

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

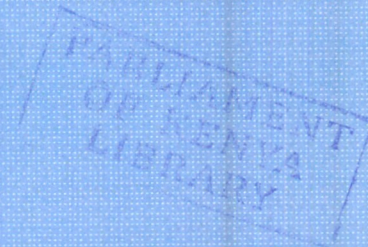
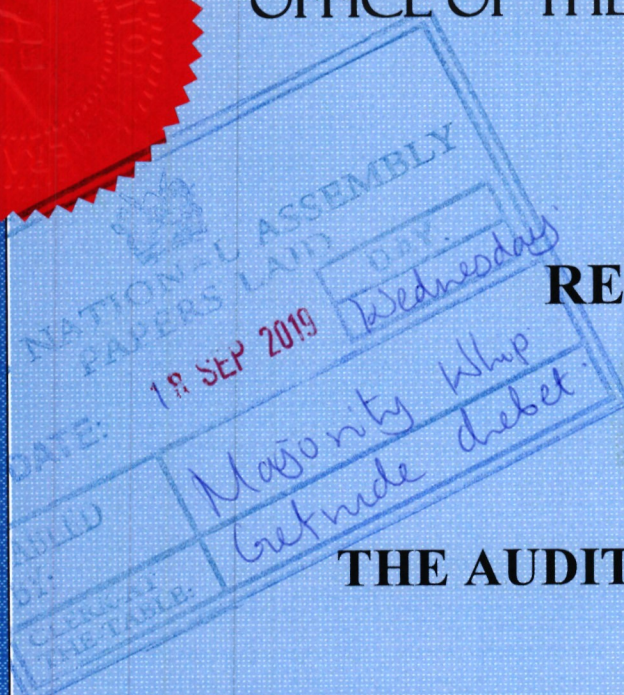
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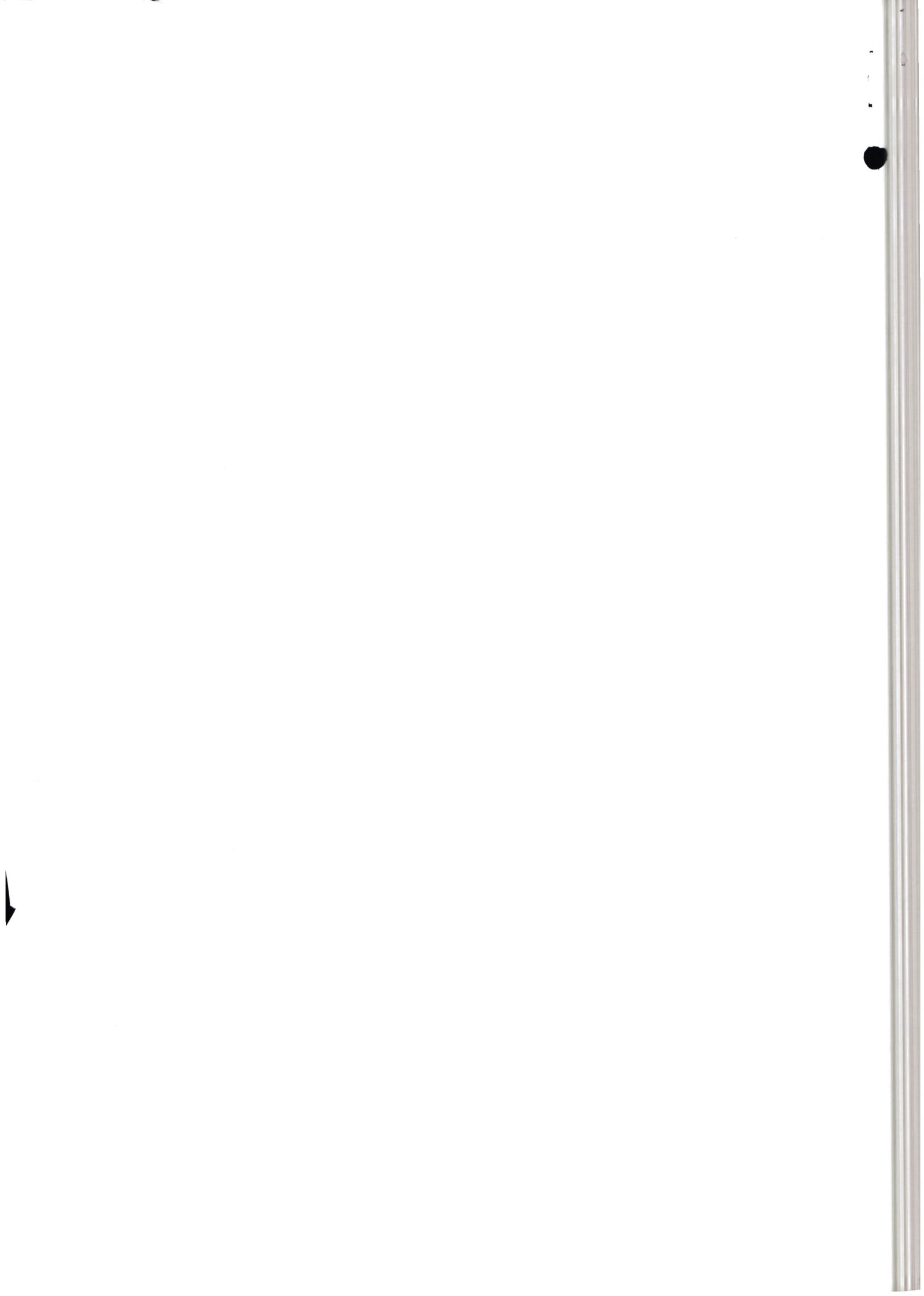
THE AUDITOR-GENERAL

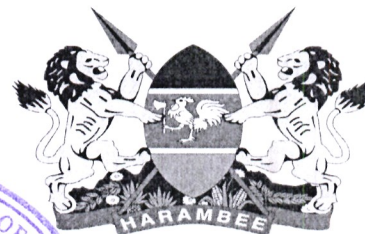
ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
BAHATI CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE 2018







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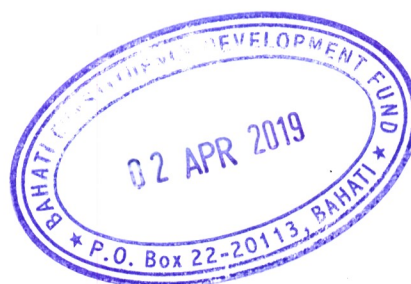
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND BAHATI CONSTITUENCY

AMENDED  
REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2018

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

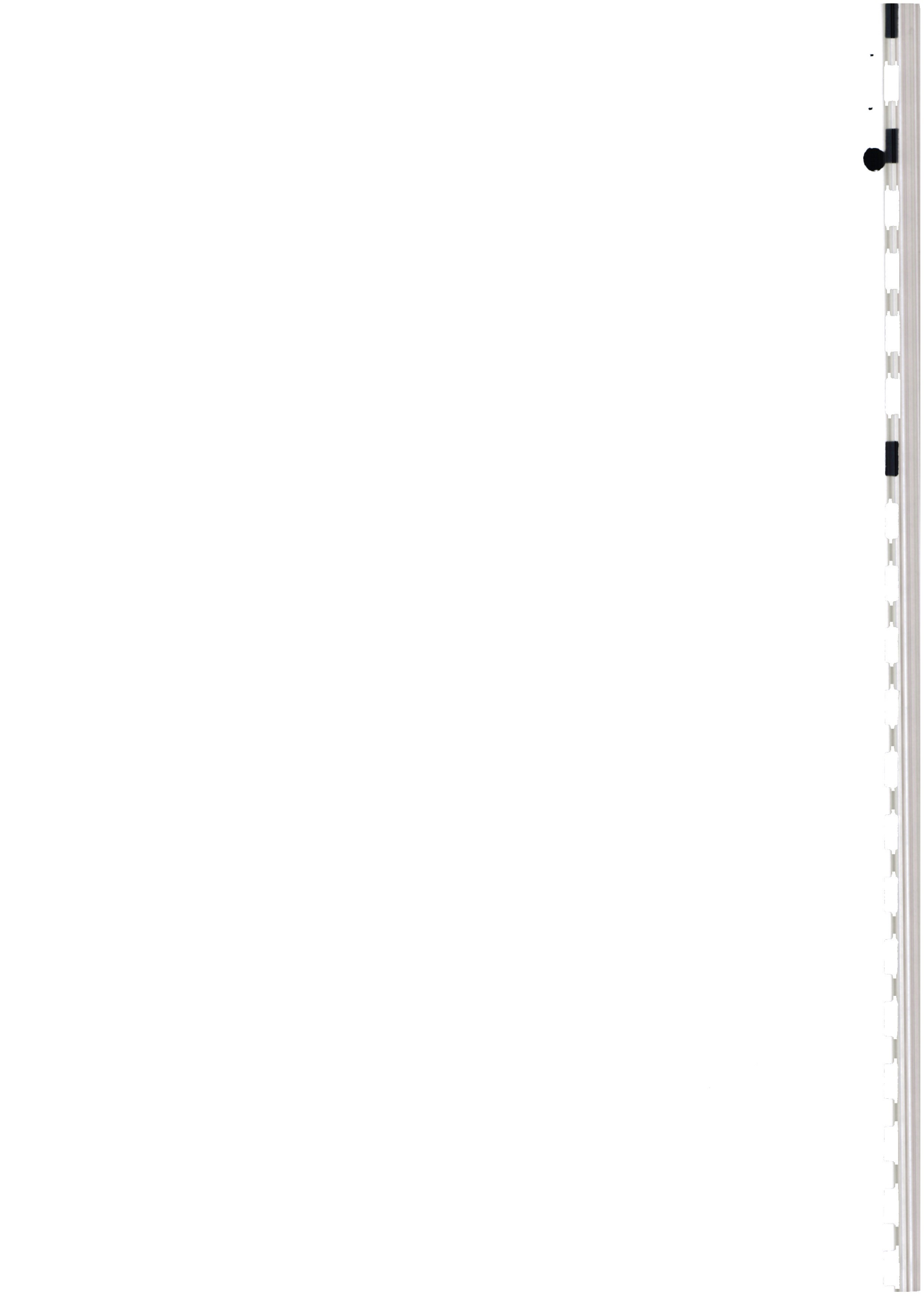




**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**BAHATI CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2018**

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

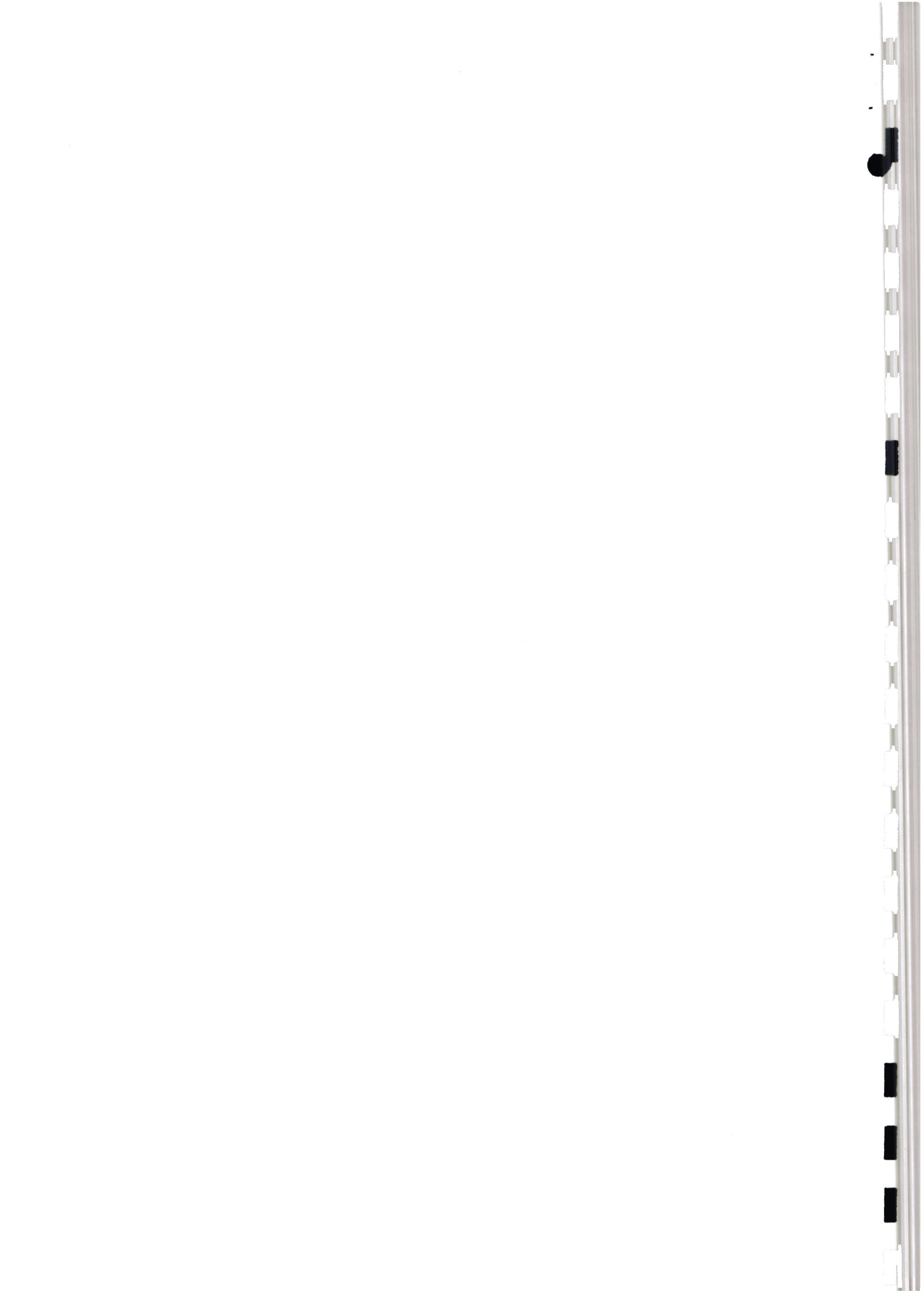
**(a) Background information**

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, NG-CDF 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 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.

