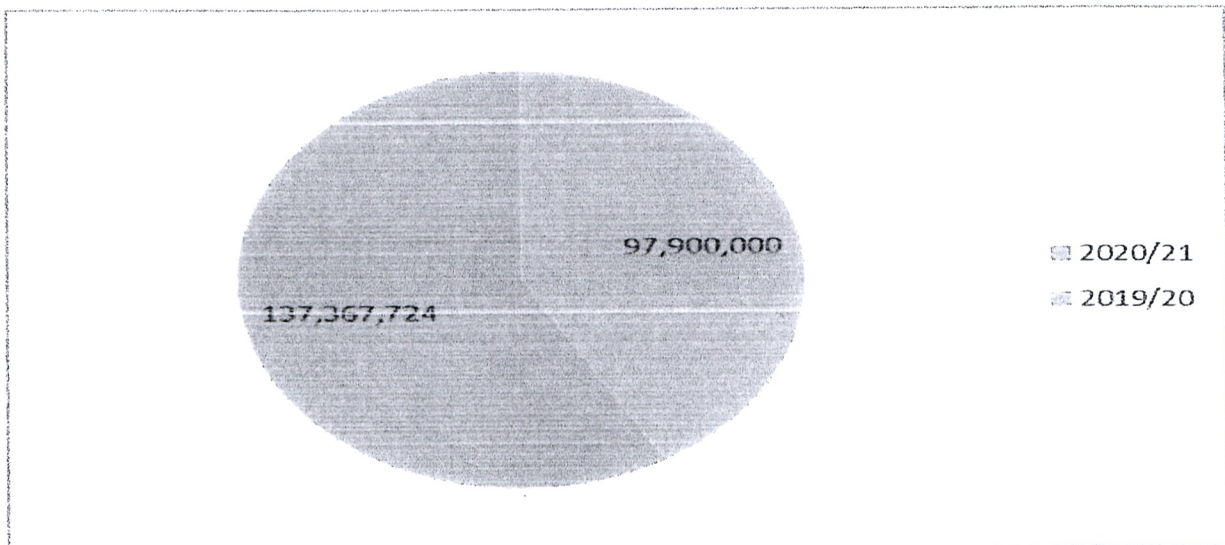
II. NG-CDFC CHAIRMAN'S REPORT



Mr. Daniel S. Sumba - Khwisero NG-CDF Committee Chairman

In the financial year under review (2020/2021), Khwisero Constituency received part of the budgeted allocation by 30th June 2021. The actual amount received by close of the financial year was Ksh.97,900,000.

On comparable basis, during close of financial year 2019/2020, we had received Ksh.137,367,724.



A Pie chart showing receipts in the two financial years on comparable basis.

The blue color represents receipts for 2020/2021 financial year whereas orange shows receipts for the previous financial year, 2019/2020 respectively.

This therefore implies that the funds yet to be received will be utilized under 2021/2022 financial year.

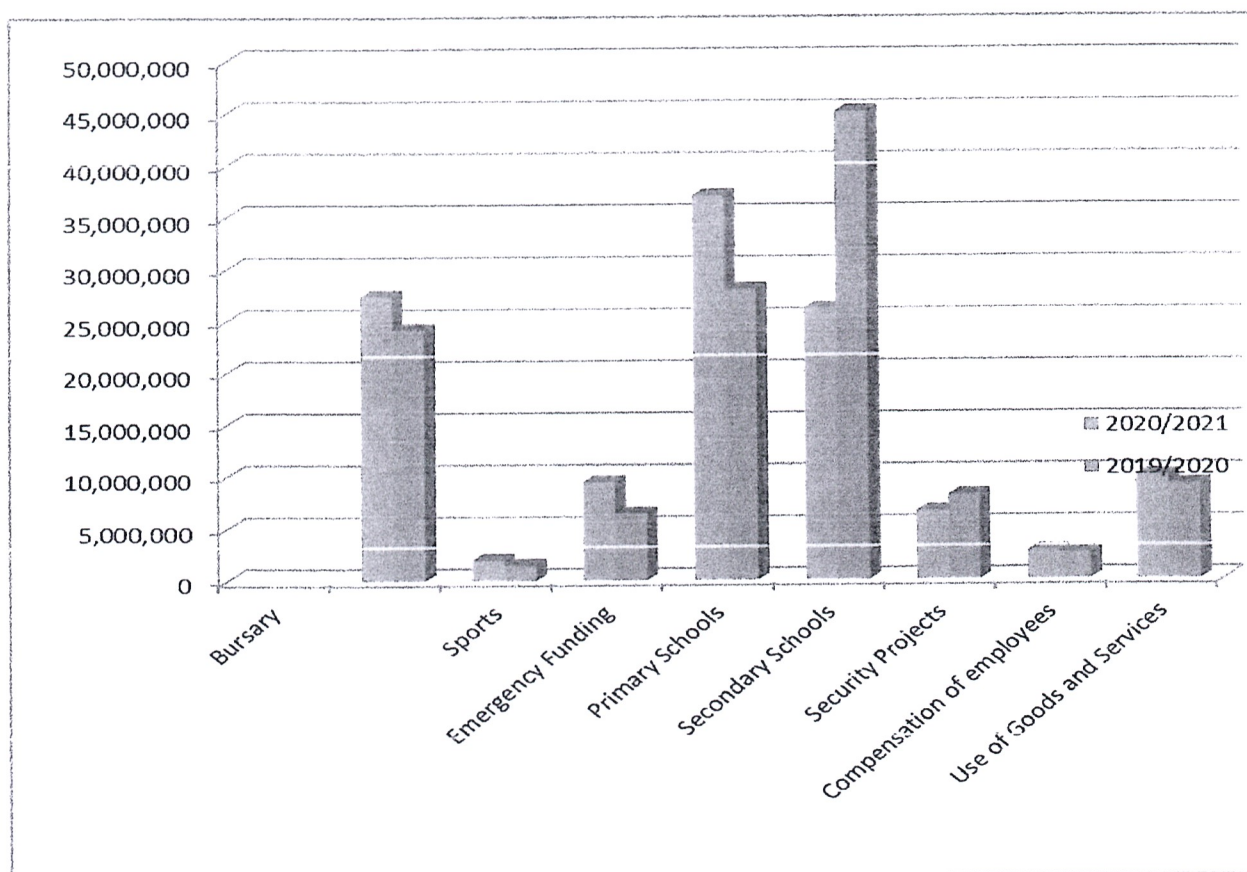
Comparing the two financial years per sector, the funds were utilized as indicated in the table below:

SECTOR	2020/2021	2019/2020
Bursary		

Khwisero Constituency
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i) Secondary Schools	15,144,500	23,136,489
ii) Tertiary Institutions	12,080,420	995,000
iii) Special Institutions	201,000	-
Sports	2,000,000	1,500,000
Emergency Funding	9,453,600	6,450,000
Primary Schools	37,000,000	28,047,203
Secondary Schools	26,123,400	45,040,000
Security Projects	6,615,000	8,101,595
Compensation of employees	2,731,962	2,517,770
Use of Goods and Services	9,907,347	9,119,222
TOTAL	121,257,229	124,907,279

