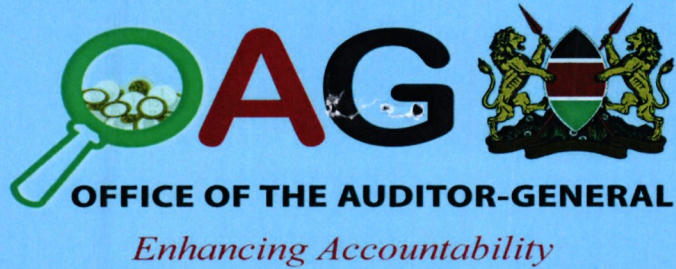


REPUBLIC OF KENYA



**REPORT**

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 11 FEB 2021	DAY:
TABLED BY:	
CLERK-AT-THE-TABLE:	

**OF**



**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT AFFIRMATIVE  
ACTION FUND**

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



OFFICE OF THE AUDITOR GENERAL  
P. O. Box 30084 - 00100, NAIROBI  
REGISTRY  
21 FEB 2020  
**RECEIVED**

**MINISTRY OF PUBLIC SERVICE, YOUTH AND GENDER AFFAIRS**  
**STATE DEPARTMENT FOR GENDER AFFAIRS**  
**NATIONAL GOVERNMENT AFFIRMATIVE ACTION FUND**


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**REVISED ANNUAL FINANCIAL STATEMENTS REPORTS**

**FOR THE PERIOD ENDED**  
**JUNE 30<sup>TH</sup>, 2019**

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

 <b>THE NATIONAL ASSEMBLY</b> <b>PAPERS LAID</b>	
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*National Government Affirmative Action Fund*  
**Reports and Financial Statements**  
**For the Period ended June 30<sup>th</sup>, 2019**

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## **KEY ENTITY INFORMATION AND MANAGEMENT**

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

The National Government Affirmative Action Development Fund (NGAAF) initially referred to as Affirmative Action Social Development Fund (AASDF), was enacted through Legal Notice No.24 of the Public Finance Management Act, 2012 and published on 13<sup>th</sup> February 2015.

The Fund is governed by the Public Finance Management Act, 2012 (National Government Affirmative Action Development Fund), Regulations 2016. The Fund is a Semi-Autonomous Agency under the Ministry of Public Service, Youth and Gender Affairs and has County offices in all the 47 counties managed by the County Coordinators.

### **(b) Principal Activities**

Provision of grant funds for socio-economic empowerment of affirmative action groups; Women, Youth and Persons with Disability, needy children at the counties in line with the Vision 2030 through the following activities;

- i. Support to women economic empowerment initiatives through provision of funds for table banking, savings and credit cooperative organizations (SACCOS);
- ii. Provision of bursary and scholarships for access of education opportunities among vulnerable groups; school going orphaned, child-headed house-holds and special needs children, out of school vulnerable youth for skill training;
- iii. Support of value addition initiatives in agribusiness, cottage industries owned by affirmative action groups
- iv. Promotion of talent development among the youth involved in arts, music and sports;
- v. Support to programmes on access to services on gender- based violence through establishment of rescue and counselling centres and support to survivors of Gender based violence
- vi. Sensitization of communities on gender-based violence including, female genital mutilation, child marriages or forced marriages
- vii. Establishment of drugs and substance abuse rehabilitation and counselling centres in conjunction with the relevant Government agencies;
- viii. Enterprise training and financial start-ups support to rehabilitated individuals;
- ix. Conducting civic education and community sensitization on National Government affirmative action programmes and policies;

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**(c) Key Management**

The National Government Affirmative Action Fund is management under the following key organs:

- i. The Principal Secretary, State Department for Gender ,  
Ministry of Public Service, Youth and Gender affairs
- ii. The Board of Directors
- iii. A Secretariat headed by the Chief Executive Officer

**(d) Fiduciary Management**

The key management personnel who held office during the period ended 30th June 2019 and who had direct fiduciary responsibility were:

1	Chief Executive Officer	Titus Lotee
2	Head of Finance	Peter G. Karogi
3	Head of Procurement	Jane N.Kyengo
4	Head of Human Resource	Paul W.Olando
5	Programme Officer	Geraldine Omukaga
6	Monitoring and Evaluation Officer	James M.Karwigi

**(e) Fiduciary Oversight Arrangements**

**1. Finance and Administration Committee**

The Finance and Administration Sub-Committee is responsible to the Board of Directors for the following:

- i. Reviewing annual budgets schedules prepared by Accounts in line with the PFM Act,2012 (NGAAF),Regulations,2016;
- ii. Reviewing the secretariat annual procurement plan;
- iii. To oversee preparation of financial reports and ensure that reports are accurate and timely;
- iv. Ensure compliance with PFM Act, 2012;
- v. Ensure prudent utilization of disbursed Funds;
- vi. Recommending the staff establishment/levels
- vii. Oversee staff welfare, development and motivation and make recommendations to the board as and when need.

## **2. Audit Committee**

The Audit Committee's responsibilities include the following:

- i. Provide oversight of the Fund internal audit function;
- ii. Evaluate internal and external audit reports and make appropriate recommendations;
- iii. Review the levels of compliance with relevant legislative and regulatory requirements
- iv. Conducting periodic internal checks on key processes to ensure compliance with the established procedures, and report to the Board on the findings and recommendations for improvements;
- v. To analyse and address the risks that are associated with the key processes.
- vi. To report to the Board of any financial concerns and irregularities;
- vii. Overseeing response to audit queries

### **(f) Entity Headquarters**

P.O. Box 48274- 00100  
Bruce House  
Standard Street  
Nairobi, KENYA

### **(g) Entity Contacts**

Telephone:  
E-mail: [ceongaaf.go.ke](mailto:ceongaaf.go.ke)  
Website: [ngaaf.go.ke](http://ngaaf.go.ke)

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**(h) Entity Bankers**

Central Bank of Kenya  
Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
Nairobi, Kenya




**2 Independent Auditors**

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

**3 Principal Legal Adviser**

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

**THE BOARD OF DIRECTORS**

 <p>Hon. Regina Nthambi Muia Chairperson</p>	<p><b>Experience:</b> Born in 1956, Former Member of 11<sup>th</sup> Parliament from 2013-2017. 10 years as Marketing Director, Professional Careers &amp; Hotel Agents. The Chairperson of the Board via Gazette notice No. 7052</p> <p><b>Qualifications:</b> Bachelor's Degree in Leadership &amp; Management. Post graduate Diploma in Marketing.</p>
 <p>Prof. Wanjiru Kabira</p>	<p><b>Experience:</b> Born in 1954. Professor of literature at University of Nairobi. Has taught at UON for over 30 years. Was a Commissioner of CKRC. Has published extensively on Gedu and Women issues. Contributed in Constitution making in Kenya (2012). Independent Director and also Director Africa Women Studies Centre. She is the Chairperson of Strategic and Programmes Committee.</p> <p><b>Qualifications:</b> PHD,MA</p>
 <p>Juliet Kola</p>	<p><b>Experience:</b> Born in 1962. Over 20 years in the Public Service as a Social Development Officer. Represents the Principal Secretary State Department of Social Protection. A member of Audit &amp; Audit Risk and Conflict Resolution Committee</p> <p><b>Qualifications:</b> MA Governance and Leadership.</p>
 <p>Charles Kimutai Chirchir</p>	<p><b>Experience:</b> Born 1979. Seven (7) years' experience as Procurement Officer at JKUAT. An Independent Director representing Persons With Disabilities. The Chairperson of the Finance Committee.</p> <p><b>Qualifications:</b> Bachelors Purchasing and Supplies Management from JKUAT.</p>

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 <p>Protus Ouma Onyango</p>	<p><b>Experience:</b> Born 1962. Over 32 years' experience in the Public Service in Gender and Social Development. Represents the Principal Secretary-Gender Affairs. A member of conflict resolution committee replacing Emily Opati on 28<sup>th</sup> January, 2019.</p> <p><b>Qualifications:</b> Masters in Gender Studies</p>
 <p>Titus Lotee Chief Executive Officer</p>	<p><b>Experience:</b> Born in 1974. Has over 20 years of career experience; 12 of which are at the Non-Governmental and Private Sector Organizations, both within and outside the country. 8 years in the Public Sector.</p> <p><b>Qualifications:</b> A PHD finalist in Leadership and Governance and a Master of Arts in coexistence and Conflict from Brandeis University USA. BA (Economics) Moi University.</p>
 <p>Linda Gacheri Kinyua</p>	<p><b>Experience:</b> Born in 1992. Has 3 years' experience in the Public Sector parastatal. An Independent Director representing Youth. The Chairperson of Conflict Resolutions.</p> <p><b>Qualifications:</b> Masters in Commerce from Strathmore University, BCom from Nairobi University.</p>
 <p>Emily Amlagu Opati</p>	<p><b>Experience:</b> Born 1968. Over 23 years' experience in the Public Service in Gender and Social Development. Represents the Principal Secretary-Gender Affairs. A member of conflict resolution committee, but replaced by Protus Onyango on 28<sup>th</sup> January, 2019.</p> <p><b>Qualifications:</b> Masters in Sociology, Bachelors of arts, Diploma in Gender Issues in labour and diploma in counselling.</p>



Robert Oduor

**Experience:** Born 1980. Over 10 years' experience in the Finance. He is an Independent Director. He is the Chairperson of Audit & Audit Risk Committee.

**Qualifications:** Masters of Business Administration.






Robert Osudi

**Experience:** Born 1982. Over 10 years' experience in the Public Service in Finance. Representing the Principal Secretary in the National Treasury. A member of Finance and Audit Committee.

**Qualifications:** Masters of Arts – Economics.

**MANAGEMENT TEAM**

 <p><b>Titus Lotee</b> Chief Executive Officer</p>	<p><b>Experience:</b> Born in 1974. Has over 20 years of career experience; 12 of which are at the Non-Governmental and Private Sector Organizations, both within and outside the country. 8 years in the Public Sector.</p> <p><b>Qualifications:</b> A PHD finalist in Leadership and Governance and a Master of Arts in coexistence and Conflict from Brandeis University USA. BA (Economics) Moi University.</p>
 <p><b>Geraldine Omukaga</b></p>	<p><b>Experience:</b> Born in 1975. Has over 10 years' experience in Public Service in Youth development. Currently Head of Programmes. She replaced Virginia Wanjuhi who was transferred during the period.</p> <p><b>Qualifications:</b> MBA in Strategic Management</p>
 <p><b>James Karwigi</b></p>	<p><b>Experience:</b> Born in 1974. Has over 10 experience years in Youth Development and Monitoring &amp; Evaluation. He replaced Mercy Kimemia who was transferred during the period.</p> <p><b>Qualification:</b> BA Social Sciences Higher Diploma in Human Resource Management and a certificate in Monitoring and Evaluation.</p>
 <p><b>Peter G. Karogi</b> Senior Accountant</p>	<p><b>Experience:</b> Born in 1962. Has 29 years in the Public Service as an Accountant.</p> <p><b>Qualifications:</b> MBA in Accounting, Bcom in Accounting and CPA I.</p>



Jane K. Kyengo  
Procurement Officer

**Experience:** Born in 1973. Has over 13 years' experience in the Public Service in procurement and inventory management. She changed her particulars from Jane Munguti to Jane Kyengo after marriage.

**Qualifications:** Bcom in Marketing, Professional Diploma in Purchasing and Supplies, Diploma in Business Administration.



Paul Olando  
Human Resource and Development  
Officer

**Experience:** Born in 1972. Has 13 years' experience in the Public Service in Human Resource Management and Development functions with vast experience in Human Resource Management. He replaced Peter Omanga on seniority.

**Qualifications:** Bachelor of Arts, Higher Diploma in Human Resource Management.

## **CHAIRPERSONS STATEMENT**

### **Introduction**

It is my pleasure to present to you the 2018/2019 Financial Statements.

It is worth noting that this is the second Board of the Fund and has laid down structures and systems in place to assist in the day to day running of the Fund.

### **Overall performance**

The Fund disbursed the first, second, third and part of the fourth Quarter allocation of 2018/19 Financial Year to the counties to finance community projects and programmes.

### **Key Activities and Achievements**

1. Disbursement of the first second third and part of the fourth Quarters allocation
2. Oversight role by the board in some counties

### **The Fund supports the following activities;**

1. Promotion of economic empowerment activities through support to Women, Youth and PWDs Groups table banking, and Women owned SACCOs.
2. Provision of Bursary/ Scholarships to vulnerable students, trainees in vocational institutions and children with special needs.
3. Civic education of community leaders and the public on Government programmes and policies.
4. Support to Gender Based Violence prevention through establishment of rescue and counselling centres and provision of legal aid and sensitization programmes.
5. Value additional initiatives; support to market shades for women in business, agribusiness, home industries, enterprise training and development, support to eco-friendly innovations in energy, housing and appropriate technology etc.
6. Nurturing of talent among the youth in music, art, sports.
7. Prevention of substance abuse through rehabilitation programmes.
8. Emergency Response -2% of the funds are set aside to support emergencies during floods, famine, disease outbreak, fire break outs and destruction of basic infrastructure.

**Successes**

- i. 26,781 vulnerable students supported through bursary both in secondary schools and vocational institutions
- ii. Over 147,553 members of the community from 47 counties reached through Civic Education
- iii. 1,142 groups (135,139 beneficiaries) benefitted from economic empowerment category
- iv. 505 groups financed to up-scale their value addition income generating initiatives
- v. Sports uniforms for various tournaments.
- vi. Supply of wheel chairs
- vii. Supply of equipment and tools for NITA enrolled students.
- viii. Construction of market sheds
- ix. Participation in women Walkathon on GBV awareness/ sensitization
- x. Provision of vegetable seedlings maize seeds and top dressing fertilizers
- xi. Group training on food and nutrition

**Governance and Board Performance**

The Board of Management has continued to discharge its duties diligently through various Board committees. During the 2018/2019 FY, the Board released Kshs 2.243b to finance projects and programs at the Counties.

**Future Prospects and Strategy**

The Fund's strategy as outlined in the 2018/2019-2022/2023 Strategic Plan is to ensure long term sustainability of the Fund. The Board has the right balance of skills, experience and backgrounds to support and challenge the management team.

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**Challenges**

During the reference period the Fund has experienced a number of challenges;

1. Inadequate funds

Inadequate funds for administrative functions including salaries, office accommodation, motor vehicle maintenance, fuel and other office operations.

2. Delay in release of funds by The National Treasury

The Development budget was uploaded in the IFMIS system during the month of October 2018. Subsequently the funds for the first quarter were released during the second quarter. This affected implementation of projects and programmes and operational activities at the County level.

3. Inadequate staffing

The Fund has inadequate staff both at the Secretariat and in the counties. Due to inadequate funding the fund has only recruited one county coordinator in each county and heavily relies on seconded staff from the state Departments for Gender, Youth and Planning for the secretariat.

The Board intends to address the challenges through requesting for more funding from the exchequer and seeking for support from development partners and other stakeholders.

4. Inadequate office space and equipment

The National Secretariat is currently housed on the eighth Floor of Bruce house by the by the State Department of Planning while County Coordinators are currently housed at the County Commissioners offices which are also ill- equipped.

5. Low absorption of funds

- ✓ With inadequate staff the counties are not able to absorb fund.
- ✓ Also lack of adherence to strict proposal guidelines which result in the board not approving them.

  
.....

**Hon.Regina N.Muia**

**Chairperson**

**Date:** ..20.2.2020

## **REPORT OF THE CHIEF EXECUTIVE OFFICER**

I am delighted to present highlights of the National Government Affirmative Action Fund's performance and operations of the fund during the 2018/2019 Financial Year.


The Fund received the disbursement of **Kshs. 2,075,000,000.00** from the exchequer of which the first, second, third and part of the fourth quarters were disbursed to the counties to finance community projects and programmes for Affirmative Action Groups.