**(b) Key Management**

The NGCDF 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 2018 and who had direct fiduciary responsibility were:

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Hawah N. Abdul</b>
3.	Sub-County Accountant	<b>Dickson Moreka</b>
4.	Chairman NGCDFC	<b>Collins Oduor</b>
5.	Member NGCDFC	<b>Judy Mirangoh</b>

**(d) Fiduciary Oversight Arrangements**

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



**(e) NGCDF BAHATI Constituency Headquarters**

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

**(f) NGCDF 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) NGCDF BAHATI Constituency Bankers**

1. 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  
GOP 00100  
Nairobi, Kenya

**(i) Principal Legal Adviser**

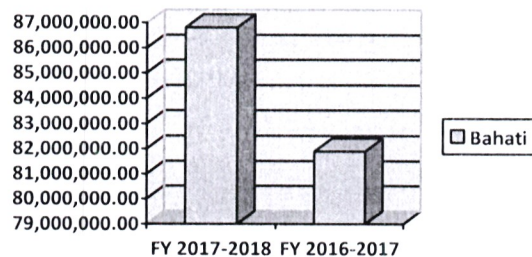
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya



**II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

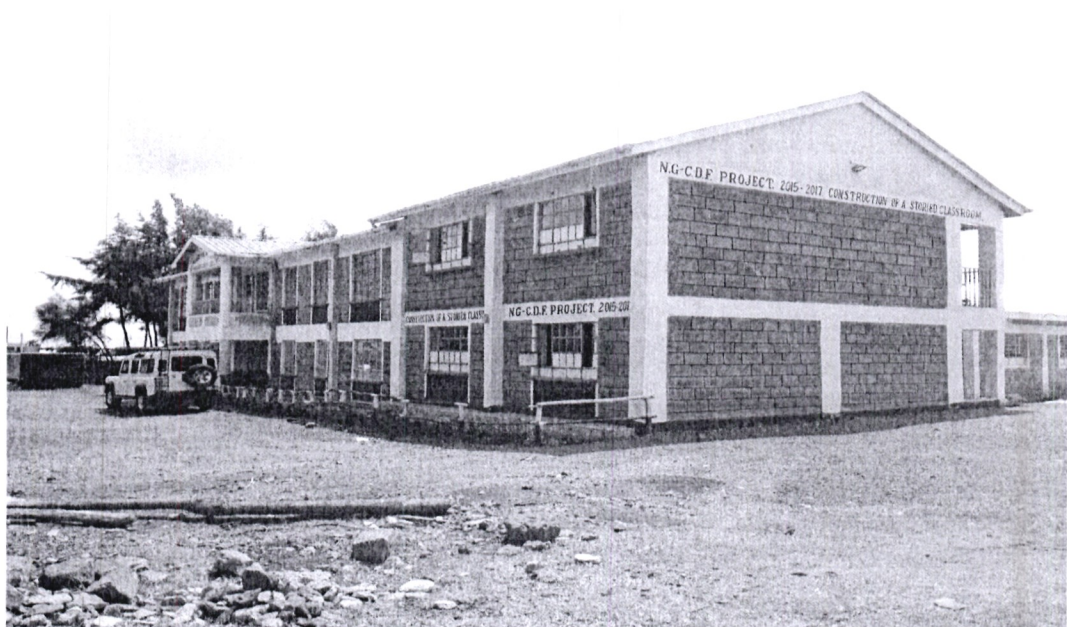
The Bahati NGCDF received Kshs. **85,990,345** during the financial year 2017/2018 out of the proposed budget allocation Ksh.**86, 810,344.80** which translates to 90% leaving a balance of **Ksh.820,000** which was resubmitted awaiting board approval. The Board gave additional funds amounting to **Kshs. 11,379,310.34**. The NGCDF Bahati did allocate funds to various projects that were for community interest as depicted in the Ward Report that was arrived after public participation.

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

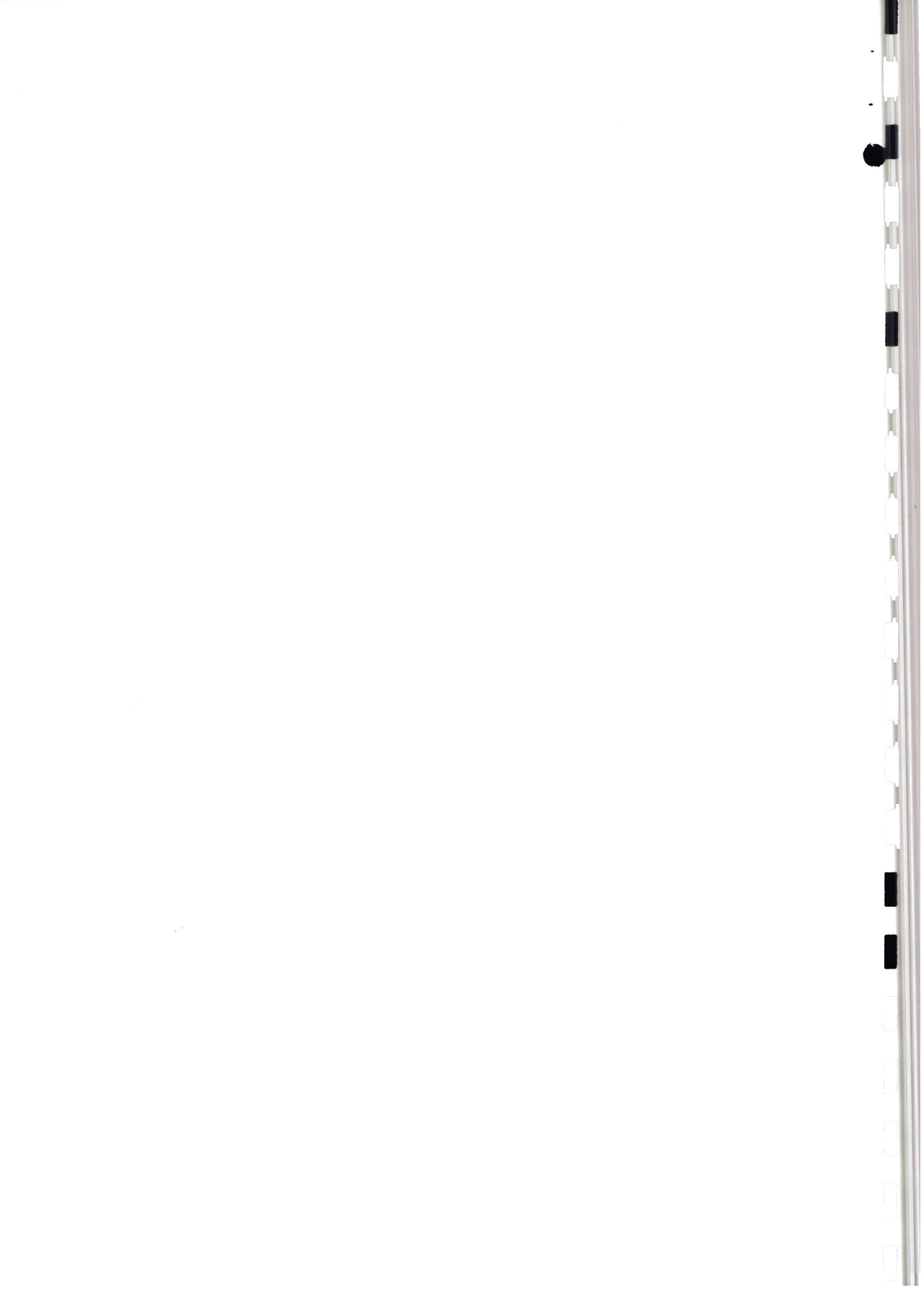


**Key achievements.**

The NGCDF Bahati has continued to expand institutions of learning and enhancing security through increasing funding to security projects and modernising schools as seen below:



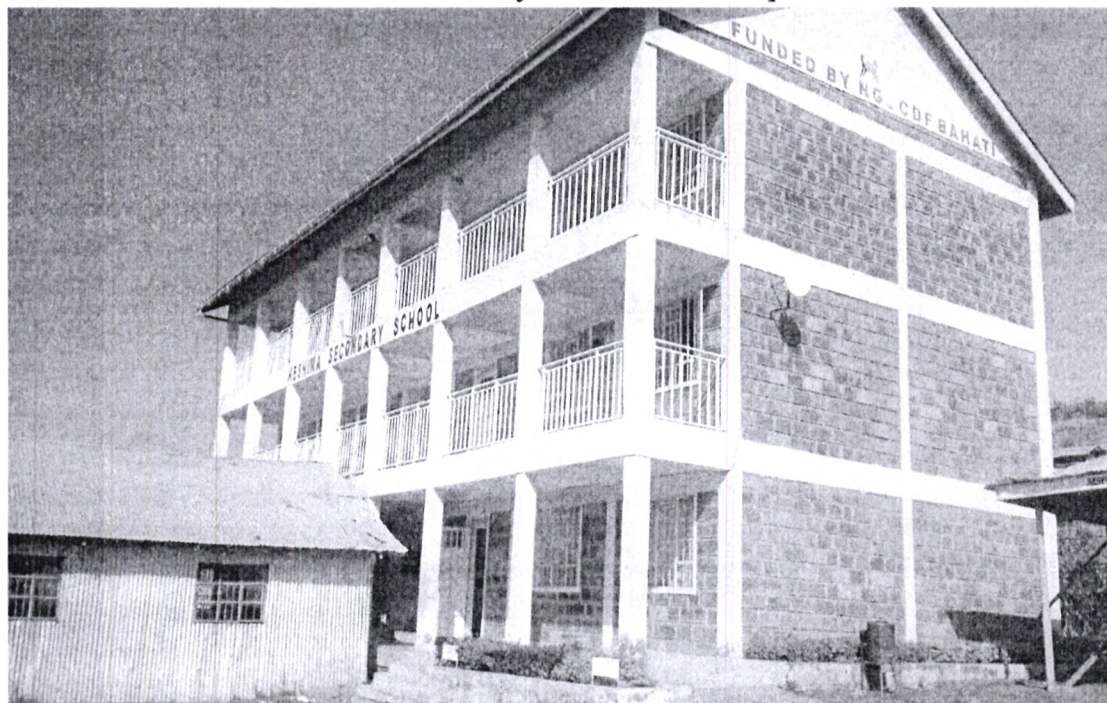
*Construction of storey classrooms at JM Memorial secondary school funded by the NGCDF.( The School is one of the Day schools in Bahati mainly targeting the local communities within Bahati Ward and its environs) the Expansion of the school has*