A table showing expenditure over two years (per sector) on comparable basis



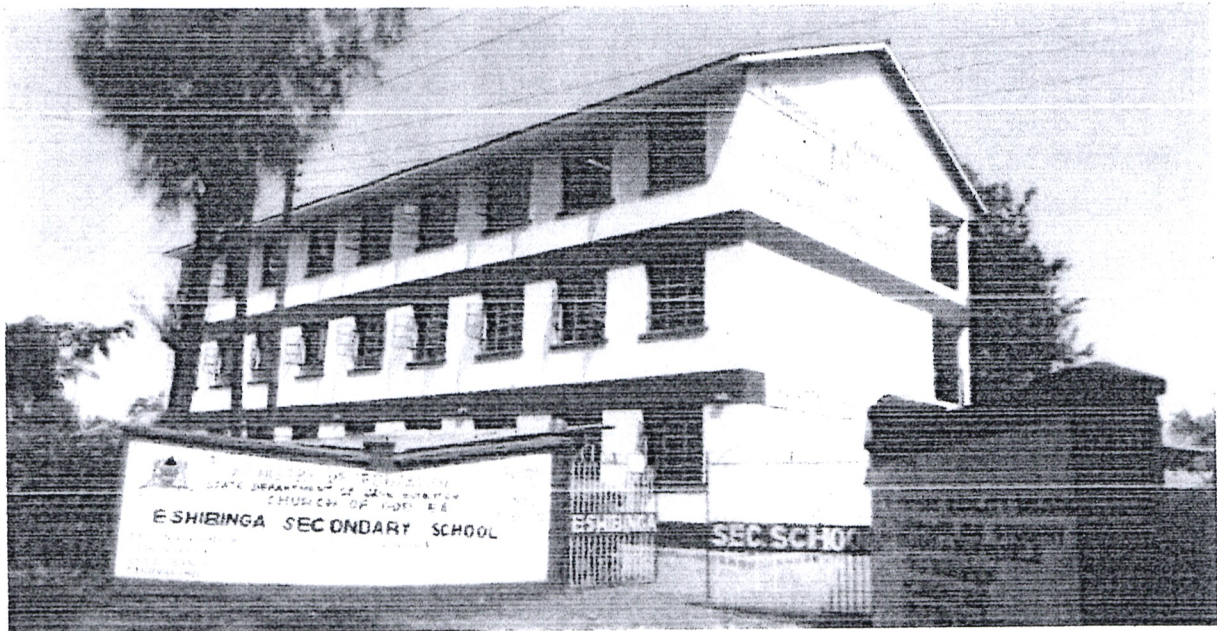
A Bar graph representing expenditure in two years on comparable basis

On comparable basis for the two financial years, expenditure per sector was as indicated in the bar graph above. The blue color shows 2020/2021 whereas orange indicates 2019/2020 financial year respectively.

Although not all the budgeted for funds were received within the financial year under review, most works have been completed and contractors will be sorted once the remaining balance is disbursed to the main account. Our key achievements can be explained in this report through some of the projects done to completion, which are in pictorials as follows:



St. Stephen's Mulwanda Secondary School - Construction of a storey building comprising 4no.classrooms and a library. It is ready for use. It is located in Kisa Central Ward.



Eshibinga Secondary School - Construction of a 6no.classroom Storey building. The PTA has funded the first floor whereas NG-CDF funded ground and second floor to completion.

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Ematundu Primary School - Construction of Administration block. Complete and ready for use/handover.



Emwaniro Secondary School - Construction of a storey building. Complete and handed over.

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Khushiku Assistant Chief's office construction. It is complete and in use. A security project.

During management of the fund, we have had challenges as follows:

- ✓ Due to the Covid-19 pandemic, the constituents heavily depend on bursary kitty for the education of their children. This overdependence might compromise the committee's integrity. However, to solve such, we have Sub Locational Bursary Sub Committees that vet bursary applications and forward their findings to the Bursary Sub Committee before award to beneficiaries.
- ✓ Political interference is another challenge in the management of the kitty. Some constituents are always negative because of political dynamics. We always encourage the use of Complaints/suggestion box so that it is official.
- ✓ Decision making is tricky in the committee meetings. This is because each of the members has a particular interest for their ward. Through NG-CDFC trainings, the members are aware that they represent the entire constituency and not a ward. Should there be a problem, it will be for the whole constituency. Hence teamwork.
- ✓ Slow pace at which the NG-CDF Board releases funds to constituencies is another very serious challenge. Although this is based on collections from the taxes, it is affecting project implementation. The NG-CDF Board released slightly above half of the allocation by closure of financial year in June 2021. Part of the budgetary allocation will therefore be released in the 2021/2022 financial year. The NG-CDF Act 2015 should be followed to ensure disbursements are timely.
- ✓ The emergence of Coronavirus, leading to strict Ministry of Health protocols caused the NGCDF Committee to strain by utilizing Emergency kitty to provide for face masks to all school going children in public primary and secondary schools. Water tanks were also procured and distributed to deserving public schools in the constituency.

Signature:

CHAIRMAN NG-CDF COMMITTEE

III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

The key development objectives of NGCDF-KHWISERO Constituency's 2018-2022 plan are to:

1. To provide bursary allocations/disbursement to needy children
2. To improve access to education opportunities for all children
3. Support Sports development, nurture talent and preserve culture
4. Facilitate security sector infrastructure development
5. To promote development of disability friendly facilities in schools
6. Gender sensitive and responsive activities and projects
7. To increase number of learning facilities
8. To conserve environment and our natural resources
9. To provide adequate and quality public service delivery of goods, works and services
10. To collaborate and partner with other development stakeholders
11. To implement National Government policies, laws and regulations
12. To protect public interests
13. To contribute to achievement of the National Government goals.

Progress on attainment of Strategic development objectives

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

Constituency Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	- Number of usable physical infrastructure build in primary, secondary, and tertiary institutions - Number of bursary's beneficiaries at all levels	In FY 2020/2021 - We funded construction of 80 more classrooms, including renovations; 1 laboratory; 5 Administration offices in various schools/institutions. - Bursary beneficiaries at all levels were: 27 in tertiary institutions as well as 1,944 in secondary schools.
Security	Improve physical	Improved security in the	- Number of new physical	In the 2020/2021 FY, we allocated funds for

*Khwisero Constituency
National Government Constituencies Development Fund (NGCDF)
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	infrastructure	community	<ul style="list-style-type: none"> facilities for police officers Number of new physical facilities for security administrator-OCPD, DCIO,DCC, ACCs, Assistant chiefs, etc. 	construction of infrastructure -3 housing units for Kenya Police Service officers; 3 offices for security administrators (Assistant chiefs); Modern offices for DCIO and renovation of storey building for the OCPD as per attached schedule.
Sports	To promote sporting as an alternative occupation.	Improved sports and talent development in the constituency.	<ul style="list-style-type: none"> Facilitation of sporting activities in the constituency through purchase and distribution of sports equipment and uniforms. 	During the 2020/2021 FY, we allocated Ksh.2, 000,000 towards sports & talent development.
Emergency	Due to Covid - 19 pandemic, some of the funds utilized as emergency.	Mitigate against the pandemic	<ul style="list-style-type: none"> -Provision of face masks to school going children in public schools. -Provision of plastic water tanks to deserving public schools to store water for continued hand-washing. -Renovation of some identified classrooms in pathetic state to create more space to learners. 	During the 2020/2021 FY, we allocated about Ksh.7, 000,000 towards unforeseen emergency cases in the constituency.

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

- a. **Education and Training:** KHWISERO 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; NG-CDF 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

As a committee, we are yet to allocate any funds towards Environmental matters. We shall do such in subsequent years as it has not been a major priority for now.

3. Employee welfare

We invest in providing the best working environment for our employees. Xxx constituency recruitment is guided by Employment Act, NG-CDF 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. Khwisero 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. Khwisero constituency also has bursary programs aligned to the NG-CDF Act for employees seeking to further their education or advance themselves through formal programs relating to their current or prospective jobs.

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-

KHWISERO NG-CDF 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.

NG-CDF 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-

KHWISERO NG-CDF 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.

KHWISERO NG-CDF has 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.

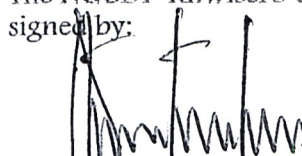
The Accounting Officer in charge of the NGCDF-KHWISERO Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. 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.

