

REPUBLIC OF KENYA



Enhancing Accountability



THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 13 AUG 2024

Tuesday

TABLED BY: Hon. Naomi Wigeo, MP
Deputy Majority Party Whip

CLERK AT THE TABLE: A. Shitika

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REPORT

OF

THE AUDITOR-GENERAL

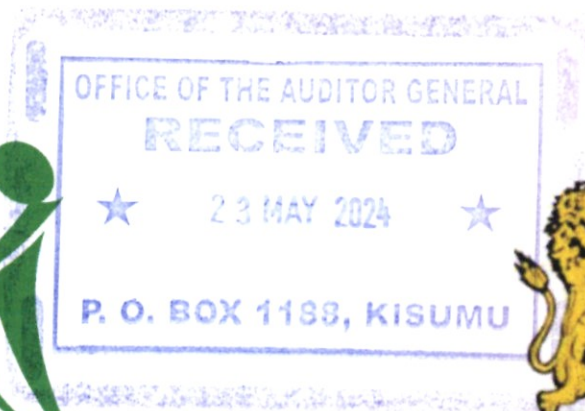
ON

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

**FOR THE YEAR ENDED
30 JUNE, 2023**



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HAMISI CONSTITTUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

ANNUAL REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2023

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

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I. Acronyms and Abbreviations

ARMC	-	Audit and Risk Management Committee
FY	-	Financial Year
IPSAS	-	International Public Sector Accounting Standards.
NGCDF	-	National Government Constituencies Development Fund
NGCDFB	-	National Government Constituencies Development Fund Board
NGCDFC	-	National Government Constituencies Development Fund Committee
PFM	-	Public Finance Management
PMC	-	Project Management Committee

II. 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 2022. 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 Hamisi Constituency NGCDF day-to-day management is under the following key organs:

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2023 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Silverius M. Wakoli
2.	Sub-County Accountant	Susan Nekesa Wekesa
3.	Chairman NGCDFC	Dr. Isaiah Kipsang Rotich
4.	Member NGCDFC	Joyce K. Mmaitisi

(c) Fiduciary Oversight Arrangements

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

(d) Hamisi Constituency NGCDF Headquarters

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

(e) Hamisi Constituency NGCDF Contacts

Telephone: (254) 722959351 / (254) 707936722
E-mail: cdhhamisi@ngcdf.go.ke
Website: www.ngcdfhamisi.go.ke

(f) Hamisi Constituency NGCDF Bankers

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

(g) Independent Auditors

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

(h) Principal Legal Adviser

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

III. NG-CDFC Chairman's Report



**DR. ISALAH KIPSANG ROTICH
NGCDF CHAIRMAN - HAMISI**

Hamisi Constituency Geographic and Climatic Background

Hamisi is one of the five constituencies in Vihiga County. It borders Aldai constituency to the east, Ikolomani and Emgwen constituencies to the north, Vihiga and Sabatia constituencies to the west and Kisumu East constituency to the south. The constituency covers an area of 189.1 km². The constituency has an equatorial climate with fairly distributed rainfall throughout the year. It has an average precipitation of 1900mm. Temperatures range between 14°C to 32°C with a mean of 23°C. The climate support a variety of cash crops mainly tea, coffee and horticultural crops. Dairy farming is also practiced in the constituency.

Hamisi NG-CDF was allocated Kshs. 158,832,745 for the financial year 2022/2023. The Constituency had a final budget of Kshs. 183,954,386 which constitutes Kshs. 158,832,745 of the original budget and the opening cashbook balance of Kshs. 25,121,641 of as at 1st July 2022. During the year under review, the Constituency spent Kshs. 100,806,925 representing 55% utilization. The unutilized fund as at 30th June 2023 was Kshs. 12,314,716.

Hamisi Constituency Population Project and Density by Division

The population of the constituency was 158,832,745 by the 2019 housing and population census and is projected at 173,424 by 2022 and 179,406 by 2025.

Administrative Units

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

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

The Constituency had a budget of Kshs. 158,832,745 during the financial year 2022-2023. The budget was distributed as per the illustrated pie chart below:-

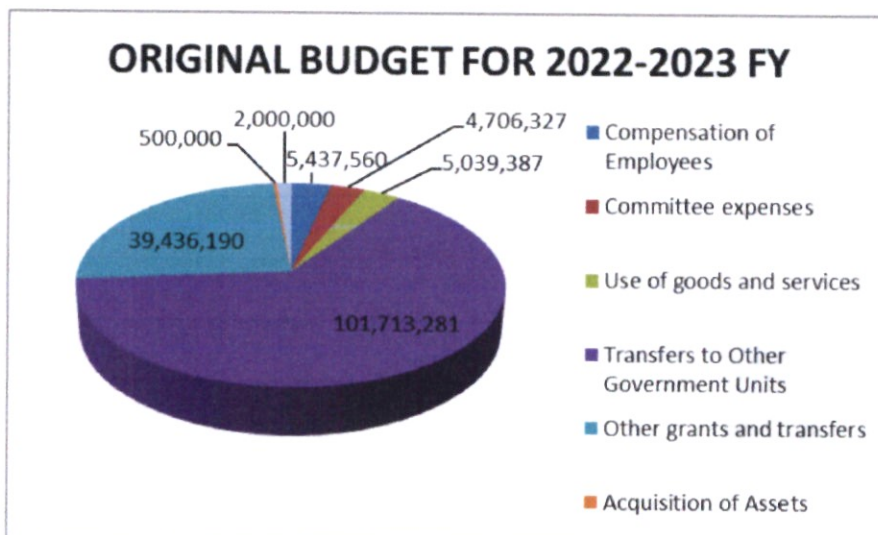


Fig. 1: Pie chart showing distribution of the original budget for 2022-2023 financial year per sector.

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

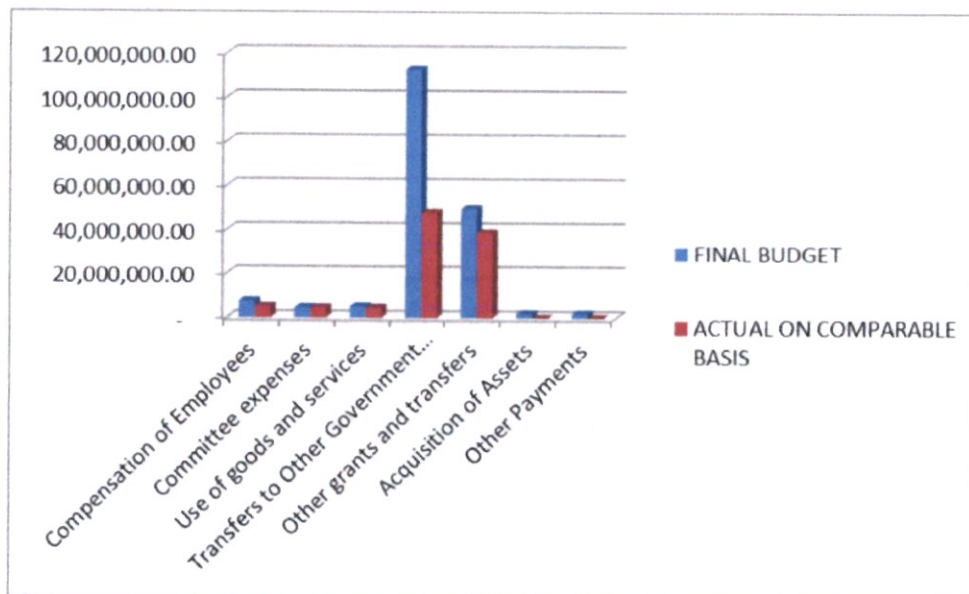


Fig. 2: Column chart showing Summary of the budget performance against actual amounts for the 2022-2023 financial year per sector.