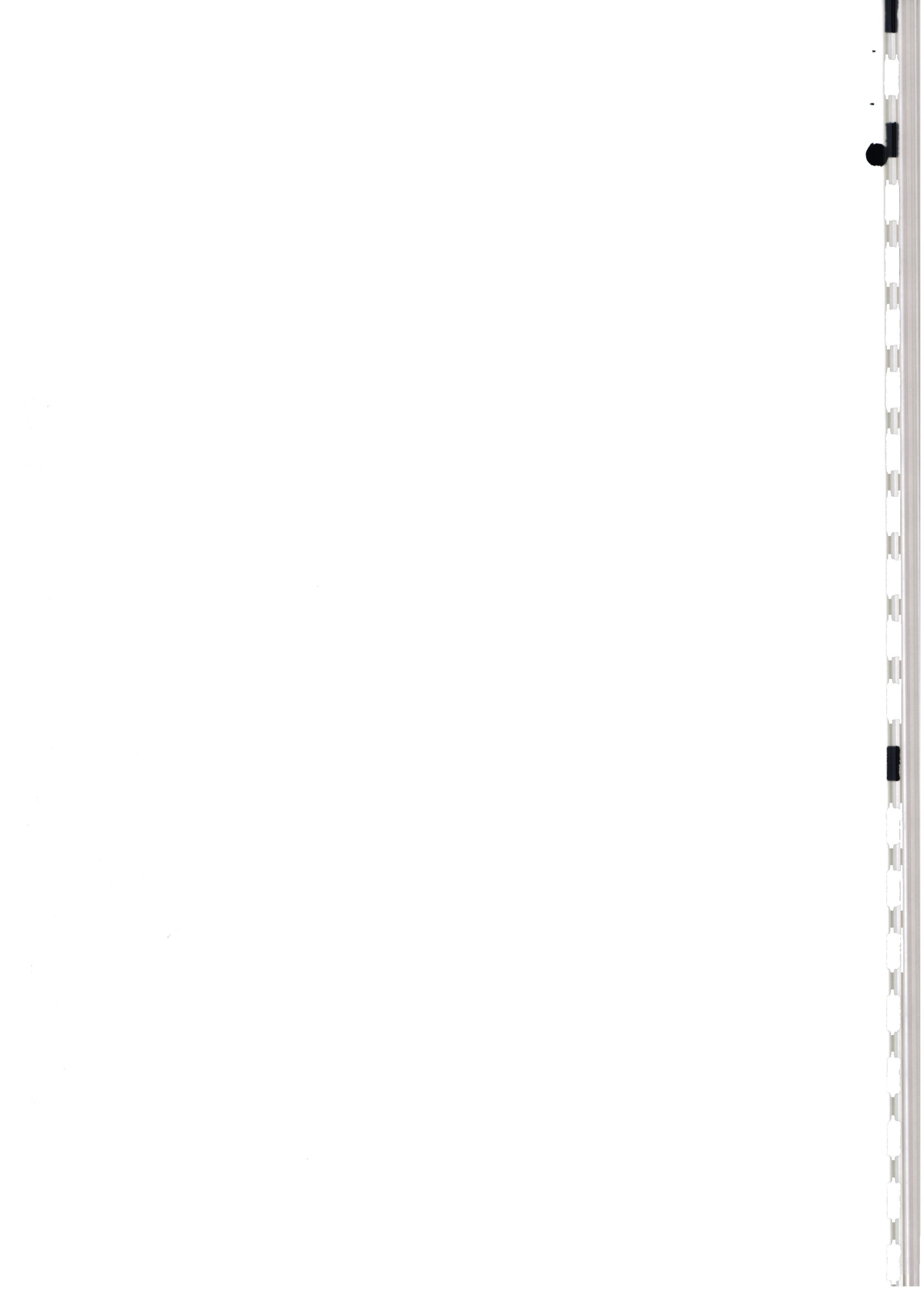
*enabled more needy students to access quality education.*



*Bahati Location Chiefs office was constructed at a cost of Ksh.850,000 to completion. Before the office was constructed the area chief was serving people under a tree and confidentiality matters were in question.*

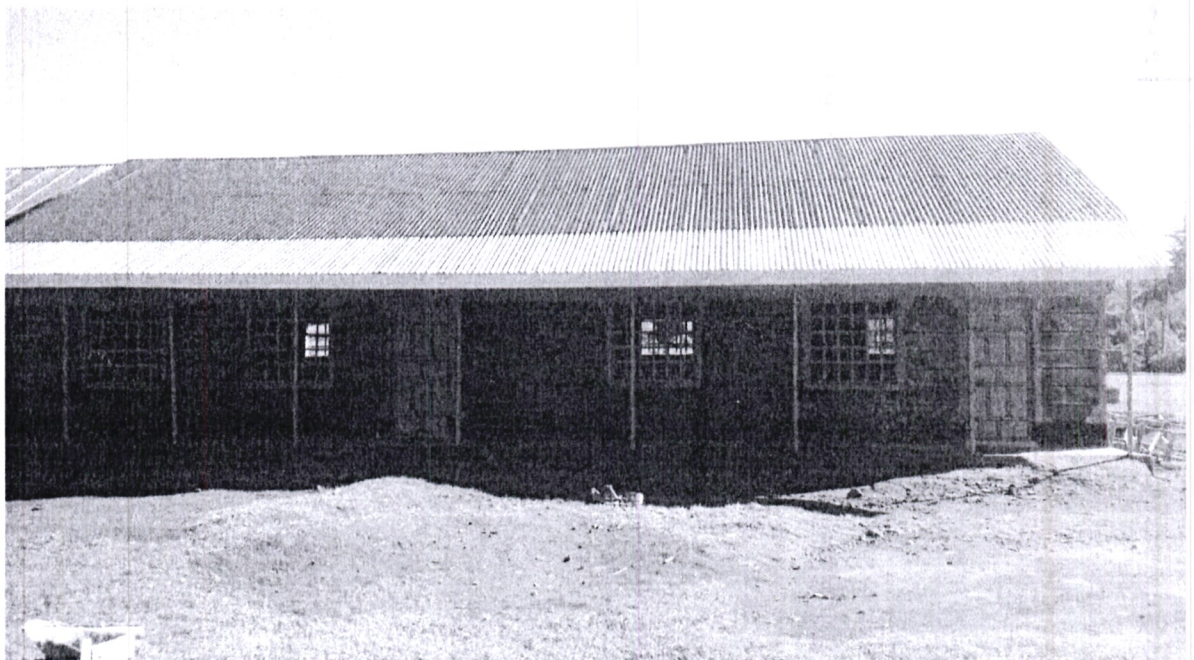


*The above picture is for Heshima Secondary school, a day school in Kiamaina Ward. The storey project was fully funded by the NGCDF Bahati to deal with the semi permanent classrooms that only existed in the school which has a big challenge because it's located in an area where population is so high and the parents are peasant farmers who are fairly needy*





*Limuko Secondary school in Kabatini Centre. The school has modern Laboratory and classrooms with tiles and ceiling. The structures have created conducive environment for learning thus changing lives.*



*Kinari Primary school- Renovation of classrooms (Fixing window grills & panes, iron sheets, Plastering of walls and tiling the floor. The school is located in Dundori Ward and its land was donated by the Kenya forest. The structures were all wooden until the NGCDF Bahati.*



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

- The poverty level
- 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 NGCDF.

**Way Forward**

- Empower communities through training i.e. partner with UWEZO to lift groups
- Enhance capacity building to the PMCs and CDFCs
- Civic education forums



*Sign*

**CHAIRMAN NGCDF COMMITTEE  
COLLINS ODUOR**



**III. STATEMENT OF ENTITY 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-BAHATI 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, 2018. 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-BAHATI 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 Bahati financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-BAHATI Constituency further confirms the completeness of the accounting records maintained for BAHATI NGCDF, 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-BAHATI Constituency confirms that the entity 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 entity'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.



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
BAHATI CONSTITUENCY**

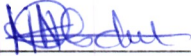
**Reports and Financial Statements**

**For the year ended June 30, 2018**

**Approval of the financial statements**

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The NGCDF-BAHATI Constituency financial statements were approved and signed by the Accounting Officer on 2<sup>nd</sup> April 2019.



**Fund Account Manager**

**Name: Hawah N. Abdul**



**Sub-County Accountant**

**Name: Dickson Moreka**

**ICPAK Member Number: 12484**



# REPUBLIC OF KENYA

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Fax: +254-20-311482  
E-Mail: oag@oagkenya.go.ke  
Website: www.kenao.go.ke



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- BAHATI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

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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 35, which comprise the statement of assets and liabilities as at 30 June 2018, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Bahati Constituency as at 30 June, 2018, 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.

#### Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Bahati Constituency in accordance with ISSAI 30 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.

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund-  
Bahati Constituency for the year ended 30 June 2018*

## Other Matter

### Budgetary Control and Performance

The entity received Kshs.85,990,344.80 from the Board and spent Kshs.76,900,472 as follows:

Item	2017/2018 Budget Amount (Kshs.)	2017/2018 Actual Amount (Kshs.)	Variance (Kshs.)	Actual as % of Budget
<b>Receipts</b>				
Transfer from NG-CDF	98,189,655.14	85,990,344.80	12,199,310.34	87.58%
Bal B/f.	287,658.95	287,658.95	-	100.00%
<b>Total Receipts</b>	<b>98,477,314.09</b>	<b>86,278,003.75</b>	<b>12,199,310.34</b>	<b>87.61%</b>
<b>Expenditure</b>				
Compensation of Employees	2,776,358.95	1,730,170.00	1,046,188.95	62.32%
Use of Goods and Services	8,244,058.64	6,424,816.00	1,819,242.64	77.93%
Transfers to Other Government Units	36,100,000.00	34,500,000.00	1,600,000.00	95.57%
Other Grants and Transfers	45,275,558.99	33,450,306.00	11,825,252.99	73.88%
Acquisition of Assets	1,404,310.34	795,180.00	609,130.34	56.62%
Other Payments	4,677,027.20	0.00	4,677,027.20	0.00%
<b>Total Expenditure</b>	<b>98,477,314.12</b>	<b>76,900,472.00</b>	<b>21,576,842.12</b>	<b>78.09%</b>

The above analysis shows that the CDFC underspent on all components, an indication of either over-budgeting or did not offer the envisaged services. Budget underutilization could adversely affect service delivery to the residents.

## 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(s) 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. Security Projects**

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 Kshs.750,000 was paid towards purchase of land for the Assistant Chief's office at Land Mawe and Kshs.200,000 for the completion of Menengai Assistant Chief's 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.

### **2. Emergency Project**

Included under other grants and other payments is Kshs.4,499,104 on emergency projects expenditure. An amount of Kshs.800,000 was disbursed to Dundori Secondary School for emergency construction of a girls' dormitory block to decongest the existing facilities. The bill of quantities was Kshs.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.

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**

As required by Section 7 (1) (a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the matter(s) described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that, nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

## **Basis for Conclusion**

### **1. Internal Control Weaknesses**

The Constituency has not embraced use of information technology and there are no measures in place to detect and prevent fraud. Risk assessment is not performed and the

management is not in a position to identify individual risks, significance / likelihood of identified risks and the risky areas and therefore the relevant controls have also not been identified and put in place.

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. 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 governance.

In preparing the financial statements, management is responsible for assessing the ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the Constituency or to cease operations, or have no realistic alternative but to do so.

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 entity monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with

Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the management's use of the 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 sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the 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.