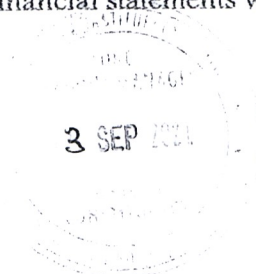
The Accounting Officer in charge of the NGCDF-KHWISERO Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *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 in charge of the NGCDF-KHWISERO 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 NG-CDF KHWISERO 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-Khwisero Constituency financial statements were approved on 3/09/2021 and signed by:

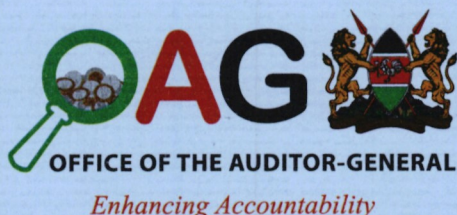

Chairman NG-CDF Committee
Name: DANIEL SETH SUMBA




Fund Account Manager
Name: BERNARD S. MISIKO

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 - KHWISERO CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

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 - Khwisero Constituency set out on pages 1 to 37,

Report of the Auditor-General on National Government Constituencies Development Fund - Khwisero Constituency for the year ended 30 June, 2021

which comprise of the statement of assets and liabilities as at 30 June, 2021, and the statement of receipts and payments, statement of cash flow 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 - Khwisero Constituency as at 30 June, 2021, and of its financial performance and its cash flows for the year then ended, in accordance 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. Inaccuracies in the Financial Statements

The statement of receipts and payments reflects amounts that differed from those disclosed in the corresponding notes as detailed below:

- (i) The statement reflects use of goods and services amount of Kshs.9,835,347 while Note 4 to the financial statements reflects Kshs.9,907,347 resulting in an unexplained variance of Kshs.72,000.
- (ii) The statement also reflects other grant and transfers amount of Kshs.46,259,404 while Note 6 to the financial statement reflect Kshs.47,194,520 resulting in an unexplained variance of Kshs.935,116.

In the circumstances, the accuracy of the financial statements could not be confirmed.

2. Unsupported Transfers to Primary Schools

The statement of receipts and payments reflect an amount of Kshs.61,423,400 as transfers to other Government entities which, as disclosed under Note 5 to the financial statements which includes Kshs.35,300,000 as transfers to primary schools. However, the ledger and supporting schedules provided for audit review reflect an amount of Kshs.49,200,000 resulting to an unexplained or unreconciled variance of Kshs.13,900,000.

In the circumstance, the accuracy of the amount Kshs.35,300,000 transferred to primary schools could not be confirmed.

3. Failure to Account for Expenditure on Emergencies

The statement of receipts and payments reflects an amount of Kshs.46,259,404 under other grants and transfers, as shown under Note 6 to the financial statements, includes

Kshs.11,153,600 incurred on emergency projects. However, out of the total expenditure of Kshs.11,153,600, only Kshs.1,201,000 was supported by expenditure returns.

In the circumstance, propriety of expenditure amounting to Kshs.9,952,600 could not be confirmed.

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation recurrent and development combined reflects final budgeted receipts of Kshs.161,984,956 and actual receipts of Kshs.122,837,077 resulting in budget shortfall of Kshs.39,188,879 or 24% of the approved budget. Similarly, the statement reflects final budgeted payments of Kshs.162,025,956 and actual payments of Kshs.120,383,073 resulting in net under expenditure of Kshs 41,642,883 or 26% of the budget.

The underfunding and the 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 matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

Failure to Vet Bursary Applicants

Review of application forms for bursary funds revealed that bursaries disbursed amounting to Kshs.276,000 were not vetted by the bursary sub-committee as required by

the NGCDF Board regulations issued vide circular Ref. CDF Board Circulars/Vol.I/III of 13 September, 2010.

In the circumstances, the Fund was in breach of the regulations.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease its 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 Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

05 September, 2022

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

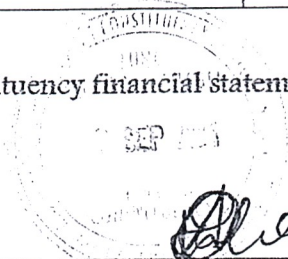
VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 - 2021	2019 - 2020
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	97,900,000	137,367,724
Other Receipts (Sale of tenders)	2	41,000	62,000
TOTAL RECEIPTS		97,941,000	137,429,724
PAYMENTS			
Compensation of employees	3	2,792,922	2,517,770
Use of goods and services	4	9,835,347	9,119,222
Transfers to Other Government Units	5	61,423,400	73,087,203
Other grants and transfers	6	46,259,404	40,183,084
Acquisition of Assets	7	72,000	-
TOTAL PAYMENTS		120,383,073	124,907,279
SURPLUS/DEFICIT		(22,442,073)	12,522,445

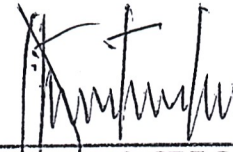
The NGCDF-Khwisero Constituency financial statements were approved on 3/09/2021 and signed by:



Fund Account Manager
Name: BERNARD S. MISIKO




National Sub-County
Accountant
Name MESHACK W. YAURA
ICPAK No: 13319




Chairman NG-CDF Committee
Name: DANIEL S. SUMBA

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

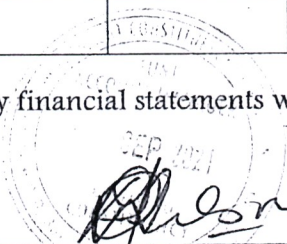

VIII. STATEMENT OF ASSETS AND LIABILITIES

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8	2,454,004	24,896,077
Total Cash and Cash Equivalents		2,454,004	24,896,077
Accounts Receivable			
TOTAL FINANCIAL ASSETS		-	24,896,077
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
NET FINANCIAL SSETS		-	24,896,077
REPRESENTED BY			
Fund balance b/fwd 1st July...		24,896,077	12,373,632
Surplus/Deficit for the year		(22,442,073)	12,522,445
NET FINANCIAL POSITION		2,454,004	24,896,077

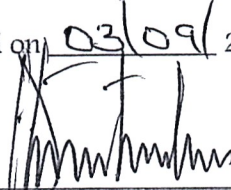
The NGCDF-Khwisero Constituency financial statements were approved on 03/09/2021 and signed by:



Fund Account Manager
Name: BERNARD S. MISIKO

National Sub-County
Accountant
Name: MESHACK W. YAURA
ICPAK M/No: 13319



Chairman NG-CDF Committee
Name: DANIEL S. SUMBA

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

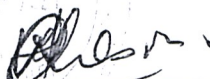
IX. STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	97,900,000	137,367,724
Other Receipts (Sale of tenders)	2	41,000	62,000
		97,941,000	137,429,724
Payments for operating activities			
Compensation of Employees	3	2,792,922	2,517,770
Use of goods and services	4	9,835,347	9,119,222
Transfers to Other Government Units	5	61,423,400	73,087,203
Other grants and transfers	6	46,259,404	40,183,084
		120,383,073	124,907,279
Adjusted for:			
Net Adjustments		-	-
Net cash flow from operating activities		(22,442,073)	12,522,445
CASHFLOW FROM INVESTING ACTIVITIES			
Net cash flows from Investing Activities		(72,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT			
		(22,442,073)	12,522,445
Cash and cash equivalent at BEGINNING of the year	8	24,896,077	12,373,632
Cash and cash equivalent at END of the year		2,454,004	24,896,077

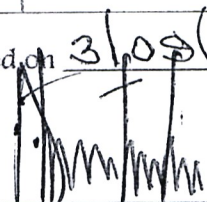
The NGCDF-Khwisero Constituency financial statements were approved on 31/08/21 2021 and signed by:



Fund Account Manager
Name: BERNARD S. MISIKO



National Sub-County
Accountant
Name: MESHACK W. YAURA
ICPAK M/No: 13319



Chairman NG-CDF Committee
Name: DANIEL S. SUMBA

*Khwisero 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 a	Opening Balance (C/Bk) and AIA	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS			Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879	24,896,077		161,984,956	122,796,077	39,188,879	75.8%
Other Receipts		41,000		41,000	41,000	-	100.0%
TOTAL RECEIPTS	137,088,879	24,937,077	0	162,025,956	122,837,077	39,188,879	75.8%
PAYMENTS				0			
Compensation of Employees	2,853,000	1,106,923		3,959,923	2,792,922	1,167,001	70.5%
Use of goods and services	9,428,579	535,873		9,964,452	9,907,347	57,105	99.4%
Transfers to Other Government Units	92,322,493	1,250,000		93,572,493	61,423,400	32,149,093	65.6%
Other grants and transfers	32,484,807	22,003,281		54,488,088	46,259,404	8,228,684	84.9%
A-In-A		41,000		41,000		41,000	0.0%
TOTAL	137,088,879	24,937,077	0	162,025,956	120,883,073	41,642,883	74.3%

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


(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

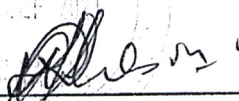
(b) [Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

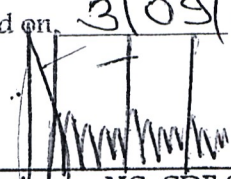
- i. **Compensation of employees** - We have ten staff members, whose one year contracts were not entered at the same time. By close of financial year, they were yet to complete. Hence their budgeted for allocation for salary was yet to be exhausted. This is why we still have funds for salaries and gratuity.
- ii. **Transfer to other Government Units** - By close of the financial year, the Board was yet to release Ksh.39,188,879. Most of these funds are for projects, which are being implemented but yet to be paid for. Hence the underutilization as shown. List of the projects is available.
- iii. **Other Grants and Transfers** - By 30th June 2021, Ksh.39,188,879 was yet to be released. Hence the underutilization as indicated. This implies that the funds will be utilized in the next financial year (2021/2022).
 Generally, the slow release of funds from the NG-CDF Board led to the underutilization of the same. Although all projects are implemented, the funds were yet to be released to pay for the works done.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	41,642,883
Less undisbursed funds receivable from the Board as at 30th June 2021	39,188,879
	2,454,004
Cash and Cash Equivalents at the end of the FY 202021	2,454,004

The NGCDF-Khwisero Constituency financial statements were approved on 3/09/2021 and signed by:


 Fund Account Manager
 Name: BERNARD S. MISIKO


 National Sub-County
 Accountant
 Name: MESHACK W. YAURA
 ICPAK M/No: 13319


 Chairman NG-CDF Committee
 Name: DANIEL S. SUMBA

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

XI. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021 Kshs	Adjustments		Final Budget 2020/2021 Kshs	Actual on comparable basis 30/06/2021 Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,853,000	-	1,106,923	3,959,923	2,792,922	1,167,001
1.2 Committee allowances	3,000,000	-	6,000	3,006,000	2,997,500	8,500
1.3 Use of goods and services	2,314,053	-	475,841	2,789,894	2,786,847	3,047
Sub Total	8,167,053	-	1,588,764	9,755,817	8,577,269	1,178,548
2.0 Monitoring and evaluation						
2.1 Capacity building	2,000,000	-	7,000	2,007,000	1,973,000	34,000
2.2 Committee allowances	1,500,000	-	16,000	1,516,000	1,515,000	1,000
2.3 Use of goods and services	614,526	-	31,032	645,558	635,000	10,558
Sub Total	4,114,526	-	54,032	4,168,558	4,123,000	45,558
3.0 Emergency	7,192,207		5,218,933	12,411,140	11,153,600	1,257,540
3.1 Primary Schools	-	-	-	-	-	-
3.2 Secondary schools	-	-	-	-	-	-
3.3 Tertiary institutions	-	-	-	-	-	-
3.4 Security projects	-	-	-	-	-	-
3.5 Unutilised	-	-	-	-	-	-
Sub Total	7,192,207	-	5,218,933	12,411,140	11,153,600	1,257,540
4.0 Bursary and Social Security						
4.1 Special Schools	500,000	-	500,000	1,000,000	201,000	799,000
4.2 Secondary Schools	10,000,000	-	11,779,349	21,779,349	15,144,500	6,634,849

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
4.3 Tertiary Institutions	3,000,000	-	5,481,716	8,481,716	12,080,420	(3,598,704)
4.4 Social Security	-	-	-	-	-	-
Sub Total	13,500,000	-	17,761,065	31,261,065	27,425,920	3,835,145
5.0 Sports	2,000,000	-	-	2,000,000	2,000,000	-
5.1 Constituency Sports	2,000,000	-	-	2,000,000	2,000,000	-
Sub Total	4,000,000	-	-	4,000,000	4,000,000	-
6.0 Environment	-	-	-	-	-	-
6.1	-	-	-	-	-	-
7.0 Primary Schools Projects (List all the Projects)						
Ebhuhonga Pri. School	1,900,000	-	-	1,900,000	1,000,000	900,000
Ebhukanga Pri. School	1,200,000	-	-	1,200,000	1,200,000	-
Ebhukwala Pri. School	2,000,000	-	-	2,000,000	2,000,000	-
Ebuhwani Pri. School	1,200,000	-	-	1,200,000	1,000,000	200,000
Ebushibungo Pri. School	500,000	-	-	500,000	500,000	-
Ebuvonga Pri. School	1,200,000	-	-	1,200,000	1,200,000	-
Ekanhuli Pri. School	1,600,000	-	-	1,600,000	1,600,000	-
Ekatsonbero Pri. School	850,000	-	-	850,000	850,000	-
Emako Pri. School	1,700,000	-	-	1,700,000	1,000,000	700,000
Ematundu Pri. School	1,800,000	-	-	1,800,000	1,800,000	800,000
Emulanda Pri. School	1,800,000	-	-	1,800,000	1,800,000	800,000
Emulele Pri. School	450,000	-	-	450,000	450,000	-
Emulunya Pri. School	1,600,000	-	-	1,600,000	1,600,000	-
Emung'abo Pri. School	1,900,000	-	-	1,900,000	1,500,000	400,000
Emuruba Pri. School	1,200,000	-	-	1,200,000	1,000,000	200,000

