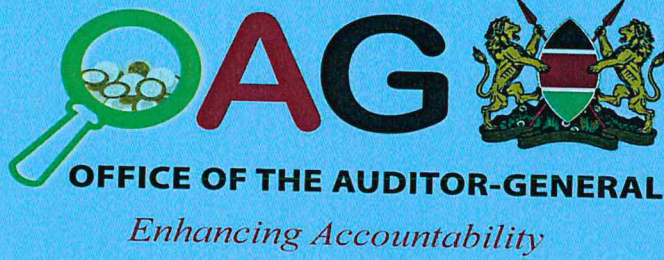


REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY

DATE: 10 MAY 2022

DAY: TUESDAY

MAJORITY LEADER

*[Signature]*

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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





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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BAHATI CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2019

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



*NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
CONSTITUENCY*

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

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

The mandate of the Fund as derived from sec (3) of National Government Constituency Development Fund 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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
CONSTITUENCY**

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

**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.

**(b) Key Management**

The National Government Constituency Development Fund- BAHATI day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

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

<u>No.</u>	<u>Designation</u>	<u>Name</u>
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Hawah N. Abdul
3.	Sub-County Accountant	Dickson Moreka
4.	Chairman National Government Constituency Development Fund Committee	Collins Oduor
5.	Member National Government Constituency Development Fund Committee	Judy Mirangoh

**(d) Fiduciary Oversight Arrangements**

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

**(e) National Government Constituency Development Fund Bahati Constituency Headquarters**

P.O. Box 2  
CDF Building  
Maili Kumi Centre; NAKURU NYAHURURU Road  
Bahati.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
CONSTITUENCY**

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

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**(f) National Government Constituency Development Fund Bahati Constituency Contacts**

Telephone: (254)711566300  
E-mail: [cdfbahati@ngcdf.go.ke](mailto:cdfbahati@ngcdf.go.ke)  
Website: [www.cdf.go.ke](http://www.cdf.go.ke)

**(g) National Government Constituency Development Fund Bahati Constituency Bankers**

Equity Bank  
Gate house branch  
P.O. Box 12568-20100  
Nakuru

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI CONSTITUENCY**

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

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE**

The Bahati Constituency is one of the 11 constituencies in Nakuru County. The constituency has 5 wards namely Bahati ward, Kiamaina ward, Kabatini ward, Dundori ward and Lanet ward.

The Bahati NG-CDF was allocated Kshs. 109,860,876 during the financial year 2018/2019 and out of the budget allocated, the Board disbursed Kshs. 109,860,876 which translates to 100% funding. It further allocated additional funds of Ksh. 11,379,310 which gave a total funding as kshs. 121,240,186. However, the additional funds were released after the close of the financial year.

The NG-CDF Bahati has continued to use PMC for the implementation of projects. During the year under review most of the projects were allocated funds for completion. Most projects are on-going and about 50% are complete and in use. However, few projects are in various phases and will be allocated more funds in the subsequent years.

The main focus was on the National Government functions such as Education and Security.

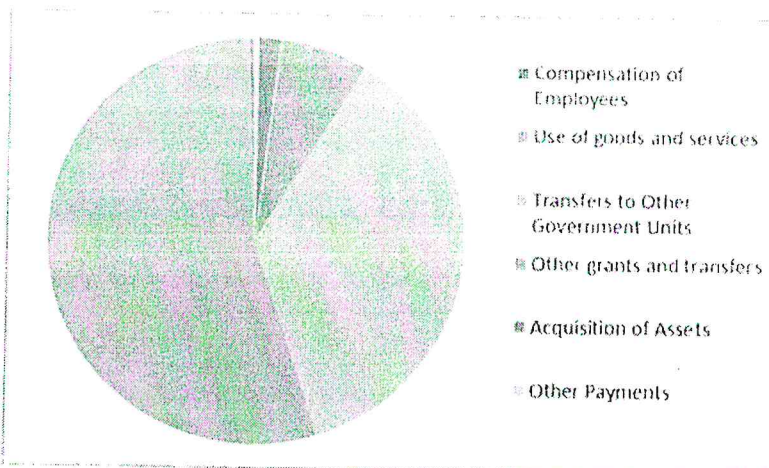


Fig 1: Pie chart showing allocation per sector for the Financial year 2018/2019

**Key achievements.**

The National Government Constituency Development Fund Bahati has continued to expand institutions of learning and enhancing security by increasing funding to security projects and modernising schools as seen below:



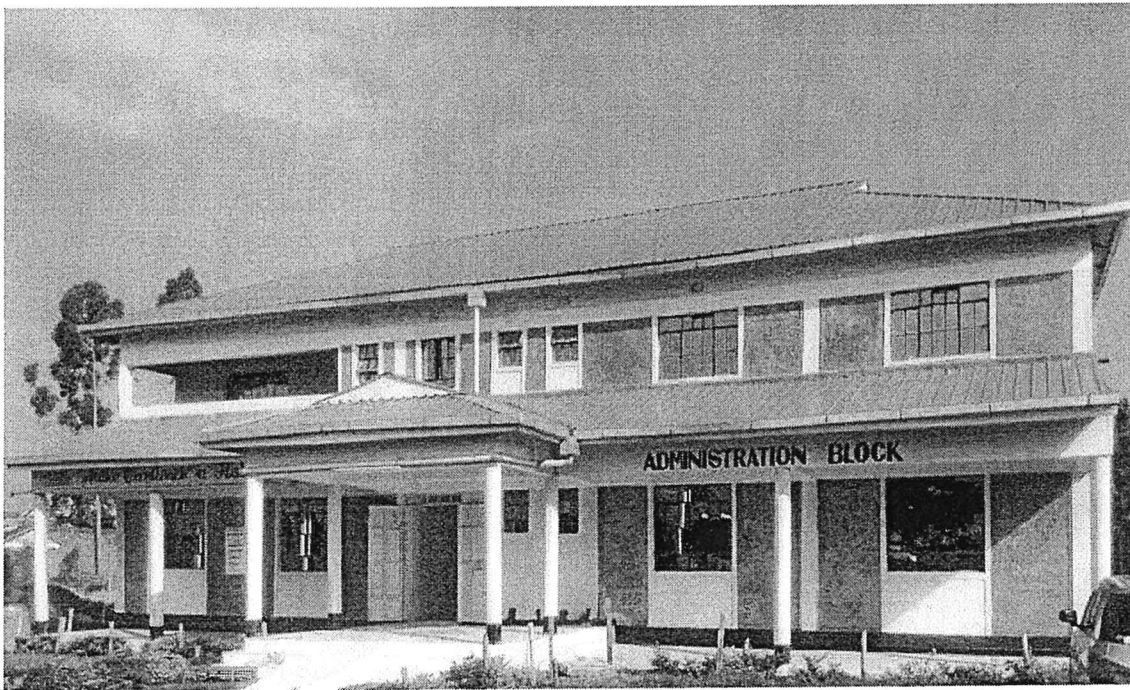
*Mwiruti secondary school- Construction of twin laboratory*