**FCPA Edward R. O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**08 August 2019**

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**

**BAHATI CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2018**

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF board	1	85,990,345	81,896,552
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>85,990,345</b>	<b>81,896,552</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,730,170	2,498,390
Use of goods and services	5	6,424,816	6,817,616
Transfers to Other Government Units	6	34,500,000	36,630,000
Other grants and transfers	7	33,450,306	50,085,975
Acquisition of Assets	8	795,180	
Other Payments	9	-	1,900,000
<b>TOTAL PAYMENTS</b>		<b>76,900,472</b>	<b>97,931,981</b>
<b>SURPLUS/(DEFICIT)</b>		<b>9,089,873</b>	<b>(16,035,429)</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BAHATI Constituency financial statements were approved on 2<sup>nd</sup> April 2019 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 (NGCDF)****BAHATI CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2018****V. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
Cash and Cash Equivalents			
Bank Balances ( as per the cash book)	10A	9,377,542	287,659
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>9,377,542</b>	<b>287,659</b>
Current receivables - Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>9,377,542</b>	<b>287,659</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts payable - Retention	12	-	-
<b>NET FINANCIAL ASSETS</b>		<b>9,377,542</b>	<b>287,659</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July 2017	13	287,669	16,323,088.25
Surplus/Defict for the year		9,089,873	(16,035,429)
Prior year adjustments	14	-	-
<b>NET FINANCIAL POSITION</b>		<b>9,377,542</b>	<b>287,669</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BAHATI Constituency financial statements were approved on 2<sup>nd</sup> April 2019 and signed by:



Fund Account Manager  
Name: Hawah N. Abdul

**FUND ACCOUNT MANAGER  
NG-CDF BAHATI  
P.O. Box 22-20113,  
BAHATI.**



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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**

**BAHATI CONSTITUENCY**

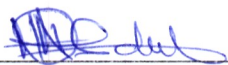
**Reports and Financial Statements**

**For the year ended June 30, 2018**

**VI. STATEMENT OF CASHFLOW**

		2017-2018	2016-2017
		Kshs	Kshs
<b>Receipts for operating income</b>			
Transfers from CDF Board	1	85,990,345	81,896,552
Other Receipts	3	-	
		<b>85,990,345</b>	<b>81,896,552</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,730,170	2,498,390
Use of goods and services	5	6,424,816	6,817,616
Transfers to Other Government Units	6	34,500,000	36,630,000
Other grants and transfers	7	33,450,306	50,085,975
Other Payments	9	-	1,900,000
		<b>76,105,292</b>	<b>97,931,981</b>
<b>Adjusted for:</b>			
Adjustments during the year	14	-	-
<b>Net cash flow from operating activities</b>		<b>9,885,053</b>	<b>(16,035,429)</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	(795,180)	-
<b>Net cash flows from Investing Activities</b>		<b>(795,180)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>9,089,873</b>	<b>(16,035,429)</b>
Cash and cash equivalent at BEGINNING of the year	13	287,669	16,323,088.25
Cash and cash equivalent at END of the year		9,377,542	287,669

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-BAHATI Constituency financial statements were approved on 2<sup>nd</sup> April 2019 and signed by:



Fund Account Manager  
Name: Hawah N. Abdul

**FUND ACCOUNT MANAGER  
NG-CDF BAHATI  
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BAHATI.**



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

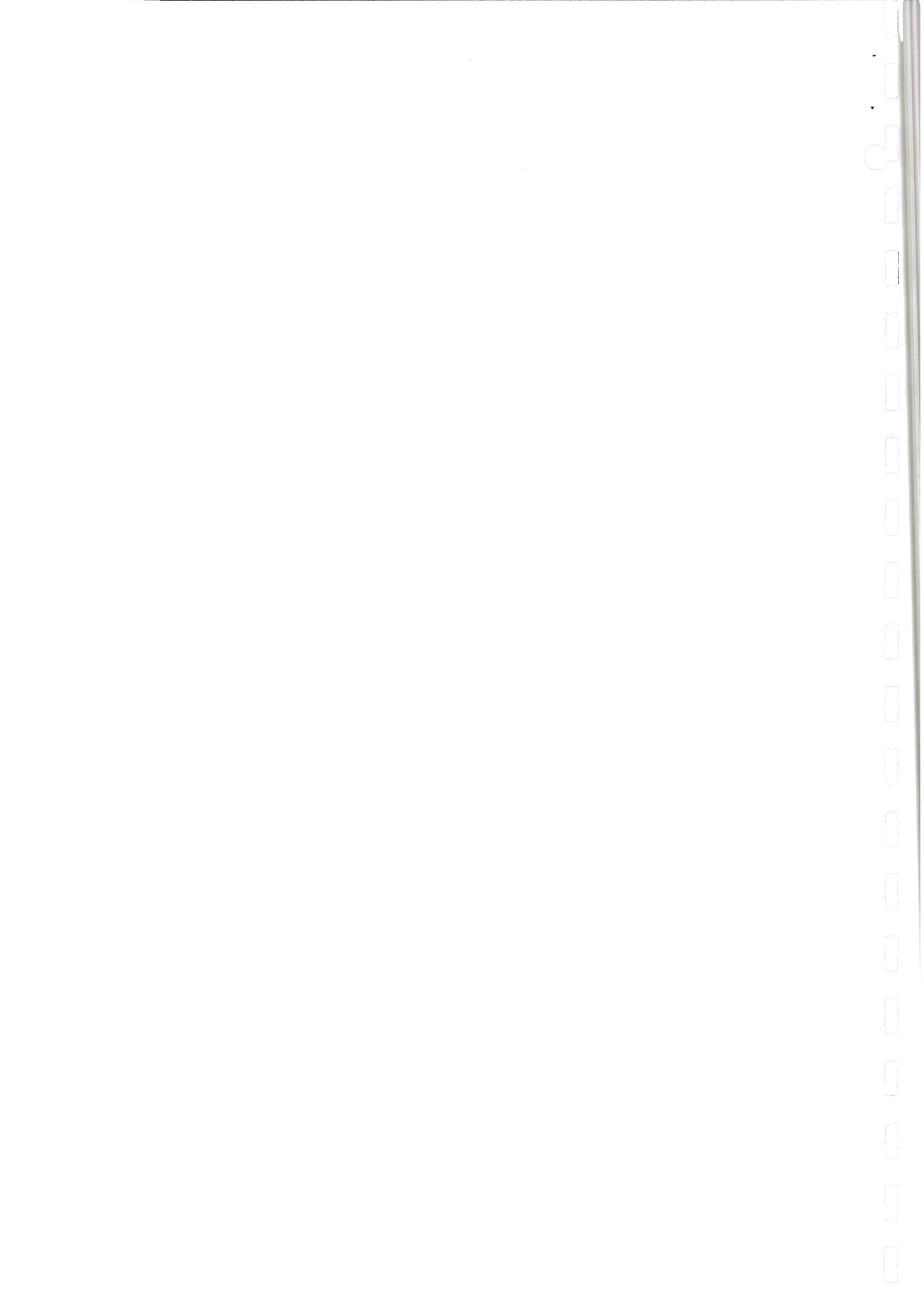


VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED


Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	85,990,344.80	12,199,310.34	98,189,655.14	85,990,344.80	12,199,310.34	59.0%
Proceeds from Sale of Assets						0.0%
Balance b/f		287,658.95	287,658.95			0.0%
<b>TOTAL RECEIPTS</b>	<b>85,990,344.80</b>	<b>12,486,969.30</b>	<b>98,477,314.09</b>	<b>85,990,344.80</b>	<b>12,199,310.34</b>	<b>59.0%</b>
<b>PAYMENTS</b>						
Compensation of Employees	2,488,700.00	287,658.95	2,776,358.95	1,730,170.00	1,046,188.95	62%
Use of goods and services	7,219,920.69	1,024,137.95	8,244,058.64	6,424,815.95	1,819,242.69	78%
Transfers to Other Government Units	36,100,000.00	0.00	36,100,000.00	34,500,000.00	1,600,000.00	96%
Other grants and transfers	34,100,386.59	11,175,172.40	45,275,558.99	33,450,306.00	11,845,252.99	73%
Acquisition of Assets	1,404,310.34	0.00	1,404,310.34	795,180.00	609,130.34	0%
Other Payments	4,677,027.20	0.00	4,677,027.20	0	4,677,027.00	0%
<b>TOTAL</b>	<b>85,990,344.82</b>	<b>12,486,969.30</b>	<b>98,477,314.12</b>	<b>76,900,471.95</b>	<b>21,576,842.17</b>	<b>77.4%</b>


Notes

- The reason why the NGCDF Committee did not achieve the 100% utilization is due to the fact that the board had not released all the funds to the constituency account. Amount Due from the Board Ksh.12,199,310.40
- The NGCDFC resubmitted environmental project amounting to 820,000.00 and the committee was waiting for the board approval
- Under Transfers to other Government Units; The CDFC requested for change of activity for Heshima Secondary school pending approval from the Board
- Other Payments: the Constituency Committee has been waiting for legal framework for the ICT Hubs from the ministry of ICT



The NGCDF BAHATI Constituency financial statements were approved on 2<sup>nd</sup> April 2019 and signed by:

  
Fund Account Manager  
Name: Hawah N. Abdul

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

**FUND ACCOUNT MANAGER  
NG-CDF BAHATI  
P.O. Box 22-20113,  
BAHATI.**

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## **VIII. 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 Entity**

The financial statements are for the NGCDF-BAHATI 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.

#### **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 entity)

#### **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 entity.



## **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 entity 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 2018, 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 Entity recognises all payments when the event occurs and the related cash has actually been paid out by the Entity.

### **Compensation of Employees**

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

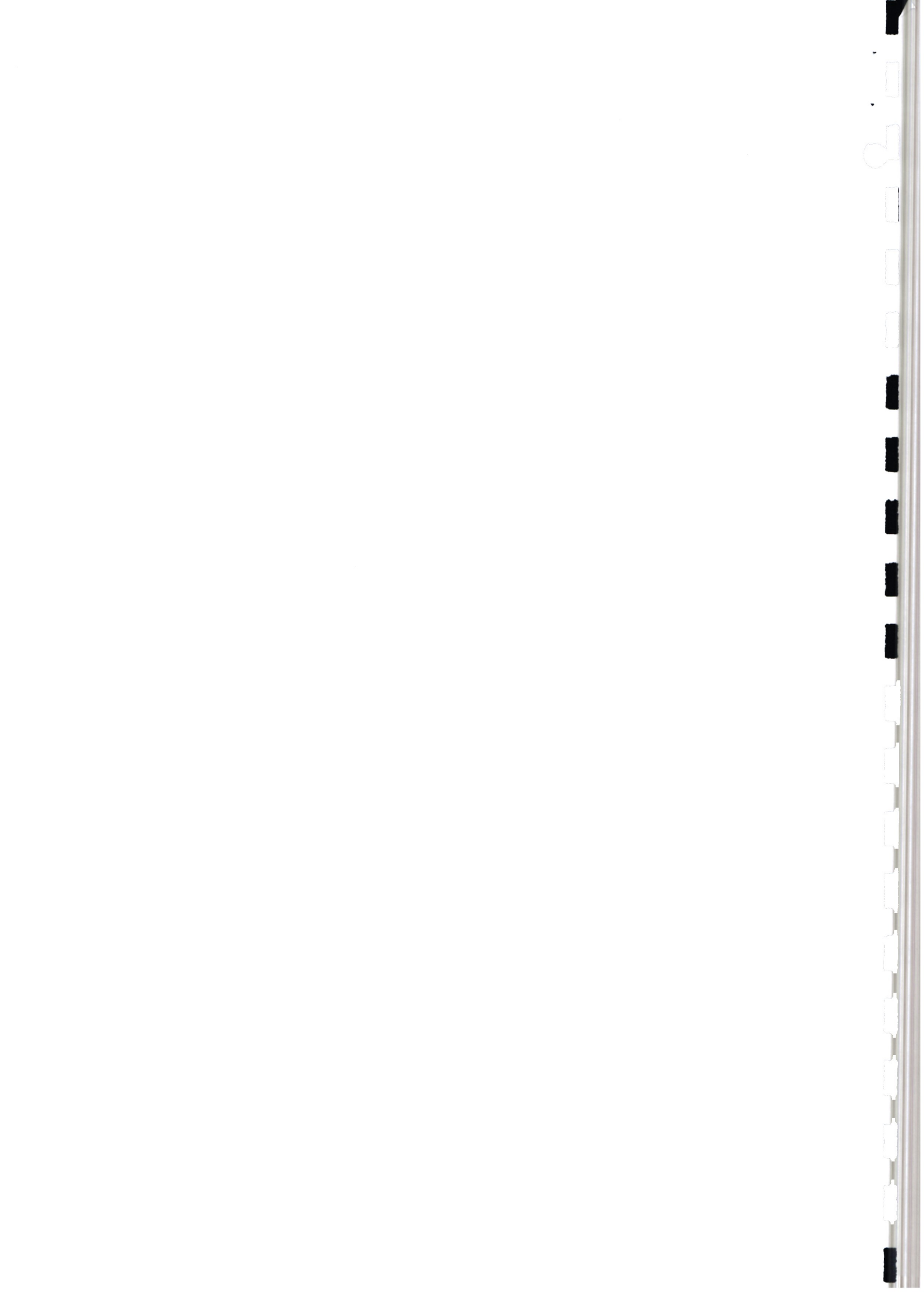
### **Use of Goods and Services**

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

### **Acquisition of Fixed Assets**

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

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



## **SIGNIFICANT ACCOUNTING POLICIES**

### **5. In-kind contributions**

In-kind contributions are donations that are made to the Entity 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 Entity 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**