The Board disbursed **Ksh. 2,243,753,264.75** to support affirmative action groups (Youth, Women and PWDs) for Socio- Economic empowerment at county level, as follows:

i.	50% for county wide projects	–	1,121,876,632.00
ii.	20% for economic women empowerment	–	448,750,652.00
iii.	20% for bursaries	–	448,750,652.00
iv.	10% for civic education	–	224,375,326.00

### **The funds were utilised in achieving the following;**

- (i) 26,781 vulnerable students supported through bursary both in secondary schools and vocational institutions
- (ii) Over 147,553 members of the community from 47 counties reached through Civic Education
- (iii) 1,142 groups (135,139 beneficiaries) benefitted from economic empowerment category
- (iv) 505 groups financed to up-scale their value addition income generating initiatives. Sports uniforms for various tournaments.
- (v) Supply of wheel chairs
- (vi) Supply of equipment and tools for National Industrial Training Authority (NITA) enrolled students.
- (vii) Construction of market sheds
- (viii) Participation in women Walkathon on Gender Based Violence (GBV) awareness / sensitization
- (ix) Provision of vegetable seedlings, maize seeds and top dressing fertilizers
- (x) Group training on food and nutrition



.....  
**Chief Executive Officer**

Date: ..... **20-2-2020**

## **CORPORATE GOVERNANCE STATEMENT**

The Board of National Government Affirmative Action Fund is committed to ensuring that the Fund operates with integrity and maintains high standards of Corporate Governance in carrying out its mandate. The Board embarks on ensuring that the Fund complies with the guidelines on Corporate Governance Practices as is the requirement for Public officers. To ensure that they adhere to Corporate Governance Practices, the Board was taken through a one (1) week routine training at the Kenya School of Government.

In the 2018-2019 Financial Year, the Fund ensured adherence to the following principles:

- i) Timely preparation of accurate financial statements and project reports
- ii) Effective processes and systems of risk management and internal controls are in place
- iii) Procurement process is cost effective and delivers the value for money
- iv) Ensures that books of accounts are prepared on timely basis
- v) Delegates to management the responsibility to implement risk management plan
- vi) Board appoints committee responsible for risk management in the organization
- vii) Maintains an effective and efficient system of internal controls
- viii) Delegates to management the responsibility of designing implementing and monitoring effectiveness of internal control systems
- ix) Ensures that the chairperson of audit committee is independent
- x) Ensures that at least one member of the audit committee has relevant qualifications and expertise in audit, financial management or accounting.
- xi) Ensures that the internal audit function reports to the committee

### **Board of Management**

The Board is responsible for overall management and long term strategy of the Fund, ensures compliance with statutory requirements and fulfilling its responsibilities to stakeholders. The role of the Board is to disburse the funds to the counties, receive, review and approve projects proposals for funding from counties, oversee the management of the Fund, receive, review and approve reports of the Fund.

The Board of Management as stipulated in the NGAAF Regulations, 2016 consists of five (5) independent members and three alternate members representing Principal Secretary responsible for matters relating to Gender Affairs, Social Security Services, Planning and National Treasury. They are appointed as per guidelines provided in the Legal notice No.52 of 2016.

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The roles of the Chairperson and the Chief Executive Officer are clearly separated. The Chairperson leads the Board in approving the agenda for the Board meetings, chairing the meetings and ensuring that a record of proceedings of all Board activities is kept. The Chairperson is the spokesperson for the Board and is the principle contact for the Chief Executive Officer.

The day to day management of the business and implementation of policy decisions approved by the Board is the responsibility of the Chief Executive Officer who is also the secretary to the Board and is in charge of the Secretariat.

The Board members are provided with complete and timely information to enable them have ample time for appropriate review for discussions in meetings, thereby discharging their responsibilities effectively and efficiently. The Board members are encouraged to develop knowledge of the operations of the Fund by taking part in various activities organized including field visits, monitoring and evaluation and regular trainings.

In order to discharge its mandate and responsibilities effectively, the Board has delegated certain tasks to its committees. There are four standing committees of the Board each with clear terms of reference. These are:

1. Strategy and Programs
2. Finance and Administration
3. Conflict and Dispute Resolution
4. Audit and Audit Risk Committee

The Board and its sub-committees meetings are as per Board calendar and as dictated by other emerging urgent agenda. During this period the Board held 21 Meetings, the Finance, Audit and the Programs committees held more meetings. The additional meetings were necessitated by review of the audit reports, retreats, focus group discussions for the Social Economic Impact Assessment report in the counties, vetting of proposal and disbursement of the funds released from the state Department for Gender being the allocation for 2018/2019 Financial Year to the counties.

### **Communication with Stakeholders**

In the disbursement of the funds allocated during the 2018/2019 Financial Year, the Fund undertook civic education on all its programmes and other government initiatives at the community level. It has been maintaining a website, [www.ngaaf.go.ke](http://www.ngaaf.go.ke) which gives general information about the Fund and various activities undertaken. The Fund has a tweeter handle @NGAAF\_KE and a Facebook account **ngaafkenya** whose intention is to capture the participation of the youth through the social media platforms.

The Fund actively participates in Huduma Mashinani, a joint establishment with other Funds and departments within the ministry and Huduma Center, to further its mandate to different communities in a more defined and organised platform. Further, requests for information through other quarters are considered and acted upon as they are received and appropriate disclosure provided.

### **Accountability, Audit and Stakeholder Relations**

The Fund Board ensures that financial statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS) and the requirements of the Public Finance Management Act- 2012.

### **Board Charter**

Good corporate governance is regarded as critical to the success of the business of the Board. The Board is unreservedly committed to applying the fundamental principles of good governance including but not limited to; Integrity, Equity and Fairness, Innovativeness, Gender Equality, Transparency and Accountability, Integrity, Dignity and Self-reliance.

This charter is anchored on *Mwongozo*; the code of governance for state corporations issued by the State Corporations Advisory Committee. The main objectives of the charter is

- ✓ To define the governance parameters within which the Board shall operate;
- ✓ To set out specific responsibilities to be discharged by the Board members collectively;
- ✓ To ascertain roles and responsibilities incumbent upon Board members as individuals;
- ✓ To facilitate the full and free exercise of Board members' abilities and
- ✓ To enhance effectiveness in their contributions that is consistent with standards of independent judgement, ethics and integrity expected of them.

### **Conflict of interest**

Board members are required to maintain integrity and declare any conflict of interest on any matter as relating to the Fund.

### **Board Members' Remuneration**

Board members were paid sitting allowances, accommodation/daily subsistence and transport allowances for attending Board meeting and on official duties, per diem on both domestic/local and foreign travel and lunch allowance where it is not provided while on official duties in line with Government Circulars; The Chairperson was paid monthly honorary in line with Government Circulars.

### **Board Performance**

The Board is expected to perform an annual evaluation to appraise its performance. This evaluation is carried out in accordance with Board evaluation tools. This provides an opportunity to identify strengths collective skills gaps and individual areas of improvement. Performance of each committee is also reviewed against agreed terms of reference. The Board also evaluates the performance of the Chairperson and the CEO.

### **Board and Management Succession**

The Board was constituted on 10<sup>th</sup> September, 2018 and commenced its operations the same September, 2018. Members of the board shall hold office for a term of three years from the date of appointment from which they are eligible for reappointment for a further term of three years.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

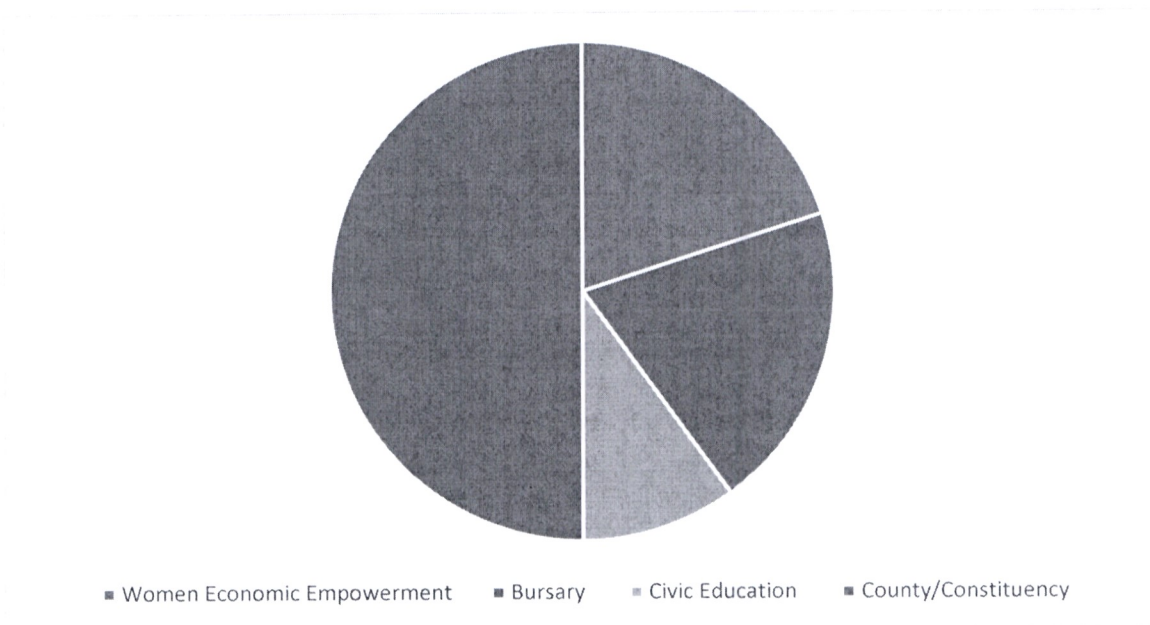
The Mandate of the Fund;

- i. Enhancement of access to financial facilities for affirmative action groups and the amount allocated to this objective shall not exceed twenty (20%) of the total Fund receipts;
- ii. Support of value addition initiatives by the affirmative action groups;
- iii. Socio-cultural development and nurturing of talent for the affirmative action groups including promotion of the arts, music and sports;
- iv. Enhanced access to services for survivors of gender based violence, female genital mutilation, child marriages or forced marriages through the establishment of rescue centers and legal aid centers and other similar facilities;
- v. Support of affirmative action groups through bursaries and scholarships to access education opportunities. The amount allocated to this objective shall not exceed twenty (20%) of the annual total allocations of the Fund;
- vi. Establishment of drug and substance abuse rehabilitation and counseling centers in conjunction with the relevant Government agencies;
- vii. Conducting civic education and community sensitization on National Government Affirmative Action programmes and policies such as the 30% procurement reservation for women, youth and persons with disabilities, existence of other social economic empowerment

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opportunities such as Uwezo Fund and Youth Enterprise Development Fund and Women Enterprise Development Fund. The amount allocated to this objective shall not exceed ten (10%) of the annual allocation of the Fund.

S/No	Category	%	Amount
1	County/Constituency	50	1,121,876,632.00
2	Bursary	20	448,750.652.00
3	Women Economic Empowerment	20	448,750.652.00
4	Civic Education	10	224,375.326.00



**On Institutional Strengthening the following was achieved;**

- i. Monitoring and Evaluation timetable for the counties was developed and approved by the Board
- ii. Editing and finalizing of the first ever Strategic Plan (2018/2019-2022/2023) which is awaiting printing and launch
- iii. Editing and finalizing of the Socio-Economic Impact Assessment report
- iv. Enhancement of corporate image by adoption of corporate colours and rebranding
- v. Enhancement of internal controls and systems in procurement and finance departments
- vi. Enhancement of performance management
- vii. Improved working conditions
- viii. Implementation of IPPD and GHRIS

### **Major Risks Facing the Fund**

This entails organized activities to mitigate threats and involving people to follow procedures and use tools in order to ensure conformance with risk management policies. Some of the risks and mitigating strategies are:

1. Political interference that encourages deviation from the NGAAF Strategic Plan.
2. Development of Strategic Plan and a work plan to ensure that there is proper coordination of NGAAF activities both in national and county level.
3. Negative cultural and social beliefs that hinder some communities from accessing the funds. The Fund has enhanced civic education.
4. Competition from other government departments undertaking the same mandate. The fund has established proper partnership with other departments and funds through organizing joint forums and programs to ensure that the fund compliment the other.
5. The possibility of repealing of the NGAAF Regulations, 2016 which created the Fund. The Fund needs to lobby the government of the day for continuity
6. High rate of staff turnover. There is need for the Board to secure its already existing workforce by ensuring better terms of employment and job security

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**REPORT OF THE DIRECTORS**

The Board of Directors has always submitted their report together with audited financial statements which shows the true state of the National Government Affirmative Action Fund affairs.

**Principal activities**

The principal activity of the entity is to enhance access to financial facilities for Affirmative Action Groups (AAG's) through support to:

- a) Women Economic Empowerment
- b) Value Addition Initiatives by AAGs;
- c) Socio-cultural development and nurturing of talent for AAGs including promotion of arts music and sports;
- d) Survivors of gender based violence, female genital mutilation, child marriages or forced marriages through establishment of rescue centres, legal aid centers and other similar facilities;
- e) Provision of bursaries and scholarships to access training and educational opportunities;
- f) Rehabilitation and rescue, counseling centres in conjunction with the relevant government agencies to address drug and substance abuse and
- g) Civic education and community sanitization on National Government Affirmative Action Programmes and policies.

**Results**

The results of the entity for the year ended June 30, 2019 are set out on page ....

**Directors**

The members of the Board of Directors who served during the year are shown on page v and vii. During the year 2018/2019 one of the Directors representing the Principal Secretary State Department for Gender Ms Emily Opati was replaced by Mr Protus Onyango.

**Auditors**

The Auditor General is responsible for the statutory audit of the National Government Affirmative Action Fund in accordance with Article 229 of the Constitution of Kenya and the Public Audit Act 2015.

By Order of the Board



**Hon.Regina N.Muia**

**Chairperson,**

**Board of Management**

**Date:** 20.2.2020

## **STATEMENT OF DIRECTORS RESPONSIBILITIES**

Section 83 (1) of the Public Finance Management Act, 2012 requires that, at the end of the 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 Directors are responsible for the preparation and presentation of the National Government Affirmative Action Fund (NGAAF) financial statements, which give a true and fair view of the state of affairs of the NGAAF for the period ending 30<sup>th</sup> June 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 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 NGAAF;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Directors accepts responsibility for the NGAAF's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya.

The Directors are of the opinion that the NGAAF's financial statements give a true and fair view of the state of NGAAF's transactions during the period ending 30<sup>th</sup> June 2019 and of the NGAAF's financial position as at that date.

The Directors further confirms the completeness of the accounting records maintained for the NGAAF, which have been relied upon in the preparation of the NGAAF financial statements as well as the adequacy of the systems of internal financial control.

**National Government Affirmative Action Fund  
Reports and Financial Statements  
For the Period ended June 30<sup>th</sup>, 2019**

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The Directors confirms that the entity has complied fully with applicable Government Regulations and that the entity's funds received during the period under audit were used for the eligible purposes for which they were intended and were properly accounted for.

Further the Directors confirms that the NGAAF'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**

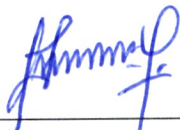
The NGAAF's financial statements were approved by the board on 20/2/2020 and signed on its behalf by;



Director

Name: Linda Kingua

Date: 20/2/2020  
20/2/2020



Director

Name: Profus Omyango  
20/2/2020

Date: 20/2/2020



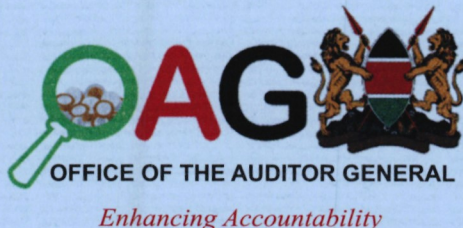
Director

Name: Kimani Chirchir

Date: 20/2/2020

# REPUBLIC OF KENYA

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

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT AFFIRMATIVE ACTION FUND FOR THE YEAR ENDED 30 JUNE, 2019**

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

#### **Disclaimer of Opinion**

I have audited the accompanying financial statements of National Government Affirmative Action Fund set out on pages 1 to 23, which comprise the statement of financial position as at 30 June, 2019, and the statement of financial performance, the statement of changes in net assets, the statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015.