5

*A completed library and a laboratory at Mikeu Secondary School funded by the National Government Constituency Development Fund Bahati*

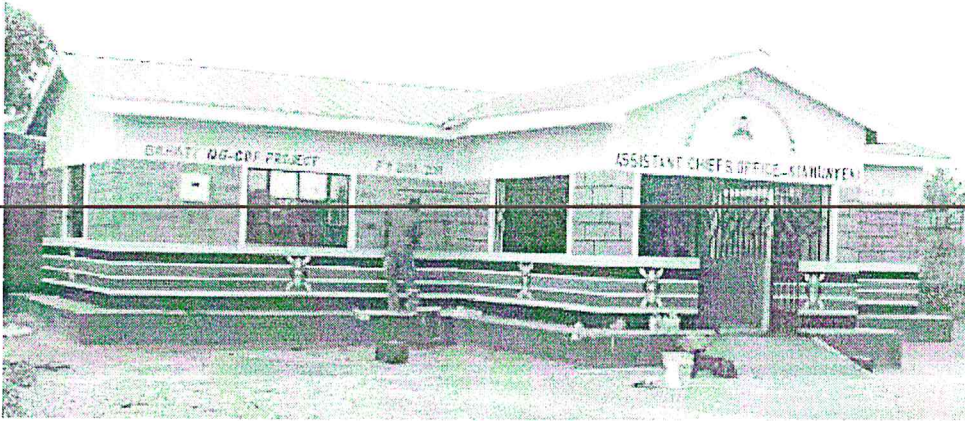


**Workers High School Administration block funded by the Bahati NG-CDF**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
CONSTITUENCY**  
Reports and Financial Statements  
For the year ended June 30, 2019

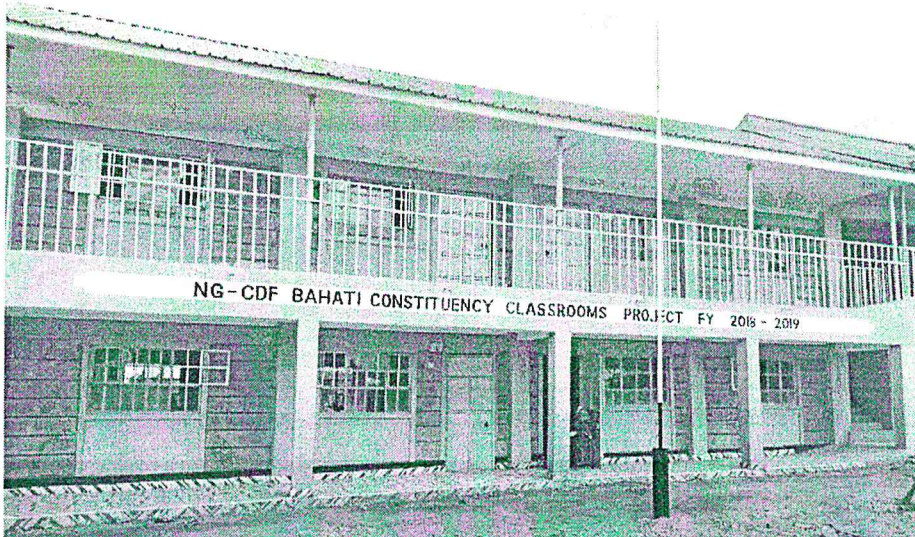
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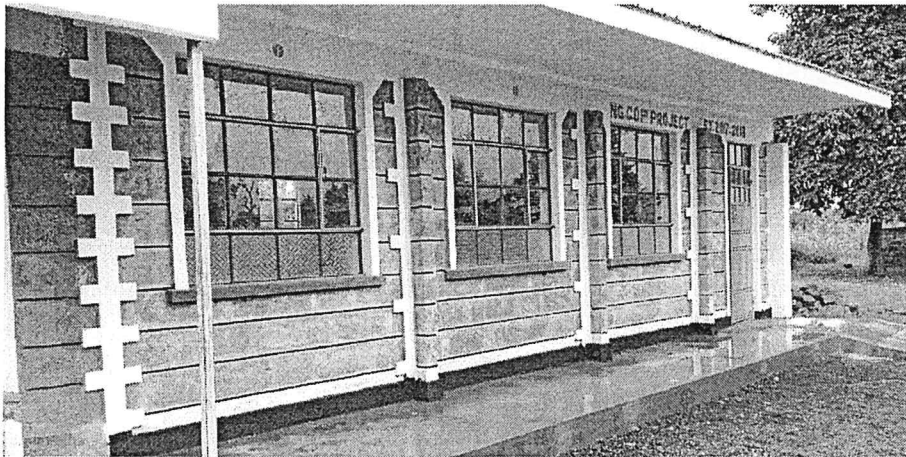
*Kiamunyeeki Assistant Chiefs office funded by NG-CDF Bahati.*



*Kiamaina OCPD Headquarters – a Project funded by NGCDF Bahati*



**Limuko Secondary School- Construction of storey classrooms**



**St.Peters Engoshura Classroom Funded by NG-CDF Bahati**

**List the implementation challenges and recommended way forward.**

- Inadequate funding based on the myriad community needs
- Low capacity of the Project Management Committee
- Lack of proper civic education –the community has not distinguished the role of the County and that of National Government Constituency Development Fund.