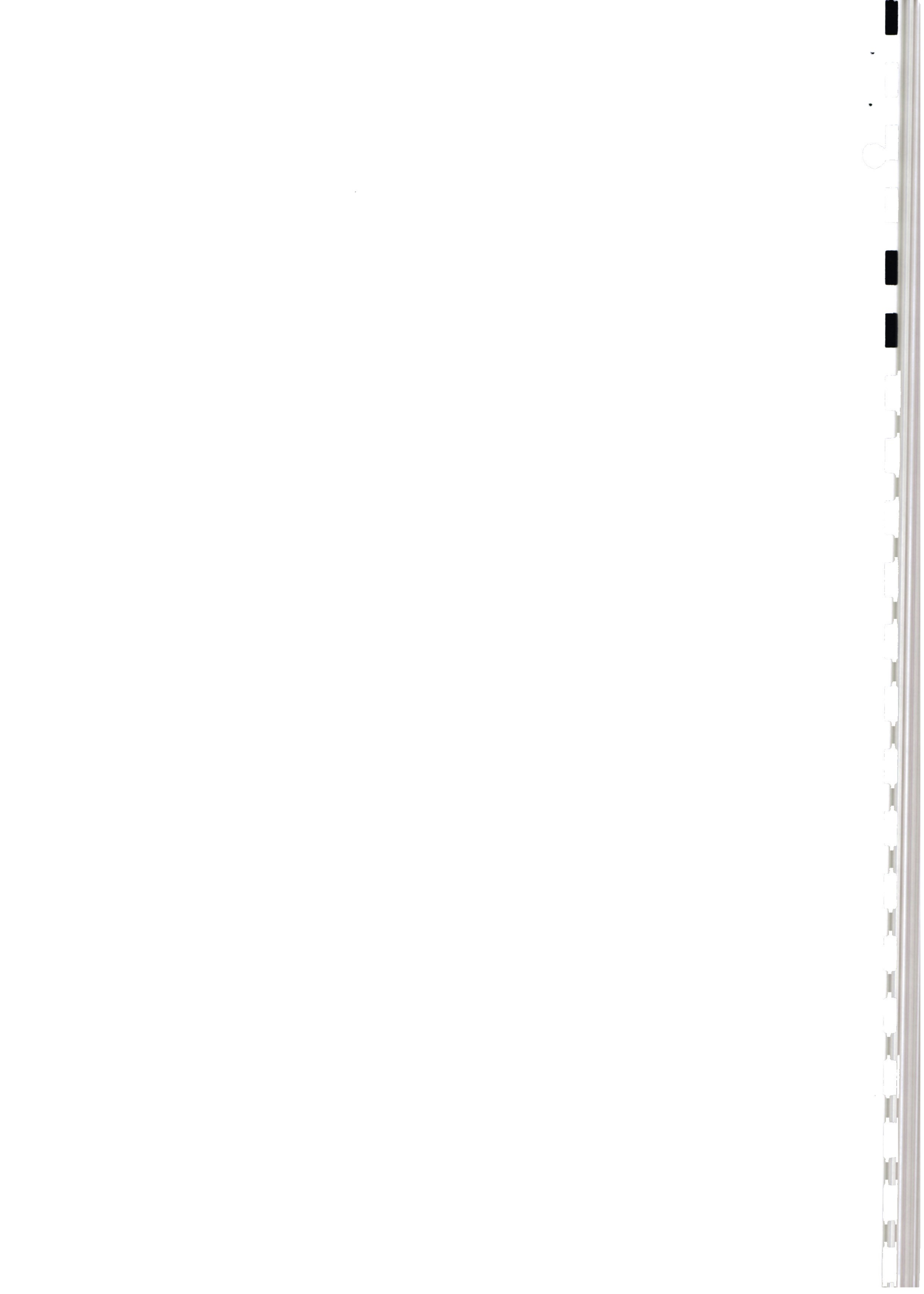
For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfilment of obligations 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 Entity 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 NGCDF Act, 2015.



## **SIGNIFICANT ACCOUNTING POLICIES**

### **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 2017 for the period 1<sup>st</sup> July 2017 to 30<sup>th</sup> June 2018 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 2018.

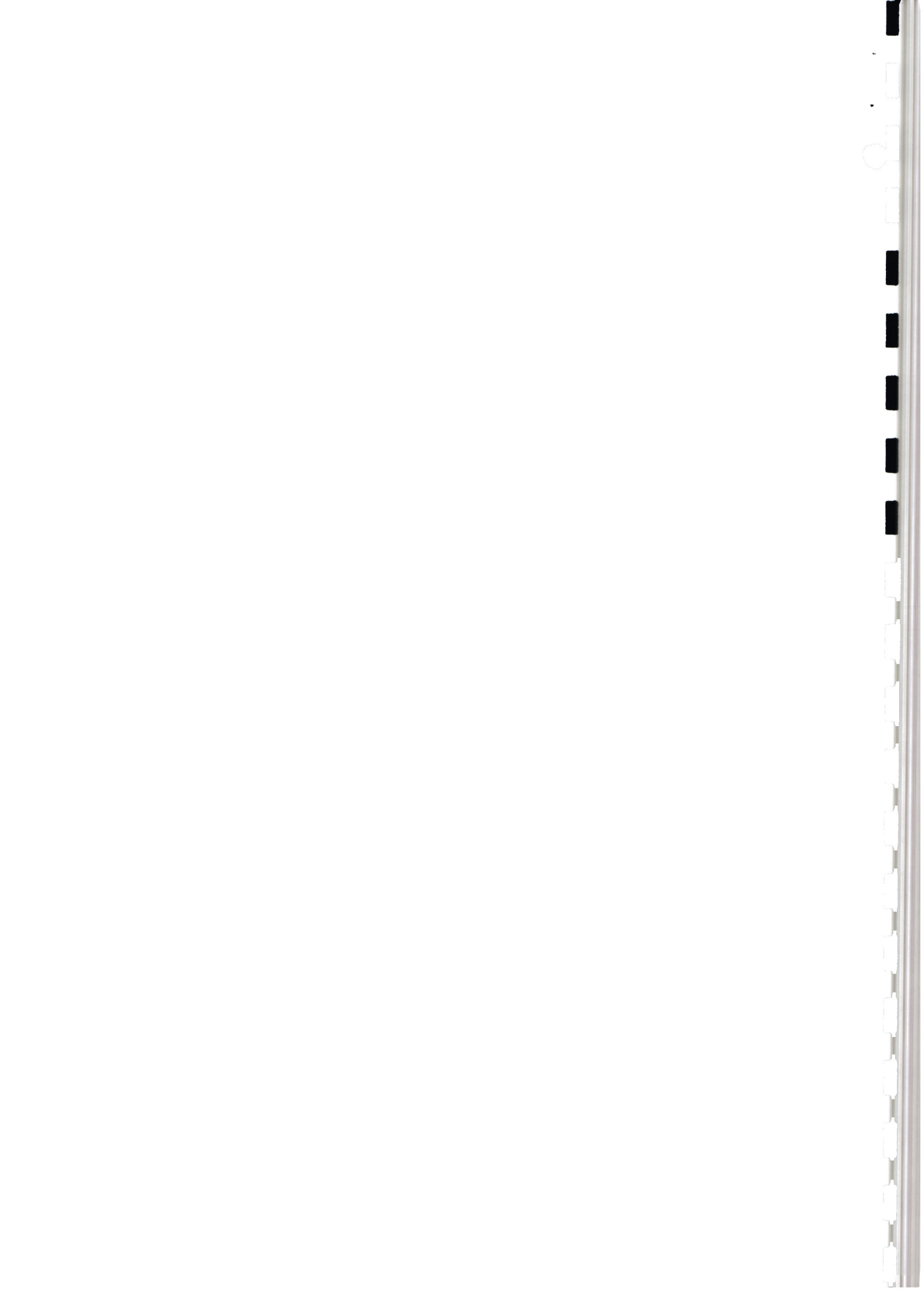
### **14. Errors**

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.



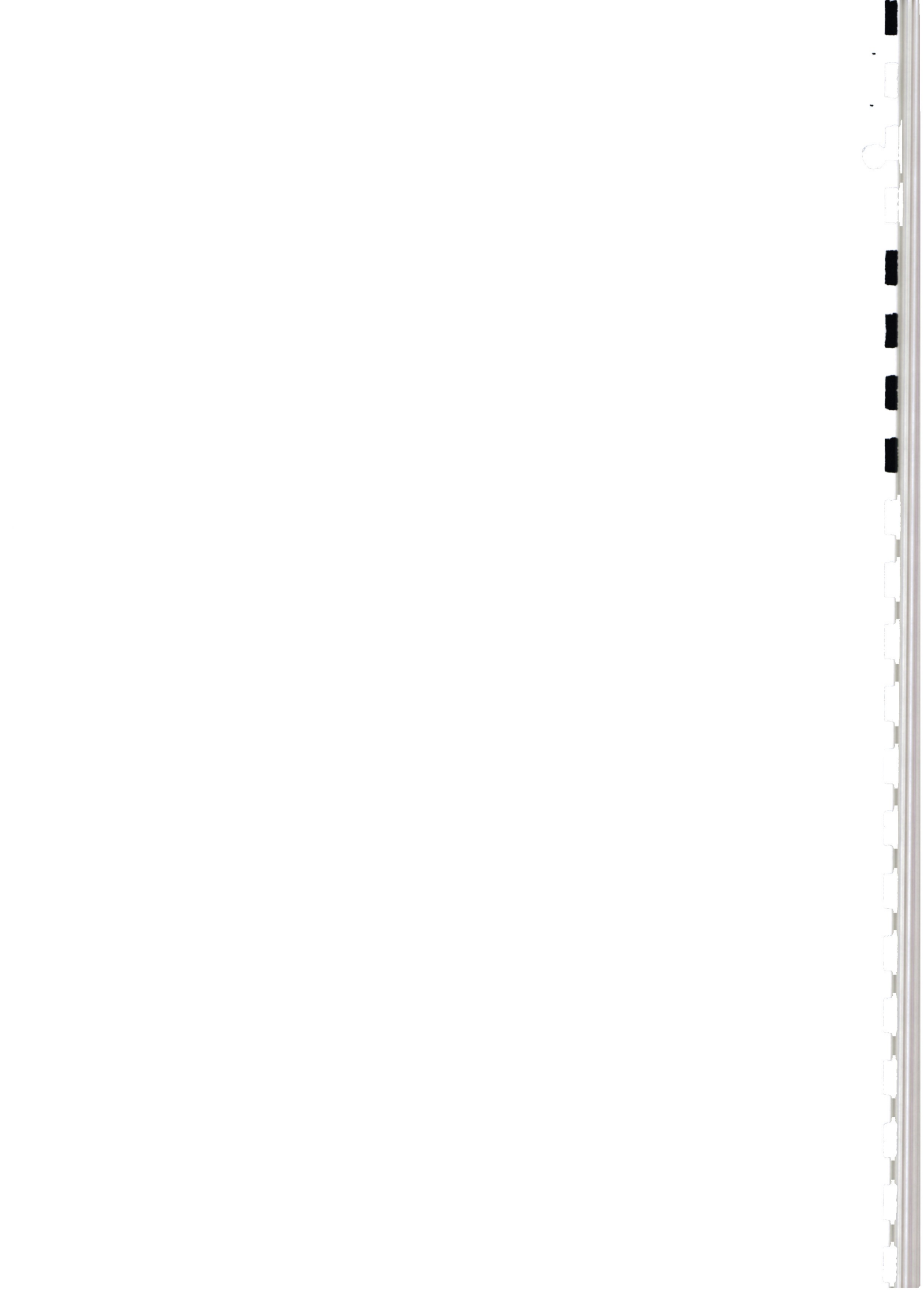
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
BAHATI CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2018**