Some of the key achievements during the financial year 2022/2023

During the year 2022-2023, the Constituency held 24 meeting inclusive of the sub-committee which enabled the Constituency achieve its objectives.

During the year under review, Hamisi NG-CDF achieved much in education sector. Several primary and secondary schools classrooms, laboratories and administration blocks were constructed including Muhaya Secondary school, George Khaniri Secondary School - Jepkoyai,

Luther Primary School, Kasegeli Primary School, Jebrongo Primary School, Egemeni Primary School, Banja Muslim Primary school, Friends Givavei Special School and Kakubudu Primary School. Some of the pictorial presentation for the constructed classrooms achieved during the financial year under review are as follows:-



Pic. 1: Kakubudu Primary School newly constructed 4No. classrooms fully funded by Hamisi NG-CDF



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

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



Pic. 3: Jinjini Primary School newly renovated 3No. classrooms fully funded by Hamisi NG-CDF 2022/2023

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



Fig. 4: Gambogi modern Police Station newly constructed fully funded by Hamisi NG-CDF

List the implementation challenges and recommended way forward.

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

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

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

Some PMCs taking long to have meetings to pay the contractors leading to delay in implementation. Hamisi NGCDFC to induct the PMCs on importance of hastening implementation of the projects.

.....
**Name. Dr. Isaiah Kipsang Rotich
CHAIRMAN NG-CDF COMMITTEE**



IV. Statement Of Performance Against Predetermined Objectives for FY2022/23

Introduction

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

The key development objectives of Hamisi Constituency 2021-2025 plan are to:

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

Progress on attainment of Strategic development objectives

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

s	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	<ul style="list-style-type: none"> - Number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary's beneficiaries at all levels 	In FY 2022/23 - Hamisi NG-CDF renovated from 17 to 67 classrooms and constructed 21 from 14 classrooms. It also constructed 1 laboratories and 5 administration block - Bursary beneficiaries at all levels were as follows:- Bursary Tertiary – 3,760,070 Bursary Secondary – 18,779,605 Bursary Special schools – 1,389,088

*Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
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Security	To ensure all Ass. chiefs, chiefs and the Ass. County Commissioners' have an office To have modern police stations and posts at the Constituency	Access to quality services Reduced crime rate	- number of usable physical infrastructure build at the locational levels - Number of crimes reported	- The NGCDFC constructed Gambogi Police Station to completion
Environment	To have health and clean environment	Access to good health and sanitation	- Number of Indigenous trees planted - Number of sanitary facilities constructed	- During the financial year 2022-2023, Hamisi NGCDFC constructed 10-door exhaustible pit latrine. 2-doors will accommodate PWDs at Shivembe Primary School, Givole Primary School and Givole Secondary School
Sports	Harnessing youth and women talent	Increased youth and women talents	- Numbers of tournaments held	Hamisi NGCDF committee held one football tournament during the year
Emergency	Catering for any unforeseen occurrences in the Constituency	Preparedness to unforeseen occurrences	- Number of unforeseen occurrences in the constituency	Hamisi NGCDF committee allocated Kshs. 7 million under the emergency kitty to cater unforeseen occurrences.

V. Statement of Governance

Appointment of NGCDF Members

- i. The formation of the NG-CDFC Members is guided by the NG-CDF Act Section 43(1) (2) (3) & (4).
 - This procedure shall start upon receipt of the guidelines on formation of NG CDFC from the NG CDF Board,
 - The FAM shall write a letter to the DCC and Constituency Office Manager requesting for the nomination of members of the selection panel as per the guidelines and maintain a record confirming receipt
 - The DCC shall nominate in writing an officer or his/her representative who will be the chairperson to the NG CDFC selection panel.
 - The Constituency Office Manager shall nominate in writing two persons of either gender to be members of the selection panel.
 - The chair shall then convene the first selection panel meeting to document criteria for selection of the four members to the NG-CDFC (Male and female adults, male and female youth) and advertise (the applicants shall be given two weeks to submit their applications).
 - The FAM shall then write to the Constituency Office Manager requesting for the nomination of two persons of either gender as per the guidelines issued by the NG-CDF Board to be members of the NG-CDFC maintain a record confirming receipt
 - The Constituency Office Manager shall then nominate in writing the two members to the NG-CDFC.
 - The FAM shall write to a registered group representing people with disabilities in the constituency as per the guidelines as issued by the NG-CDF Board requesting for nomination of one person with disability to sit in the NG-CDF committee and maintain a record confirming receipt
 - The PWD organization shall nominate in writing a member to the NG-CDFC.
 - Applications are received at the NG-CDF office and recorded in the application register.
 - Within one week after the closure of the advertisement, the Selection panel shall convene to shortlist the suitable candidates as per the criteria in the advert. The successful candidates shall then be called for interviews within seven days.
 - The Selection panel shall hold the interviews of the invited candidates and come up with the final list of qualified nominees to the NG-CDFC.
 - The FAM shall then submit to the NG-CDF Board the report of the selection panel which includes seven nominees and the Nominee of the Board to the NG-CDFC as per the guidelines within seven days.

- The FAM shall ensure that the timelines set out in the regulations are adhered to during the process of selection and appointment of NGCDF Committees
- ii. The selected members are forwarded to parliament through CEO of the board for purpose of gazettelement
- iii. Upon gazettelement the DCC or the FAM shall for the first meeting where the chairperson and secretary are elected

4.2 NG-CDFC Handing Over Processes

Paragraph 24(1) of the NG-CDF Regulations 2016 states that the officer of the board seconded to the constituency shall preside over the handover from one Constituency committee to another and shall submit a report on the hand over within fourteen days from the date of the hand over.

4.3 Removal of members is as in the act 2015 section 13, a,b,c,d,e f and g

A member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practises;
- (f) Causing disharmony within the committee;
- (g) Physical or mental infirmity.

4.4 Roles and function of the committee

- Build the capacity of PMCs and sensitise the community on operations of the fund
- Consider project proposals from all wards in the constituency
- Ensure that all proposed projects that are approved for funding meet the sec 24 of the Act
- Consult with relevant line ministries in the implementing the projects
- Ensure adequate funding of the proposed projects
- Ensure project reports are prepared and forwarded to the board
- Submit financial reports to the board within stipulated time

4.5 Induction and Training

The committee on being inaugurated are taken for induction by the Board and subsequent training are done the constituency as per there training plan

4.6 Meetings

The committee is to have a maximum of 24 meetings and a minimum of 12 in a financial year as per the 2015 Act

The committee members declare conflict of interest in any matter as the procurement and disposal Act by a standard form at the time of the matter

The committee members are remunerated from the fund at Kshs. 5,000 for members and Kshs. 7,000 for the chairperson.

4.7 Ethics and Conduct

The Anticorruption sub committee was formed on the first meeting and members have been trained on the same, the conduct of members is also the act as some of the reasons for removing a member from the committee

4.8 Risk Management

Risk management is a tool by the board to gauge on the risks that the constituency goes though which is attested on monthly basis by the staff. The report is discussed at the meeting by the committee

VI. Environmental and Sustainability Reporting

Hamisi NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure sustainability of Hamisi NG CDF, the committee funds the following key sectors with the following sustainable priorities.

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

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of Covid- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 21/22 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

Environmental care is one of the main responsibilities Hamisi 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. Hamisi constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Hamisi constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

The committee has a policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

4. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Hamisi NGCDF has endeavoured to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

The NG-CDFC deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long term, was submitted to the NG CDF Board in accordance with the Act.

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

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional and national agencies, and for conducting community-based needs assessments and public awareness campaigns and holding community meetings.

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



.....
Name: SILVERIUS M. WAKOLI
Fund Account Manager.