**Achievements**

The NGCDF Bahati has continued to give grants for construction of Classrooms, Laboratories, Libraries, police posts/stations and chiefs offices. This has led to the following achievements.

1. Improved learning Environment
2. Increased enrolment rate of students
3. Improved performance of students
4. Enhanced security

**Way Forward**

- Enhance capacity building to the Project Management Committees and NG-CDFCs
- Civic education on the mandate of National Government Constituency Development Fund

**COLLINS ODUOR CHAIRMAN**

**National Government Constituency Development Fund Committee**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
CONSTITUENCY**

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

**III. STATEMENT OF NG-CDF BAHATI 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 Bahati NGCDF shall prepare financial statements in respect of that Bahati NGCDF. 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 National Government Constituency Development Fund-Bahati Constituency is responsible for the preparation and presentation of the Bahati NGCDF's financial statements, which give a true and fair view of the state of affairs of the Bahati NGCDF for and as at the end of the financial year (period) ended on June 30, 2019. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Bahati NGCDF; (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 Bahati NGCDF; (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 National Government Constituency Development Fund-Bahati Constituency accepts responsibility for the Bahati NGCDF'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 Bahati financial statements give a true and fair view of the state of Bahati NGCDF's transactions during the financial year ended June 30, 2019, and of the Bahati NGCDF's financial position as at that date. The Accounting Officer charge of the National Government Constituency Development Fund-Bahati Constituency further confirms the completeness of the accounting records maintained for Bahati National Government Constituency Development Fund, which have been relied upon in the preparation of the Bahati NGCDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the National Government Constituency Development Fund-Bahati Constituency confirms that the Bahati NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Bahati NGCDF'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 Bahati NGCDF'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 National Government Constituency Development Fund-Bahati Constituency financial statements were approved and signed by the Accounting Officer on 21/04/ 2020.

\_\_\_\_\_  
Fund Account Manager  
Name: Hawah N. Abdul

\_\_\_\_\_  
Sub-County Accountant  
Name: Dickson Moreka  
ICPAK Member Number: 12484

# REPUBLIC OF KENYA



*Enhancing Accountability*

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Website: www.oagkenya.go.ke

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

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

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Bahati Constituency set out on pages 11 to 38, which comprise the statement of assets and liabilities as at 30 June, 2019, and the statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Bahati 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 opinion.

#### **Key Audit Matters**

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



## Other Matter

### Unresolved Prior Year Audit Matters

As disclosed under the progress on follow up of auditor recommendations section of the financial statements, some of the prior year audit issues remained unresolved as at 30 June, 2019. No satisfactory explanation was provided for not resolving the issues.

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

### Conclusion

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

### Basis for Conclusion

#### 1. Delayed Implementation of Projects

According to the project implementation status report as at 30 June, 2019, thirteen (13) projects with a combined budget of Kshs.23,700,000 were still ongoing while implementation of two (2) projects allocated Kshs.2,400,000 had not started.

Delayed completion of projects might lead to loss of public funds through cost escalations.

#### 2. Unsatisfactorily Implemented Projects

Audit inspection in February, 2020 of six (6) projects with a combined allocation of Kshs.7,600,000, revealed the following anomalies:

Beneficiary	Project Details	Amount Disbursed (Kshs.)	Observations
1. Bahati PCEA Girls Secondary School	Completion of dining hall	2,000,000	Although the amount of Kshs.2,000,000 received during the year under review had been paid in full to the contractor, at the time of inspection, painting provided for in the bill of quantities at a budget of Kshs.156,000 had not been done.

<b>Beneficiary</b>	<b>Project Details</b>	<b>Amount Disbursed (Kshs.)</b>	<b>Observations</b>
2. Bahati Girls Secondary School	Construction of a storey building made up of 2 classrooms	2,000,000	<ul style="list-style-type: none"> <li>Project was at foundation level and slab had not yet been done.</li> <li>At the time of inspection, the Project was seven (7) months behind schedule.</li> </ul>
3. Osembo Primary School (Emergency)	Construction of sixteen (16) doors toilet block	500,000	<ul style="list-style-type: none"> <li>Batten doors were used in place of semi solid flush doors for which a budget of Kshs.104,000 was provided in the bill of quantities (BQs).</li> <li>Painting was done on the outside of the door only.</li> <li>Labeling had not yet been done.</li> </ul>
4. Kiamaina Secondary School	Partitioning of the library	600,000	<ul style="list-style-type: none"> <li>Partition had not been done as per BQ.</li> <li>Four (4) flush doors provided for in the BQs had not been installed.</li> </ul>
5. St. Gerald Secondary School	Completion of a storey - building with four (4) classrooms and a laboratory	2,000,000	Painting works was outstanding
6. Lanet Secondary School	Construction of four (4) doors toilet	500,000	Project was not labeled
<b>Total</b>		<b>7,600,000</b>	

Consequently, it was not possible to confirm if and when value for money would be realized from the incomplete and unsatisfactorily implemented projects.