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2017-2018	2016 - 2017
		Kshs	Kshs
Normal Allocation			
	A855757	5,500,000.00	
	A892756	37,905,172.00	
	A896823	21,000,000.00	
	A896900	21,585,172.80	
			4,094,827.60
			36,853,449.00
			40,948,275.10
Conditional grants			-
			-
Receipt from other Constituency			-
<b>TOTAL</b>		<b>85,990,344.80</b>	<b>81,896,551.70</b>

<b>2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS</b>			
Description		2017-2018	2016-2017
		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>
<b>3 OTHER RECEIPTS</b>			
Description		2017 - 2018	2016-2017
		Kshs	Kshs



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
BAHATI CONSTITUENCY  
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For the year ended June 30, 2018**

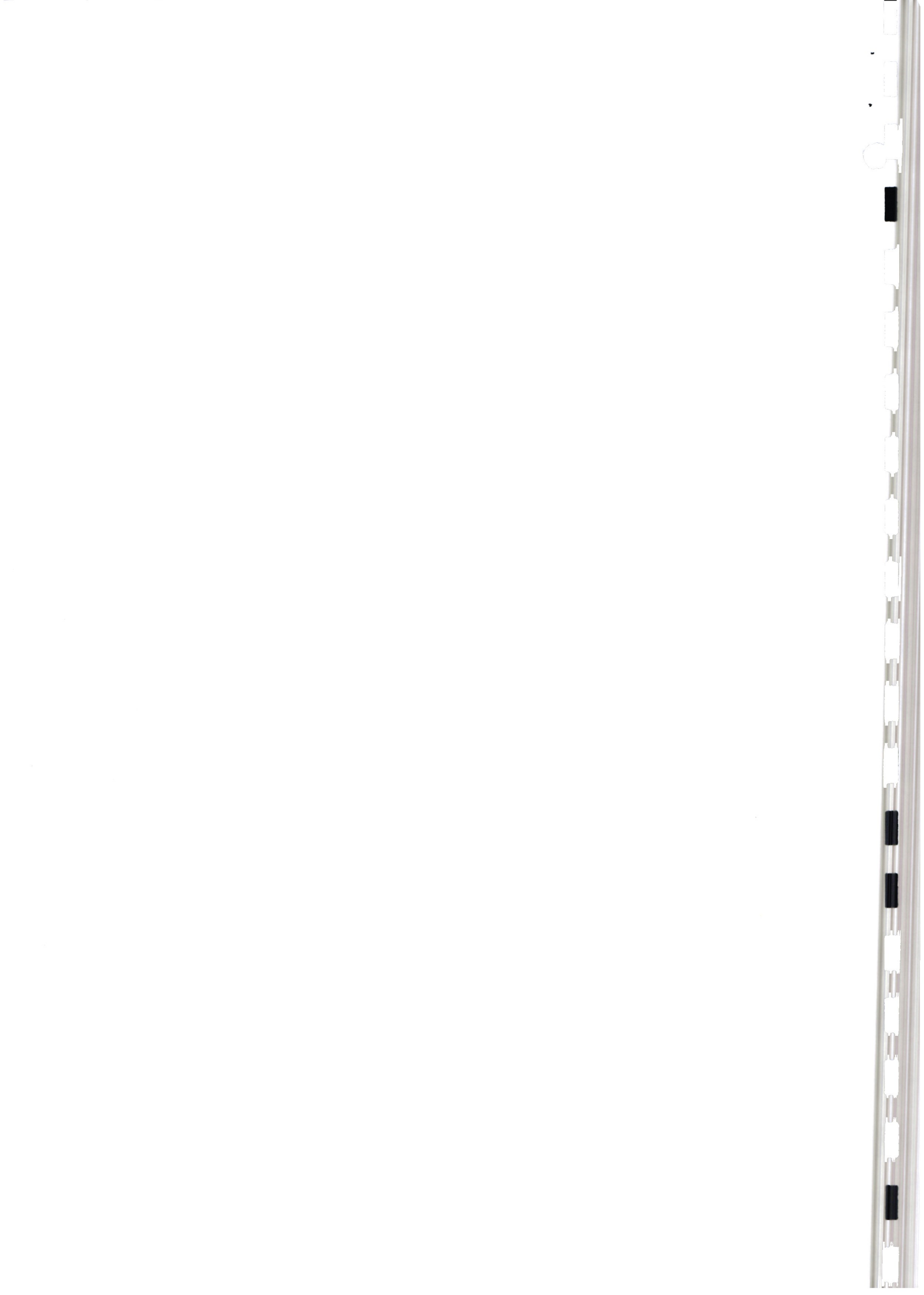
Interest Received		-	-
Rents		-	-
Sale of Tender Documents		-	-
Other Receipts Not Classified Elsewhere (specify)		-	-
<b>TOTAL</b>		-	-
<b>4 COMPENSATION OF EMPLOYEES</b>			
<b>Description</b>		<b>2017-2018</b>	<b>2016-2017</b>
		<b>Kshs</b>	<b>Kshs</b>
Basic wages of contractual employees		1,145,950.00	1,439,990.00
Basic wages of casual labour			-
<b>Personal allowances paid as part of salary</b>			-
House allowance			-
Transport allowance			-
Leave allowance			-
Other personnel payments			-
Employer contribution to NSSF		115,500.00	120,960.00
Gratuity-contractual employees		468,720.00	937,440.00
<b>TOTAL</b>		<b>1,730,170.00</b>	<b>2,498,390.00</b>
<b>5 USE OF GOODS AND SERVICES</b>			
<b>Description</b>		<b>2017-2018</b>	<b>2016-2017</b>
		<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services		710,390.00	612,100.00
Electricity		8,417.95	28,717.44
Water & sewerage charges		-	-
Office rent		21,920.00	6,960.00
Communication, supplies and services		-	-
Domestic travel and subsistence		-	-
Printing, advertising and information supplies & services		-	-
Rentals of produced assets		-	-
Training expenses		-	-
Hospitality supplies and services		-	-
Other committee expenses		1,221,500.00	1,806,000.00
Committee allowance		724,000.00	2,116,550.00
Insurance costs		-	-



1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

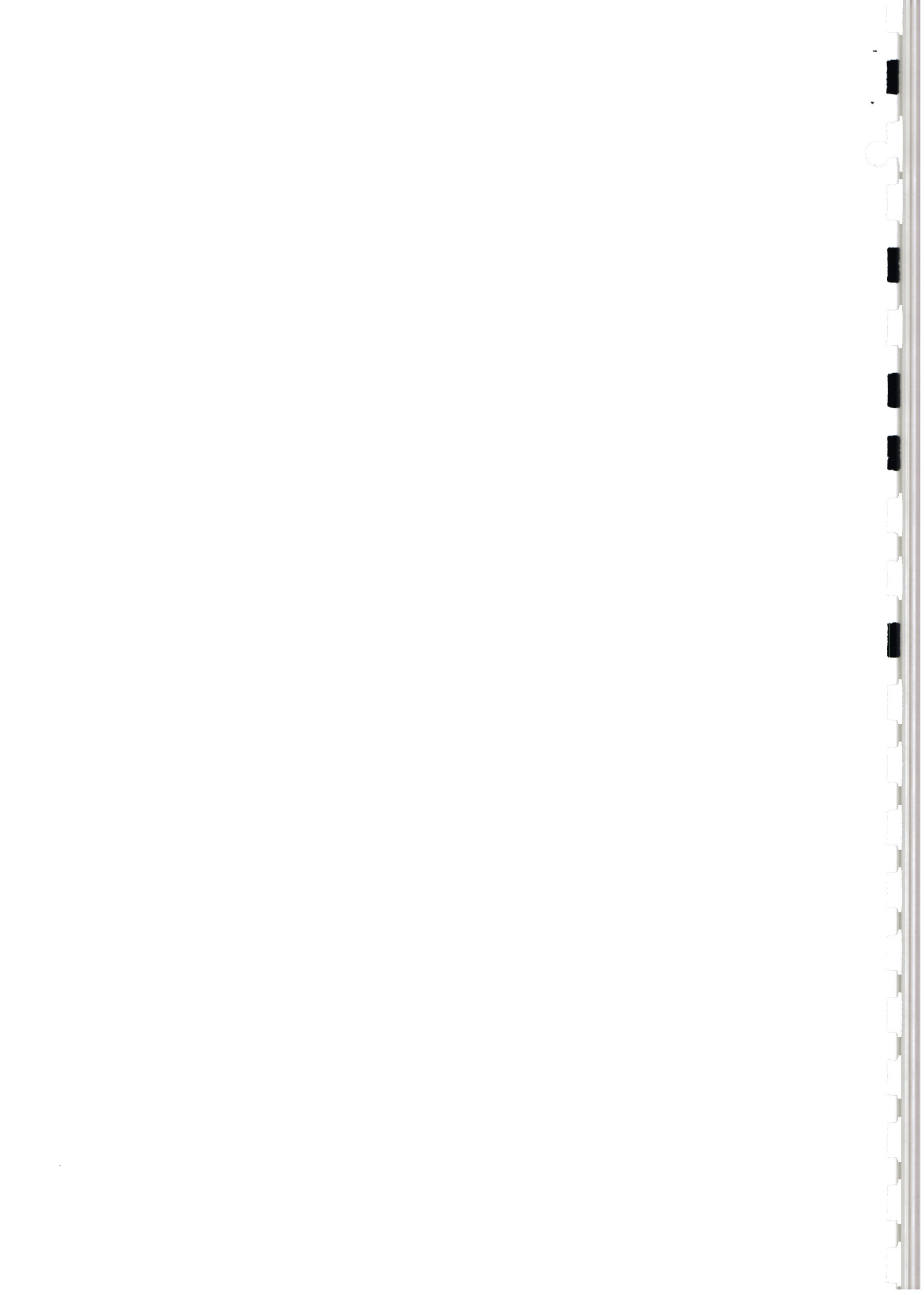
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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Specialised materials and services	-	-
Office and general supplies and services	542,068.00	769,988.50
Fuel , oil & lubricants	385,320.00	1,100,000.00
Other operating expenses	2,750,000.00	0.00
Bank service commission and charges	-	0.00
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	61,200.00	377,300.00
Routine maintenance- other assets	-	-
<b>TOTAL</b>	<b>6,424,815.95</b>	<b>6,817,615.94</b>
<b>6 TRANSFER TO OTHER GOVERNMENT ENTITIES</b>		
<b>Description</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to Primary schools	16,800,000.00	14,630,000.00
Transfers to Secondary schools	17,700,000.00	22,000,000.00
Transfers to Tertiary institutions		
Transfers to Health institutions		
<b>TOTAL</b>	<b>34,500,000.00</b>	<b>36,630,000.00</b>
<b>7 OTHER GRANTS AND OTHER PAYMENTS</b>		
<b>Description</b>	<b>2017-2018</b>	<b>2016-2017</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary –Secondary	4,350,264.00	0
Bursary –Tertiary	18,881,200.00	30,960,866.00
Bursary-Special schools		
Mocks & CAT		
Water		
Food security		
Electricity		
Security	3,450,000.00	10,330,000.00
Roads and Bridges		
Sports	1,489,750.00	1,500,000.00



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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For the year ended June 30, 2018**

Environment		779,988.00	2,500,000.00
Cultural Projects			
Agriculture			
Emergency Projects		4,499,104.00	4,795,109.00
<b>TOTAL</b>		<b>33,450,306.00</b>	<b>50,085,975.00</b>
<b>8 ACQUISITION OF ASSETS</b>			
<b>Non Financial Assets</b>		<b>2017-2018</b>	<b>2016-2017</b>
		<b>Kshs</b>	<b>Kshs</b>
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		263,020.00	
Purchase of computers ,printers and other IT equipments		232,260.00	
Purchase of photocopier			
Purchase of other office equipments		299,900.00	
Purchase of soft ware			
Acquisition of Land			
<b>TOTAL</b>		<b>795,180.00</b>	<b>-</b>
<b>9 Other Payments</b>			
			<b>2016-2017</b>
DEO OFFICE			400,000.00
WANYORORO B PUBLIC TOILET			500,000.00
WANYORORO B PUBLIC TOILET			500,000.00
KIRIMA SOCIAL HALL			500,000.00
<b>TOTAL</b>			<b>1,900,000.00</b>
<b>10A: Bank Balances (cash book bank balance)</b>			
<b>Name of Bank, Account No. &amp; currency</b>	<b>Account Number</b>	<b>2017-2018</b>	<b>2016-2017</b>
		<b>Kshs</b>	<b>Kshs</b>
		<b>(30/6/2018)</b>	<b>(30/6/2017)</b>
Equity Bank, Gate house Branch	A/C	9,377,541.80	287,658.95