I do not express an opinion on the accompanying financial statements. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

#### **Basis for Disclaimer of Opinion**

##### **1. Presentation of Financial Statements**

###### **1.1 Noncompliance with the Public Sector Accounting Standards**

The financial statements prepared and submitted for audit are not consistent with the format prescribed by the Public Sector Accounting Standards Board and The National Treasury guidelines. The Corporate Governance Statement did not indicate the number of Board meetings held and details of meetings attendance by the Members of the Board during the year under review. Further, the Head of Finance did not disclose the ICPAK membership registration number as required by the Public Sector Accounting Standards Board. No justification has been provided for this deviation from the prescribed reporting format.

Consequently, the financial statements do not conform with the prescribed reporting format by the Public Sector Accounting Standards Board.

###### **1.2 Unexplained Adjustments to the Financial Statements**

The financial statements for the year ended 30 June, 2019 were submitted within the statutory deadline of 30 September, 2019. The financial statements were subsequently

amended and revised. However, the adjustments processed between the first set of financial statements and the final revised set of financial statements were not supported with relevant documents to justify the amendments as summarized below:

<b>Component</b>	<b>Initial Financial Statements (Kshs.)</b>	<b>Revised Financial Statements (Kshs.)</b>	<b>Variance (Kshs.)</b>
Transfer to Other Government Units	1,967,866,141	1,969,632,174	1,766,033
Board of directors	12,966,690	16,826,925	3,860,235
Staff Costs	97,254,292	97,543,299	289,007
General Expenses	30,306,454	45,438,110	15,131,656
Emergencies to Counties	67,624,562	49,760,986	(17,863,576)
Gratuity	5,946,296	27,639,317	21,693,021

Under the circumstances, the accuracy of the financial statements for the year ended 30 June, 2019 could not be confirmed.

## **2. Inaccuracies in the Financial Statements**

### **2.1 Cash and Cash Equivalents**

The statement of financial position and as analyzed in Note 17 shows cash and cash equivalents figure of Kshs.951,792,041. However, the statement of cash flows shows a cash and cash equivalents balance of Kshs.955,911,652, resulting to an unexplained and unreconciled variance of Kshs.4,119,611. The cash and cash equivalents balance also includes a current account balance of Kshs.14,583,071 which differs with the bank account reconciliation statement as at 30 June, 2019 of Kshs.14,820,864 by unexplained variance of Kshs. 237,793. Further, payments in bank statement not recorded in the cash book of Kshs.4,094,510 under the current account have not been explained with regard to the origin and nature, even though Management indicated that they were cheques made in June, 2018.

In addition, from the records in the custody of the Fund Management and Kisumu County Committee, NGAAF Office banked an amount of Kshs.23,793,901 into Chase Bank which was later placed under receivership. Although the Fund now has access to the Funds under IMB Bank through reactivation of the account, the amount of Kshs.23,793,901 has not been included in the cash balances or any form of receivables in the financial statements and no supporting documentation has been provided in support of this transaction.

Under the circumstances the accuracy, and existence of the cash and bank balance of Kshs.951,792,041 could not be confirmed.

### **2.2 Staff Costs**

The statement of financial performance reflects an expenditure of Kshs.97,543,299 incurred on staff costs while data from the Human Resource Department and IPPD shows

expenditures of Kshs.97,170,153.14 and Kshs.94,038,892 respectively as summarized below:

	<b>Financial Statements (Note 10) Kshs.</b>	<b>Human Resource Data Kshs.</b>	<b>IPPD Data Kshs.</b>
Staff Salaries and Wages	66,824,882	66,587,141.14	63,455,879.55
Travel Related Allowances	28,433,012	28,433,012	28,433,012
Extraneous Allowance	2,285,405	2,150,000	2,150,000
<b>Total</b>	<b>97,543,299</b>	<b>97,170,153.14</b>	<b>94,038,891.55</b>

The variances between the three sets of records has not been explained or reconciled. Further, included under staff costs balance of Kshs.97,543,299 is an amount of Kshs.28,433,012 for travel expenses, out of which expenses amounting to Kshs.2,932,720 were not supported with relevant documents.

Consequently, the accuracy of the staff costs totalling Kshs.97,543,299 for the year ended 30 June, 2019 could not be confirmed.

### **2.3 Gratuity**

The statement of financial performance reflects a gratuity expense of Kshs.27,639,317 and the statement of financial position reflects a total gratuity liability and provision for gratuity totalling Kshs.26,912,978 which includes Kshs.3,637,853 tax on gratuity. Further, note 15 indicates the gratuity liability balance to be Kshs.5,004,038, while the composition adds up to Kshs.4,692,710 resulting to an unexplained variance of Kshs.311,328. It has also not been explained why the gratuity expense of Kshs.27,639,317 includes the amount of unremitted taxation of Kshs.3,637,853.

In addition, the gratuity expense of Kshs.27,639,317 includes gratuity for the Chief Executive Officer, forty-seven (47) County Coordinators, eleven (11) drivers, an Office Administrator and a Support Staff totalling Kshs.21,908,940 all of who are engaged on contracts and are entitled to gratuity at a rate of 31% on gross pay. However, the amount covers periods before the current financial year which would call for prior year adjustments or a restatement of prior year comparatives in line with International Public Sector Accounting Standard No.3.

### **2.4 Receivables - Outstanding Imprests**

Review of the imprest register and imprest warrants revealed that imprest amounting to Kshs.1,011,800 remained outstanding as at 30 June, 2019. However, this amount has not been reflected in the financial statements.

Consequently, the accuracy and validity of the outstanding imprests balance of Kshs.218,200 reflected in the financial statements could not be confirmed.

### **3. Transfers to Other Government Units**

#### **3.1 Unsupported Balances**

The statement of financial performance and note 8 reflects a balance of Kshs.1,969,632,174 for Transfers to Other Government Units that has not been supported by any form of documents. Further, no evidence from the Counties has been provided for audit verification including copies of relevant bank statements and confirmation of the amounts received by the County Committees from the Fund Secretariat and expenditures of the County Committees in the year under review. The forty-seven (47) County Committees did not submit any of the reports and records required by the regulations within the stipulated period after the closure of the financial year as stipulated in Section 11(7) of the PFM (NGAAF) Regulations.

#### **3.2 Unsupported Disbursements to Counties**

Note 8 of the financial statements reflects disbursements to Counties totalling Kshs.2,253,547,922. However, the amount has not been confirmed by the various County Committees as having been received. Consequently, the accuracy of the disbursements balance of Kshs.2,253,547,922 could not be confirmed.

#### **3.3 Irregular Reallocation of Funds**

- (i) In the year under review, Migori County was entitled to a total disbursement of Kshs.53,563,537 and out of which Kshs.10,712,707 representing twenty per cent (20%) was for Women Economic Empowerment (WEE) Projects. However, contrary to the PFM (NGAAF) Regulations, the Board approved reallocation in Migori County of Kshs.6,911,521 or about 65% of the funds allocated for WEE projects to Bursary and Scholarships in the second quarter. The reallocation exceeded the maximum limit of ten per cent (10%) of the funds allocated during the year and was for projects which were not in the same sector contrary to the Regulations.
- (ii) In Turkana County, for the fourth quarter, funds for value addition projects amounting to Kshs.2,450,000 were reallocated to other unrelated projects of vehicle maintenance - Kshs.500,000, fuel - Kshs.200,000, launch of sanitary towels expenses - Kshs.350,000, sensitization and mentorship program for students - Kshs.1,000,000 and committee allowances - Kshs.400,000 all which were not in the same sector.

Under the circumstances, the propriety and accuracy, of Transfers to Other Government Entities of Kshs.1,969,632,174 for the year ended 30 June, 2019 could not be confirmed.

### **4. Revenue from Non-Exchange Transactions – Receipts from Counties**

The statement of financial performance reflects an amount of Kshs.352,596,443 as receipts from Counties (unspent amounts in the financial year 2017/2018). However, the supporting Appendix IV to the financial statements has an amount of Kshs.137,705 whose details of the remitting County is not indicated. It is therefore not possible to verify the accuracy of the amount. In addition, the amount of Kshs.352,596,443 was presumably from thirty-six (36) Counties leaving out unknown balances held by the other eleven (11)

Counties as at 1 July, 2018. Further, no documentation was provided to support the reported figures in form of cash books, bank statements and bank reconciliation statements.

Consequently, the accuracy and completeness of the amount due and received from the Counties could not be ascertained.

## **5. Unsupported Expenditure**

### **5.1 Repairs and Maintenance**

The statement of financial performance reflects an expenditure of Kshs.5,458,875 in respect of repairs and maintenance which includes advance payments totalling to Kshs.2,000,000 paid upfront by the Fund during the year for maintenance and repairs of its motor vehicles contrary to the Public Procurement and Asset Disposal Act, 2015. Further, no signed contract documents for the provision of the services were submitted for audit review to show how the obligation for the advance payment was created.

In addition, the amounts have been expensed at the point of payment rather than at utilization and holding the amount as a prepayment. No statement of account has been provided to support how much of the Kshs.2,000,000 was used as at 30 June, 2019.

Under the circumstances, the repairs and maintenance balance of Kshs.5,458,875 for the year ended 30 June, 2019 could not be confirmed.

### **5.2 General Expenses-Rent**

The statement of financial performance reflects an expenditure of Kshs.45,438,110 in respect of general expenses which includes an amount of Kshs.4,938,700 relating to rent expenses. Documents held by Management show that during the year under review, the Fund paid Kshs.4,938,700 as rent for leased office space. However, no evidence has been provided to show that a formal lease agreement has been signed and registered with the Ministry of Land. While the Management formally took over the premises on 20 December, 2018, the partitioning works undertaken were completed on 4 November, 2019 and hence translating to a period of more than ten months when the Fund management paid rent for un-occupied premises amounting to Kshs.4,938,700.

### **5.3 Emergency to Counties**

In the year under review, Kshs.49,760,986 was disbursed for emergencies to Counties. However, disbursements totalling to Kshs.34,688,526 were not supported by relevant Board approvals as required by the PFM (NGAAF) Regulations and NGAAF Emergency Guidelines.

Further, the disbursements vouchers and supporting documents for disbursements amounting to Kshs.18,760,500, were not submitted for audit review. It was therefore not possible to confirm the accuracy and propriety of the emergency balance to Counties of Kshs.49,760,986 reported in the financial statements.

#### **5.4 Printing, Advertising, Information Supply and Services**

The Fund engaged the State Department of Heritage for the production of a documentary at a cost of Kshs.6,287,700 and paid Kshs.3,772,620 as the 60% final payment and expenditure charged to printing, advertising, information supply and services. The balance of Kshs.2,515,080 which was explained to be the initial 40% payment as per the agreement has not been accounted for or supported. Further, the Management has not availed the contract documents detailing the terms of engagement.

#### **6. Monitoring and Evaluation Expenditure**

The statement of financial performance reflects an expenditure of Kshs.1,545,200 under Monitoring and Evaluation (M&E). The amount however does not agree with the detailed analysis at Note 13 of the financial statements that has a total expenditure balance of Kshs.26,254,647. The resultant variance of Kshs.24,709,447 has not been explained. Further, the M&E funds have been applied to activities not related to M&E including purchase of motor vehicle – Kshs.14,500,000, Board Members' insurance – Kshs.352,905 and payment of NHIF (medical scheme) for the staff – Kshs.8,119,022 which amounts to unauthorized reallocation.

Also, and contrary to the Regulations, the Fund did not disburse any funds to the County Committees for monitoring and evaluation as required by the regulation but instead all the expenditures reported in the financial statements of Kshs.26,254,647 were actually incurred by the Fund Secretariat and the unspent allocations of Kshs.73,454,803 held in the Fund account. In addition, the Board has also not yet appointed the Monitoring and Evaluation officers for the secretariats of the County Committees as required by the PFM (NGAAF) Regulations.

Under the circumstances, the propriety and accuracy of M&E expenditure for the year ended 30 June, 2019 totalling to Kshs.1,545,200 could not be confirmed.

#### **7. Emergency Reserves**

Included in the statement of financial performance is a balance of Kshs.49,760,986 under emergency disbursements to the Counties during the year under review. However, the amount of Kshs.49,760,986 disbursed to Counties during the year has not been supported by the requisitions approved by the Board of Directors as required and therefore it has not been possible to confirm the utilization or otherwise of these funds which should remain unallocated as emergency reserves.

In addition, the reports by the County Coordinators on the utilization or otherwise of the emergency reserve disbursements as required by the regulations were not submitted for audit review.

Consequently, the accuracy of the emergency reserve balance of Kshs.69,199,648 could not be confirmed.

## **8. Property, Plant and Equipment**

### **(i) Noncompliance with Disclosure**

The statement of financial position and as analyzed on note 19 of the financial statements reflects a balance of Kshs.178,305,138 for property, plant and equipment as at 30 June, 2019 representing Motor Vehicles, Computers, Furniture and Fittings. However, the financial statements have not been prepared in line with IPSAS 17 in respect to property, plant and equipment which requires an entity to disclose for each class of asset recognized in the statements; the measurement bases for determining the carrying amounts, depreciation methods used, useful lives or depreciation rates used, accumulated depreciation at the beginning and end of the period, additions, reconciliation of the amount at the beginning and end of the period showing additions and disposals, revaluations, impairments, depreciation and net book value.

Consequently, the completeness and accuracy of the property, plant and equipment balance of Kshs.178,305,138 (and nil for financial year 2017/2018) as reflected in the financial statements could not be confirmed.

### **(ii) Fixed Assets Register**

No fixed assets register has been maintained by the Fund in support of the property, plant and equipment balance of Kshs.178,305,138. Under the circumstances, the accuracy, completeness, and existence of the Property, Plant and Equipment balance of Kshs.178,305,138 as reflected in the financial statements for the year ended 30 June, 2019 could not be confirmed.

### **(iii) Write-off of Motor Vehicle**

The Management procured a motor vehicle at a cost of Kshs.14,500,000 on 27 May, 2019 and the motor vehicle was registered in the Fund's name on 3 June, 2019. However, on 12 June, 2019 the vehicle was involved in a serious road accident along Mombasa Nairobi Road while on the way to Konza City. The Management has not availed any documents to show the nature of the Fund's activities at Konza City or board minute on such an activity. According to the accident inspection report by the Ministry of Transport, Infrastructure, Housing, Urban Development and Public Works dated 11 July, 2019 it was considered uneconomical to repair the vehicle. However, the same vehicle has been included in the Fund's property, Plant and Equipment. No justification has been provided for its inclusion.

## **9. Imprest Management**

The statement of financial position, reflects an amount of outstanding imprests of Kshs.218,200 which remained unaccounted for as at 30 June, 2019 although these imprests were due and should have been surrendered or otherwise recovered in full amount with interest from the salaries of the defaulting officers. In addition, it was also observed that officers were issued with multiple imprests totalling to Kshs.1,438,900 before the previous one(s) had been surrendered contrary to the regulations.

Further, two Counties had unaccounted for temporary imprest amounting to Kshs.6,059,600 being Kisumu, - Kshs.5,259,600 and Uasin Gishu, - Kshs.800,000 which had been applied in procuring of goods and services using temporary imprests.

Under the circumstances, there is non-compliance with Government Financial Guidelines and no explanation has been provided for the anomaly.

## **10. Unremitted Statutory Deductions**

The statement of financial position reflects provision for gratuity of Kshs.26,912,978 which include the statutory deductions for PAYE on gratuity from forty (40) County Coordinators of Kshs.4,265,639 due before 30 June, 2019 but remained unremitted contrary to the Income Tax Act and Regulations. Non-remittance of these taxes is likely to attract penalties from the relevant authorities.