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



## REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

### Conclusion

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

### Basis for Conclusion

---

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

### Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Fund monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and



systems are in place to address key roles and responsibilities in relation to overall governance and risk management, and ensuring the adequacy and effectiveness of the Fund's 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 in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

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

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

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

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

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

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

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

**Nairobi**

**23 December, 2021**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
CONSTITUENCY**

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

**I. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2018 - 2019	2017-2018
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board	1	121,240,186	85,990,345
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>121,240,186</b>	<b>85,990,345</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,924,729	1,730,170
Use of goods and services	5	9,015,464	6,424,816
Transfers to Other Government Units	6	41,300,000	34,500,000
Other grants and transfers	7	59,111,690	33,450,306
Acquisition of Assets	8	800,000	795,180
Other Payments	9	8,080,492	-
<b>TOTAL PAYMENTS</b>		<b>120,232,375</b>	<b>76,900,472</b>
<b>SURPLUS/DEFICIT</b>		<b>1,007,811</b>	<b>9,089,873</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The National Government Constituency Development Fund-Bahati Constituency financial statements were approved on 21/04/2020 and signed by:

---

Fund Account Manager  
Name: Hawah N. Abdul

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Sub-County Accountant  
Name: Dickson Moreka  
ICPAK Member Number: 12484



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI CONSTITUENCY**

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

**II. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2018 -2019	2017 -2018
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Cash at bank	10A	10,385,353	9,377,542
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>10,385,353</b>	<b>9,377,542</b>
Current receivables - Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>10,385,353</b>	<b>9,377,542</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts payable - Retention	12 A	-	-
Gratuity	12B		
<b>Total Financial Liabilities</b>			
<b>NET FINANCIAL ASSETS</b>		<b><u>10,385,353</u></b>	<b><u>9,377,542</u></b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July 2019	13	9,377,542	287,669
Surplus/Defict for the year		1,007,811	9,089,873
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b><u>10,385,353</u></b>	<b><u>9,377,542</u></b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The National Government Constituency Development Fund-BAHATI Constituency financial statements were approved on 21/04/2020 and signed by:

Fund Account Manager  
Name: Hawah N. Abdul

Sub-County Accountant  
Name: Dickson Moreka  
ICPAK Member Number: 12484

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI CONSTITUENCY**

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

**III. STATEMENT OF CASHFLOW**

Receipts for operating income		2018-2019	2017-2018
		Kshs	Kshs
Transfers from CDF Board	1	121,240,186	85,990,345
Other Receipts	3	-	
		121,240,186	85,990,345
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,924,729	1,730,170
Use of goods and services	5	9,015,464	6,424,816
Transfers to Other Government Units	6	41,300,000	34,500,000
Other grants and transfers	7	59,111,690	33,450,306
Other Payments	9	8,080,492	-
		119,432,375	76,105,292
<b>Total Receipts Less Total Payments</b>		<b>1,807,811</b>	<b>9,885,053</b>
<b>Adjusted for:</b>			
Outstanding imprest	11		
Retention	12A		
Gratuity payable	12B		
Prior Year adjustment	14	-	-
<b>Net cash flow from operating activities</b>		<b>1,807,811</b>	<b>9,885,053</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	800,000	795,180
<b>Net cash flows from Investing Activities</b>			<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>1,007,811</b>	<b>9,089,873</b>
Cash and cash equivalent at BEGINNING of the year	13	9,377,542	287,669
<b>Cash and cash equivalent at END of the year</b>		<b>10,385,353</b>	<b>9,377,542</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The National Government Constituency Development Fund-BAHATI Constituency financial statements were approved on 21/04/2020 and signed by:

**Fund Account Manager**  
Name: Hawah N. Abdul

**Sub-County Accountant**  
Name: Dickson Moreka  
ICPAK Member Number: 12484

For the year ended June 30, 2019

IV. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	109,040,876	12,199,310	121,240,186	121,240,186	-	100.0%
Proceeds from Sale of Assets						
Other Receipts (Balance b/f)		9,377,542	9,377,542	9,377,542	-	
<b>TOTAL RECEIPTS</b>	<b>109,040,876</b>	<b>21,576,852</b>	<b>130,617,728</b>	<b>130,617,728</b>	<b>-</b>	<b>100.0%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,959,694	1,596,069	3,555,763	1,924,729	1,631,034	54.1%
Use of goods and services	7,353,985	2,528,584	9,882,569	9,015,464	867,105	91.2%
Transfers to Other Government Units	39,700,000	1,600,000	41,300,000	41,300,000	-	100.0%
Other grants and transfers	59,227,197	6,175,172	65,402,369	59,111,690	6,290,679	90.4%
Acquisition of Assets	800,000	0	800,000	800,000	0	100.0%
Other Payments	0	9,677,027	9,677,027	8,080,492	1,596,535	84.0%
<b>TOTAL</b>	<b>109,040,876</b>	<b>21,576,852</b>	<b>130,617,728</b>	<b>120,232,375</b>	<b>10,385,353</b>	<b>92.0%</b>

Notes

- Other payments; The National Government Constituency Development Fund Committee requested for reallocation of two Innovation hubs pending approval from the Board

The National Government Constituency Development Fund Bahati financial statements were approved on 21/04/2020 and signed by:

**Fund Account Manager**  
Name: Hawah N. Abdul

**Sub-County Accountant**  
Name: Dickson Moreka  
ICPAK Member Number: 12484

V. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES

Programme/Sub-programme	Original Budget 2018/2019 Kshs	Adjustments Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 30/06/2019 Kshs	Budget utilization difference Kshs
<b>1.0 Administration and Recurrent</b>					
1.1 Compensation of employees	2,642,453	913,310	3,555,763	1,924,729	1,631,034
1.2 Committee allowances	1,500,000	-	1,500,000	1,450,464	49,536
1.3 Use of goods and services	1,217,241	682,759	1,900,000	1,894,000	6,000
<b>Sub-Total</b>	<b>5,359,694</b>	<b>1,596,069</b>	<b>6,955,763</b>	<b>5,269,193</b>	<b>1,686,570</b>
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	971,226	341,379	1,312,605	1,303,000	9,605
2.2 Committee allowances	1,300,000	-	1,300,000	1,300,000	-
2.3 Use of goods and services	1,682,759	1,437,204	3,119,963	3,068,000	51,963
<b>Sub-Total</b>	<b>3,953,985</b>	<b>1,778,583</b>	<b>5,732,568</b>	<b>5,671,000</b>	<b>61,568</b>
<b>3.0 Emergency</b>	<b>5,738,993</b>	<b>568,966</b>	<b>6,307,959</b>	<b>6,250,000</b>	<b>57,959</b>
3.1 Primary Schools					
3.2 Secondary schools					
3.4 Security projects					
3.5 others					
<b>Sub-Total</b>	<b>5,738,993</b>	<b>568,966</b>	<b>6,307,959</b>	<b>6,250,000</b>	<b>57,959</b>
<b>4.0 Bursary and Social Security</b>					