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

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Enwiru Pri. School	1,200,000	-	-	1,200,000	1,200,000	-
Eshibinga Pri. School	1,800,000	-	-	1,800,000	1,500,000	300,000
Eshikhungula Pri. School	450,000	-	-	450,000	450,000	-
Huluwinu Pri. School	800,000	-	-	800,000	800,000	-
Ikomero Pri. School	800,000	-	-	800,000	800,000	-
Luanda Ac Pri. School	1,750,000	-	-	1,750,000	250,000	1,500,000
Emukhonzulu Pri. School	1,700,000	-	-	1,700,000	1,700,000	-
Mulufu Pri. School	1,800,000	-	-	1,800,000	1,500,000	300,000
Mulwanda Pri. School	1,200,000	-	-	1,200,000	1,200,000	-
Mundaha Pri. School	1,800,000	-	-	1,800,000	500,000	1,300,000
Mundeku Pri. School	1,700,000	-	-	1,700,000	1,350,000	350,000
Munjeche Pri. School	850,000	-	-	850,000	850,000	-
Mushichubulu Pri. School	1,200,000	-	-	1,200,000	1,000,000	200,000
Mushikongolo Pri. School	250,000	-	-	250,000	250,000	-
Mwibelenya Pri. School	450,000	-	-	450,000	450,000	-
Mwikalika Pri. School	1,200,000	-	-	1,200,000	1,000,000	200,000
Mwirembe Pri. School	800,000	-	-	800,000	800,000	-
Namasoli Pri. School	850,000	-	-	850,000	800,000	50,000
Nyamboga Pri. School	1,600,000	-	-	1,600,000	1,000,000	600,000
Shiongo Pri. School	1,200,000	-	-	1,200,000	1,000,000	200,000
Sub Total	44,300,000			44,300,000	35,300,000	9,000,000
8.0 Secondary Schools Projects (List all the Projects)						
ACK St. Paul's Mushinaaka Secondary School	1,500,000	-	-	1,500,000	1,000,000	500,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bl) and AIA	Previous Years' Outstanding Disbursements			
Krambui Secondary School	5,552,006	-	-	5,552,006	2,500,000	3,052,006
Enaholia Secondary School	2,100,000	-	-	2,100,000	1,500,000	600,000
Enahindi Secondary School	-	-	1,250,000	1,250,000	1,250,000	-
Emung'abo Secondary School	2,100,000	-	-	2,100,000	1,500,000	600,000
Emutussa Girls Secondary School	200,000	-	-	200,000	200,000	-
Emwariro Secondary School	5,655,834	-	-	5,655,834	3,500,000	2,155,834
Eshibinga Secondary School	5,431,236	-	-	5,431,236	3,000,000	2,431,236
Eshintusi Secondary School	5,000,000	-	-	5,000,000	1,000,000	4,000,000
Ibinda Secondary School	2,100,000	-	-	2,100,000	1,000,000	1,100,000
Khwisero Girls Secondary School	173,400	-	-	173,400	173,400	-
Khwisero Mixed Secondary School	5,891,270	-	-	5,891,270	2,000,000	3,891,270
Shirali Secondary School	850,000	-	-	850,000	500,000	350,000
St. Matthews Ikomeno Secondary School	5,504,448	-	-	5,504,448	3,500,000	2,004,448
St. Stephen's Mulwanda Secondary School	5,764,299	-	-	5,764,299	3,500,000	2,264,299
Shingo Secondary School	200,000	-	-	200,000	-	200,000
Sub Total	48,022,493	-	1,250,000	49,272,493	26,123,400	23,149,093
9.0 Tertiary institutions Projects (List all the Projects)						
9.1	-	-	-	-	-	-
10.0 Security Projects						
Khwisero DClO's Office	2,500,000	-	-	2,500,000	1,000,000	1,500,000
Khwisero OCPD's Office	2,100,000	-	-	2,100,000	1,415,000	685,000
DCC's Residence	700,000	-	-	700,000	700,000	-
ASST. Chief's Office Mundaha	400,000	-	-	400,000	400,000	-

**Khwisero Constituency
National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
Khwisero West ACC's Office	500,000	-	-	500,000	500,000	-
Khwisero Police Station	600,000	-	-	600,000	600,000	-
Asst. Chief's Office Mushiangubu	1,500,000	-	-	1,500,000	1,000,000	500,000
Asst. Chief's Office Khushiku	1,000,000	-	-	1,000,000	1,000,000	-
Khwisero Administration Police Houses	492,600	-	-	492,600	-	492,600
Sub Total	9,792,600	-	-	9,792,600	6,615,000	3,177,600
11.0 Acquisition of assets						
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						
12.1 Strategic Plan	-	-	-	-	-	-
12.2 Innovation Hub	-	-	-	-	-	-
12.2	-	-	-	-	-	-
Funds pending approval**						
Total	137,088,879		25,872,794	162,961,673	121,318,189	41,643,484

(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-KHWISERO Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2020 for the period 1st July 2020 to 30th 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 30th 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. 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.

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15. Related Party Transactions

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

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XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	No.	2020-2021 Ksh.	2019-2020 Ksh.
NG-CDF Board			
AIE NO. 047455	1		4,000,000
AIE NO. 041293	2		18,000,000
AIE NO. 047713	3		5,000,000
AIE NO. 047916	4		6,000,000
AIE NO. 049302	5		14,000,000
AIE NO. 104327	6		21,000,000
AIE NO. 096756	7		69,367,724
AIE NO. 124546	1	9,000,000	
AIE NO. 124978	2	10,000,000	
AIE NO. 119833	3	13,000,000	
AIE NO. 128123	4	6,900,000	
AIE NO. 128435	5	7,000,000	
AIE NO. 132179	6	6,000,000	
AIE NO. 138847	7	13,000,000	
AIE NO. 126142	8	8,000,000	
AIE NO. 126434	9	10,000,000	
AIE NO. 140578	10	15,000,000	
TOTAL		97,900,000	137,367,724

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Receipts from sale of tender documents	41,000	62,000
Total	41,000	62,000

3. COMPENSATION OF EMPLOYEES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	2,397,616	2,161,224
Personal allowances paid as part of salary		
Gratuity-contractual employees	170,826	145,212
Employer Contributions Compulsory national social security schemes	224,480	211,334
TOTAL	2,792,922	2,517,770

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

Description	2020 - 2021	2019 - 2020
	Kshs	Kshs
Electricity	90,000	100,000
Water & sewerage charges	5,600	7,357
Communication, supplies and services	232,031	186,300
Domestic travel and subsistence	134,500	189,800
Printing, advertising and information supplies & services	140,220	267,960
Training expenses	1,973,000	1,993,000
Other committee expenses	2,115,000	2,074,000
Committee allowance	2,997,500	1,994,000
Office and general supplies and services	2,163,924	1,790,770
Fuel , oil & lubricants	0	200,000
Other operating expenses	0	86,412
Bank service commission and charges	55,572	11,387
Routine maintenance - vehicles and other transport equipment	0	218,236
TOTAL	9,907,347	9,119,222

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to Primary Schools (see attached list)	35,300,000	28,040,000
Transfers to Secondary Schools (see attached list)	26,123,400	45,047,203
TOTAL	61,423,400	73,087,203

6. OTHER GRANTS AND OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Bursary - Secondary Schools (see attached list)	15,144,500	23,136,489
Bursary - Tertiary Institutions (see attached list)	12,080,420	995,000
Bursary - Special Schools (see attached list)	201,000	0
Security projects (see attached list)	6,615,000	8,101,595
Sports projects (see attached list)	2,000,000	1,500,000
Emergency projects (see attached list)	11,153,600	6,450,000
Total	47,194,520	40,183,084

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. ACQUISITION OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Household Furniture and Institutional Equipment	72,000	0
Total	72,000	0

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8: CASH BOOK BANK BALANCE

8A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
<i>Kenya Commercial Bank, Mumias Branch, Account No. 1240448929</i>	2,454,004	24,896,077
Total	2,454,004	24,896,077
<i>[Provide cash count certificates for each]</i>		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. BALANCES BROUGHT FORWARD

	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	2,454,004	24,896,077
Total	2,454,004	24,896,077

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OTHER IMPORTANT DISCLOSURES

11.1: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Staff	93,486	107,124
	93,486	107,124

11.2: UNUTILISED FUNDS (See Annex 3)			
		2020- 2021	2019- 2020
		Kshs	Kshs
Compensation of employees		1,167,001	1,106,923
Use of goods and services		57,105	73,873
Amounts due to other Government entities (see attached list)		32,149,093	1,250,000
Amounts due to other grants and other transfers (see attached list)		8,228,684	22,403,281
Others (Sale of Tenders)		41,000	62,000
Funds pending approval			
		41,642,883	24,896,077

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11.3: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	15,128,223.05	34,279,813.55
	15,128,223.05	34,279,813.55