## **11. Operations of the NGAAF County Committees**

### **11.1 Unauthorized Activities and Expenditures**

The Kiambu County NGAAF Committee incurred expenditures that were not in the budget or the approved work plan for the year totalling Kshs.2,639,235 as detailed below:

- (i) Kiambu County NGAAF Office incurred Kshs.1.2 million on a medical camp for breast and cervical cancer screening, general medical check-up, ENT, issuing medicines and NHIF registration all of which are functions of the County Government. The expenses incurred covered event management, mobilization, venue set up, branding, media, marketing and refreshments all costing Kshs.1 million and administration logistics costing Kshs.200,000. No explanation has been provided on why the NGAAF County Committee undertook a function not related to the functions of the National Government contrary to the NGAAF Regulations and the Constitution of Kenya.
- (ii) The County Committee also spent Kshs.927,235 and Kshs.512,000 on food items and administration expenses respectively for Kiambu County's temporary rehabilitation for persons admitted for substance abuse through Sober Mothers Self-help Group CBO. This was contrary to the NGAAF Regulations which require that a project shall not include recurrent costs for a facility. No explanation has been provided for this recurrent expenditure totaling Kshs.1,439,235 by the County.

### **11.2 Funding of Ineligible Groups**

The County Committee in three (3) Counties; Machakos, Meru and Isiolo approved a total of Kshs.16,620,763 funding for sixty-four (64) groups. The amount was released in the third quarter of the financial year. However, the Counties had not fulfilled the funding requirements as set out under Section 2.0 of the NGAAF Fund Access Guidelines, 2017 and the Project Proposal Evaluation Guidelines, as there was no evidence of their minimum group memberships, minimum group funding of at least three hundred thousand

shillings and confirmation that the group has been in existence for lesser periods than stipulated.

### **11.3 Unsupported Projects by County Committees**

The County Committee in Garissa, Kericho, Kilifi and Nairobi Counties undertook the projects costing a total of Kshs.43,735,600 which no evidence has been submitted in support of their identification process and invitation as required by the regulation before the implementation was approved.

### **11.4 Unsupported Procurements**

The County Committees in eleven (11) Counties undertook procurements amounting to Kshs.130,623,746. However, no procurement supporting documents were availed for audit verification and therefore it was not possible to confirm whether the same was done in strict adherence to the Public Procurement and Asset Disposal Act and the Fund Access Guidelines. It was also not possible to confirm value for money in respect of above expenditures.

### **11.5 Unsupported Projects Expenditures**

Various Counties undertook a number of projects costing Kshs.191,345,302 upon approval but which were not supported during the review process and at the approval stage. No explanation has been provided for the anomalies and it has not been possible to confirm whether the Fund obtained value for money in incurring the above expenditure.

### **11.6 Ineligible Projects**

Projects worth Kshs.35,917,698, although approved for funding by the Board as value addition projects, did not comply with the NGAAF Fund Access Guidelines, 2017, Section 2.0, and Project Proposal Evaluation Guidelines, which require projects and activities to be funded only if they are processing farm and livestock products, green energy innovations and any other economic activity involving value addition.

Consequently, the accuracy and validity of the expenditure of Kshs.35,917,698 could not be confirmed.

## **12. Annual Budget**

The financial statements included a statement of comparison of budget against actual amounts. However, the approved budget for the year 2018/2019 was not provided for audit verification. Consequently, it was not possible to confirm whether the expenditure for various account items were within the approved budget. Although the Board was notified of the reduction of the total Fund's approved budget from Kshs.2.6 billion to Kshs.2.075 billion in its meeting of 27 September, 2018, the approval for its rationalization was neither sought nor granted even though, as provided by Section 1.2 (g) of Mwongozo guidelines, it is the responsibility of the Board to approve the annual budget of the organization.

### 13. Budgetary Control

Review of the statement of comparison of budget and actual amounts for the year ended 30 June, 2019 revealed that the Fund exceeded the budget with respect to the following expenditure items;

Component	Budget (Kshs.)	Actual (Kshs.)	Over (Kshs.)
Transfer to Other Govt Unit-County Expenditures	1,967,866,141	1,969,632,174	1,766,033
Board remuneration	12,966,690	16,826,925	3,860,235
General expenses	32,434,014	45,438,110	13,004,096
Provision for gratuity	5,946,296	27,639,317	21,693,021

No justification has been provided by Management for exceeding the budget.

### 14. Annual Procurement Plan

No annual procurement plan was prepared in the format set out in the Regulations and within the approved budget prior to commencement of the financial year as part of the annual budget preparation process.

### 15. Board Meetings Held Without Statutory Quorum

During the year under audit, five of the Board meetings were held without the requisite statutory quorum. In the absence of quorum as provided for in the relevant constitutive instruments, we are unable to confirm the legitimacy of the Board decisions made.

### 16. Procurement of Motor Vehicle for Board Chair

Review of records maintained by the Fund revealed that Management procured a motor vehicle for the Chairperson of the Board at a cost of Kshs.14,500,000.00 during the year under review and allocated a designated driver for the Chair. It was noted that the Chair is not an Executive Chairman of the Fund therefore not entitled to a car owned and maintained by the Fund. Further, request by the Fund to The National Treasury seeking approval to procure the motor vehicle was declined due to lack of budget and the vehicle was procured using funds voted for other purposes without seeking for authority for reallocation. In addition, the procurement was not included in the approved Procurement Plan for 2018/2019 financial year yet the Board went ahead and passed a resolution to procure the motor vehicle. It is therefore not possible to ascertain lawfulness in the use of public resources.

### 17. Unapproved Civil Works

The Fund partitioned its offices at a contract sum of Kshs.36,553,804, under a contract dated 4 May, 2019, without first seeking and obtaining the relevant approvals from the County Government in violation of the relevant bylaws. Further, it was also observed that the leasing of the premises and partitioning of the same was not factored in the Fund's approved budget and procurement plan for the year under review.

## **18. Loss of Public Resources Through Theft**

In Bungoma County, a Local Purchase Order (LPO) No.2588742 was issued for the supply and delivery of thirty-six (36) canvas tents of a hundred (100) persons' seater capacity worth Kshs.5,400,000 and a payment was made. Another LPO, No.2588739, was issued for the procurement of one thousand two hundred (1,200) water tanks worth Kshs.12,000,000 and which was paid for. However, on the night of 1 September, 2017, the Bungoma County NGAAF office lost all the above items worth Kshs.17,400,000 from its office yard. As at the time of audit the lost items had not been recovered.

## **19. Irregular Direct Procurements**

Bungoma County procured Kuroiler chicks at Kshs.1,000,000 while Embu County procured blankets and chairs worth Kshs.1,931,776 without observing the regulatory guidelines. Management did not explain why the above items were single sourced without subjecting the process to competition as required. Further, no evidence has been provided to show that the direct procurements were reported to the Public Procurement Regulatory Authority (PPRA) as a mandatory reporting requirement.

## **20. Unapproved Expenditure**

Two groups were given funds totalling Kshs.900,000 in Uasin Gishu County without seeking and obtaining both the County Committee's and the Board's approvals.

## **21. Unresolved Prior Years Issues**

Various prior year's audit issues remained unresolved as at 30 June, 2019. Management has not provided reasons for the delay in resolving the prior year's audit issues. Further, the unresolved prior year issues are not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the Public Sector Accounting Standards Board.

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

I do not express a conclusion on the lawfulness and effectiveness in the use of public resources as required by Article 229(6) of the Constitution. Because of the significance of the matters described in the Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

### **Basis for Conclusion**

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

I do not express a conclusion on the effectiveness of internal controls, risk management and overall governance as required by Section 7(1)(a) of the Public Audit Act, 2015.

Because of the significance of the matters described in the Disclaimer of Opinion section of my report, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for my audit conclusion.

## **Basis for 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 (Accrual Basis) and 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 sustaining services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or cease operations.

The 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 control environment.


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

My responsibility is to conduct an audit of the financial statements in accordance with International Standards of Supreme Audit Institutions (ISSAIs) 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

In addition, my responsibility is 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. I also consider internal control, risk management and overall governance processes and systems in order to give an assurance on the effectiveness of internal controls, risk management and overall governance 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of my report, I was not able to obtain sufficient appropriate audit evidence to provide a basis for an audit conclusion on lawfulness and effectiveness in use of public resources, and on effectiveness of internal controls, risk management and overall governance.

I am independent of the National Government Affirmative Action Fund 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.

  
**Nancy Gathungu**  
**AUDITOR-GENERAL**

**Nairobi**

**27 January, 2021**

**National Government Affirmative Action Fund  
Reports and Financial Statements  
For the Period ended June 30<sup>th</sup>, 2019**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDING 30<sup>TH</sup> JUNE 2019**


	Notes	2018/2019	2017/2018
		Kshs	Kshs
<b>Revenue from non-exchange transactions</b>			
Receipt – Counties – Appendix IV	6	352,596,443	127,358,483
Transfers from the National Government - State Department for Gender	7	2,075,000,000	2,130,000,000
<b>Total revenue</b>		<b>2,427,596,443</b>	<b>2,257,358,483</b>
<b>Expenses</b>			
Transfer to Other Government units - Counties Expenditure	8	1,969,632,174	1,431,879,801
Board of Expenses	9	16,826,925	7,961,707
Staff costs	10	97,543,299	45,541,449
Repairs and maintenance	11	5,458,875	Nil
General Expenses	12	45,438,110	63,801,809
M & E	13(a)i	1,545,200	Nil
Emergencies to Counties	14	49,760,986	Nil
Provision for Gratuity	15	27,639,317	Nil
<b>Total expenses</b>		<b>2,213,844,886</b>	<b>1,549,184,766</b>
<b>Net Surplus for the year</b>		<b>213,751,557</b>	<b>708,173,717</b>

The notes set out on pages 6 to 25 form an integral part of these Financial Statements

STATEMENT OF FINANCIAL POSITION AS AT 30<sup>TH</sup> JUNE 2019

	Notes	2018/2019	2017/2018
		Kshs	Kshs
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	951,792,041	708,173,717
Receivables – Outstanding imprest	18	218,200	Nil
<b>Total Current Assets</b>		<b>952,010,241</b>	<b>708,173,717</b>
<b>Non-current assets</b>			
Property, plant and equipment	19	178,305,138	Nil
<b>Total Non-current Assets</b>		<b>178,305,138</b>	<b>Nil</b>
<b>Total assets</b>		<b>1,130,315,379</b>	<b>708,173,717</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Provisions for Gratuity	15	26,912,978	Nil
Kenya School of Government	16	7,073,400	Nil
<b>Total Current Liabilities</b>		<b>33,986,378</b>	<b>Nil</b>
<b>Total liabilities</b>		<b>33,986,378</b>	<b>Nil</b>
<b>Capital and Reserves</b>			
Emergency Reserves		69,199,648	Nil
Accumulated surplus		926,245,345	708,173,717
Capital Fund		178,305,138	-
<b>Total Capital and Reserves</b>		<b>1,173,750,131</b>	<b>708,173,717</b>
<b>Total Liabilities and Capital &amp; Reserves</b>		<b>1,207,736,508</b>	<b>708,173,717</b>


The Financial Statements set out on pages 1 to 25 were signed on behalf of the Board of Directors by:

  
 \_\_\_\_\_  
 C.E.O.

Date: 20-2-2020

  
 \_\_\_\_\_  
 Head of Finance

Date: 20.2.2020

  
 \_\_\_\_\_  
 Chairperson of the Board

Date: 20.2.2020

**National Government Affirmative Action Fund  
Reports and Financial Statements  
For the Period ended June 30<sup>th</sup>, 2019**

**STATEMENT OF CHANGES IN NET ASSETS FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2019**

	<b>Emergency Reserves</b>	<b>Capital Fund</b>	<b>Accumulated Surplus</b>	<b>Total</b>
<b>Balance b/f at July 1, 2017</b>	-	-	<b>127,358,482</b>	<b>127,358,482</b>
Move to Emergency Reserves	52,724,210		(52,724,210)	<b>Nil</b>
Surplus/Deficit for the period - 2017/2018	-	-	708,173,717	<b>708,173,717</b>
Addition Emergency Reserves for the year	42,600,000	-	-	<b>42,600,000</b>
<b>Less: Expenditure on Emergency</b>	<b>(17,863,576)</b>	-	-	<b>(17,863,576)</b>
Capital Fund – Assets capitalized	-	163,496,536	-	<b>163,496,536</b>
<b>Balance c/d as at June 30, 2018</b>	<b>77,460,634</b>	<b>163,496,536</b>	<b>782,807,989</b>	<b>1,023,765,159</b>
<b>Balance b/f as at July 1, 2018</b>	<b>77,460,634</b>	<b>163,496,536</b>	<b>782,807,989</b>	<b>1,023,765,159</b>
Add: unaccounted balance b/f from secretariat a/c	-	-	25,010,009	<b>25,010,009</b>
Less: unaccounted Emergency	-	-	(17,863,576)	<b>(17,863,576)</b>
Move to Emergency Reserves	-	-	(77,460,634)	<b>(77,460,634)</b>
Surplus for the period - 2018/2019	-	-	213,751,557	<b>213,751,557</b>
Add: Emergency Reserves	41,500,000	-	-	<b>41,500,000</b>
Less: Expenditure for the Year	(49,760,986)	-	-	<b>(49,760,986)</b>
Capital Fund	-	14,808,602	-	<b>14,808,602</b>
<b>Balance c/d as at June 30, 2019</b>	<b>69,199,648</b>	<b>178,305,138</b>	<b>926,245,345</b>	<b>1,010,253,595</b>

**National Government Affirmative Action Fund**  
**Reports and Financial Statements**  
**For the Period ended June 30<sup>th</sup>, 2019**

**STATEMENT OF CASH FLOWS AS AT 30<sup>TH</sup> JUNE 2019**

	Note	2018/2019 Kshs	2017/2018 Kshs
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Receipt – Counties returns		352,596,443	127,358,483
Transfers from other Government - State Department for Gender		2,075,000,000	2,130,000,000
<b>Total Receipts</b>		<b>2,427,596,443</b>	<b>2,257,358,483</b>
<b>Payments</b>			
Transfers to Other Government Units - Counties Expenditure		1,969,632,174	1,431,879,501
Board Expenses		16,826,925	7,961,707
Staff Cost		97,543,299	45,541,449
Repairs & Maintenance		5,458,875	Nil
General Expenses		38,364,710	63,801,809
Acquisition of Assets		14,808,602	Nil
Gratuity		726,340	Nil
Monitoring and Evaluation		1,545,200	Nil
Emergencies Funds		49,760,986	Nil
<b>Total Payments</b>		<b>2,194,667,111</b>	<b>1,549,184,466</b>
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>232,929,333</b>	<b>708,173,717</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant, equipment and intangible assets		14,808,602	Nil
<b>Net cash flows used in investing activities</b>		<b>14,808,602</b>	<b>Nil</b>
Cash flows from financing activities			
<b>Net cash flows used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>247,737,935</b>	<b>Nil</b>
Cash and cash equivalents at 1 July 2018		708,173,717	708,173,717
<b>Cash and cash equivalents at 30 June 2019</b>	<b>17</b>	<b>955,911,652</b>	<b>708,173,717</b>

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS  
 FOR THE PERIOD ENDED 30<sup>TH</sup> JUNE 2019**

	Original budget 2018-2019 Kshs	Adjustments 2018-2019 Kshs	Final budget 2018-2019 Kshs	Actual on comparable basis 2018-2019 Kshs	Performance difference 2018-2019 Kshs
<b>Revenue</b>					
Receipts from Counties	-	352,596,443	352,596,443	352,596,443	
Transfers from other Government entities - (State Department of Gender)	2,675,000,000	(600,000,000)	2,075,000,000	2,075,000,000	-
<b>Total income</b>	<b>2,675,000,000</b>	<b>(247,404,557)</b>	<b>2,427,596,443</b>	<b>2,427,596,443</b>	<b>-</b>
<b>Expenses</b>					
Transfer to other Government Units - Counties Expenditures	1,967,866,141	-	1,967,866,141	1,969,632,174	(1,766,033)
Board/Remuneration of Directors	12,966,690	-	12,966,690	16,826,925	(3,860,235)
Staff/Employee costs	109,847,369	-	109,847,369	97,543,299	12,304,070
Repairs and Maintenance	5,458,875	-	5,458,875	5,458,875	-
General expenses	32,434,014	-	32,434,014	45,438,110	(13,004,096)
M & E	3,282,720	-	3,282,720	1,545,200	1,737,520
Emergencies to Counties	67,624,562	-	49,760,986	49,760,986	17,863,576
Provision for Gratuity	5,946,296	-	5,946,296	27,639,317	(21,693,021)
<b>Total expenditure</b>	<b>2,205,426,668</b>	<b>-</b>	<b>2,205,426,668</b>	<b>2,213,844,886</b>	<b>(8,418,219)</b>
<b>Surplus for the period</b>	<b>469,573,332</b>	<b>(247,403,557)</b>	<b>222,169,775</b>	<b>213,751,557</b>	<b>8,418,219</b>

**National Government Affirmative Action Fund**  
**Reports and Financial Statements**  
**For the Period ended 30<sup>th</sup> June, 2019**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1. GENERAL INFORMATION**

NGAAF is established by and derives its authority and accountability from Public Finance Management Act (No. of 2012). The entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The entity's principal activity is financial support to the affirmative groups.