For the year ended June 30, 2019

4.2 Secondary Schools	13,388,203	1,486,207	14,874,410	8,375,271	6,499,139
4.3 Tertiary Institutions	20,000,000	1,000,000	21,000,000	24,255,259	(3,255,259)
<b>Sub-Total</b>	<b>33,388,203</b>	<b>2,486,207</b>	<b>35,874,410</b>	<b>32,630,530</b>	<b>3,243,880</b>
<b>5.0 Sports</b>					
Sports activities	1,500,000		1,500,000	1,111,160	388,840
<b>Sub-Total</b>	<b>1,500,000</b>	<b>-</b>	<b>1,500,000</b>	<b>1,111,160</b>	<b>388,840</b>
<b>6.0 Environment</b>					
6.1 Environmental activities	1,400,000	820,000	2,220,000	820,000	1,400,000
<b>Sub-Total</b>	<b>1,400,000</b>	<b>820,000</b>	<b>2,220,000</b>	<b>820,000</b>	<b>1,400,000</b>
<b>7.0 Primary Schools Projects</b>					
Nakuru Workers Primary	800,000		800,000	800,000	-
Ndimu Primary School	500,000		500,000	500,000	-
Giachong'e Primary School	800,000		800,000	800,000	-
Tabuga Primary School	1,600,000		1,600,000	1,600,000	-
Rurii Primary School	800,000		800,000	800,000	-
St. Lwanga Primary School	600,000		600,000	600,000	-
Kagoto Primary School	600,000		600,000	600,000	-
Baraka Priamry School	500,000		500,000	500,000	-
Muringa Primary School	500,000		500,000	500,000	-

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St. Peters Engoshura Primary School	1,000,000		1,000,000	1,000,000	-
Mikeu Primary School	500,000		500,000	500,000	-
Kamoronyo Primary School	600,000		600,000	600,000	-
Muriundu Primary School	900,000		900,000	900,000	-
St. Francis Bahati Primary School	600,000		600,000	600,000	-
Nakuru East Primary School	800,000		800,000	800,000	-
Mereroni Primary School	1,000,000		1,000,000	1,000,000	-
Umoja Primary School	1,000,000		1,000,000	1,000,000	-
Engoshura Primary School	600,000		600,000	600,000	-
<b>Sub-Total</b>	<b>13,700,000</b>	<b>-</b>	<b>13,700,000</b>	<b>13,700,000</b>	<b>-</b>
<b>8.0 Secondary Schools Projects</b>					
Heshima Secondary School		1,600,000	1,600,000	1,600,000	-
Bahati P.C.F.A Girls Secondary School	2,000,000		2,000,000	2,000,000	-
Bishop Edward Donovan Secondary School	1,800,000		1,800,000	1,800,000	-
Kimani Ngunjiri High School	1,200,000		1,200,000	1,200,000	-
Lanet Secondary School	500,000		500,000	500,000	-
Dundori Secondary School	2,500,000		2,500,000	2,500,000	-
J.M Kariuki Memorial Secondary School	1,500,000		1,500,000	1,500,000	-



*For the year ended June 30, 2019*

St. Anthony Engoshura Secondary School	1,500,000		1,500,000	1,500,000	-
King David High School	800,000		800,000	800,000	-
Mikeu Secondary School	500,000		500,000	500,000	-
Mwiruti Secondary School	2,000,000		2,000,000	2,000,000	-
Our Lady Of Fatima Secondary School	800,000		800,000	800,000	-
Bavuni Secondary School	2,000,000		2,000,000	2,000,000	-
Workers High School	1,300,000		1,300,000	1,300,000	-
St. Gerald Secondary School	2,000,000		2,000,000	2,000,000	-
Limuko Secondary School	2,000,000		2,000,000	2,000,000	-
St. Francis Secondary School	1,000,000		1,000,000	1,000,000	-
Bahati Girls Secondary School	2,000,000		2,000,000	2,000,000	-
Kiamaina Secondary School	600,000		600,000	600,000	-
<b>Sub-Total</b>	<b>26,000,000</b>	<b>1,600,000</b>	<b>27,600,000</b>	<b>27,600,000</b>	-
Murungu Assistant Chief Office	300,000		300,000	300,000	-
Karunga Sub- Location Asst. Chief Office	300,000		300,000	300,000	-
Giachong'e Assistant Chief Office	550,000		550,000	550,000	-
Mugumo Assistant Chief Office	350,000		350,000	350,000	-

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Menengai Assistant Chiefs Office	300,000		300,000	300,000	-
Kiamunyeke Assistant Chiefs Office	300,000		300,000	300,000	-
Land Mawe Assistant Chiefs Office	1,100,000		1,100,000	1,100,000	-
Ndimu Assistant Chiefs Office	300,000		300,000	300,000	-
Umoja Sub-Location Assistant Chiefs Office	1,000,000		1,000,000	1,000,000	-
Rurii Assistant Chiefs Office	1,000,000		1,000,000	1,000,000	-
Thayu Assistant Chiefs Office	300,000		300,000	300,000	-
Mutukanio Assistant Chiefs Office	2,500,000		2,500,000	2,500,000	-
Mutukanio Assistant Chiefs Office		1,900,000	1,900,000	1,900,000	-
Mutukanio Assistant Chiefs Office		400,000	400,000	400,000	-
Kabatini Chiefs Office	1,900,000		1,900,000	1,900,000	-
Kabatini Assistant Chiefs Office	600,000		600,000	600,000	-
Kiamaina ACC Offices Ict Centre	1,200,000		1,200,000	1,200,000	-
Dundori ACC Offices Ict Centre	1,200,000		1,200,000	1,200,000	1,200,000
Nakuru North District DCC Residence	2,200,000		2,200,000	2,200,000	-
Dundori Police Post	300,000		300,000	300,000	-
Bahati Police Station	1,500,000		1,500,000	1,500,000	-