KHWISERO Constituency
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ANNEX 1 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30th June 2021	Comments
1. Okute Shitseswa Jacob	Accounts Assistant	03/06/2021	2,919	Due 31/05/2022
2. Onyango Chaplin Andrew	ICT Assistant	03/06/2021	2,378	Due 31/05/2022
3. Jared A. Omukuba	Clerk of Works	01/12/2020	15,694	Due 31/11/2021
4. Sophline Anyango Ambani	Records Management Officer	01/07/2020	22,620	Due 30/06/2021
5. Zakayo Omeno	Security Officer	02/11/2020	8,800	Due 30/10/2021
6. Francis Peti	Security Officer	01/12/2020	7,700	Due 31/11/2021
7. Jane Anyangu	Cleaner	01/12/2020	7,700	Due 31/11/2021
8. Robert Aputo Kwengu	Gardener	01/10/2020	11,493	Due 30/09/2021
9. Aterno Dominic Cyondi	Security Officer	01/12/2020	7,091	Due 31/11/2021
10. David Akatima Ndenyokha	Security Officer	01/12/2020	7,091	Due 31/11/2021
Sub-Total			93,486	
Grand Total			93,486	

KHWISERO Constituency
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ANNEX 2 - UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance	Comments
		2020/21	2019/20	
Compensation of employees		1,167,001	1,106,923	
Use of goods & services		57,105	73,873	
Amounts due to other Government entities				
Emalindi Girls' Secondary School		-	1,250,000	
St. Paul's Mushinaka Secondary School		500,000		
Emwaningo Secondary School		2,155,834		
Ekambuli Secondary School		3,052,006		
St. Mathew's Ikomero Secondary School		2,004,448		
St. Stephen's Mulwanda Secondary School		2,264,299		
Khwisero Secondary School		3,891,270		
Eshibingya Secondary School		1,931,236		
Shiongo Secondary School		200,000		
Emaholia Secondary School		600,000		
Ibinda Secondary School		1,100,000		
Shirali Secondary School		350,000		
Emung'abo Secondary School		600,000		
Eshinutsa Secondary School		4,000,000		
Shiongo Primary School		200,000		
Nyamboya Primary School		1,200,000		

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Mushichubulu Primary School		200,000	
Emako Primary School		700,000	
Eshibinga Primary School		800,000	
Emulanda Primary School		800,000	
Mulufu Primary School		300,000	
Mundaha Primary School		1,300,000	
Ematundu Primary School		800,000	
Ebuhonga Primary School		1,400,000	
Namasoli Primary School		450,000	
Emung'abo Primary School		400,000	
Mwikalika Primary School		200,000	
Emuruba Primary School		200,000	
Mundeku Primary School		350,000	
Ebulwani Primary School		200,000	
Sub-Total		32,149,093	2,430,796
Amounts due to other grants and other transfers			
Bursary - Secondary		3,503,400	11,779,349
Bursary - Tertiary		1,200,000	4,505,000
Bursary - Special needs		202,579	500,000
Emergency		1,322,705	5,218,932
Khwisero DCIO's Offices		1,500,000	
Assistant Chief's Office Mushiangubu		500,000	
KMTC		-	400,000
Others (Sale of tenders)		41,000	62,000
Sub-Total		8,269,684	22,465,281

**KHWISERO Constituency
National Government Constituencies Development Fund (NGCDF)
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Acquisition of assets				
Others (<i>specify</i>)				
Sub-Total		0		
Funds pending approval		0		0
Grand Total		41,642,883	24,896,077	

KHWISERO Constituency
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ANNEX 3 - 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
Buildings and structures	19,800,000	0	0	19,800,000
Transport equipment	4,599,500	0	0	4,599,500
Office equipment, furniture and fittings	3,442,935	72,000	0	3,514,935
ICT Equipment, Software and Other ICT Assets	629,515	0	0	629,515
Total	28,471,950	72,000		28,543,950

KHWISERO Constituency
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ANNEX 4 - PMC BANK BALANCES AS AT 30TH JUNE 2021

PMC	Bank	Account number	Bank Balance	
			2020/21	2019/20
LUANDA AC PRIMARY SCHOOL	KCB- MUMIAS	1267925817	57,452.00	57,143.00
EMULOJE PRIMARY SCHOOL	KCB- MUMIAS	1263098825	1,218.00	-
MWIRIMBE PRIMARY SCHOOL	KCB- MUMIAS	1267925736	1,490.00	50,975.00
EKAMBULI SECONDARY SCHOOL	KCB- MUMIAS	1267925434	1,003,128.00	2,825,539.00
ST. STEPHENS MUJIWANDA SECONDARY SCHOOL	KCB- MUMIAS	1267925787	116,387.00	2,315,170.00
EMWANIRO SECONDARY SCHOOL	KCB- MUMIAS	1263149306	30,204.00	4,999,395.00
KHWISERO SECONDARY SCHOOL	KCB- MUMIAS	1263645966	571,776.00	2,237,873.00
SHIONGO MIXED SECONDARY SCHOOL	KCB- MUMIAS	1269383539	5,994.00	602,268.00
KHWISERO COVID-19 PMC	EQUITY-MUMIAS	0680280379624	940.00	-
MUNJECHIE PRIMARY SCHOOL	EQUITY-MUMIAS	0680280464746	352,430.00	-
MWIKALIKHA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280325414	1,430.00	-
SHIONGO PRIMARY SCHOOL	EQUITY-MUMIAS	0680280178254	5,980.00	-
EBULWANI PRIMARY SCHOOL	EQUITY-MUMIAS	0680280232776	40,561.50	-
KHWISERO WEST DIVISION ACCS OFFICES	EQUITY-MUMIAS	0680280167815	1,430.00	-
IKOMERO PRIMARY SCHOOL	EQUITY-MUMIAS	0680280320994	799,550.00	-
SHIRALI SECONDARY SCHOOL	EQUITY-MUMIAS	630230387161	5,830.00	-
EMAKO PRIMARY SCHOOL	EQUITY-MUMIAS	0680280289734	1,310.00	-
EMAHOLLA MIXED SECONDARY SCHOOL	EQUITY-MUMIAS	0680280248680	9,887.50	-
EBUHONGA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280228313	187,367.50	-
EMUNG'ABO SECONDARY SCHOOL	EQUITY-MUMIAS	0680280276774	6,067.50	-
ESHINUTSA SECONDARY SCHOOL	EQUITY-MUMIAS	0680280213329	1,000,000.00	-
EMUNG'ABO PRIMARY SCHOOL	EQUITY-MUMIAS	0680280320517	502,310.00	-

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EMWIRU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280324591	1,830.00	-
EMURUBA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280360049	1,070.00	-
HULUWINU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280323893	2,880.00	-
ESHIBINGA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280324863	501,980.00	-
EKAMBULI PRIMARY SCHOOL	EQUITY-MUMIAS	0680280321313	603,310.00	-
NAMASOLI PRIMARY SCHOOL	EQUITY-MUMIAS	0680280324077	199,310.00	-
MULUFU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280324173	506,070.00	-
MULWANDA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280321691	205,860.00	-
MUSHIANGUBU ASSISTANT CHIEFS OFFICE	EQUITY-MUMIAS	0680280325316	28,010.00	-
EBUKANGA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280322869	110,070.00	-
MUSHICHUBULU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280323099	10,951.60	-
MUKHUNZULU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280333976	77,432.00	-
NYAMBOGA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280321081	3,310.00	-
IBINDA MIXED SECONDARY SCHOOL	EQUITY-MUMIAS	0680280321945	1,810.00	-
EBUKWALA PRIMARY SCHOOL	EQUITY-MUMIAS	0680279911581	203.50	-
EMULUNYA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280043956	74,088.50	-
KHWISERO OCPD OFFICE	EQUITY-MUMIAS	0680279980422	3,037.50	-
KHWISERO AP CAMP HQS	EQUITY-MUMIAS	0680279965111	5,667.50	-
EMATUNDU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280889375	4,430.00	-
ST. PAUL'S MUSHINAAKA MIXED SECONDARY SCHOOL	EQUITY-MUMIAS	0680279595186	9,147.50	-
ST.MATHEW'S IKOMERO SECONDARY SCHOOL	EQUITY-MUMIAS	0680279821045	1,005,834.00	5,001,000.00
EKATSOMBERO PRIMARY SCHOOL	EQUITY-MUMIAS	0680279854775	17.25	842,260.00
MUSHIKONGOLO PRIMARY SCHOOL	EQUITY-MUMIAS	0680280768614	3,430.00	-
ESHIBINGA SECONDARY SCHOOL	EQUITY-MUMIAS	0680279857876	1,131,920.00	2,628,160.00
NG-CDF KHWISERO SPORTS PMC	EQUITY-MUMIAS	0680280860404	2,330.00	-