VII. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Hamisi Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2023. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

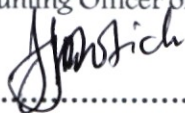
The Accounting Officer in charge of the NGCDF-Hamisi Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2023, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Hamisi Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Hamisi Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *constituency's* financial statements

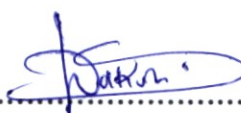
have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Hamisi Constituency financial statements were approved and signed by the Accounting Officer on 20th September, 2023..



.....
Name: DR. ISAIAH KIPSANG ROTICH
Chairman – NGCDF Committee



.....
Name: SILVERIUS M. WAKOLI
Fund Account Manager



REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – HAMISI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2023

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for the intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the National Government Constituencies Development Fund - Hamisi Constituency 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 Fund.

An unmodified opinion does not necessarily mean that the Fund has complied with all relevant laws and regulations and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Hamisi Constituency set out on pages 1 to 42 which

comprise of the statement of financial assets as at 30 June, 2023 and the statement of receipts and payments, statement of cash flows and the statement of comparison of budget and actual amounts 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 effects of the matter described in the basis for qualified opinion section of my report, the financial statements present fairly, in all material respects financial position of the National Government Constituencies Development Fund – Hamisi Constituency as at 30 June, 2023 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 (Amended 2022).

Basis for Qualified Opinion

Unsupported Bursaries

Note 8 to the financial statements reflects bursaries to secondary schools amount of Kshs.19,182,748. However, review of bursaries records revealed an amount of Kshs.118,000 disbursed in respect to award of bursaries to Simbi Secondary School, included in the amount is Kshs.6,000 awarded for three (3) students who had cleared the school fees. Further, an amount of Kshs.167,000 disbursed to ten (10) secondary schools did not include the list of beneficiaries and their details of admission numbers.

In the circumstances, completeness and accuracy of the other grants and transfers totalling Kshs.19,182,748 and the effectiveness of internal controls on identification and issuance of bursaries 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 - Hamisi 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 during the year under review.

Emphasis of Matter

1. Budgetary Controls and Performance

The summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.183,954,386 and Kshs.113,121,641 respectively resulting to an under-funding of Kshs.70,832,745 or 39% of the budget. Similarly, the Fund spent Kshs.100,806,925 against actual receipts of Kshs.113,121,641 resulting to under-utilization of Kshs.12,314,716 or 11% of the receipts.

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

2. Undisbursed Transfers from NG-CDF Board

The summary statement of Appropriation reflects budget utilisation difference of transfers from NG-CDF Board Totalling to Kshs.70,832,745 this balance relates to transfers which had not been received by close of the financial year.

Failure by the CDF Board to remit funds affected planned activities at the constituency and negatively impacted on service delivery to the public.

My opinion is not modified in respect of this matter.

Other Matter

Unresolved Prior Year Matters

The audit report for the previous year highlighted several issues in respect of the financial statements, lawfulness and effectiveness of public resources, and effectiveness of internal control and governance. Management's report on the progress made in resolving the issues, at Annex 6 indicates that issues relating to the financial statements had not been resolved as at 30 June, 2023.

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, 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 Use Standard Tender Documents in Procurements

Review of contract documents provided for audit revealed that the contract for construction of eight (8) classrooms at Gemen Primary School was awarded on 28 February, 2019 at a contract sum of Kshs.14,738,334. Further, another contract for the construction of a two floors tuition block at Dr. Maurice Dang'ana Secondary School was awarded on 19 February, 2019 at a contract sum of Kshs.19,313,550. However, the respective contract agreements did not have sections on general conditions of the contract and special conditions of the contract. These sections specify the contract period and general conditions for execution of the contract including start and end dates of the contract. This was contrary to Section 58 of the Public Procurement and Disposal Act, 2015 which states that (1) An accounting officer of a procuring entity shall use standard procurement and asset disposal documents issued by the Authority in all procurement and asset disposal proceedings.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Cash

Basis) and for maintaining effective internal controls 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 services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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

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

Those charged with governance are responsible for overseeing the 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 controls 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 controls 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 Management.
- Conclude on the appropriateness of 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 Project'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 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.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

13 June, 2024

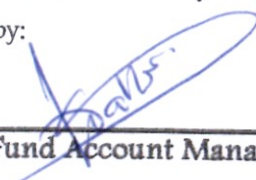
Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

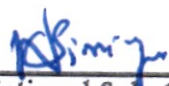
IX. Statement of Receipts and Payments for the Year Ended 30th June 2023

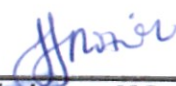
	Note	2022-2023	2021-2022
			Kshs
RECEIPTS			
Transfers from NGCDF Board	1	88,000,000	182,177,758
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		88,000,000	182,177,758
PAYMENTS			
Compensation of employees	4	5,112,420	2,309,560
Committee expenses	5	3,553,700	9,100,700
Use of goods and services	6	4,668,761	7,287,221
Transfers to Other Government Units	7	47,863,281	106,542,447
Other grants and transfers	8	38,778,763	46,971,380
Acquisition of Assets	9	-	6,500,000
Constituency Oversight Committee expenses	10	830,000	-
Other Payments	11	-	-
TOTAL PAYMENTS		100,806,925	178,711,308
SURPLUS/DEFICIT		(12,806,925)	3,466,450

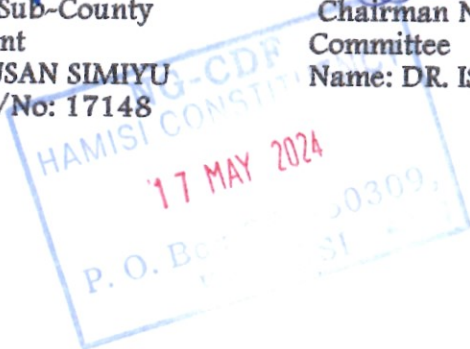
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by the NGCDFC on 20th September, 2023 and signed by:


 Fund Account Manager
 Name: SILVERIUS M. WAKOLI


 National Sub-County
 Accountant
 Name: SUSAN SIMIYU
 ICPAK M/No: 17148


 Chairman NG-CDF
 Committee
 Name: DR. ISALAH KIPSANG



Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

X. Statement Of Assets and Liabilities As At 30th June, 2023

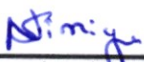
	Note	2022-2023	2021-2022
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	11A	12,314,716	25,121,641
Cash Balances (cash at hand)	11B	-	-
Total Cash and Cash Equivalents		12,314,716	25,121,641
Accounts Receivable			
Outstanding Imprests	12	-	-
TOTAL FINANCIAL ASSETS		12,314,716	25,121,641
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	13A	-	-
Gratuity	13B	-	-
NET FINANCIAL SSETS		12,314,716	25,121,641
REPRESENTED BY			
Fund balance b/fwd 1st July...	14	25,121,640.79	21,655,191
Prior year adjustments	15	-	-
Surplus/ Defict for the year		(12,806,925)	3,466,450.00
NET FINANCIAL POSITION		12,314,716	25,121,641

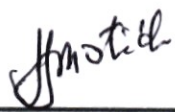
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG NGCDFC on 20th September, 2023 and signed by:


 Fund Account Manager

Name: SILVERIUS M. WAKOLI


 National Sub-County
 Accountant
 Name: SUSAN SIMIYU
 ICPAK M/No: 17148


 Chairman NG-CDF
 Committee
 Name: DR. ISIAH KIPSANG



Hamisi Constituency

National Government Constituencies Development Fund (NGCDF)

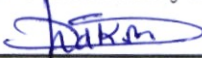
Annual Report and Financial Statements for The Year Ended June 30, 2023