Sub-Total		17,200,000	2,300,000	19,500,000	18,300,000	1,200,000
<b>11.0 Acquisition Of Assets</b>						
11.3 Purchase Of Furniture And Equipment	500,000			500,000	500,000	-
13.3 NG-CDF Office (Pa System)	300,000		-	300,000	300,000	-
11.4 Purchase Of Computers						-
Sub-Total	800,000			800,000	800,000	-
<b>12.0 Roads</b>						
Thayu- Nyathuna Junction Road			5,000,000	5,000,000	4,991,979	8,021
<b>13.0 Others</b>						
13.1 Strategic Plan			750,000	750,000	750,000	-
13.2 Innovation Hub			4,677,027	4,677,027	2,338,514	2,338,514
Sub-Total			5,427,027	5,427,027	3,088,514	2,338,514
<b>GRAND TOTAL</b>		109,040,874	21,576,853	130,617,727	120,232,375	10,385,352



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
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**VI. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

**2. Reporting Bahati NGCDF**

The financial statements are for the National Government Constituency Development Fund-Bahati Constituency. The financial statements encompass the reporting Bahati NGCDF 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 Bahati NGCDF for all the years presented.

**a) Recognition of Receipts**

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

**Tax Receipts**

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

**Transfers from the Exchequer**

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

**SIGNIFICANT ACCOUNTING POLICIES**

**External Assistance**

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

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

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

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

**Other receipts**

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

**b) Recognition of payments**

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

**Compensation of Employees**

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

**Use of Goods and Services**

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

**Acquisition of Fixed Assets**

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

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

**5. In-kind contributions**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF) BAHATI  
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In-kind contributions are donations that are made to the Bahati NGCDF 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 Bahati NGCDF includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

**6. Cash and Cash Equivalents**

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

**7. Accounts Receivable**

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

**8. Accounts Payable**

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

**9. Pending Bills**

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

**10. Unutilized Funds**

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of National Government Constituency Development Fund Act, 2015.

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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



**12. Comparative Figures**

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

**13. Subsequent Events**

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


**14. Errors**

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

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

**15. Related Party Transactions**

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



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VII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2018-2019	2017 - 2018
		Kshs	Kshs
Normal Allocation	B005215	12,199,310	
	B030043	10,000,000	
	B030347	13,000,000	
	B006287	7,000,000	
	A699021	11,000,000	
	B042708	13,000,000	
	B047539	55,040,876	
	A855757		5,500,000
	A892756		37,905,172
	A896823		21,000,000
	A896900		21,585,173
Conditional grants			-
Receipt from other Constituency			-
<b>TOTAL</b>		<b>121,240,186</b>	<b>85,990,345</b>

2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS

Description		2018-2019	2017 - 2018
		Kshs	Kshs
Receipts from the Sale of Buildings		-	-
Receipts from the Sale of Vehicles and Transport Equipment		-	-
Receipts from the Sale Plant Machinery and Equipment		-	-
Receipts from the Sale of Office and General Equipment		-	-
<b>TOTAL</b>		<b>-</b>	<b>-</b>


3 OTHER RECEIPTS

Description		2018-2019	2017 - 2018
		Kshs	Kshs
Interest Received		-	-
Rents		-	-
Sale of Tender Documents		-	-
Other Receipts Not Classified Elsewhere (specify)		-	-

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TOTAL		-	-
<b>4 COMPENSATION OF EMPLOYEES</b>			
Description		2018-2019	2017 - 2018
		Kshs	Kshs
Basic wages of contractual employees		1,713,789	1,145,950
Basic wages of casual labour		-	
<b>Personal allowances paid as part of salary</b>			
House allowance		-	-
Transport allowance		-	-
Leave allowance		75,000	-
Other personnel payments		-	-
Employer contribution to NSSF		61,540	115,500
Gratuity-Paid		74,400	468,720
Gratuity-Accrued		-	
TOTAL		1,924,729	1,730,170
<b>5. USE OF GOODS AND SERVICES</b>			
Description		2018-2019	2017 - 2018
		Kshs	Kshs
Utilities, supplies and services		-	710,390
Electricity		54,258	8,418
Water & sewerage charges		-	
Office rent			
Communication, supplies and services		9,450	21,920
Domestic travel and subsistence		100,000	-
Printing, advertising and information supplies & services		309,630	-
Rentals of produced assets		-	
Training expenses		1,348,000	-
Hospitality supplies and services		50,000	-
Other committee expenses		3,454,500	1,221,500
Committee allowance		1,008,500	724,000
Insurance costs		-	-
Specialised materials and services		-	-
Office and general supplies and services		458,297	542,068
Fuel, oil & lubricants		620,843	385,320
Other operating expenses		1,010,580	2,750,000



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Bank service commission and charges		35,340	-
Security operations		-	-
Routine maintenance - vehicles and other transport equipment		556,066	61,200
Routine maintenance- other assets		-	-
<b>TOTAL</b>		<b>9,015,464</b>	<b>6,424,816</b>
<b>6 TRANSFER TO OTHER GOVERNMENT ENTITIES</b>			
Description		2018-2019	2017 - 2018
		Kshs	Kshs
Transfers to Primary schools		13,700,000	16,800,000
Transfers to Secondary schools		27,600,000	17,700,000
<b>TOTAL</b>		<b>41,300,000</b>	<b>34,500,000</b>
<b>7 OTHER GRANTS AND TRANSFERS</b>			
Description		2018-2019	2017 - 2018
		Kshs	Kshs
Bursary -Secondary		8,375,271	4,350,264
Bursary -Tertiary		24,255,259	18,881,200
Bursary-Special schools			-
Mocks & CAT			-
Security		18,300,000	3,450,000
Sports		1,111,160	1,489,750
Environment		820,000	779,988
Emergency Projects		6,250,000	4,499,104
<b>TOTAL</b>		<b>59,111,690</b>	<b>33,450,306</b>
<b>8 ACQUISITION OF ASSETS</b>			
<u>Non-Financial Assets</u>		2018-2019	2017 - 2018
		Kshs	Kshs
Purchase of Buildings		-	-
Construction of Buildings		-	-
Refurbishment of Buildings		-	-
Purchase of Vehicles		-	-
Purchase of Bicycles & Motorcycles		-	-
Overhaul of Vehicles		-	-
Purchase of office furniture and fittings		-	263,020