**2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION**

The entity's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The financial statements are presented in Kenya shillings, which is the functional and reporting currency of the entity. The accounting policies have been consistently applied to all the years presented.

The financial statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on accrual basis.

**3. ADOPTION OF NEW AND REVISED STANDARDS**

**i. Relevant new standards and amendments to published standards effective for the year ended 30 June 2019**

<b>Standard</b>	<b>Impact</b>
<b>IPSAS 33:</b> First time adoption of Accrual Basis IPSAS	(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 33, First-time Adoption of Accrual Basis IPSASs. IPSAS 33 grants transitional exemptions to entities adopting accrual basis IPSASs for the first time, providing a major tool to help entities along their journey to implement IPSASs. It allows first-time adopters three years to recognize specified assets and liabilities. This provision allows sufficient time to develop reliable models for recognizing and measuring assets and liabilities during the transition period. The entity adopted IPSAS in the year ended 30 June 2016 and therefore provisions of first time adoption of accrual basis does not apply to the entity.
<b>IPSAS 34:</b> Separate Financial	(Effective for annual periods beginning on or January 1, 2017) In January 2015, the IPSASB published IPSAS 34, Separate Financial Statements. IPSAS 34 prescribes the accounting and disclosure

**National Government Affirmative Action Fund  
 Reports and Financial Statements  
 For the Period ended 30<sup>th</sup> June, 2019  
 NOTES TO THE FINANCIAL STATEMENTS**

Standard	Impact
Statements	<p>requirements for investments in controlled entities, joint ventures and associates when an entity prepares separate financial statements.</p> <p>The entity does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply.</p>
<p><b>IPSAS 35:</b>            Consolidated            Financial            Statements</p>	<p>Effective for annual periods beginning on or January 1, 2017)</p> <p>In January 2015, the IPSASB published IPSAS 35, Consolidated Financial Statements. IPSAS 35 establishes principles for the preparation and disclosure of consolidated financial statements when an entity controls one or more entities. It requires an entity that controls one or more other entities to assess control over those entities based on the following:</p> <ul style="list-style-type: none"> <li>- Its power over the other entity</li> <li>- Its exposure or rights to variable benefits from involvement with the other entity</li> <li>- Its ability to control the nature, timing and amount of benefits from the other entity.</li> </ul> <p>Once control is assessed the controlling entity is supposed to prepare consolidated financial statements unless it meets all the criteria under section 5 of IPSAS 35.</p> <p>The entity does not have any subsidiaries, joint ventures or investments and therefore the standard does not apply.</p>
<p><b>IPSAS 36:</b>            Investments in            Associates and            Joint Ventures</p>	<p>(Effective for annual periods beginning on or January 1, 2017)</p> <p>In January 2015, the IPSASB published IPSAS 36, Investments in Associates and Joint Ventures. The Standard prescribes for the accounting for investments in associates and joint ventures and to set out requirements for the application of the equity method when accounting for investments in associates and joint ventures. The standard shall be applied by all entities with significant influence over, or joint control of, an investee where the investment leads to the holding of a quantifiable ownership interest.</p> <p>The entity does not have investments in associates or joint ventures.</p>
<p><b>IPSAS 37: Joint            Arrangements</b></p>	<p>(Effective for annual periods beginning on or January 1, 2017)</p> <p>In January 2015, the IPSASB published IPSAS 37, Joint Arrangements. IPSAS 37 establishes principles for financial reporting by entities that have an interest in arrangements that are controlled jointly.</p> <p>The entity does not have an interest in a joint arrangement and therefore the standard does not apply.</p>
<p><b>IPSAS 38:</b></p>	<p>(Effective for annual periods beginning on or January 1, 2017)</p>

**National Government Affirmative Action Fund**  
**Reports and Financial Statements**  
**For the Period ended 30<sup>th</sup> June, 2019**  
**NOTES TO THE FINANCIAL STATEMENTS**

Disclosure of Interests in Other Entities	In January 2015, the IPSASB published IPSAS 38, Disclosure of Interests in Other Entities. IPSAS 38 requires an entity to disclose information that enables users of its financial statements to evaluate the nature of and risks associated with, its interests in controlled entities, joint arrangements and associates, and structured entities that are not consolidated; and the effects of those interests on its financial position, financial performance and cash flows. The entity does not have interests in other entities and therefore the standard does not apply.
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**ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2017**

<b>Standard</b>	<b>Effective date and impact:</b>
<b>IPSAS 39:</b> Employee Benefits	Applicable: 1 <sup>st</sup> January 2018 The objective to issue IPSAS 39 was to create convergence to changes in IAS 19 Employee benefits. The IPSASB needed to create convergence of IPSAS 25 to the amendments done to IAS 19. The main objective is to ensure accurate information relating to pension liabilities arising from the defined benefit scheme by doing away with the corridor approach.
<b>IPSAS 40:</b> Public Sector Combinations	Applicable: 1 <sup>st</sup> January 2019: The standard covers public sector combinations arising from exchange transactions in which case they are treated similarly with IFRS 3 (applicable to acquisitions only) Business combinations and combinations arising from non-exchange transactions which are covered purely under Public Sector combinations as amalgamations.

**iii. Early adoption of standards**

The entity did not early – adopt any new or amended standards in year 2017.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **a) Revenue recognition**

##### **i) Revenue from non-exchange transactions**

##### **Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured reliably.

##### **b) Budget information**

The original budget for FY 2018-2019 was approved by the National Assembly. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the entity upon receiving the respective approvals in order to conclude the final budget.

The entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements. The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget.

A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under page xv of these financial statements.

**c) Nature and purpose of reserves**

The Entity creates and maintains reserves in terms of accumulated surplus.

**d) Changes in accounting policies and estimates**

The Entity recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**e) Related parties**

The Entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Entity, or vice versa. Members of key management are regarded as related parties and comprise the directors, the CEO and senior managers.

**f) 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. For the purposes of these financial statements, cash and cash equivalents does not include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**g) Comparative figures**

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

***National Government Affirmative Action Fund***  
**Reports and Financial Statements**  
**For the Period ended 30<sup>th</sup> June, 2019**  
**NOTES TO THE FINANCIAL STATEMENTS**

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*NOTES TO THE FINANCIAL STATEMENTS (continues)*

**5. SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION  
UNCERTAINTY**

The preparation of the Entity's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

**Useful lives and residual values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Entity
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

**h) 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 June 30, 2019.

**National Government Affirmative Action Fund  
Reports and Financial Statements  
For the Period ended 30<sup>th</sup> June, 2019  
NOTES TO THE FINANCIAL STATEMENTS**

**6 Receipts from Counties – Appendix IV**

This was an amount returned back from Counties for financial year 2017/2018 totalling to Kshs. 352,596,443 that was not accounted for in that financial year. This money was disbursed in the financial year under review as unspent balances from counties.

**7 Transfers from State Department for Gender Affairs (Exchequer Receipts)**

Transfers from National Government Ministries (State Department of Gender)		2018-2019	2017-2018
		Kshs.	Kshs.
First Quarter		-	532,500,000
Second Quarter	- 9/10/2018	668,750,000	532,500,000
Third Quarter	- 15/2/2019	668,750,000	532,500,000
Fourth Quarter	- 20/5/2019	737,500,000	532,500,000
<b>Total Government grants and subsidies</b>		<b>2,075,000,000</b>	<b>2,130,000,000</b>

The management would like to note that during the year under review, the first quarter exchequer receipts were not received within the quarter and the Fund received its first exchequer on 9<sup>th</sup> of October, 2019

**8 Transfers to other Government Units – Counties Expenditures**

S/No	County	Disbursement	Expenditure
1	Kajiado	37,797,026	35,760,015
2	Uasin Gishu	41,614,369	40,638,904
3	Busia	59,562,976	42,284,960
4	Trans Nzoia	32,720,787	32,325,135
5	Tana River	16,764,204	14,596,690
6	Elgeyo Marakwet	27,951,385	24,757,259
7	West Pokot	26,735,932	26,684,601
8	Baringo	40,553,554	38,215,010
9	Garissa	40,212,420	36,435,336
10	Meru	84,824,724	77,089,876
11	Lamu	13,403,037	12,798,537
12	Makueni	41,863,643	40,594,068
13	Kiambu	108,199,304	95,893,520
14	Wajir	40,497,028	40,257,099
15	Kakamega	152,680,893	124,415,163
16	Nyamira	26,168,002	26,160,526
17	Muranga	45,846,841	45,466,566
18	Homabay	67,409,009	63,708,645
19	Machakos	47,957,565	28,994,669
20	TaitaTaveta	22,518,001	20,238,512

**National Government Affirmative Action Fund  
Reports and Financial Statements  
For the Period ended 30<sup>th</sup> June, 2019  
NOTES TO THE FINANCIAL STATEMENTS**

21	Siaya	63,515,387	33,361,251
22	Embu	45,752,141	35,633,950
23	Narok	39,357,856	32,907,290
24	Kirinyaga	42,429,060	36,031,760
25	Nairobi	159,762,056	93,481,829
26	Laikipia	24,937,156	24,387,537
27	Mombasa	32,204,357	31,102,673
28	Kwale	35,212,994	31,776,799
29	Migori	53,563,537	41,147,558
30	Kilifi	52,111,436	52,111,436
31	Kericho	39,217,132	39,216,675
32	Kitui	65,664,774	64,846,222
33	Nyandarua	40,925,385	40,925,385
34	Kisumu	63,814,296	62,576,547
35	Isiolo	16,271,423	15,238,074
36	Bungoma	65,141,256	47,863,501
37	Nyeri	40,394,854	39,790,465
38	Mandera	41,688,025	41,602,030
39	Tharaka nthi	22,726,106	22,723,535
40	Marsabit	26,160,059	26,160,059
41	Turkana	29,431,758	29,431,758
42	Nandi	38,809,022	38,809,022
43	Nakuru	74,598,300	74,598,300
44	Kisii	76,891,867	58,906,445
45	Vihiga	30,881,382	30,881,382
46	Bomet	32,242,231	32,242,231
47	Samburu	24,563,370	24,563,370
	<b>Total</b>	<b>2,253,547,922</b>	<b>1,969,632,174</b>

The total disbursement to Counties has been revised from Kshs.2, 252,784,164 to Kshs. 2,253,547,922. A disbursement to Kirinyaga was erroneously omitted while capturing the counties disbursement this has now been corrected and reconciled. This leads to a total expenditure of Kshs. 1,969,632,174 instead of Ksh. 1,967,868,415. In the financial year 2017/2018 the expenditure was presented as a block figure while this has now been presented per individual Counties.

**9 Board Expenditure**

	<b>2018-2019</b>	<b>2017-2018</b>
<b>Details</b>	<b>Kshs.</b>	<b>Kshs.</b>
<b>Remuneration of Directors</b>		
Chairman's Honoraria	636,774	Nil
Directors emoluments	13,328,990	Nil
Other allowances	2,861,161	Nil
<b>Total director emoluments</b>	<b>16,826,925</b>	<b>7,991,707</b>

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The Board expenditure was previously presented as a block figure. This has been broken down to conform to the National Treasury reporting template and thus nil balances in the comparative year. In addition, the amount increased from the original amount after some of the expenditure related to board expense were captured under secretariat.

**10 Staff Cost**

<b>Staff/Employee Costs</b>	<b>2018-2019</b>	<b>2018-2017</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>Details</b>		
Salaries and wages	66,824,882	45,541,449
Travel, motor car, accommodation, subsistence and other allowances	28,433,012	76,620,835
Housing benefits and allowances	-	-
Extraneous allowance	2,285,405	Nil
<b>Total Employee costs</b>	<b>97,543,299</b>	<b>122,162,284</b>

The Staff cost comprise of all costs related to employees and this is as per the National Treasury's reporting template. The nil balances in the comparative figures for financial year 2017/2018 was because the staff cost was presented as a block figure. This figure was derived after reconciliation between IPPD and the ledgers. Attached find the IPPD schedule – Appendix V

**11 Repair and Maintenance**

<b>Repairs and Maintenance</b>	<b>2018-2019</b>	<b>2017-2018</b>
	<b>Kshs.</b>	<b>Kshs.</b>
<b>Details</b>		
Equipment and machinery	-	-
Vehicles	2,874,505	Nil
Furniture and fittings	-	-
Computers and accessories	2,584,370	Nil
Other	-	-
<b>Total Repairs and Maintenance</b>	<b>5,458,875</b>	<b>Nil</b>

The repairs and maintenance was previously included in the secretariat expenses and thus no comparative figures included in the financial year 2017/2018.

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**12 General Expenses**

<b>General Expenses</b>	<b>2018-2019</b>	<b>2017-2018</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Advertising	7,239,994	Nil
Admin fees	-	
Audit fees	-	
Conferences and delegations	2,712,040	Nil
Women Reps - Conference & Air tickets	2,541,091	Nil
Consulting fees	7,073,400	
Consumables	-	
Electricity	-	
Fuel and oil	2,000,000	Nil
Insurance	8,119,022	Nil
Legal expenses	-	
Licenses and permits	-	
Postage	816,840	Nil
Printing and stationery	3,333,250	Nil
Hire charges	-	
Publicity - State department of Heritage	3,772,620	Nil
Rent expenses	4,938,700	Nil
Security costs	-	
Sewage treatment costs	-	
Skills development levies	-	
Inventory scrapping	-	
Telecommunication	453,608	Nil
Training expenses	-	
Other	2,437,542	Nil
<b>Total general expenses</b>	<b>45,438,110</b>	<b>63,801,809</b>

The general expenses were previously reported as other expenses in the comparative year. In addition, this figure has changed from the previous reported after including an expenditure incurred by Women Reps during their retreat organized by the Fund and which was erroneously omitted in the financial statements. In addition, the Kenya School of Government liability has been recognized under general expense – Consulting fee since this is where it fits best.