XI. Statement Of Cash Flows for The Year Ended 30th June 2023

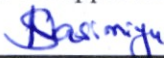
		2022-2023	2021-2022
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	88,000,000	182,177,758
Other Receipts	3	-	-
		88,000,000	182,177,758
Payments for operating activities			
Compensation of Employees	4	5,112,420	2,309,560
Committee expenses	5	3,553,700	9,100,700
Use of goods and services	6	4,668,761	7,287,221
Transfers to Other Government Units	7	47,863,281	106,542,447
Other grants and transfers	8	38,778,763	46,971,380
Oversight Committee Expenses	10	830,000	-
Other Payments	11	-	6,500,000
		100,806,925	178,711,308
Adjusted for:			
Decrease/(Increase) in Accounts receivable	16	-	-
Increase/(Decrease) in Accounts Payable	17	-	-
Prior year Adjustments	15	-	-
Net Adjustments		-	-
Net cash flow from operating activities		(12,806,925)	3,466,450
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(12,806,925)	3,466,450
Cash and cash equivalent at BEGINNING of the year	11	25,121,641	21,655,191
Cash and cash equivalent at END of the year		12,314,716	25,121,641

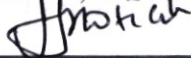
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Constituency financial statements were approved by NG CDFC on 20th September, 2023 and signed by:


Fund Account Manager

Name: SILVERIUS M. WAKOLI


National Sub-County
Accountant
Name: SUSAN SIMIYU
ICPAK M/No: 17148


Chairman NG-CDF
Committee
Name: DR. ISAIAH KIPSANG



*Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

XII. Summary Statement of Appropriation for The Year Ended 30th June 2023

Receipt/Expense Item	Original Budget		Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a		b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	158,832,745	25,121,641	-	183,954,386	113,121,641	70,832,745	61%
Proceeds from Sale of Assets	-	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-	-
TOTAL RECEIPTS	158,832,745	25,121,641	-	183,954,386	113,121,641	70,832,745	61%
PAYMENTS							
Compensation of Employees	5,437,560	2,152,440	-	7,590,000	5,112,420	2,477,580	67%
Committee expenses	3,618,000	-	-	3,618,000	3,553,700	64,300	98%
Use of goods and services	5,039,387	162,958	-	5,202,345	4,668,761	533,584	90%
Transfers to Other Government Units	101,713,281	11,069,225	-	112,782,506	47,863,281	64,919,225	42%
Other grants and transfers	39,436,190	10,306,243	-	49,742,433	38,778,763	10,963,670	78%
Acquisition of Assets	500,000	1,430,775	-	1,930,775	-	1,930,775	-
Oversight Committee Expenses	1,088,327	-	-	1,088,327	830,000	258,327	76%
Other Payments	2,000,000	-	-	2,000,000	-	2,000,000	-
Unallocated fund	-	-	-	-	-	-	-
TOTAL	158,832,745	25,121,641	-	183,954,386	100,806,925	83,147,461	55%


*Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

Note:

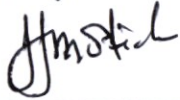
- ❖ *The adjustments column is the Cash book opening balance as at 1st July 2022 of Kshs. 25,121,641*
- ❖ *The utilization difference of Kshs. 70,832,745 is the amount owing to the Constituency as at 30th June 2023.*
- ❖ *The unutilized funds of Kshs. 83,147,461 is the Cashbook balance as at 30th June 2023 of Kshs. 12,314,716 and the amounting owing to the Constituency of Kshs. 70,832,745*
- ❖ *The underutilization was as a resultant of late disbursement of funds to the Constituency.*

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	83,147,461
Less undisbursed funds receivable from the Board as at 30 th June 2023	70,832,745
	12,314,716
Increase/ (decrease) Accounts payable	-
(Decrease)/Increase Accounts Receivable	-
Add/Less Prior Year Adjustments	-
Cash and Cash Equivalents at the end of the 30 th June 2023	12,314,716

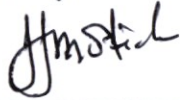
The Constituency financial statements were approved by NG CDFC on 20th September, 2023 and signed by:



Fund Account Manager
Name: SILVERIUS M. WAKOLI



National Sub-County Accountant
Name: SUSAN SIMIYU
ICPAK M/No: 17148



Chairman NG-CDF Committee
Name: DR. ISAIAH KIPSANG



*Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023*

XIII. Budget Execution By Sectors And Projects For The Year Ended 30th June 2023

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference(e = c-d)	% of Utilisation(f=d/c %)
		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
	2022-2023			2022-2023	45,107		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	5,437,560	2,152,440	-	7,590,000	5,112,420	2,477,580	
1.2 Committee allowances	2,786,327	14,679	-	2,801,006	2,707,700	93,306	
1.3 Use of goods and services	2,394,405	108,830	-	2,503,235	1,208,561	1,294,674	
Total	10,618,292	2,275,949	-	12,894,241	9,028,681	3,865,560	
2.0 Monitoring and evaluation							
2.1 Capacity building	2,044,000	200	-	2,044,200	1,943,700	100,500	
2.2 Committee allowances	1,920,000	2,160	-	1,922,160	1,837,500	84,660	
2.3 Use of goods and services	600,982	37,089	-	638,071	635,000	3,071	
Total	4,564,982	39,449	-	4,604,431	4,416,200	188,231	
3.0 Emergency							
3.1 Primary Schools	7,636,190	356,017	-	7,992,207	6,050,000	1,942,207	
3.2 Secondary schools	-	-	-	-	-	-	
3.3 Tertiary institutions	-	-	-	-	-	-	
3.4 Security projects	-	-	-	-	-	-	
3.5 Unutilised	-	-	-	-	-	-	
Total	7,636,190	356,017	-	7,992,207	6,050,000	1,942,207	

Hamisi Constituency
National Government Constituencies Development Fund (NGCDF)
Annual Report and Financial Statements for The Year Ended June 30, 2023

4.0 Bursary and Social Security							
4.1 Secondary Schools	10,000,000	9,214,098	-	19,214,098	19,182,748	31,350	
4.2 Tertiary Institutions	7,000,000	287,400	-	7,287,400	3,760,070	3,527,330	
4.3 Social Security	1,000,000	447,502	-	1,447,502	985,945	461,557	
4.4 Special Needs	-	-	-	-	-	-	
Total	18,000,000	9,949,000	-	27,949,000	23,928,763	4,020,237	
5.0 Sports							
5.1 Sports	3,000,000	1,226	-	3,001,226	-	3,001,226	
Total	3,000,000	1,226	-	3,001,226	-	3,001,226	
6.0 Environment							
Givole Primary School	1,000,000	-	-	1,000,000	-	1,000,000	
Givole Secondary School	1,000,000	-	-	1,000,000	-	1,000,000	
Shivembe Primary School	1,200,000	-	-	1,200,000	1,200,000	-	
Total	3,200,000	-	-	3,200,000	1,200,000	2,000,000	
7.0 Primary Schools Projects							
Banja Muslim Primary School	1,000,000	-	-	1,000,000	-	1,000,000	
Chebunaywa Primary School	755,300	-	-	755,300	755,300	-	
Egemeni Primary School.	4,000,000	-	-	4,000,000		4,000,000	
Gimarian Primary School.	7,000,000	400,000	-	7,400,000		7,400,000	
Friends Special School Givavei	1,000,000	-	-	1,000,000	1,000,000	-	
Givogi Primary School	1,400,000	-	-	1,400,000		1,400,000	
Ikonza ADC Primary School	12,800,000	-	-	12,800,000	10,350,000	2,450,000	
Isikhi Primary School	3,000,000	-	-	3,000,000	-	3,000,000	
Jebrongo Primary School	5,000,000	-	-	5,000,000		5,000,000	
Jinjini Primary School	1,700,000	-	-	1,700,000	1,700,000	-	