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Purchase of computers, printers and other IT equipments		-	232,260
Purchase of photocopier		-	-
Purchase of other office equipments'		800,000	299,900
Purchase of soft ware		-	-
Acquisition of Land		-	-
<b>TOTAL</b>		<b>800,000</b>	<b>795,180</b>

<b>9 Other Payments</b>		<b>2018-2019</b>	<b>2017-2018</b>
ICT HUB		2,338,514	-
Roads and Bridges		4,991,979	-
Strategic Plan		750,000	
<b>TOTAL</b>		<b>8,080,492</b>	<b>-</b>

<b>10A: Bank Balances</b>			
Name of Bank, Account No. & currency	Account Number	2018-2019	2017-2018
		Kshs(30/6/2019)	Kshs (30/6/2018)
<i>EQUITY BANK GATE HOUSE BRANCH NAKURU</i>	<i>A/C no.0130275794440</i>	10,385,353	9,377,542
<b>10B: CASH IN HAND)</b>			
		2018-2019	2017 -2018
		Kshs (30/6/2019)	Kshs (30/6/2018)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
<b>TOTAL</b>		<b>-</b>	<b>-</b>



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11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>				
<i>Name of Officer or Institution</i>				
<b>Total</b>				<b>0</b>

*[Include an annex of the list is longer than 1 page.]*

12 RETENTION

	2018 -2019 Kshs	2016-2017 Kshs
Supplier 1	0	0
Supplier 2	0	0
Supplier 3	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

*[Provide short appropriate explanations as necessary]*

13. BALANCES BROUGHT FORWARD

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	10,385,353	9,377,542
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>10,385,353</b>	<b>9,377,542</b>

14. PRIOR YEAR ADJUSTMENTS

	2018- 2019 Kshs	2017-2018 Kshs
Bank accounts	0	0
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

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**15. OTHER IMPORTANT DISCLOSURES**

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

	2018- 2019	2017-2018
	Kshs	Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0
	0	0

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

	Kshs	Kshs
Senior management	0	0
Middle management	0	0
Unionisable employees	0	0
Others (Specify)	0	0
	0	0
	0	0

**15.3: UNUTILIZED FUNDS (See Annex 3)**

	Kshs	Kshs
	2018-2019	2017-2018
Compensation of employees	1,631,034	864,080
Use of goods and services	117,105	3,413,435
Amounts due to other Government entities (see attached list)	-	1,600,000
Amounts due to other grants and other transfers (see attached list)	6,290,679	6,257,277
Acquisition of assets		0
Others		0
(ICT HUBS)	2,338,514	0
Roads and bridges	8,021	0
	10,385,353	12,134,792
	10,385,353	12,134,792



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15.4: PMC account balances (See Annex 4)

	2018- 2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	27,434,189	1,150,582

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

Supplier of Goods or Services	Original Amount a	Date Contracted d	Amount Paid To-Date c	Outstanding Balance 2018 d=a-c	Outstanding Balance 2019	Comments
<b>Construction of buildings</b>		B				
1.						
2.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
3.						
4.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
5.						
6.						
7.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
8.						
9.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

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

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Outstanding Balance 2018	Comments
		a	b	C	d=a-c		
<b>Senior Management</b>							
1.							
2.							
	Sub-Total						
<b>Middle Management</b>							
3.							
4.							
	Sub-Total						
<b>Unionisable Employees</b>							
5.							
6.							
	Sub-Total						
<b>Others (specify)</b>							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

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<b>ANNEX 3 - ANALYSIS OF UNUTILISED FUNDS</b>				
<b>Name</b>	<b>Brief Transaction Description</b>	<b>Original Amount</b>	<b>Date Payable Contracted</b>	<b>Outstanding Balance</b>
		<b>a</b>	<b>b</b>	<b>d=a-b</b>
<b>Security Projects</b>				
Dundori ACC ICT Centre	Construction of an ICT Centre at Dundori ACC offices ground. (Funds reallocated to construction of an assistant chiefs office)	1,200,000	-	1,200,000
<b>Sub-Total</b>				<b>1,200,000</b>
<b>Amounts due to other grants and other transfers</b>				
<b>ENVIRONMENT PROJECTS</b>	Purchase of Tanks, construction of tank base and gutters for 10 schools	2,220,000	820,000	1,400,000
<b>SPORTS</b>	Purchase of sports items for various teams	1,500,000	1,111,160	388,840
<b>Bursary</b>		33,388,203	32,630,530	3,243,880
<b>Constituency Innovation Hub (Cih)</b>				
Constituency Innovation Hubs (CIH)	2 Hubs reallocated to construction of an ICT Centre at Kiamaina ACC offices. Approval pending from the board	4,677,027	2,338,513	2,338,514
<b>Administration</b>	Employee salaries	2,642,453	1,011,419	1,631,034
<b>Goods and services</b>	Purchase of goods and services			117,034
<b>Sub-Total</b>				<b>9,185,353</b>
<b>Grand Total</b>				<b>10,385,353</b>



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**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2019**