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
 BAHATI CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2018**

	<i>no.0130275794440</i>		
<b>10B: CASH IN HAND)</b>			
		<b>2017- 2018</b>	<b>2016 - 2017</b>
		<b>Kshs (30/6/2018)</b>	<b>Kshs (30/6/2017)</b>
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
<b>TOTAL</b>		-	-



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

	2017 - 2018 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

	2017-2018 Kshs	2016-2017 Kshs
Bank accounts	287,668.95	16,323,089.35
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>287,668.95</b>	<b>16,323,089.35</b>

[Provide short appropriate explanations as necessary]



14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts	0	0
Cash in hand	0	0
Imprest	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

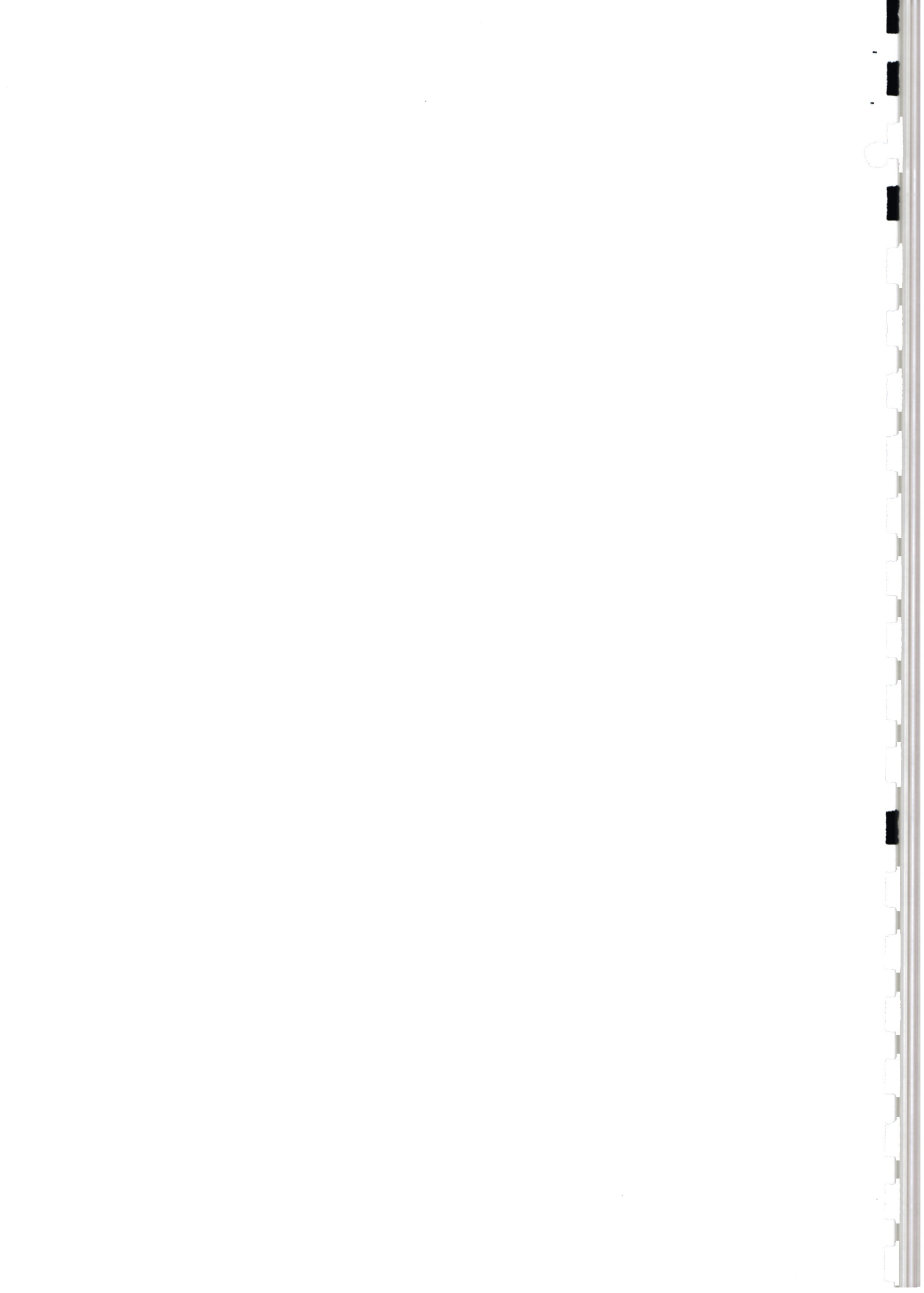
	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	<b>0</b>	<b>0</b>

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	0	0
Middle management	0	0
Unionisable employees	0	0
Others ( <i>specify</i> )	0	0
	<b>0</b>	<b>0</b>

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	864,080.00	0
Use of goods and services	3,413,435.29	0
Amounts due to other Government entities (see attached list)	1,600,000	0
Amounts due to other grants and other transfers (see attached list)	6,257,277.20	0
Acquisition of assets	0	0
Others ( <i>specify</i> )	0	0
	<b>12,134,792.49</b>	<b>0</b>



15.4: PMC account balances (See Annex 5)

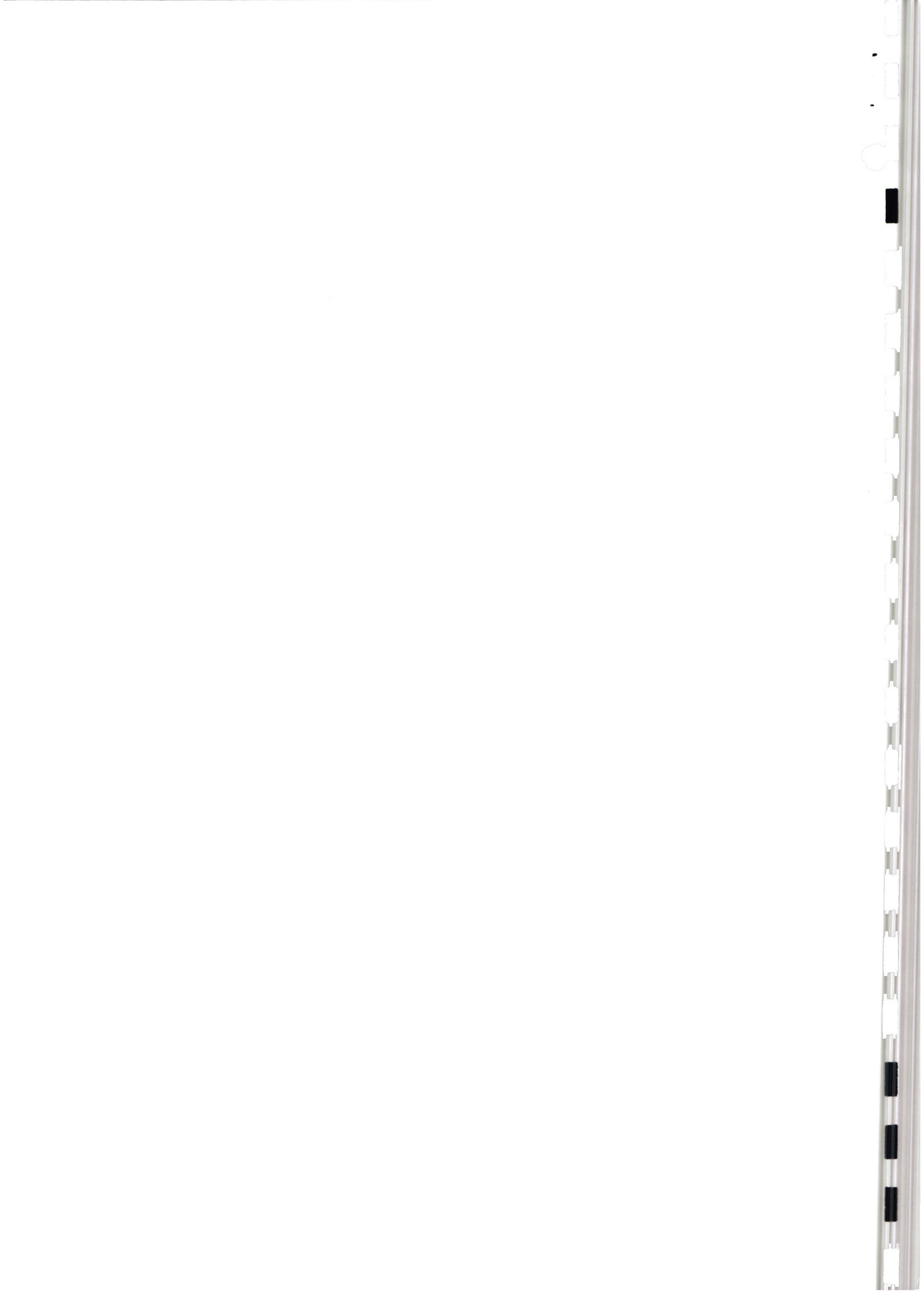
	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	0	0
	0	0



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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						



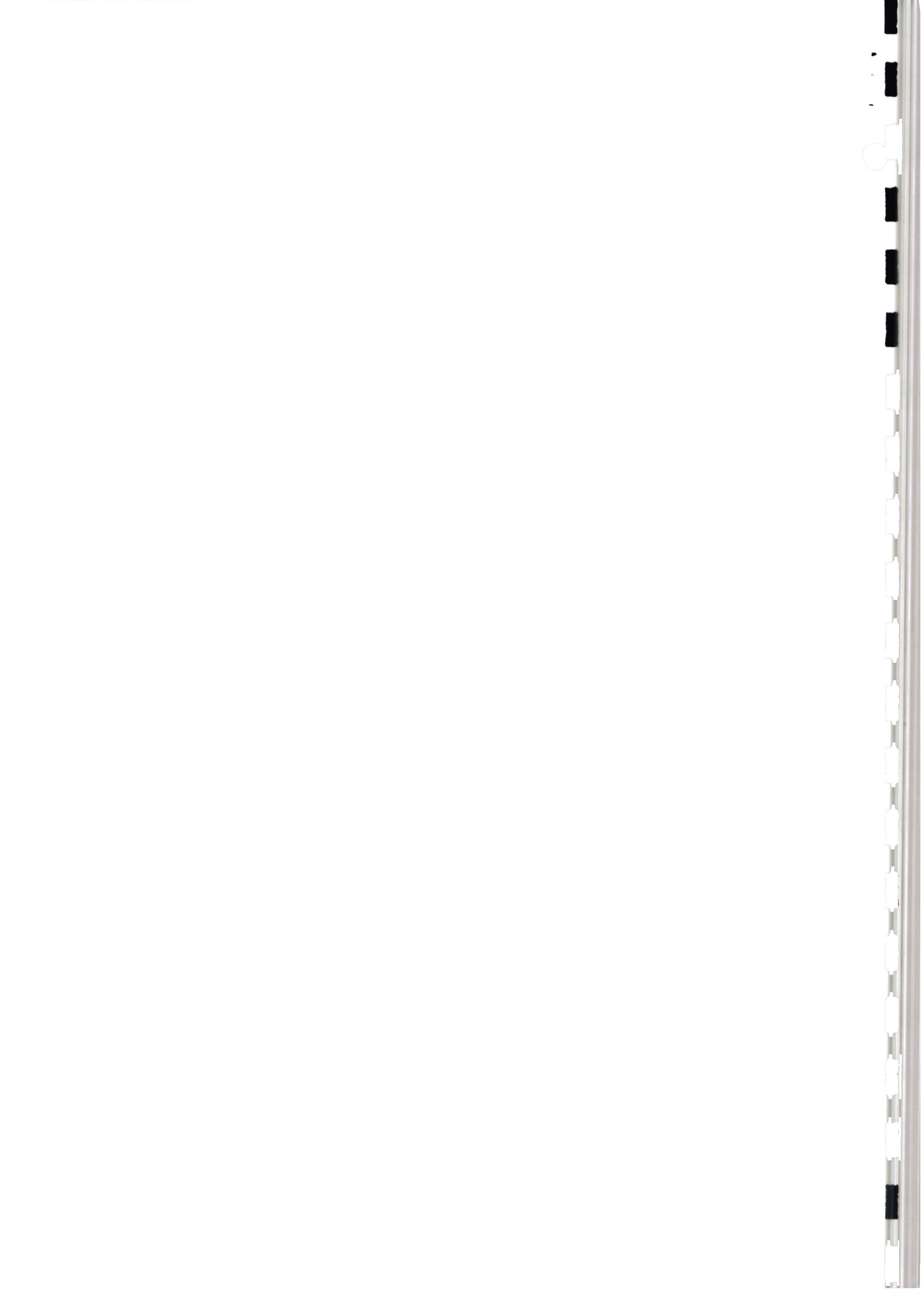
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – BAHATI CONSTITUENCY**