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Kabinjari Primary School	1,000,000	-	-	-	1,000,000	-
Kakubudu Primary School.	4,000,000	-	-	-	4,000,000	-
Kapchemung Primary School	2,557,981	-	-	-	2,557,981	-
Kapkoi Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Kapsoi Primary School	1,000,000	-	-	-	1,000,000	500,000
Kaptieni Primary School	2,000,000	-	-	-	2,000,000	2,000,000
Kimarani Primary School	1,000,000	-	-	-	1,000,000	-
Kinu Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Kitambazi Primary School	1,500,000	-	-	-	1,500,000	500,000
Logere Primary School	2,000,000	-	-	-	2,000,000	2,000,000
Logere Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Luther Primary School	1,000,000	-	-	-	1,000,000	-
Madeya Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Malinda Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Muhudu Primary School	1,000,000	-	-	-	1,000,000	-
Museywa Primary School	1,850,000	-	-	-	1,850,000	1,350,000
Musasa Primary School	3,000,000	-	-	-	3,000,000	3,000,000
Muyere Primary School	500,000	-	-	-	500,000	500,000
Saride Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Senende Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Viyalo Primary School	1,000,000	-	-	-	1,000,000	1,000,000
Shamalago Primary School						

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	2,000,000	-	-	2,000,000		2,000,000	
Boyani Primary School	-	600,000	-	600,000	600,000	-	
Gamuguywa Primary School	-	500,000	-	500,000	-	500,000	
Jeviriri Primary School Road	-	3,000,000	-	3,000,000	3,000,000	-	
kapkoi Primary School Road	-	3,000,000	-	3,000,000	3,000,000	-	
Total	70,063,281	7,500,000	-	77,563,281	32,963,281	44,600,000	
8.0 Secondary Schools Projects							
George Khaniri Sec. Jepkoyai	1,200,000	69,225	-	1,269,225	-	1,269,225	
Gimarian Secondary School	1,000,000	-	-	1,000,000	-	1,000,000	
Gimengwa Secondary School	950,000	1,200,000	-	2,150,000	-	2,150,000	
Kapchemgung Secondary School	2,300,000	-	-	2,300,000	2,300,000	-	
Kapsotik Secondary School	3,000,000	-	-	3,000,000	-	3,000,000	
Lwombei Secondary School	10,000,000	-	-	10,000,000	-	10,000,000	
Muhaya Secondary School	2,300,000	-	-	2,300,000	2,300,000	-	
Muhudu Secondary School	6,000,000	-	-	6,000,000	6,000,000	-	
Musiri Secondary School.	1,000,000	-	-	1,000,000	1,000,000	-	
Simbi Secondary School.	2,800,000	-	-	2,800,000	2,800,000	-	
St. Veronica Girls High School - Kimarani.	1,100,000	1,500,000	-	2,600,000	800,000	1,800,000	
Chepsaga Secondary School.	-	800,000	-	800,000	-	800,000	
Total	31,650,000	3,569,225	-	35,219,225	15,200,000	20,019,225	
9.0 Tertiary institutions Projects							
Total	-		-	-	-	-	

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10.0 Security Projects							
Gambogi Police Station.	7,000,000	-	-	7,000,000	7,000,000	-	
Gambogi Police Station.	600,000	-	-	600,000	600,000	-	
				-		-	
						-	
Total	7,600,000	-	-	7,600,000	7,600,000	-	
11.0 Acquisition of assets							
Purchase of office furniture	500,000	-	-	500,000	-	500,000	
Hamisi NG-CDF office	-	1,030,775	-	1,030,775	-	1,030,775	
Office Motorbike	-	400,000	-	400,000	-	400,000	
	-		-	-			
Total	500,000	1,430,775	-	1,930,775		1,930,775	
12.0 Other payments							
Hamisi NG-CDF Strategic Plan	2,000,000	-	-	2,000,000		2,000,000	
						-	
Total	2,000,000	-	-	2,000,000	-	2,000,000	
13.0 unallocated fund							
Unapproved projects						-	
AIA						-	
PMC savings							
Total			-	-	-	-	
	158,832,745	25,121,641	-	183,954,386	100,386,925	83,567,461	

(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

XIV. Significant Accounting Policies

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Significant Accounting Policies continued

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Significant Accounting Policies continued

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

Significant Accounting Policies continued

6. Cash and Cash Eequivalent.

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

Significant Accounting Policies continued

7. Accounts Receivable

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

8. Accounts Payable

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

Significant Accounting Policies continued

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30TH June 2022 for the period 1st July 2022 to 30th June 2023 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.

Significant Accounting Policies Continued

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 2023

14. Errors

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

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

15. Related Party Transactions

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

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XV. Notes To the Financial Statements

1. Transfers from NGCDF Board

Description	2022-2023	2021-2022
	Kshs	Kshs
Normal Allocation		
AIE NO. B140891		33,000,000
AIE NO. B140892		44,000,000
AIE NO. B105769		22,000,000
AIE NO. B128503		5,000,000
AIE NO. B128814		12,000,000
AIE NO. B154012		12,000,000
AIE NO. B164455		18,000,000
AIE NO. B155942		12,088,879
AIE NO. A895005		14,000,000
AIE NO. B155817		10,088,879
AIE NO. B185062	7,000,000	
AIE NO. B185339	6,000,000	
AIE NO. B185602	15,000,000	
AIE NO. B185892	5,000,000	
AIE NO. B206349	12,000,000	
AIE NO. B205733	12,000,000	
AIE NO. B205995	16,000,000	
AIE NO. B207860	15,000,000	
TOTAL	88,000,000	182,177,758

2. Proceeds From Sale of Assets

	2022-2023	2021-2022
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Others (specify)	-	-
Total	-	-

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3. Other Receipts

	2022-2023	2021-2022
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

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Notes To the Financial Statements (Continued)

4. Compensation Of Employees

Description	2022-2023	2021-2022
	Kshs	Kshs
NG-CDFC Basic staff salaries	3,553,140	2,132,440
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity-contractual employees	1,421,040	-
Employer Contributions Compulsory national social security schemes	138,240	177,120
TOTAL	5,112,420	2,309,560

5. Committee Expenses

Description	2022-2023	2021-2022
	Kshs	Kshs
Sitting allowance	1,698,700	4,160,500
Other committee expenses	1,855,000	4,940,200
TOTAL	3,553,700	9,100,700

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6. Use of Goods and services

Description	2022-2023	2021-2022
	Kshs	Kshs
Utilities, supplies and services	62,000	-
Communication, supplies and services	69,600	116,120
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	1,895,200	1,611,000
Hospitality supplies and services	110,000	-
Insurance costs	372,961	372,961
Specialised materials and services	-	-
Office and general supplies and services	1,765,000	4,503,900
Fuel , oil & lubricants	150,000	500,000
Other operating expenses	-	-
Bank service commission and charges	200,000	109,600
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	44,000	40,000
Routine maintenance- other assets	-	33,640
TOTAL	4,668,761	7,287,221

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Notes To The Financial Statements (Continued)

7. Transfer To Other Government Units

Description	2022-2023	2021-2022
	Kshs	Kshs
Transfers to Primary Schools	32,663,281	75,875,000
Transfers to Secondary Schools	15,200,000	30,667,447
Transfers to Tertiary Institutions	-	
TOTAL	47,863,281	106,542,447

8. Other Grants and Other transfers

Description	2022-2023	2021-2022
	Kshs	Kshs
Bursary - Secondary (see attached list)	19,182,748	9,981,190
Bursary -Tertiary (see attached list)	3,760,070	8,377,800
Bursary- Special Schools	985,945	838,200
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	-	-
Security Projects (see attached list)	7,600,000	15,100,000
Sports Projects (see attached list)	-	2,948,000
Environment Projects (see attached list)	1,200,000	2,890,000
Emergency Projects (see attached list)	6,050,000	6,836,190
Roads Projects	-	-
TOTAL	38,778,763	46,971,380