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MUNDEKU PRIMARY SCHOOL	EQUITY-MUMIAS	0680280482063	10,605.00	-
ESHIKHUNGULA PRIMARY SCHOOL	EQUITY-MUMIAS	0680279862329	28,102.50	3,520.00
KHWISERO DCIO'S OFFICES	EQUITY-MUMIAS	0680280768226	999,100.00	-
ASSISTANT CHIEFS OFFICE MUNDAHA	EQUITY-MUMIAS	0680280744031	8,230.00	-
ASSISTANT CHIEFS OFFICE KHUSHIKU	EQUITY-MUMIAS	0680280751412	5,310.00	-
MUNDALIA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280722572	24,430.00	-
EMULANDA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280789406	26,930.00	-
EBUYONGA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280376316	9,258.00	-
EMULUNYA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280161970	5,430.00	-
KHWISERO PRIMARY SCHOOL	EQUITY-MUMIAS	0680280851745	2,370.00	-
HOLY CROSS EMALINDI GIRLS' SECONDARY SCHOOL	EQUITY-MUMIAS	0680280988380	1,250,550.00	-
EBUKWALA PRIMARY SCHOOL	EQUITY-MUMIAS	0680280935858	1,200,550.00	-
KHWISERO GIRLS' SECONDARY SCHOOL	EQUITY-MUMIAS	0680280969434	172,950.00	-
EMAKO PRIMARY SCHOOL	KCB - MUMIAS	1256319376	98,941.50	166,884.00
EKAMBULI PRIMARY SCHOOL	KCB - MUMIAS	1255507209	109,729.00	111,985.00
KHWISERO SPORTS PMC	KCB - MUMIAS	1267926139	599.00	1,790.00
SHIRALI PRIMARY SCHOOL	KCB - MUMIAS	1258748061	-	265,627.00
EMATUNDU PRIMARY SCHOOL	KCB - MUMIAS	1268678104	36,021.00	74,682.00
MUNDOLI PRIMARY SCHOOL	KCB - MUMIAS	1267925566	-	44,685.00
MUNJITI PRIMARY SCHOOL	KCB - MUMIAS	1258748827	-	655.00
MUSHIKONGOLU PRIMARY SCHOOL	KCB - MUMIAS	1267925531	-	1,007.00
SHIRO TSA PRIMARY SCHOOL	KCB - MUMIAS	1267925655	1,483.00	156,037.00
EMURUBA SECONDARY SCHOOL	KCB - MUMIAS	1267925825	2,282.00	780,095.00
KHWISERO WEST ACCS OFFICES	KCB - MUMIAS	1234811804	580,114.00	3,418,096.00
EMUNG'ABO SECONDARY SCHOOL	KCB - MUMIAS	1255917342	493.00	1,684.00
EMAKUCHE PRIMARY SCHOOL	KCB - MUMIAS	1234107724	141.80	267.80

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EMUTSASA GIRLS' SEC SCHOOL, CLASSROOM	KCB - MUMIAS	1258748711	1,798.00	3,241.00
EBUHONGA PRIMARY SCHOOL	KCB - MUMIAS	1258748754	66,608.00	67,799.00
ESHIRULI PRIMARY SCHOOL	KCB - MUMIAS	1258748894	-	1,898.00
LUANDA DOHO SDA PRIMARY SCHOOL	KCB - MUMIAS	1258748371	765.65	337,042.00
DCC'S RESIDENCE	KCB - MUMIAS	1258748924	1,882.00	1,001,697.00
KISA CENTRAL CHIEF'S OFFICE	KCB - MUMIAS	1258749017	3,424.00	4,615.00
EMALINDI PRIMARY SCHOOL - ADM	KCB - MUMIAS	1234031507	-	752.00
MWIKALIKHA PRIMARY SCHOOL	KCB - MUMIAS	1260445593	2,617.00	41,808.00
EMALINDI GIRLS' SECONDARY SCHOOL	KCB - MUMIAS	1234036436	159,205.85	1,340,016.00
ELUKANJI PRIMARY SCHOOL	KCB - MUMIAS	1273615298	3,004.00	4,195.00
MUNDOBELWA AP CAMP	KCB - MUMIAS	1274437040	32,943.00	176,310.00
MUNJITI PRIMARY SCHOOL	KCB - MUMIAS	1268254029	-	58,755.00
ST. ANNE'S DUDI GIRLS' SEC SCHOOL	EQUITY - MUMIAS	0680279676201	1,051.00	486,389.00
EMALINDI PRIMARY SCHOOL CLASSES	EQUITY - MUMIAS	0680279583595	662.50	77,355.00
MUHAKA PRIMARY SCHOOL	EQUITY - MUMIAS	0680279487314	-	34,674.75
EBUSHIBUNGO PRIMARY SCHOOL	EQUITY - MUMIAS	0680279502453	441.00	31,533.00
MWIBELENYA PRIMARY SCHOOL	EQUITY - MUMIAS	0680279775148	13,142.50	10,820.00
EMUNG'ABO PRIMARY SCHOOL	EQUITY - MUMIAS	0680279755097	2,132.00	177,545.00
ST. PAUL'S MUSHINAKA SEC SCHOOL	EQUITY - MUMIAS	068027959186	-	5,855.00
KHWISERO POLICE STAFF HOUSES	EQUITY - MUMIAS	06802798664047	1,087.50	167,248.00
EMWANIRO PRIMARY SCHOOL	EQUITY - MUMIAS	0680279503102	450.00	84,703.00
EMUTSASA GIRLS' SEC SCHOOL LAB	EQUITY - MUMIAS	0680279620378	210.00	1,125,205.00
MWIKALIKHA PRIMARY SCHOOL	EQUITY - MUMIAS	0680279886586	443.50	950,000.00
LUANDA AC PRIMARY SCHOOL	EQUITY - MUMIAS	0680279874933	-	1,501,000.00
MULUFU PRIMARY SCHOOL	EQUITY - MUMIAS	0680279599860	-	990.00
BUHILI PRIMARY SCHOOL	EQUITY - MUMIAS	0680279646867	837.50	1,530.00