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**13 (a) M & E Expenses**

	<b>2018-2019</b>	<b>2017-2018</b>
<b>Details</b>	<b>Kshs</b>	<b>Kshs</b>
<b>(j) Travel &amp; Other expense</b>		
Secretariat expenses	1,545,200	
<b>Sub-total</b>	<b>1,545,200</b>	
<b>(ii) Board Expense</b>		
Travel expense	1,737,520	
Insurance for board members	352,905	
<b>Sub-total</b>	<b>2,090,425</b>	
<b>(iii) Assets</b>		
Purchase of Motor Vehicle	14,500,000	
<b>Sub-totals</b>	<b>14,500,000</b>	
<b>(iv) Staff Insurance</b>		
NHIF for Staff	8,119,022	
<b>Sub- totals</b>	<b>8,119,022</b>	
<b>Total Expenditure</b>	<b>26,254,647</b>	<b>45,541,449</b>

The above table shows how M & E money was reallocated but accounted for under various cost items. The motor vehicle was purchased under M & E and transferred to assets, board travel expense transferred to directors' expenses, board Insurance and NHIF for staff to directors' expenses and Insurance respectively. However, the secretariat travel expenses were charged directly under M & E line item.

**13 (b) M & E Balances**

	<b>2018-2019</b>	<b>2017-2018</b>
<b>Details</b>	<b>Kshs</b>	<b>Kshs</b>
Balance b/f	58,559,450	26,609,450
<b>Add:</b>		
2% 2018-2019 Allocation	41,500,000	
<b>Total Allocation</b>	<b>100,059,450</b>	
<b>Less:</b>		
Total Expenditure under M & E	26,254,647	45,541,449
<b>Balance c/d</b>	<b>73,454,803</b>	<b>58,559,450</b>

The above table explains the movement of M & E money and the balance thereof at the end of the financial year.

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**14 Emergency Reserves (Appendix VI)**

<b>Emergency Reserves</b>	<b>2018-2019</b>	<b>2017-2018</b>
	<b>Kshs.</b>	<b>Kshs.</b>
Balance b/f as at July, 2018	77,460,634	76,200,210
<b>Add:</b>		
2% 2018-2019 allocation	41,500,000	
<b>Total</b>	<b>118,960,634</b>	
<b>Less:</b>		
Disbursements to Counties	(49,760,986)	
Balance c/f	<b>69,199,648</b>	<b>76,200,210</b>

During the year under review, the opening balance was changed from Kshs. 76,200,210 to Kshs. 77,460,634. In the comparative figures, the closing balance on Emergency reserves was erroneously reported Kshs. 76,200,210 instead of Kshs. 77,460,634. This was realized while reconciling the movement of the said reserves since inception. The reserve account is held at the central bank account together with other monies including third party monies. Find the attached movement copy of the reserve and the balances thereof (Appendix VI). In addition, the Kshs. 17,863,576 was a disbursement incurred in the financial year 2017/2018 thus a disbursement for 2018/2019 changed to Kshs. 49,760,986.

**15 Gratuity**

<b>S/No.</b>	<b>PAYEE</b>	<b>Net</b>	<b>PAYE</b>	<b>Gross</b>
1	Shadrack K. Kioko	251,859	107,960	359,818
2	Caroline Mukami	222,622	95,409	318,031
3	Halkano M. Jarso	251,859	107,960	359,818
		<b>726,340</b>	<b>311,328</b>	<b>1,037,668</b>
	<b>Outstanding</b>			
4	Tax on – Gratuity (Appendix VII)		3,637,853	3,637,853
5	Gachoka Nancy Wambui	251,859	107,940	359,798
6	Leyiele Patrick Loishorwa	234,683	100,578	335,261
7	Ongiri Jared Ogecha	251,859	107,940	359,798
		<b>738,401</b>	<b>316,458</b>	<b>1,054,857</b>
	<b>Total Payables as at 30 June 2019</b>			<b>5,730,377</b>
8	Liability due as at 30 June 2019			5,004,038
9	Provision for gratuity			21,908,940
	<b>Total Liability plus Provision</b>			<b>26,912,978</b>

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Please note that the net pay for serial no. 1-3 was paid during the financial year under review. However, PAYE relating to the said serial no. and serial no. 4 for PAYE pending for financial year 2017/2018 was not remitted to KRA due to system challenges. In addition, serial no. 5-7 gratuities were not paid due to pending court cases and thus PAYE could not be paid. In addition, the Fund has provided provision for employees on contract.

**16 Kenya School of Government**

The liability under Kenya School of Government amounting to Kshs. 7,073,400 was a pending payment that was not paid during the period under review. The Fund has made arrangements on how to pay the said debt in instalments. This has been recognized under general expenses

**17 (a) Cash and Cash Equivalents**

<b>Cash and Cash Equivalents</b>		<b>2018-2019</b>	<b>2017-2018</b>
	<b>Account No.</b>	<b>Kshs.</b>	<b>Kshs.</b>
Current account	01141198027000	14,583,071	Nil
Central Bank a/c	1000312602	653,293,221	708,173,717
Others- NGAAF Counties accounts	Appendix VIII	283,915,750	Nil
<b>Total cash and cash equivalents</b>		<b>951,792,041</b>	<b>708,173,717</b>

**(b) Detailed Analysis for Cash & Cash Equivalent**

<b>Details</b>			
	<b>Account No.</b>	<b>FY 2018/2019</b>	<b>FY 2017/2018</b>
<b>Current account – Cooperative Bank</b>	01141198027000	14,583,071	Nil
<b>Central Bank account</b>	1000312602		
Emergency Reserves	“	69,199,648	76,200,210
Monitoring & Evaluation	“	73,454,803	58,559,450
Gratuity	“	5,879,493	6,605,833
Counties Monies	“	519,342,347	532,500,000
Cash balances from Counties		283,915,750	Nil
<b>Total Cash &amp; Cash Equivalent</b>		<b>951,792,041</b>	<b>708,173,717</b>

The Detailed Analysis for Cash & Cash equivalent tabulates the cash & cash equivalent held by the Fund. The nil balance comparative figures is because the two items were never previously included. The cash balance from counties amounting to Kshs. 278,918,023 was already in the Central Bank a/c while the balance was still held in the counties accounts and this is from the cashbook extract and bank reconciliation and bank statements.

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**18 Receivables**

Details	FY 2018/2019	FY 2017/2018
Outstanding imprest – Appendix IX	218,200	Nil
<b>Total</b>	<b>218,200</b>	<b>Nil</b>

There were no comparative figures under receivables in the financial year 2017-2018.

**19 Property Plant & Machinery – Appendix X**

Investment Property	2018-2019	2017-2018
Motor Vehicles	Kshs.	Kshs.
Adjustment at beginning of the year July, 2018	163,496,536	Nil
<b>Additions:</b>	14,808,602	Nil
Furniture's	127,500	Nil
Computers	181,102	Nil
At end of the year June, 2019	<b>178,305,138</b>	Nil

**N/B:**

The amount of Kshs. 163,496,536 on motor vehicles was erroneously captured in the financial year 2016-2017 as expenditure instead of capitalizing the said amount. This has now been corrected and presents the correct position in the capital fund. However, the NGAAF has no Policy Document and depreciation cannot be provided for. The Fund has included this in its Strategic Plan under Standard Operating Procedures (SOP's) to be launched soon. The management will initiate the process in consultation with the National Treasury for guidance in development of a Policy document.

**Financial Risk Management**

The entity's activities expose it to a variety of financial risks which is credit and risks. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk.

The company's financial risk management objectives and policies are detailed below:

**(i) Credit risk**

The entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash

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equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments.

Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the company's management based on prior experience and their assessment of the current economic environment.

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the company has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

The board of directors sets the company's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

**(ii) Capital Risk Management**

The objective of the entity's capital risk management is to safeguard the Board's ability to continue as a going concern. The entity capital structure comprises of the following funds:

	<b>2018-2019</b>	<b>2017-2018</b>
<b>Details</b>	<b>Kshs</b>	<b>Kshs</b>
Retained earnings/accumulated surplus	943,954,308	708,173,717
<b>Total funds</b>	Nil	Nil
<b>Gearing</b>	xx%	xx%

**6. Related Party Balances**

**a) Nature of related party relationships**

Entities and other parties related to the entity include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

The entity is related to

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- i) The National Government;
- ii) The Parent Ministry;
- iii) Key management;
- iv) Board of directors;

**b) Related party transactions**

	<b>2018-2019</b>	<b>2017-2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers from related parties'	2,075,000,000	2,130,000,000
Transfers to related parties	1,969,632,174	1,431,879,801

**c) Key management remuneration**

	<b>2018/2019</b>	<b>2017/2018</b>
	<b>Kshs</b>	<b>Kshs</b>
Directors'/ Secretariat expenses	125,643,602	108,171,298

**7. Events after the reporting period**

There were no material adjusting and non- adjusting events after the reporting period.

**8. Ultimate and Holding Entity**

The National Government Affirmative Action Fund is a Semi- Autonomous Government Agency under the Ministry of Public Service, Youth and Gender Affairs. Its ultimate parent is the Government of Kenya.

**9. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

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**APPENDIX I: 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	Status:	Timeframe:
NGAAF /2017/2018 (18)	Presentation of Financial statements	✓ The amount of Kshs. 163,469,536 shall be incorporated in the Financial Statements for 2018-2019	Karogi Snr Acct	-	N/A
	Transfers to other Government units	✓ Relevant documents submitted to the Board ✓ List of unspent balances availed for Audit Review	Karogi Snr Acct	-	N/A
	Cash and Cash Equivalent	✓ Kshs. 17,863,576 was transferred to various counties on 29 <sup>th</sup> June, 2018 for emergency intervention. Amount was posted in the cashbook on 29 <sup>th</sup> June, 2018 and debited in our bank account on 2 <sup>nd</sup> July, 2018 hence not included as transfers to counties. ✓ The amount disbursed to the secretariat was reflected as Board/Secretariat in the statement of financial performance. ✓ Kshs. 467,371 were bank charges in the Secretariat account and kshs. 12,768,699 were un-presented cheques. ✓ 36 out of 47 Counties Committee bank accounts had unspent balances totalling to Kshs. 352,641,446 ✓ 11 of the 47 Counties had no unspent balances	Karogi Snr Acct	-	N/A
	Board Expenses	✓ The oversight carried out by the Board had been approved and reports presented in the subsequent meetings	Karogi Snr Acct	-	N/A
	Staff Cost	✓ Staff salary had been paid for the full financial year despite the fact that the fourth quarter had not been released	Karogi Snr Acct	-	N/A
	Secretariat Expenses	✓ Kshs. 6,451,100 in the secretariat expenses pertained to emergency intervention to various counties (Ksh, 3,250,000) and Kshs. 2,999,999.95 purchase of a medium size speed boat for Lamu County. ✓ Kshs. 200,000 was donation by NGAAF to girls Orphanage through the Samburu girls foundation all with the Boards approval ✓ Variance of Kshs. 100,000 was as a result of payment recovery to one county coordinator who had initially been advanced	Karogi Snr Acct	-	N/A
	Emergency Reserves	✓ The amount is included in the funds held in the Central Bank Account	Karogi Snr Acct	-	N/A
	Outstanding and Multiple imprest	✓ All the outstanding imprest had been accounted for at the closure of the financial year ✓ Issue of multiple had been noted though the officers had presented the surrender document and only they had not been	Karogi Snr Acct	-	N/A

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status:	Timeframe:
		cleared from the imprest register			

*#Ste*

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 C.E.O

Date: *20-2-2020*

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APPENDIX II: INTER-ENTITY TRANSFERS

ENTITY NAME:			
Break down of Transfers from the State Department of Gender Affairs			
FY 2018/2019			
a. Recurrent Grants			
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	<u>Indicate the FY to which the amounts relate</u>
		Nil	
	<b>Total</b>	<b>Nil</b>	
b. Development Grants			
	<u>Bank Statement Date</u>	<u>Amount (KShs)</u>	
State Department for Gender Affairs			
State Department for Gender Affairs	9/10/2018	668,750,000	
State Department for Gender Affairs	15/2/2019	668,750,000	
State Department for Gender Affairs	20/5/2019	737,500,000	
	<b>Total</b>	<b>2,075,000,000.00</b>	

The above amounts have been communicated to and reconciled with the parent Ministry

Finance Manager  
NGAAF

Sign



Head of Accounting Unit  
State Department of Gender Affairs

Sign



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**APPENDIX III: RECORDING OF TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Name of the MDA Transferring the funds	Date received as per bank statement	Nature: Recurrent/Development/Others	Total Amount – KES	Where Recorded/recognized					Total Transfers during the Year
				Statement of Financial Performance	Capital Fund	Deferred Income	Receivables	Others - must be specific	
State Department for Gender Affairs	9/10/2018	Development	668,750,000	0	0	0	0	0	668,750,000
State Department for Gender Affairs	15/2/2019	Development	668,750,000	0	0	0	0	0	668,750,000
State Department for Gender Affairs	20/5/2019	Development	737,500,000	0	0	0	0	0	737,500,000
<b>Total</b>			<b>2,075,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,075,000</b>



**BANK RECONCILIATION STATEMENT NGAAF (CENTRAL BANK A/C) JUNE 2019**

<b>PAYMENTS IN THE CASH BOOK NOT IN BANK STATEMENT</b>				
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
			9,794,657.25	
<b>TOTAL .....</b>			<b>9,794,657.25</b>	
<b>RECEIPTS IN BANK STATEMENT NOT IN CASH BOOK</b>				
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
			-	
<b>TOTAL .....</b>			<b>-</b>	
<b>PAYMENTS IN THE BANK STATEMENT NOT IN CASH BOOK</b>				
<b>CHQ NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
			-	
<b>TOTAL.....</b>			<b>-</b>	
<b>RECEIPTS IN CASH BOOK NOT IN BANK STATEMENT</b>				
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
			-	
<b>TOTAL .....</b>			<b>-</b>	