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Notes To the Financial Statements (Continued)

9. Acquisition Of Assets

Non Financial Assets	2022-2023	2021-2022
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	1,000,000
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	5,500,000
Purchase of Household Furniture and Institutional Equipment		
Purchase of office furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets		
TOTAL	~	6,500,000

10. Oversight Committee Expenses

Oversight Committee Expenses	2022-2023	2021-2022
	Kshs	Kshs
COC Members allowance	285,500.00	-
Other COC expenses	544,500.00	-
TOTAL	830,000.00	-

11. Other Payments

	2022-2023	2021-2022
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	~	-

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12. Cash Book Bank Balance

Name of Bank, Account No. & currency	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Kenya Commercial Bank,A/C no. , 1102380598 Mbale Branch .	12,314,716	25,121,641
Kenya Commercial Bank,A/C no. Branch . (deposit account)	-	-
	-	-
TOTAL	12,314,715.79	25,121,641
11B: CASH IN HAND)		
	2022-2023	2021-2022
	Kshs (30/6/2023)	Kshs (30/6/2022)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
TOTAL	-	-

13. Outstanding Imprests

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
Total		-	-	-

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Notes to the Financial Statement Continued

14. Retention and Gratuity

14 A. Retention	2022-2023	2021-2022
	KShs	KShs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

14 B. Gratuity	2022-2023	2021-2022
	KShs	KShs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

15. Fund Balance B/F

	2022-2023	2021-2022
	Kshs (1/7/2022)	Kshs (1/7/2021)
Bank accounts	25,121,641	21,655,191
Cash in hand		
Imprest		
TOTAL	25,121,641	21,655,191

16. Prior Year Adjustments

	Balance b/f as per Audited Financial statements	Adjustments	Adjusted Balance** BF
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	-	-
Others (<i>specify</i>)	-	-	-
Total	-	-	-

****** *The adjusted balances are not carried down on the face of the financial statement.
(Entity to provide disclosure on the adjusted amounts)*

17. Changes In Accounts Receivable – Outstanding Imprests

	2022-2023	2021-2022
	Kshs	Kshs
Outstanding Imprest as at 1st July (A)	-	-
Imprest issued during the year (B)	-	-
Imprest surrendered during the Year (C)	-	-
Closing accounts receivable as at 30th June 2022 (D=A+B-C)	-	-
Net changes in accounts receivables D-A	-	-

18. Changes In Accounts Payable – Deposits and Retentions

	2022-2023	2021-2022
	Kshs	Kshs
Deposits and Retention as a t 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)	-	-
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	-	-
Net changes in accounts payables D-A	-	-

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Notes To the Financial Statements (Continued)

19. Other Important Disclosures

19.1: Pending Accounts Payable (See Annex 1)

	2022-2023	2021-2022
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
TOTAL	-	-

19.2: Pending Staff Payables (See Annex 2)

	2022-2023	2021-2022
	Kshs	Kshs
NGCDF Staff	-	1,421,040
Others	-	-
Total	-	1,421,040

19.3: Unutilized Fund (See Annex 3)

	2022-2023	2021-2022
	Kshs	Kshs
Compensation of employees	2,477,580	2,152,440
Committee expenses	64,300	-
Use of goods and services	533,584	162,958
Amounts due to other Government entities (see attached list)	64,919,225	11,069,225
Amounts due to other grants and other transfers (see attached list)	10,963,670	10,306,243
Acquisition of assets	1,930,775	1,430,775
Oversight Committee Expenses	258,327	-
Others (<i>Strategic Plan</i>)	2,000,000	-
Funds pending approval	-	-
Total	83,147,461	25,121,641

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18.4: PMC account balances (See Annex 5)

	2022-2023	2021-2022
	Kshs	Kshs
PMC account balances (see attached list)	3,964,280	6,971,646
Total	3,964,280	6,971,646

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XVI. Annexes

Annexes: 1 Analysis of Pending Accounts Payable

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
Sub-Total					
Grand Total					

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Annex 2 - Analysis of Pending Staff Payables

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2023	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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Annex 3 – Unutilized Fund

Name	Brief Transaction Description	Outstanding Balance 2022-2023	Outstanding Balance 2021-2022	Comments
Compensation of employees		2,477,580.00	2,152,440	
Use of goods & services		597,883.90	162,958	
Amounts due to other Government entities				
a) Primary School Projects				
Ikonza ADC Primary School	Construct Adm/ tuition block	2,450,000.00	-	
Givogi Primary School	Dormitory	1,400,000.00	-	
Banja Mulsim Primary School	Classroom construction	1,000,000.00	-	
Senende Primary School	Renovation of classrooms	1,000,000.00	-	
Bishop Chabuga ADC Primary School	Classroom construction	1,000,000.00	-	
Gimarian Primary School	Classrooms construction	7,400,000.00	400,000	
Kinu Primary School	Renovation of classrooms	1,000,000.00	-	
Isikhi Primary School	Renovation of classrooms	3,000,000.00	-	
Jebrongo Primary School	Construct Adm/ tuition block	5,000,000.00	-	
Malinda Primary School	Renovation of classrooms	1,000,000.00	-	
Musasa Primary School	Classrooms construction	3,000,000.00	-	
Kapkoi Primary School	Classroom construction	1,000,000.00	-	
Kapsoi Primary School	Renovation of classrooms	500,000.00	-	
Kaptieni Primary School	Classrooms construction	2,000,000.00	-	
Egemeni Primary School	Construct 8 classrooms	4,000,000.00	-	
Logere Primary School	Construct Adm/block	2,000,000.00	-	
Logere Primary School	Construct classroom	1,000,000.00	-	

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Madeya Primary School	Renovation of classrooms	1,000,000.00	-	
Shamalago Primary School	Classrooms construction	2,000,000.00	-	
Saride Primary School	Renovation of classrooms	1,000,000.00	-	
Gamuguywa Primary School	Renovation of classrooms	500,000.00	500000	
Kitambazi Primary School	Renovation of classrooms	500,000.00	-	
Kapkoi Primary School	Road maintenance	150,000.00	3,000,000.00	
Simbi Primary School	Road maintenance	150,000.00	3,000,000.00	
Muyere Primary School	Renovation of classrooms	500,000.00	-	
Museywa Primary School	Renovation of classrooms	1,350,000.00	-	
Boyani Primary School	Renovation of classrooms	-	600,000	
b) Secondary School Projects				
Lwombe Secondary School	Construct Adm/ tuition block	10,000,000.00	-	
St. Veronicah Girls Sec School	Construct Adm block	1,800,000.00	1,500,000.00	
Gimaria Secondary School	Construct Adm block	1,000,000.00	-	
Gimengwa Secondary School	Construct Ablution block	2,150,000.00	1,200,000.00	
Kapsotik Secondary School	Library/ Multipurpose hall	3,000,000.00	-	
George Khaniri Jepkoyai Sec School	Construct classrooms	1,269,225.00	69,225.00	
Chepsaga Secondary School	Construct Ablution block	800,000.00	800,000.00	
Sub-Total		64,919,225	11,069,225.00	
Amounts due to other grants and other transfers				
Sports				
Sports	Sports tournament	3,001,226.00	1,226.00	
Bursary and Social Security				
Bursary Secondary School		31,350.00	5,614,098.00	
Bursary Tertiary Institutions		3,527,330.00	3,487,400.00	
Bursary Special School		461,557.00	847,502.00	
Environment				