PMC	Bank	Account number	Bank Balance	Bank Balance
			As at 30 <sup>th</sup> June 2019	As at 30 <sup>th</sup> June 2018
			2018/19	2017/18
KAMORONYO PRIMARY SCHOOL	EQUITY	0130279030122	0	0
ST. LWANGA PRIMARY SCHOOL	EQUITY	0130278827998	335,989	0
MERERONI PRIMARY SCHOOL	EQUITY	0130279032999	0	0
MIKEU PRIMARY SCHOOL	EQUITY	0130278886721	880	135
MURINGA PRIMARY SCHOOL	EQUITY	0130279006318	0	0
UMOJA PRIMARY SCHOOL	EQUITY	0130278994430	1,000,000	0
KAGOTO PRIMARY SCHOOL	EQUITY	0130278997183	600,000	0
NYATHUNA PRIMARY	EQUITY	0130278967338	500,000	0
ST. FRANCIS BAHATI PRIMARY SCHOOL	EQUITY	0130279015413	0	0
ST. PETERS ENGOSHURA PRIMARY SCHOOL	EQUITY	0130278857641	250,000	1,000,000
BARAKA PRIMARY SCHOOL	EQUITY	0310278883526	249,940	0
MURINGA PRIMARY SCHOOL	EQUITY	0130279006318	0	0
ENGOSHURA PRIMARY SCHOOL	EQUITY	0130279113235	0	0
BAHATI PCEA GIRLS SECONDARY SCHOOL	EQUITY	0130278990423	2,000,000	0
DUNDORI SECONDARY SCHOOL	EQUITY	0130278672284	1,028	630
OURLADY OF FATIMA SECONDARY SCHOOL	EQUITY	0130277433312	15	4,500
BAVUNI SECONDARY SCHOOL	EQUITY	0130278997613	2,000,000	7,900
LIMUKO SECONDARY SCHOOL	EQUITY	0130278973138	2,000,000	0
ST. FRANCIS SECONDARY SCHOOL	EQUITY	0130278983044	1,000,000	0
ST ANTHONY ENGOSHURA SECONDARY	EQUITY	0310278988433	1,502,000	630
MUGUMO ASSISTANT CHIEF OFFICE	EQUITY	0130278845991	81,808	0
LAND MAWE ASSISTANT CHIEFS OFFICE	EQUITY	0130278990800	721,880	0
UMOJA SUB-LOCATION ASSISTANT CHIEFS OFFICE	EQUITY	0130278992998	1,000,000	0
RURII ASSISTANT CHIEFS OFFICE	EQUITY	0130278993596	1,000,000	0
MUTUKANIO ASSISTANT CHIEFS OFFICE	EQUITY	0130278676537	258,435	0
KABATINI CHIEFS OFFICE	EQUITY	0130278997102	600,000	0
DUNDORI POLICE POST	EQUITY	0130278994048	300,000	0

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BAHATI POLICE STATION	EQUITY	0130278990903	1,500,000	0
BAHATI CONSTITUENCY NG-CDF PROJECT	EQUITY	0130278990762	0	0
LANET SECONDARY SCHOOL	EQUITY	0130279015064	0	0
MWIRUTI SECONDARY SCHOOL	EQUITY	0130278997062	2,000,000	89,000
BAHATI GIRLS SECONDARY SCHOOL	EQUITY	0130278999033	2,000,000	0
GIACHONG'E ASSISTANT CHIEF OFFICE	EQUITY	0130278994040	550,000	0
KABATINI ASSISTANT CHIEFS OFFICE	EQUITY	0130278997102	600,000	0
KIAMAINA ACC OFFICE ICT CENTRE	EQUITY		1,200,000	1,200,00
NAKURU WORKERS PRIMARY	ABC	008215001004866	543	0
NDIMU PRIMARY SCHOOL	ABC	00821500104426	4,151	0
GIACHONG'E PRIMARY SCHOOL	ABC	008215001002363	22,054	0
TABUGA PRIMARY SCHOOL	ABC	008215001002575	29,502	0
JM MEMORIAL SECONDARY SCHOOL	ABC		3,869	0
KING DAVID HIGH SCHOOL	ABC		2,561	0
MIKEU SECONDARY SCHOOL	ABC		502,668	0
WORKERS HIGH SCHOOL	ABC		3,223	0
ST. GERALD HIGH SCHOOL	ABC		2,001,270	1270
KIAMAINA SECONDARY SCHOOL	ABC		600,475	475
MURUNYU ASSISTANT CHIEFS OFFICE	ABC		301,390	1390
KARUNGA ASSISTANT CHIEF OFFICE	ABC		1,407	106
MENENGAI ASSISTANT CHIEF OFFICE	ABC		100,175	18,000
KIAMUNYEKI ASSISTANT CHIEFS OFFICE	ABC		300,575	456
THAYU ASSISTANT CHIEFS OFFICE	ABC		339	0
RURII ASSISTANT CHIEFS OFFICE	ABC		1206	0
BISHOP EDWARD DONOVAN SECONDARY SCHOOL	ABC	008215001004926	306,524	24,890
KIMANI NGUNJIRI SECONDARY SCHOOL	ABC		282	0
TOTAL			27,434,189	1,150,582

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SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs) 2018/19	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land, Buildings and structures	1,999,999		-	1,999,999
Transport equipment	6,350,000		-	6,350,000
Office equipment, furniture and fittings	1,257,838	800,000	-	2,057,838
ICT Equipment, Software and Other ICT Assets	1,600,610		-	1,600,610
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>11,208,447</b>	<b>800,000.</b>	<b>-</b>	<b>12,008,447</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)**

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**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
Other Matter	<p><b>1. Security Projects</b></p> <p>The Statement of receipts and payments reflects other grants and other payments of Kshs. 33,450,306. Included in this amount is Kshs.3, 450,000 transferred to various security projects out of which Ksh.750, 000 was paid towards purchase of Land for assistant for the assistant chiefs' office at Land Mawe and Ksh.200, 000 for the completion of Menengai Assistant Chiefs office located between two privately owned parcels of Land. The Ownership of these parcels have not been appropriately transferred and could therefore not be confirmed.</p>	The Titles are being processed and follow-up with Nakuru North District Land Board has been ongoing.	Hawa-FAM	Not Resolved	End of March 2020
	<p><b>2. Emergency Project</b></p> <p>Included under other grants and other payments is Ksh.4,499,104 on emergency projects expenditure. An amount of Ksh.800, 000 was disbursed to Dundori Secondary School for emergency construction of a girl's dormitory block to decongest the existing facilities. The bill of quantities was Ksh.961,460. Physical verification, ten (10) months after the disbursement, revealed that only foundation works, slab casting and walling to window level were undertaken and it appeared that the works had stalled. Meanwhile, the girls are still accommodated in the congested temporary structure against the recommendation by the County public Health Department, posing health hazard and risk to the lives of students.</p>	Dormitory completed during the financial year 2018/19 and in use	Hawa-FAM	Resolved	