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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 2016	Outstanding Balance 2014	Comments
		a	b	C	d=a-c		
<b>Senior Management</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Middle Management</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
<b>Unionisable Employees</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
10.							
11.							
12.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						

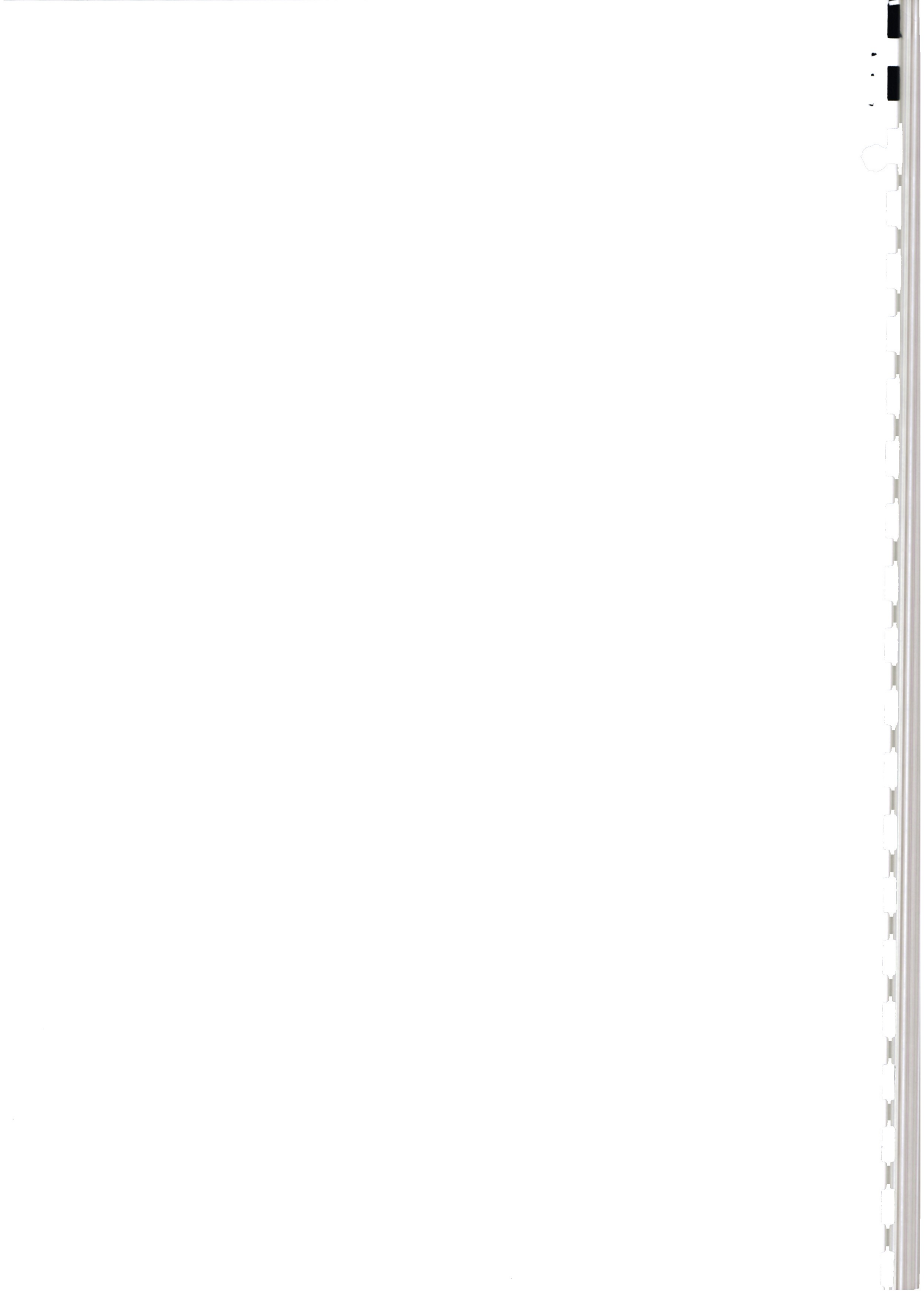


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-BAHATI**

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**ANNEX 3– UNUTILIZED FUNDS**

<b>Name</b>	<b>Brief Transaction Description</b>	<b>Original Amount</b>	<b>Date Payable Contracted</b>	<b>Outstanding Balance</b>	<b>Comments</b>
<b>Compensation of employees</b>	Payment of staff salaries for July, August and September	864,080.00		864,080.00	The salaries were carried down from 2016/17
<b>Use of goods &amp; services</b>	Purchase of office goods, fuel, repair of motor vehicles and stationeries	12,654.74		12,654.74	
<b>Monitoring and evaluation</b>	Committee expenses	1,172,361.52		1,172,361.52	
	Committee Allowances	252,188.34		252,188.34	
<b>Goods and services</b>	purchase of goods and services	1,976,230.69		1,976,230.69	Goods and services
<b>Amounts due to other Government entities</b>					
<b>HESHIMA SECONDARY SCHOOL</b>	Construction of storey classrooms	1,600,000	0	1,600,000	The project had requested a change of activity from purchase of a school plot to construction of storey classrooms after the seller of the plots declined to sell.
<b>ENVIRONMENT PROJECTS</b>		820,000.00		820,000.00	
<b>SPORTS</b>		1,500,000.00		10,250.00	
<b>Strategic Plan</b>	Development of a	750,000	1,489,750.00	750,000.	The Consultant is done with



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Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Outstanding Balance	Comments
Constituency Innovation Hubs (CIH)	strategic plan for the financial year (2018-2023) Set up 4ICT hubs within the constituency	4,677,027.20		4,677,027.20	design and printing is in progress Constituency Innovation Hubs (CIH)
<b>Grand Total</b>		<b>13,624,542.49</b>	<b>1,489,750.00</b>	<b>12,134,792.49</b>	



NATIONAL GOVERNMENT CONTINUITY DEVELOPMENT FUND -BAHATI

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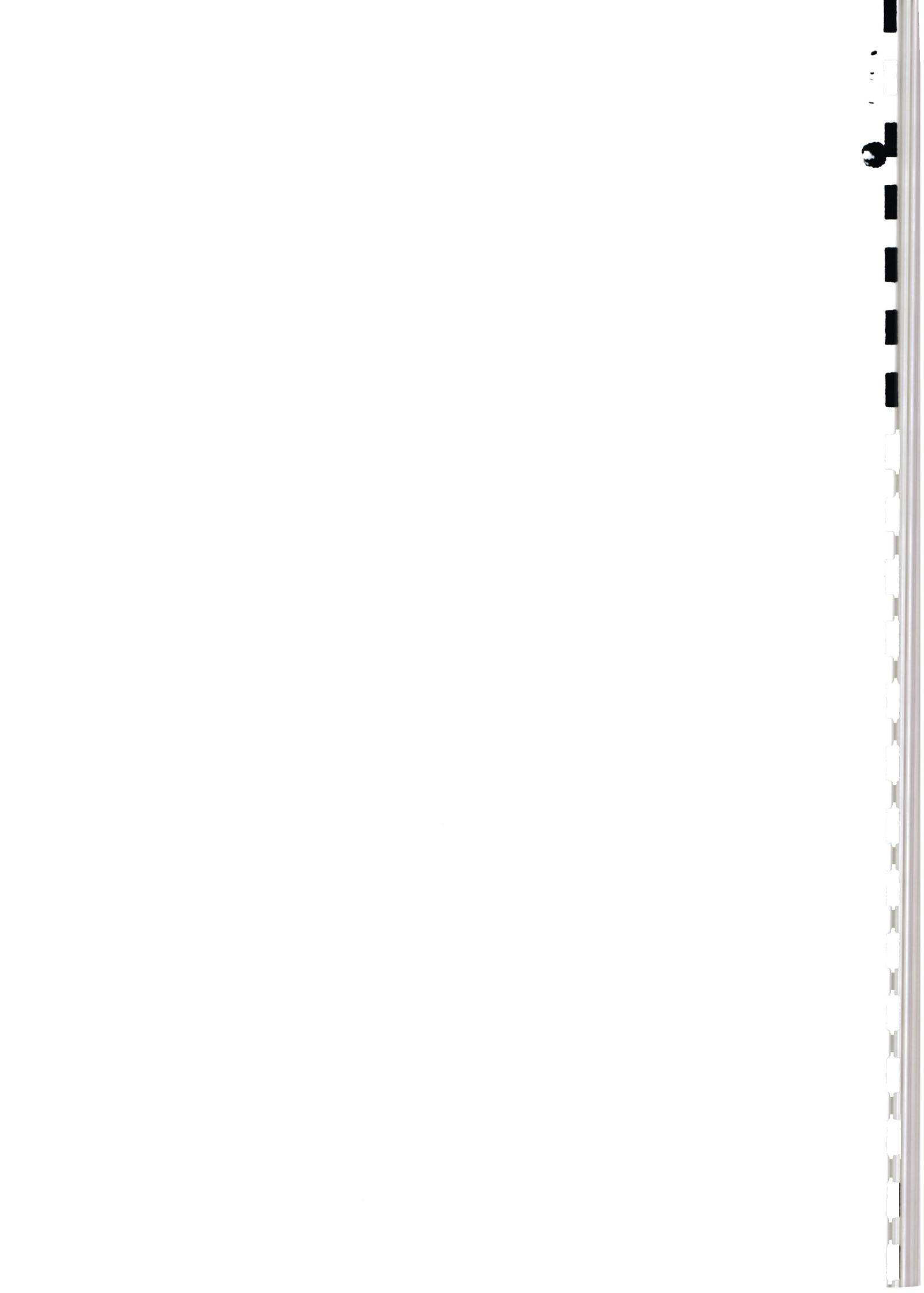
For the year ended June 30, 2018

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs) 2017/18	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures				
Transport equipment	6,350,000.00			6,350,000.00
Office equipment, furniture and fittings	696,918.00	560,920.00		1,257,838.00
ICT Equipment, Software and Other ICT Assets	566,350.00	234,260.00		800,610.00
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
<b>Total</b>	<b>7,613,268.00</b>	<b>795,180.00</b>		<b>8,408,448.00</b>







**NATIONAL GOVERNMENT CONTITUENCY DEVELOPMENT FUND -BAHATI**

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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)
Delayed Completion of Bahati Police Station Project	<p>During the year under review, Bahati CDF budgeted to spend Kshs.750,000 on the construction of a perimeter wall and a gate at Bahati Police station. Physical verification revealed that the perimeter wall was partially constructed, the pedestrian had not gate fitted while other finishes had not been done. Further, no construction activities were going on and no materials were on site a likelihood that the project may have stalled. The project was not allocated any funds in the financial year 2017/2018 implying that the CDF may have abandoned the project.</p> <p>Failure to have the project completed may lead to loss of already spent funds and there is no value for money since the residents of Bahati Constituency are not deriving any benefits from the project.</p>	<p>The initial request by the Officer Commander in Charge was to fence the front part of the police station which is in 4 acre Land. The Fencing was done though the final finishing work was not done such as key and painting of the grills. However, the Project was added more funds to construct women cell and finish the wall the current financial year.</p>	Hawah Abdul	resolved	resolved
Incomplete Project (Menengai Assistant Chief's Office)	<p>During the year under review, Bahati CDF budgeted to spend Kshs.1,450,000 on purchase of land and construction of Menengai Assistant Chief's Office. This project was still incomplete despite full disbursement of Kshs.1,450,000. The parcel of land had no clear demarcation since it was not fenced and was located between two privately owned parcels of land.</p>	<p>The Project was allocated more funds to complete the works during the financial year 2018/19</p>	Hawah Abdul	resolved	resolved



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Reference on the external audit report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue <i>(Name and designation)</i>	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	In the absence of additional funding towards this project, the already utilized public funds may go into waste.				