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Givole Primary School	Construct exhaustible latrine	1,000,000.00	-
Givole Secondary School	Construct exhaustible latrine	1,000,000.00	-
Emergency Projects	Cater for unforeseen occurrences	1,942,207.00	356,017.00
Sub-Total	10,963,670	10,963,670.00	10,306,243.00
Acquisition of assets			
Hamisi NG-CDF office	Construction of Modern Ablution	1,030,775.00	1,030,775.00
Hamisi NG-CDF office	Purchase office furniture & fittings	500,000.00	-
Office Motorbike	Purchase of office motorbike	400,000.00	400,000.00
Others (specify)			
Strategic plan	Preparation of strategic plan	2,000,000.00	-
Sub-Total		3,930,775.00	1,430,775.00
Constituency Oversight Committee Expenses			
Constituency Oversight Committee Expenses	Cater for COC expenses	258,327.00	-
Sub-Total		258,327.00	-
Grand Total		83,147,461.00	25,121,641.00

Annex 4 – Summary of Fixed Asset Register

Asset class	Historical Cost b/f (Kshs) 2021-2022	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2022-2023
Land	-	-	-	-
Buildings and structures	4,700,000	-	-	4,700,000
Transport equipment	5,900,000	-	-	5,900,000
Office equipment, furniture and fittings	588,000	-	-	588,000
ICT Equipment, Software and Other ICT Assets	31,150	-	-	31,150
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	11,219,150	-	-	11,219,150

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Annex 5 –PMC Bank Balances As At 30th June 2023

	Account number	Bank	DATE A/C OPENED	Bank Balance	Bank Balance
PMC NAME				AS AT 30TH JUNE 2023	AS AT 30TH JUNE 2022
PMC					
Ass. Chief Office Kipchekwen	1287203582	KCB Mbale	07/08/2021	389	515
Bahati Primary School	1206718412	KCB Mbale	02/03/2017	514	514
Banja Muslim Primary School	1126380296	KCB Serem	13/04/2011	3,819	256,069
Bishop Chabuga ADC Primary Viyalo	1298445248	KCB Mbale	07/11/2020	50,609	-
Bishop Sulumeti Secondary School	1280326077	KCB Mbale	09/11/2020	365	9,252
Bumbo Primary School	1258041197	KCB Serem	03/06/2019	443	569
Bumuyange Secondary School	1200684737	KCB Mbale	11/10/2016	112,677	48,865
Butiti Primary School	1265832129	KCB Mbale	09/10/2019	3,225	2,290
Buyangu Primary School	1166959996	KCB Mbale	25/06/2019	62	62
Chebunaywa Primary School	1287026966	KCB Mbale	01/07/2021	354	74,923
Chebunaywa Secondary School	1260682447	KCB Mbale	15/07/2019	354	74,923
Chepsaga Primary School	1111134030	KCB Mbale	02/03/2009	4,763	3,141
Cheptech Primary School	1114695998	KCB Mbale	22/10/2009	947	947
DCC Hamisi	1208679031	KCB Mbale	10.10.2021	44,690	45,755
Dr. Gimose Sec School Jeviriri	1166786706	KCB Mbale	21/01/2015	16,098	18,549
Dr. Maurice Dangan Secondary	1255372516	KCB Mbale	11/04/2019	430	934
Egemeni Primary School	1210821133	KCB Mbale	06/06/2017	260	22,728
Friends Kaimosi Primary School	1167036670	KCB Mbale	28/01/2015	18,409	18,409
Friends Primary School Givogi	1235866351	KCB Mbale	13/07/2013	1,513	2,704
Friends School For deaf Givavei	1266279563	KCB Mbale	18/10/2019	4,952	6,143
Gamalenga Primary School	1103652745	KCB Mbale	13/07/2013	2,819	1,106

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Gamalenga Secondary School	1102380946	KCB Mbale	11/02/2008	17,628	251,877
Gambaragai Primary School	1266250360	KCB Mbale	17/10/2019	1,623	3,986
Gambogi Police Station	1294913522	KCB Mbale	01/04/2022	470	343,495
Gamoi Secondary School	1147423229	KCB Mbale	26/11/2013	171	7,488
George Khaniri Secondary Jepkoyai	1274572053	KCB Mbale	06/06/2020	87	277,969
Gidagadi Primary School	1272997456	KCB Mbale	15/04/2020	1,058	61,595
Gidagadi Secondary School	1276717873	KCB Mbale	13/08/2022	69	69,067
Gidimo Primary School	1126220779	KCB Mbale	07/04/2011	815	69,067
Gimarian Secondary School	1266268804	KCB Mbale	18/10/2019	17,975	49,922
Gimegwa Primary School	1271216612	KCB Mbale	21/02/2020	656	185
Gimengwa Secondary School	1101794909	KCB Mbale	13/09/2006	5,744	5,744
Gimomoi Primary School	1101936290	KCB Mbale	13/09/2006	968	1,829
Gisambai Primary School	1294776770	KCB Mbale	09.09.2014	1,849	15,849
Givavei Friends School for the deaf	1266279563	KCB Mbale	18/10/2019	4,952	6,143
Givogi Primary School	1277193088	KCB Mbale	13/07/2018	13,312	14,377
Givole Primary School	1112506136	KCB Mbale	30/06/2009	3,583	2,974
Givole Secondary School	1218529180	KCB Mbale	17/10/2017	502	18,266
Goibei Primary School	1103652745	KCB Mbale	13/09/2006	2,819	1,106
Itiengere Primary School	1101936703	KCB Mbale	13/09/2006	197	1,652
Itovo Primary School	1116181452	KCB Mbale	18.12.2021	1,444	1,696
Ivola Primary School	1101799617	KCB Mbale	13/09/2006	8,872	27,741
Jamulongoji Primary School	1101842903	KCB Mbale	13/09/2006	815	1,078
Jeblabuk Primary School	1109395337	KCB Mbale	23/10/2008	2,393	5,519
Jebrongo Primary School	1102263486	KCB Mbale	02/10/2008	41,690	274,072
Jeptorol Primary School	1112203516	KCB Mbale	13.09.2022	2,372	1,002,880
Jidereri Primary School	1169487629	KCB Mbale	16/04/2015	-	262
Jinjini Primary School	1260971821	KCB Mbale	19/07/2019	30,389	934

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Kabinjari Primary School	1271844508	KCB Mbale	07/03/2020	7,058	8,294
Kaimosi Demo Primary School	1173505288	KCB Mbale	17/08/2015	-	95
Kakubudu Primary School	1313665770	KCB Mbale	11.02.2013	3,975	-
Kamuluguywa Primary School	1124388680	KCB Mbale	25/01/2011	315	315
Kapchemgung Primary School	1172733805	KCB Mbale	25/07/2015	213	1,132
Kapchemgung Secondary School	1291352864	KCB Mbale	25/11/2021	4,766	6,155
Kapchorwa ADC Primary School	1197908056	KCB Mbale	18/08/2016	2,135	2,135
Kapkoi Primary School	1293930881	KCB Mbale	08/03/2022	742	2,059
Kapsegeli Primary School	1258772175	KCB Mbale	14/06/2019	742	2,059
Kapogoro Primary School	1125634243	KCB Mbale	15/03/2011	275	275
Kapsoi Primary School	1160032092	KCB Mbale	17/09/2014	422	1,733
Kapsofik Primary School	1271636468	KCB Mbale	03/03/2020	1,078	2,269
Kapsofik Secondary School	1109833229	KCB Mbale	20/11/2008	829	2,020
Kaptik Primary School	1173430970	KCB Mbale	14/08/2015	390	286,455
Kaptik Secondary School	1102282170	KCB Mbale	14/09/2022	390	286,455
Kaptis Primary School	1278238662	KCB Mbale	24/09/2020	1,184	2,249
Kimarani Primary School	1278889531	KCB Mbale	30/09/2020	399	50,525
Kinu Primary School	1149111763	KCB Mbale	13/01/2014	3,337	174
Kinu Secondary School	1255619007	KCB Mbale	17/04/2019	1,073	2,264
Kipsigor Primary School	1286014344	KCB Mbale	20/05/2021	1,910	2,975
Kisasi Secondary School	1296621693	KCB Mbale	27/05/2022	1,347	22,664
Kitagwa Primary School	1287421881	KCB Mbale	17/07/2021	1,864	2,929
Kitagwa Secondary School	1261843843	KCB Mbale	06/07/2019	297	1,614
Kitambazi Primary School	1111901767	KCB Mbale	08/05/2009	8,222	8,348
Luther Primary School	1258638916	KCB Mbale	12/06/2019	122,728	1,751
Lwombe Primary School	1102262781	KCB Mbale	02/10/2016	702	5,619
Madeya Primary School	1101803088	KCB Mbale	13/09/2006	254	27,269
Mahanga Primary School	1290242844	KCB Mbale	18/10/2021	2,784	3,849