## BANK RECONCILIATION STATEMENT NGAAF (CO-OP BANK A/C) JUNE 2019

PAYMENTS IN THE CASH BOOK NOT IN BANK STATEMENT				
CHQ.NO.	DATE	DETAILS	AMOUNT Kshs.	REMARKS
001635	24/07/2018	UNION OF CS	688.20	
001716	22/08/2018	UNION OF CS	688.20	
001768	21/09/2018	EMILY OPATI	10,500.00	
001769	21/09/2018	AGNES WANJIKU	15,300.00	
001770	21/09/2018	LINDA KINYUA	46,900.00	
001772	21/09/2018	KIMUTAI CHIRCHIR	51,400.00	
001773	21/09/2018	JULIET KOLA	10,500.00	
001791	24/09/2018	UNION OF CS	688.20	
001799	25/09/2018	EMILY OPATI	21,000.00	
001842	22/10/2018	UKULIMA SACCO	18,876.20	
001845	22/10/2018	METROPOLITAN TEACHERS	17,665.00	
001853	22/10/2018	UNION OF CS	688.20	
001858	22/10/2018	NSSF	7,800.00	
001884	24/10/2018	LAICO REGENCY	15,000.00	
001984	05/11/2018	METROPOLITAN TEACHERS	17,554.00	
001993	05/11/2018	UNION OF CS	688.20	
001995	05/11/2018	NSSF	9,960.00	
002115	24/12/2018	METROPOLITAN TEACHERS	17,443.00	
002121	24/12/2018	KWFT	276,195.00	
002125	24/12/2018	UNION OF CS	688.20	
002137	10/01/2019	ASHA MOHAMED	13,650.00	
002244	04/02/2019	METROPOLITAN TEACHERS	17,332.00	
002255	04/02/2019	UNION OF CS	688.20	
002315	22/02/2019	NATION MEDIA	91,640.00	
002335	26/02/2019	METROPOLITAN TEACHERS	17,221.00	
002336	26/02/2019	COM OF VAT	9,993.05	
002339	26/02/2019	KCB	17,477.00	
002343	26/02/2019	KWFT	294,867.00	
002346	26/02/2019	UNION OF CS	688.20	
002361	01/03/2019	ARIF MUHASHAMY	3,000.00	
002365	01/03/2019	ROBERT OSUDI	10,500.00	
002370	01/03/2019	J MUTULI	10,000.00	
002378	11/03/2019	G OMUKAGA	25,200.00	
002450	01/04/2019	METROPOLITAN TEACHERS	17,110.00	
002453	01/04/2019	KCB	31,620.00	
002459	01/04/2019	PREMIER KENYA	27,795.00	
002460	01/04/2019	UNION OF CS	688.20	
002526	18/04/2019	HILTON HOTEL	18,620.70	
002536	25/04/2019	HAZINA SACCO	11,925.00	
002539	25/04/2019	KITUI TEACHERS	12,262.00	
002540	25/04/2019	METROPOLITAN TEACHERS	16,999.00	
002542	25/04/2019	MADISON INS	7,614.50	
002543	25/04/2019	KCB	31,620.00	
002550	25/04/2019	UNION OF CS	688.20	
002628	17/05/2019	GARDEN HOTEL	227,800.00	
002638	22/05/2019	NSSF	17,760.00	
002640	22/05/2019	HAZINA SACCO	11,920.00	
002644	22/05/2019	METROPOLITAN TEACHERS	16,888.00	
002645	22/05/2019	TRANS NATION SACCO	2,195.00	
002647	22/05/2019	KCB	31,620.00	
002650	22/05/2019	SELECT MANAGEMENT	1,280.00	
002654	22/05/2019	UNION OF CS	688.20	
002731	19/06/2019	COM OF VAT	20,227.60	
002732	19/06/2019	POSTAL CORP	9,450.00	
002738	19/06/2019	COM OF VAT	114,900.00	
002739	19/06/2019	ROZEBEN IMPERO AGENCIE	321,702.60	
002740	19/06/2019	COM OF VAT	17,547.40	
002741	19/06/2019	MACHAKOS UNIVERSITY	124,224.15	
002742	19/06/2019	COM OF VAT	6,775.85	
002743	19/06/2019	SUNBEAM COMPUTER	101,939.65	
002744	19/06/2019	COM OF VAT	5,560.35	
002748	19/06/2019	JESSE NJUGUNA	8,400.00	
002753	19/06/2019	COM OF DOMESTIC TAXES	31,500.00	
002760	20/06/2019	HAZINA SACCO	11,841.60	
002761	20/06/2019	UKULIMA SACCO	17,225.00	
002762	20/06/2019	JAMII SACCO	47,790.00	

## BANK RECONCILIATION STATEMENT NGAAF (CO-OP BANK A/C) JUNE 2019

PAYMENTS IN THE CASH BOOK NOT IN BANK STATEMENT				
CHQ.NO.	DATE	DETAILS	AMOUNT Kshs.	REMARKS
001635	24/07/2018	UNION OF CS	688.20	
001716	22/08/2018	UNION OF CS	688.20	
001768	21/09/2018	EMILY OPATI	10,500.00	
001769	21/09/2018	AGNES WANJIKU	15,300.00	
001770	21/09/2018	LINDA KINYUA	46,900.00	
001772	21/09/2018	KIMUTAI CHIRCHIR	51,400.00	
001773	21/09/2018	JULIET KOLA	10,500.00	
001791	24/09/2018	UNION OF CS	688.20	
001799	25/09/2018	EMILY OPATI	21,000.00	
001842	22/10/2018	UKULIMA SACCO	18,876.20	
001845	22/10/2018	METROPOLITAN TEACHERS	17,665.00	
001853	22/10/2018	UNION OF CS	688.20	
001858	22/10/2018	NSSF	7,800.00	
001884	24/10/2018	LAICO REGENCY	15,000.00	
001984	05/11/2018	METROPOLITAN TEACHERS	17,554.00	
001993	05/11/2018	UNION OF CS	688.20	
001995	05/11/2018	NSSF	9,960.00	
002115	24/12/2018	METROPOLITAN TEACHERS	17,443.00	
002121	24/12/2018	KWFT	276,195.00	
002125	24/12/2018	UNION OF CS	688.20	
002137	10/01/2019	ASHA MOHAMED	13,650.00	
002244	04/02/2019	METROPOLITAN TEACHERS	17,332.00	
002255	04/02/2019	UNION OF CS	688.20	
002315	22/02/2019	NATION MEDIA	91,640.00	
002335	26/02/2019	METROPOLITAN TEACHERS	17,221.00	
002336	26/02/2019	COM OF VAT	9,993.05	
002339	26/02/2019	KCB	17,477.00	
002343	26/02/2019	KWFT	294,867.00	
002346	26/02/2019	UNION OF CS	688.20	
002361	01/03/2019	ARIF MUHASHAMY	3,000.00	
002365	01/03/2019	ROBERT OSUDI	10,500.00	
002370	01/03/2019	J MUTULI	10,000.00	
002378	11/03/2019	G OMIKAGA	25,200.00	
002450	01/04/2019	METROPOLITAN TEACHERS	17,110.00	
002453	01/04/2019	KCB	31,620.00	
002459	01/04/2019	PREMIER KENYA	27,795.00	
002460	01/04/2019	UNION OF CS	688.20	
002526	18/04/2019	HILTON HOTEL	18,620.70	
002536	25/04/2019	HAZINA SACCO	11,925.00	
002539	25/04/2019	KITUI TEACHERS	12,262.00	
002540	25/04/2019	METROPOLITAN TEACHERS	16,999.00	
002542	25/04/2019	MADISON INS	7,614.50	
002543	25/04/2019	KCB	31,620.00	
002550	25/04/2019	UNION OF CS	688.20	
002628	17/05/2019	GARDEN HOTEL	227,800.00	
002638	22/05/2019	NSSF	17,760.00	
002640	22/05/2019	HAZINA SACCO	11,920.00	
002644	22/05/2019	METROPOLITAN TEACHERS	16,888.00	
002645	22/05/2019	TRANS NATION SACCO	2,195.00	
002647	22/05/2019	KCB	31,620.00	
002650	22/05/2019	SELECT MANAGEMENT	1,280.00	
002654	22/05/2019	UNION OF CS	688.20	
002731	19/06/2019	COM OF VAT	20,227.60	
002732	19/06/2019	POSTAL CORP	9,450.00	
002738	19/06/2019	COM OF VAT	114,900.00	
002739	19/06/2019	ROZEBEN IMPERO AGENCIE	321,702.60	
002740	19/06/2019	COM OF VAT	17,547.40	
002741	19/06/2019	MACHAKOS UNIVERSITY	124,224.15	
002742	19/06/2019	COM OF VAT	6,775.85	
002743	19/06/2019	SUNBEAM COMPUTER	101,939.65	
002744	19/06/2019	COM OF VAT	5,560.35	
002748	19/06/2019	JESSE NJUGUNA	8,400.00	
002753	19/06/2019	COM OF DOMESTIC TAXES	31,500.00	
002760	20/06/2019	HAZINA SACCO	11,841.60	
002761	20/06/2019	UKULIMA SACCO	17,225.00	
002762	20/06/2019	JAMII SACCO	47,790.00	

002763	20/06/2019	KITUI TEACHERS	12,116.00		
002764	20/06/2019	METROPOLITAN TEACHERS	16,777.00		
002765	20/06/2019	TRANS NATION SACCO	2,195.00		
002766	20/06/2019	MADISON INS	7,614.50		
002767	25/06/2019	KCB	31,620.00		
002768	25/06/2019	COOP BANK	15,945.00		
002769	25/06/2019	EQUITY BANK	130,104.00		
002770	25/06/2019	SELECT MANAGEMENT	1,280.00		
002771	25/06/2019	KWFT	384,976.00		
002772	25/06/2019	IZWE LOANS	15,178.00		
002774	25/06/2019	UNION OF CS	826.80		
002775	25/06/2019	WEST POKOT ESMCL	120,000.00		
002823	24/06/2019	ALI ABDALLA	18,600.00		
002825	27/06/2019	ROBERT ODUOR	65,100.00		
002850	28/06/2019	BENEDICT MAINGI	20,000.00		
002852	28/06/2019	RAMTRONICS COMP	17,258.60		
002853	28/06/2019	COM OF VAT	941.40		
002854	28/06/2019	SMALL GRAPHICS	45,128.45		
002855	28/06/2019	COM OF VAT	2,461.55		
002856	28/06/2019	COMPUTERWAYS	69,795.00		
002857	28/06/2019	COM OF VAT	3,807.00		
002858	28/06/2019	GARDEN HOTEL	12,641.60		
002859	28/06/2019	COM OF VAT	7,586.00		
002901	30/06/2019	COM OF DOMESTIC TAXES	99,000.00		
002869	30/06/2019	COOP BANK (JUNE TAXES)	2,377,277.00		
<b>TOTAL .....</b>			<b>5,856,885.75</b>		
<b>RECEIPTS IN BANK STATEMENT NOT IN CASH BOOK</b>					
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>	
<b>TOTAL .....</b>					<b>-</b>
<b>PAYMENTS IN THE BANK STATEMENT NOT IN CASH BOOK</b>					
<b>CHQ NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>	
001518	20/06/2018	FRANCIS MUNGAI	30,730.00		
001493	07/06/2018	PREMIER KENYA	33,114.00		
001555	28/06/2018	JAMII SACCO	11,000.00		
001546	28/06/2018	IZWE LOANS	10,291.00		
001557	29/06/2018	COOP BANK	246,192.25		
001567	29/06/2018	ATTIC TOURS	64,043.50		
001547	28/06/2018	PREMIER KENYA	34,059.00		
001572	29/06/2018	STATE DEPT OF HERITAGE	2,515,080.00		
001560	29/06/2018	NAMAHINDI AGENCIES	1,150,000.00		
<b>TOTAL.....</b>			<b>4,094,509.75</b>		
<b>RECEIPTS IN CASH BOOK NOT IN BANK STATEMENT</b>					
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>	
JUN 129	O/PAYMENT	CEO NGAAF	22,400.00		
	RECEIPTS FROM COUNTIES	CEO NGAAF	224,400.00		
<b>TOTAL .....</b>			<b>246,800.00</b>		

002763	20/06/2019	KITUI TEACHERS	12,116.00	
002764	20/06/2019	METROPOLITAN TEACHERS	16,777.00	
002765	20/06/2019	TRANS NATION SACCO	2,195.00	
002766	20/06/2019	MADISON INS	7,614.50	
002767	25/06/2019	KCB	31,620.00	
002768	25/06/2019	COOP BANK	15,945.00	
002769	25/06/2019	EQUITY BANK	130,104.00	
002770	25/06/2019	SELECT MANAGEMENT	1,280.00	
002771	25/06/2019	KWFT	384,976.00	
002772	25/06/2019	IZWE LOANS	15,178.00	
002774	25/06/2019	UNION OF CS	826.80	
002775	25/06/2019	WEST POKOT ESMCL	120,000.00	
002823	24/06/2019	ALI ABDALLA	18,600.00	
002825	27/06/2019	ROBERT ODUOR	65,100.00	
002850	28/06/2019	BENEDICT MAINGI	20,000.00	
002852	28/06/2019	RAMTRONICS COMP	17,258.60	
002853	28/06/2019	COM OF VAT	941.40	
002854	28/06/2019	SMALL GRAPHICS	45,128.45	
002855	28/06/2019	COM OF VAT	2,461.55	
002856	28/06/2019	COMPUTERWAYS	69,795.00	
002857	28/06/2019	COM OF VAT	3,807.00	
002858	28/06/2019	GARDEN HOTEL	12,641.60	
002859	28/06/2019	COM OF VAT	7,586.00	
002901	30/06/2019	COM OF DOMESTIC TAXES	99,000.00	
002869	30/06/2019	COOP BANK (JUNE TAXES)	2,377,277.00	
<b>TOTAL .....</b>			<b>5,856,885.75</b>	
<b>RECEIPTS IN BANK STATEMENT NOT IN CASH BOOK</b>				
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
<b>TOTAL .....</b>				
<b>PAYMENTS IN THE BANK STATEMENT NOT IN CASH BOOK</b>				
<b>CHQ NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
001518	20/06/2018	FRANCIS MUNGAI	30,730.00	
001493	07/06/2018	PREMIER KENYA	33,114.00	
001555	28/06/2018	JAMII SACCO	11,000.00	
001546	28/06/2018	IZWE LOANS	10,291.00	
001557	29/06/2018	COOP BANK	246,192.25	
001567	29/06/2018	ATTIC TOURS	64,043.50	
001547	28/06/2018	PREMIER KENYA	34,059.00	
001572	29/06/2018	STATE DEPT OF HERITAGE	2,515,080.00	
001560	29/06/2018	NAMAHINDI AGENCIES	1,150,000.00	
<b>TOTAL.....</b>			<b>4,094,509.75</b>	
<b>RECEIPTS IN CASH BOOK NOT IN BANK STATEMENT</b>				
<b>CHQ.NO.</b>	<b>DATE</b>	<b>DETAILS</b>	<b>AMOUNT Kshs.</b>	<b>REMARKS</b>
JUN 129	O/PAYMENT	CEO NGAAF	22,400.00	
	RECEIPTS FROM COUNTIES	CEO NGAAF	224,400.00	
<b>TOTAL .....</b>			<b>246,800.00</b>	

**UNSPENT BALANCES RETURNED F/Y 2017/2018**

<b>S.NO</b>	<b>DATE</b>	<b>COUNTY</b>	<b>UNSPENT BALANCE</b>
1	18/07/2018	HOMA BAY	18,463.40
2	18/07/2018	EMBU	19,517,951.60
3	19/07/2018	KAJIADO	5,142,781.95
4	20/07/2018	UASIN GISHU	2,305,663.90
5	20/07/2018	BARINGO	3,501,128.00
6	20/07/2018	KAKAMEGA	56,396,017.05
7	23/07/2018	LAMU	277,423.55
8	23/07/2018	WAJIR	1,154,003.15
9	25/07/2018	THARAKA NITHI	728,499.55
10	25/07/2018	KIAMBU	14,738,634.50
11	26/07/2018	MERU	14,725,421.50
12	27/07/2018	KIRINYAGA	9,271,229.90
13	30/07/2018	MACHAKOS	8,528,247.00
14	31/07/2018	MIGORI	5,694,194.20
15	01/08/2018	MAKUENI	115,000.00
16	01/08/2018	TRANS NZOIA	3,500.00
17	01/08/2018	ELGEYO MARAKWET	8,228,273.15
18	01/08/2018	KWALE	11,130,750.65
19	02/08/2018	KISUMU	3,810,827.25
20	02/08/2018	NAIROBI	95,448,271.75
21	03/08/2018	TAITA TAVETA	845,076.40
22	03/08/2018	KILIFI	6,626,578.80
23	03/08/2018	GARISSA	28,404,115.60
24	06/08/2018	NAKURU	3,507.50
25	07/08/2018	BUSIA	29,986.75
26	07/08/2018	NAROK	15,542.00
27	08/08/2018	WEST POKOT	3,434.00
28	08/08/2018	BUNGOMA	11,276,564.10
29	07/08/2018	SIAYA	24,172,361.95
30	10/08/2018	NYERI	1,839,533.35
31	15/08/2018	KISII	2,330,180.65
32	20/08/2018	KITUI	14,669,049.00
33	06/09/2018	NYANDARUA	524.10
34	15/08/2018	KISII	906,000.00
35	03/09/2018	BARINGO	600,000.00
36	12/10/2018		137,705.10
		<b>TOTAL</b>	<b>352,596,441.35</b>



**TOTAL EMERGENCY ALLOCATION SINCE INCEPTION**

Financial Year	Allocation	Emergency Allocation (2%)	Issues	Balance
2014/2015	2,000,000,000.00	40,000,000.00	14,732,450.00	25,267,550.00
2015/2016	2,050,000,000.00	41,000,000.00	-	41,000,000.00
2016/2017	2,130,000,000.00	42,600,000.00	56,143,340.40	(13,543,340.40)
2017/2018	2,130,000,000.00	42,600,000.00	17,863,576.00	24,736,424.00
	<b>8,310,000,000.00</b>	<b>166,200,000.00</b>	<b>88,739,366.40</b>	<b>77,460,633.60</b>