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MUSHINAKA PRIMARY SCHOOL.	EQUITY - MUMIAS -	0680279674117	40.00	40.00
MULUFU PRIMARY SCHOOL.	EQUITY - MUMIAS	0680279559860	297.50	-
MUSHIANGUBU PRIMARY SCHOOL.	EQUITY-MUMIAS	0680279902210	6,118.00	-
KHWISERO SANITARY P/MC	EQUITY-MUMIAS	0680279942935	2,367.50	-
FMAKUCHE PRIMARY SCHOOL.	EQUITY-MUMIAS	0680279752246	2,347.50	-
MUSHIANGUBU PRIMARY SCHOOL.	KCB-MUMIAS	1237280893	2,076.00	-
SHUKAJI PRIMARY SCHOOL.	KCB-MUMIAS	1258748061	1,403.00	-
MUHAKA PRIMARY SCHOOL.	KCB-MUMIAS	1234018918	735.00	-
KIWIISERO TTI	KCB-MUMIAS	1251506461	527.00	-
MUNDEKU PRIMARY SCHOOL	KCB-MUMIAS	1234041162	18,405.05	-
FBUYONGA PRIMARY SCHOOL	KCB-MUMIAS	1236924878	60,795.00	-
FAMWIRU MIXED DAY SECONDARY SCHOOL	KCB-MUMIAS	1258749165	-	-
MUSHICHURULU PRIMARY SCHOOL.	KCB-MUMIAS	1255768029	11,931.00	-
IBINDA PRIMARY SCHOOL	KCB-MUMIAS	1258748274	5,505.00	-
EKATSOMBERO PRIMARY	KCB-MUMIAS	1234179016	645.00	-
MWIREMBE PRIMARY SCHOOL.	KCB-MUMIAS	1234088649	10,335.00	-
KHWISERO SECONDARY SCHOOL.	KCB-MUMIAS	1258749262	44,356.50	-
ST. ANNES DUDI GIRLS' SEC SCHOOL.	KCB-MUMIAS	1234032155	240.00	-
ST. DENNIS MUNJITT SEC. SCHOOL.	KCB-MUMIAS	1237361915	1,870.70	-
ESHINTUSA PRIMARY SCHOOL.	KCB-MUMIAS	1258748215	7,150.00	-
NAMASOJI PRIMARY SCHOOL.	KCB-MUMIAS	1258748517	388.00	-
FBUWANI PRIMARY SCHOOL.	KCB-MUMIAS	1234017288	32,881.50	-
ESHIKHUNGULA PRIMARY SCHOOL.	KCB-MUMIAS	1258748967	7,158.00	-
ST. FRANCIS ENYANYA PRI. SCHOOL	KCB-MUMIAS	1258748606	357.00	-
EMURUBA SECONDARY SCHOOL.	KCB-MUMIAS	1239914032	624.00	-
MULWANDA PRIMARY SCHOOL.	KCB-MUMIAS	1237149339	1,894.00	-

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MUNYANZA PRIMARY SCHOOL	KCB-MUMIAS	1255636408	1,815.00	-
EBUKUTENGA PRIMARY SCHOOL	KCB-MUMIAS	1258749076	913.00	-
EMWANIRO MIXED SECONDARY SCHOOL	KCB-MUMIAS	1236808894	513.05	-
ESHIKHUNGULA PRIMARY SCHOOL	KCB-MUMIAS	1234037459	62,223.00	-
EBUKANGA PRIMARY SCHOOL	KCB-MUMIAS	1234029049	46.50	-
EMALINDI PRIMARY SCHOOL	KCB-MUMIAS	1262477085	249.00	-
MUSHINAAKA MIXED SECONDARY SCHOOL	KCB-MUMIAS	1234180073	430.40	-
EBUKWALA PRIMARY SCHOOL	KCB-MUMIAS	1255539798	738.50	-
KHWISERO PRIMARY SCHOOL	KCB-MUMIAS	1233523945	13,369.20	-
ESHIBINGA PRIMARY SCHOOL	KCB-MUMIAS	1255655143	342.00	-
EBUYONGA PRIMARY SCHOOL	KCB-MUMIAS	1258748258	1,178.00	-
MUKHUNZULU PRIMARY SCHOOL	KCB-MUMIAS	1255535377	9,146.00	-
NYAMBOGA PRIMARY SCHOOL	KCB-MUMIAS	1251277144	770.00	-
ST. JOSEPH'S SHIRO TSA SEC SCHOOL	KCB-MUMIAS	1258749149	73,988.00	-
EMUTSASA PRIMARY SCHOOL	KCB-MUMIAS	1258748630	395.00	-
MUHAKA ASS. CHIEF'S OFFICE PMC	KCB-MUMIAS	1271446774	895.00	-
EMAKUCHE PRIMARY SCHOOL	KCB-MUMIAS	1255581085	1,238.00	-
MUKHUNZULU PRIMARY SCHOOL	KCB-MUMIAS	1234022893	128,875.95	-
EKAMBULI SECONDARY SCHOOL	KCB-MUMIAS	1236585704	4,875.00	-
EMATUNDU PRIMARY SCHOOL	KCB-MUMIAS	1240016476	110,175.00	-
ELUKANJI PRIMARY SCHOOL	KCB-MUMIAS	1234106728	700.00	-
ESHIKHXONDO PRIMARY SCHOOL	KCB-MUMIAS	1234168251	63,686.00	-
SPORTS AND TALENTS PMC KHWISERO	KCB-MUMIAS	1239592620	1,601.00	-
MUNDOLI GIRLS' SECONDARY SCHOOL	KCB-MUMIAS	1234025833	3,336.15	-
KHUMUSALABA POLICE PATROL BASE	KCB-MUMIAS	1234360306	150,531.00	-
SHIONGO PRIMARY SCHOOL	KCB-MUMIAS	1234039249	31,233.50	-

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EBUKUTENGA PRIMARY SCHOOL	KCB-MUMIAS	1234090856	829.50	-
EBUKWALA PRIMARY SCHOOL	KCB-MUMIAS	1234051311	1,733.55	-
EBUTUKU AP CAMP	KCB-MUMIAS	1233524682	319.00	-
ST. FRANCIS ENYANYA PRIMARY SCHOOL	KCB-MUMIAS	1234018039	433.35	-
EBUKANGA PRIMARY SCHOOL	KCB-MUMIAS	1258749122	50.00	-
EMWANIRO PRIMARY SCHOOL	KCB-MUMIAS	1234021439	11,545.00	-
EMUNGABO PRIMARY SCHOOL	KCB-MUMIAS	1234108976	1,107.00	-
EBUHONGA PRIMARY SCHOOL	KCB-MUMIAS	1234034239	933.00	-
KHWISERO POLICE STATION	KCB-MUMIAS	1234186098	114,445.00	-
TOTAL		15,128,223.05		34,279,813.55

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor and subsequent progress made on the resolution of the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Ref: 2019-2020-1-01-0208-09	<p>1. Statement of comparison of budget and actual amounts.</p> <p>The budget utilization difference in the statement of appropriation is Kshs.24, 896,077 while the recomputed figure under the budget execution by programme is Kshs.24, 958,078 resulting in a variance of Kshs.62, 001. No explanation or reconciliation has been given on the variance of Kshs.62, 001. In the circumstances, it was not possible to ascertain the accuracy of the statement of comparison of budget and actual amounts for the year under review.</p>	<p>During the year under review, we advertised for Prequalification of contractors/suppliers. Tender documents were sold to interested bidders and we collected Ksh.62, 000. This is Appropriation in Aid (A- In - A). This was disclosed in our financial statements under Summary Statement of Appropriation.</p> <p>The Ksh. 1 difference is as a result of cents, which are rounded off. (Annex FS 1.0)</p>	Issue pending audit review.	By next external audit, 2022.

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Ref: 2019-2020-1-01-0208-09	The Constituency budgeted to spend a total of Kshs. 149, 803,356. However, the fund spent a total of Kshs. 124,907,279, resulting to a budget utilization difference of Kshs.24,896,077, or 16.6%	<i>We received funds (Ksh.69, 367,724.10 vide AIF NO. B096756) about two weeks to closure of the financial year under review. Part of these was therefore utilized in the subsequent financial year i.e 2020/2021. Hence the underutilization. Attached is a copy of the late AIF no. B096756 received as well as a list of projects that were to be paid. (Annex BU 1.0).</i>	Issue pending audit review.	By next external audit, 2022.