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Makuchi Primary School	1258104008	KCB Mbale	04/06/2019	1,166	2,357
Malinda Primary School	1109449992	KCB Mbale	24/10/2008	122,824	125,685
Malinda Secondary School	1266286187	KCB Mbale	18/10/2019	706	1,771
Muhaya Secondary School	1279177616	KCB Mbale	08/10/2020	64,402	28,562
Muhudu Chiefs Office	1281617334	KCB Mbale	18/12/2020	100	400,380
Muhudu Primary School	1168097495	KCB Mbale	19.01.2019	3,997	323
Muhudu Secondary School	1116447703	KCB Mbale	10/02/2020	54,478	36,114
Munzatsi Primary School	1168236223	KCB Mbale	09/03/2015	29,945	3,071
Munzatsi Secondary School	1179265904	KCB Mbale	01/03/2016	33,619	56,033
Museywa Primary School	1102283290	KCB Mbale	30/09/2008	775	2,692
Musiri Primary School	1236826809	KCB Mbale	07/08/2018	775	2,692
Musiri Secondary School	1260446069	KCB Mbale	10/07/2019	5,270	6,335
Musudzu Primary School	1291402225	KCB Mbale	29/11/2021	431	809
Mutave Primary School	1115533126	KCB Mbale	04/12/2009	10	16
Mutiva Primary School	1236647793	KCB Mbale	02/08/2018	1,097	45,913
Muyere Primary School	1162318430	KCB Mbale	23/10/2014	36,673	37,990
Muyere Secondary School	1173505288	KCB Mbale	17/08/2016	-	95,845
Mwanzo ADC Primary School	1238554563	KCB Serem	11/09/2018	845	845
Nyang'ori Primary School	1152617761	KCB Mbale	30/04/2014	34,601	360,756
Saosi Primary School	1112975497	KCB Serem	30/07/2009	5,471	136,597
Senende Primary School	1111140596	KCB Serem	22/11/2017	3,725	804,233
Serem Police Station	1150755873	KCB Serem	13/03/2014	737	737
Shaviringa Divisional HQs	1279452234	KCB Serem	16/10/2020	737	737
Shikomoli Primary School	1114711098	KCB Mbale	23/10/2009	731	731
Shipala Primary School	1175861588	KCB Mbale	22/10/2015	-	54
Shiru Primary School	1102071307	KCB Serem	03/11/2006	61,855	-
Shivembe Primary School	1314215035	KCB Mbale	18.12.2021	61,855	-
Siekuti Primary School	1160502692	KCB Mbale	25/09/2014	1,683	2,748

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Simbi Primary School	1101837756	KCB Mbale	13/09/2006	1,093	11,310
Simbi Secondary School	1110450052	KCB Mbale	05/01/2009	2,813,484	955,699
St. Johns Cheptech Secondary School	1266415181	KCB Serem	22/10/2019	1,979	3,926
St. Veronica Girls Kimaran	1135267197	KCB Mbale	10/07/2012	3,544	5,920
Tambua Dos Office	1122467451	KCB Mbale	25/10/2020	19,610	1,312
Zululu Primary School	1284836096	KCB Mbale	12/04/2021	603	603
TOTAL				3,968,396	6,971,646

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Annex 6: Progress On Follow Up of Auditor Recommendations*

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>Basis for Qualified Opinion e) Stale Cheques</p>	<p>The statement of financial position and as disclosed at Note 10 to the financial statements reflects bank balance of Kshs. 25,121,641. Included in the bank reconciliation statement for June 2022 are cheque payments in the year amounting to Kshs. 386,000 relating mainly to disbursements of bursaries. These cheques were part of the reported expenditure of Kshs. 178,711,308 in the statement of receipts and payments. However, a subsequent follow up indicated that the cheques had not been reversed in the cashbook. In the circumstances, the accuracy of bank balance of</p>	<p><i>The stale cheques were reversed in the cashbook and replaced to benefit other needy students in the month of July 2022. Attached find a copy of Bank Reconciliation statement and bank statement for the month of July 2022 on Annex 1</i></p>	<p>Not resolved</p>	

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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)
	Kshs. 25,121,641 could not be confirmed.			
2. Unsupported Bursaries Disbursement	<p>The statement of receipts and payments reflects other grants and transfers and as disclosed in Note 7 to the financial statements of Kshs. 46,971,380 which includes bursaries to secondary schools, tertiary institutions and special schools of Kshs. 9,981,190, Kshs. 8,377,800 and Kshs. 838,200 totalling to Kshs. 19,197,190. Although the bursaries were disbursed as per the summarized schedules provided. However, full names of the learning institutions as per the bank account name, bank name, bank branch name, bank account number of the learning institutions, bursary amount, full name of the student, admission number, type of institution, county in which the learning institution is located were</p>	<p>The details are provided on the bursary application forms. Attached find a copy of the same on Annex 7</p>	Not resolved	

**Hamisi Constituency
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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)
	<p>not provided for audit review. In the circumstances, the completeness and accountability of the expenditure of Kshs. 19,197,380 as at 30 June 2022 could not be confirmed</p>			
<p>Other Matter Budgetary Control and Performance</p>	<p>The summary statement of appropriations reflects total budgeted expenditure and actual on a comparable basis was Kshs. 203,832,949 and Kshs.178,711,308 resulting to under-expenditure of Kshs. 25,121,641 or 12% of the budget.</p> <p>The under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.</p>	<p><i>The under-expenditure was as a result of late disbursement of funds from the exchequer. Attached find a copy of AIEs on Annex 5</i></p>	<p>Not resolved</p>	
<p>Basis of Conclusion Proposed Construction of a Modern Ablution Block with Overhead Water Tank</p>	<p>The contract for the works was awarded to a Contractor at a contract sum of Kshs. 2,030,775 for a period of 24 weeks. The project commenced on 11th</p>	<p><i>The contractor had some challenges and requested for extra time to finish the works. The contractor is now on site</i></p>		

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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)
	<p>February, 2022 with expected completion date of 11th June, 2022.</p> <p>During the audit verification exercise carried out on 16th March, 2023, it was observed that the contractor was not on site and no work was going on. It was further noted that the amount certified to date was Kshs.1,000,000 against the actual amount paid to date of Kshs.1,000,000.</p> <p>Further, review of the project's progress report as at March, 2023 revealed that the works were 70% complete.</p> <p>In addition, the contract period had expired on 11 June, 2022 and no evidence was provided to show that the contractor had requested for extension of time and the approval thereof.</p>	<p><i>and the works are now at 90%. Attached find a copy of request letter for extension of works on Annex 4</i></p>		

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SILVERIUS M. WAKOLI
Fund Account Manager.

NG-CDF
HAMISI CONSTITUENCY
17 MAY 2024
P. O. Box 262-50309,
KAIMOSI



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