MOVEMENT OF EMERGENCIES			
Opening balances	Issues	Closing Balances	
2014/2015	-	25,267,550.00	
2015/2016	25,267,550.00		
	41,000,000.00		
	66,267,550.00		66,267,550
2016/2017	66,267,550.00		
	42,600,000.00		
	108,867,550.00	56,143,340.40	
2017/2018	52,724,209.60		
	42,600,000.00		
	95,324,209.60	17,863,576.00	
2018/2019	77,460,633.60		
	41,500,000.00		
	118,960,633.60	49,760,986.00	
		69,199,647.60	

**EMERGENCY TRANSFERS FOR F/Y 2018/2019**

<b>S/NO</b>	<b>COUNTY</b>	<b>AMOUNT</b>
1	Migori	865,000.00
2	Kajiado	900,000.00
3	Nakuru	900,050.00
4	Kirinyaga	300,120.00
5	Tana River	900,000.00
6	Homa Bay	906,000.00
7	West Pokot	715,000.00
8	Nyamira	785,000.00
9	Murang'a	900,000.00
10	Kakamega	775,000.00
11	Nyandarua	800,500.00
12	Meru	906,000.00
13	Kitui	750,000.00
14	Turkana	750,000.00
15	Makueni	775,000.00
16	Kisumu	800,000.00
17	Trans Nzoia	724,240.00
18	Busia	799,666.00
19	Taita Taveta	700,000.00
20	Wajir	906,000.00
21	Samburu	500,000.00
22	Kisii	906,000.00
23	Baringo	600,000.00
		<b>17,863,576.00</b>
24	Lamu	449,000.00
25	Kiambu	787,950.00
26	Marsabit	1,000,000.00
27	Samburu	1,000,000.00
28	Busia	515,536.00
29	Laikipia	4,444,000.00
30	Bomet	625,000.00
31	Samburu	1,000,000.00
32	Makueni	6,000,000.00
33	Busia	500,000.00
34	Nairobi	2,340,000.00
35	Homa Bay	6,000,000.00
36	Isiolo	1,500,000.00
37	Mandera	1,500,000.00
38	Tana River	294,000.00
39	Nyandarua	800,500.00
40	Tharaka Nithi	2,308,500.00

41	Kiambu	939,500.00
42	Baringo	3,040,000.00
43	Turkana	2,580,000.00
44	West Pokot	1,745,000.00
45	Samburu	2,502,000.00
46	Busia	3,000,000.00
47	Narok	2,500,000.00
48	Machakos	2,390,000.00
		<b>49,760,986.00</b>
	<b>Total</b>	<b>67,624,562.00</b>

Gratuity payment														
Sno	Surname	Firstname	Othernames	Designation	Datedhired	End of Contract Date	BASIC SALARY	BASIC SALARY	BASIC SALARY	BASIC SALARY	TOTAL	31% Gratuity	PAYE	NET PAY
1	Lotee	Titus		Executive Officer	1/2/2018	31/01/2021	180,660.00	180,660.00	180,660.00	-	6,503,760.00	2,016,165.60	604,849.68	1,411,315.92
2	Nyaga	Lydia	Njeri	Office Admini	26/03/2018	25/03/2021	31,020.00	32,580.00	34,200.00	35,910.00	1,144,521.60	354,801.70	106,440.51	248,361.19
3	Kagani	Maurine	Cheruto	Support staff	26/03/2018	25/03/2021	11,370.00	11,910.00	12,510.00	13,140.00	430,907.40	133,581.29	40,074.39	93,506.91
4	Kalemrum	Antony	Pkemoi	Driver 3	6/4/2018	5/4/2021	19,323.00	20,289.00	21,304.00	22,369.00	731,378.50	226,727.34	68,018.20	158,709.13
5	Nyarango	Allan	Nyabio	Driver 3	1/12/2017	30/11/2020	19,323.00	20,289.00	21,304.00	-	730,992.00	226,607.52	67,982.26	158,625.26
6	Wanjohi	Wilson	Maina	Driver 3	1/12/2017	30/11/2020	19,323.00	20,289.00	21,304.00	-	730,992.00	226,607.52	67,982.26	158,625.26
7	Kamau	Michael	Chege	Driver 3	3/5/2018	2/5/2021	19,323.00	20,289.00	21,304.00	22,369.00	731,188.50	226,668.44	68,000.53	158,667.90
8	Tinkoi	Emanuel	Sane	Driver 3	3/5/2018	2/5/2021	19,323.00	20,289.00	21,304.00	22,369.00	731,188.50	226,668.44	68,000.53	158,667.90
9	Hassan	Ahmed	Mohamed	Driver 3	5/2/2018	4/2/2021	19,323.00	20,289.00	21,304.00	22,369.00	731,427.00	226,742.37	68,022.71	158,719.66
10	Athman	Mohamed	Yakub	Driver 3	5/5/2018	4/5/2021	19,323.00	20,289.00	21,304.00	22,369.00	731,485.00	226,760.35	68,028.11	158,732.25
11	Mohamed	Mohamed	Athman	Coxwein	19/05/2018	18/05/2021	19,323.00	20,289.00	21,304.00	22,369.00	731,385	226,729.35	68,018.81	158,710.55
12	Kaworiyon	Gelfin	Peter	Driver 3	6/8/2018	5/8/2021	19,323.00	20,289.00	21,304.00	22,369.00	732,204.50	226,983.40	68,095.02	158,888.38
13	Kiliru	Thomas	Kamau	Driver 3	2/4/2019	1/4/2022	19,323.00	20,289.00	21,304.00	22,369.00	731,093.5	226,638.99	67,991.70	158,647.29
14	Issack	Dayow	Ali	Driver 3	5/4/2019	4/4/2022	19,323.00	20,289.00	21,304.00	22,369.00	731,398.10	226,733.41	68,020.02	158,713.39
												<b>4,998,415.70</b>	<b>1,499,524.71</b>	<b>3,498,890.99</b>

*Getiford*

19/12/2022

NATIONAL GOVERNMENT AFFIRMATIVE  
ACTION FUND  
Box- 30007 - 00100  
NAIROBI

Gratuity calculation for Coordinators														
Sn	Surname	Firstname	Othernames	Designation	Date hired	Contract Date	BASIC SALARY	BASIC SALARY	BASIC SALARY	BASIC SALARY	TOTAL	31% Gratuity	PAYE	NET PAY
1	Njuki	John	Kariuki	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
2	Mundison	Doracynthia	Muthoni	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
3	Ngeno	Sammy		Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
4	Wanyama	Caroline	Namwenya	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
5	Njogu	Daniel	Njogu	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
6	Ngeti	Dorine	Mkaluma	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
7	Kimurai	Fredrick		Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
8	Wahome	Elisabeth	Muthoni	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
9	Nzioki	Benjamin	Wambua	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
10	Bett	Enock	Kipkorir	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
11	Cheboi	Stephen	Kipkorir	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
12	Osuri	Dorine	Atieno	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
13	Angutwa	Violet	Vizengwa	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
14	Obonyo	Jack	Mourice	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
15	Sankale	Juliet	Soila	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
16	Lorogoi	Festus	Ekteila	Coordinator	1/2/2018	31/01/2021	45,880.00	48,190.00	50,590.00	-	1,735,920.00	538,135.20	161,440.56	376,694.64
17	Mamai	Edgar	Matsakhe	Coordinator	2/1/2019	1/1/2022	45,880.00	48,190.00	50,590.00	53,140.00	1,736,154.00	538,207.74	161,462.32	376,745.42
18	Njuki	Daniel	Gichiru	Coordinator	2/1/2019	1/1/2022	45,880.00	48,190.00	50,590.00	53,140.00	1,736,154.00	538,207.74	161,462.32	376,745.42
19	Onyango	Daniel	Amoko	Coordinator	4/11/2019	3/11/2022	45,880.00	48,190.00	50,590.00	53,140.00	1,736,646.00	538,360.26	161,508.08	376,852.18
20	Levele	Patrick	Loishorwa	Coordinator	25/11/2018	24/11/2021	45,880.00	48,190.00	50,590.00	53,140.00	1,741,485.95	539,860.64	161,958.19	377,902.45
21	KoECH	Everline	Cherobon	Coordinator	5/2/2018	4/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,574,503.00	488,095.93	146,428.78	341,667.15
22	Ganzalla	Alli	Said	Coordinator	5/2/2018	4/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,574,503.00	488,095.93	146,428.78	341,667.15
23	Mackenzie	Pameia	Minayo	Coordinator	8/2/2018	7/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,210.00	488,315.10	146,494.53	341,820.57

*Certified*

11 2

24	Sang	William	Kibet	County	Coordinator	8/2/2018	7/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,210.00	488,315.10	146,494.53	341,820.57
25	Jama	Jacob	Barisa	County	Coordinator	8/2/2018	7/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,210.00	488,315.10	146,494.53	341,820.57
26	Sheikh	Muhyadin	Abdiraham	County	Coordinator	8/2/2018	7/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,210.00	488,315.10	146,494.53	341,820.57
27	Ondieki	Wycliff	Oroba	County	Coordinator	8/2/2018	7/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,210.00	488,315.10	146,494.53	341,820.57
28	Ameme	Emanuel	Loyeks	County	Coordinator	12/2/2018	11/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,576,152.85	488,607.38	146,582.22	342,025.17
29	Kodjo	Josiah	Okatch	County	Coordinator	19/2/2018	18/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,577,802.00	489,118.62	146,735.59	342,383.03
30	Mogaka	Jared	Osiago	County	Coordinator	9/3/2018	8/3/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,263.20	488,331.59	146,499.48	341,832.11
31	Muiruri	Carol	Njoki	County	Coordinator	9/3/2018	8/3/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,263.20	488,331.59	146,499.48	341,832.11
32	Maina	Leah	Wambui	County	Coordinator	9/3/2018	8/3/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,263.20	488,331.59	146,499.48	341,832.11
33	Jillow	Nadhifo	Duba	County	Coordinator	9/3/2018	8/3/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,575,263.20	488,331.59	146,499.48	341,832.11
34	Kingoo	Bernard	Mwendwa	County	Coordinator	14/03/2018	13/03/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,576,327.00	488,661.37	146,598.41	342,062.96
35	Athman	Maliha	Mohamed	County	Coordinator	14/03/2018	13/03/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,576,328.00	488,661.68	146,598.50	342,063.18
36	Mathiu	Charity	Kanario	County	Coordinator	30/04/2018	29/04/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,579,940.00	489,781.40	146,934.42	342,846.98
37	Maina	Benson	Mwangi	County	Coordinator	14/01/2019	13/01/2022	41,590.00	43,660.00	45,880.00	48,190.00	1,576,327.70	488,661.59	146,598.48	342,063.11
38	Wafula	Kevin		County	Coordinator	8/2/2019	7/2/2022	41,590.00	43,660.00	45,880.00	48,190.00	1,573,130.50	487,670.46	146,301.14	341,369.32
39	Njeru	Victor		County	Coordinator	13/02/2019	12/2/2022	41,590.00	43,660.00	45,880.00	48,190.00	1,576,388.50	488,680.44	146,604.13	342,076.30
40	Abdi	Abduljabar	Hassan	County	Coordinator	8/2/2018	7/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,573,130.50	487,670.46	146,301.14	341,369.32
41	Guyo	Ali	Adano	County	Coordinator	24/7/2019	23/07/2022	41,590.00	43,660.00	45,880.00	48,190.00	1,578,457.00	489,321.67	146,796.50	342,525.17
42	Osman	Ahemed	Blow	County	Coordinator	20/01/2020	19/01/2023	41,590.00	43,660.00	45,880.00	48190	1,577,605.00	489,057.55	146,717.27	342,340.29
43	Kaakua	Lydia	Namunyak	County	Coordinator	5/2/2018	4/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,574,503.00	488,095.93	146,428.78	341,667.15
44	Kaburu	Peninah	Waithera	County	Coordinator	5/2/2018	4/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,574,503.00	488,095.93	146,428.78	341,667.15
45	Kithome	Lydia	Kavete	County	Coordinator	5/2/2018	4/2/2021	41,590.00	43,660.00	45,880.00	48,190.00	1,574,503.00	488,095.93	146,428.78	341,667.15
46	Nyanje	Victor	Safari	County	Coordinator	1/2/2018	31/01/2021	41,590.00	43,660.00	48,190.00	-	1,627,920.00	504,655.20	151,396.56	353,258.64
												75,744,286.80	23,480,728.91	7,044,218.67	16,436,510.24

copy of  
 NATIONAL GOVERNMENT AFFIRMATIVE  
 ACTION FUND  
 1800 3007 - 00100  
 11/11/21

Total Security Pension for  
 the whole contract period  
 is 141,147 US!

**NGAAF OFFICERS ON CONTRACT**

Sno	Payroll-Num	Surname	First-Name	Other-Names	Desig-Name	Date hired	Contract End-Date	Engage-Name
1	20130006049	Lotee	Titus		Chief Executive Officer (CE	20180201	20210131	Local Contract
2	20170143932	Nyarango	Allan	Nyabio	Driver [3]	20171201	20201130	Local Contract
3	20170143941	Wanjohi	Wilson	Maina	Driver [3]	20171201	20201130	Local Contract
4	20180015525	Nyaga	Lydia	Njeri	Office Administrator	20180326	20210325	Local Contract
5	20180015534	Kagani	Maureen	Cheruto	Support Staff	20180326	20210325	Local Contract
6	20180021890	Kamau	Michael	Chege	Driver [3]	20180503	20210305	Local Contract
7	20180021907	Tinkoi	Emanuel	Sane	Driver [3]	20180503	20210304	Local Contract
8	20180034477	Hassan	Ahmed	Mohamed	Driver [3]	20180205	20210204	Local Contract
9	20180040840	Athman	Mohamed	Yakub	Driver [3]	20180505	20210504	Local Contract
10	20180041114	Mohamed	Mohamed	Athman	Driver [3]	20180519	20210518	Local Contract
11	20180065187	Kalentum	Antony	Pkemoi	Driver [3]	20180406	20210405	Local Contract
12	20180070080	Kawuriyonj	Gelfin	Peter	Driver [3]	20180806	20210805	Local Contract
13	20190028445	Kiliru	Thomas	Kamau	Driver [3]	20190402	20220401	Local Contract
14	20190038085	Issack	Dayow	Ali	Driver [3]	20190405	20220504	Local Contract

COUNTIES CASH & CASH EQUIVALENT AS AT 30/6/2019

Counties	Accounts No.	Cash Equivalent
Nairobi	1141201980100	66,280,226.59
Kitui	1175603821	818,552.65
Kirinyaga	1174744413	6,397,300.25
Kericho	280264850363	457.65
Kajiado	860264663730	2,037,011.00
Homa Bay	980265090593	3,700,363.99
Garissa	1141376091400	3,777,083.70
Embu	190265035825	10,118,190.27
Elgeyo Markwet	1530264985396	3,194,125.70
Bomet	1220265004028	-
Tharaka Nithi	1141571373500	2,570.30
Narok	360265127769	6,450,565.90
Busia	780264690342	17,278,016.20
Nakuru	130265014227	-
Baringo	1390265012167	2,338,544.79
Nyandarua	620265004136	-
Vihiga	1174729511	-
Bungoma	1141668871900	17,277,754.95
Kakamega	1141499392500	28,265,730.00
Migori	1141482732200	12,415,978.95
Nyeri	110265000038	604,389.00
Taita Taveta	790265112714	2,279,489.35
Tana River	1210265013411	2,167,514.50
Trans Nzoia	1141694280500	395,652.17
Uasin Gishu	1141685424200	975,465.00
West Pokot	1070264794932	51,331.00
Meru	140264986066	7,734,847.95
Lamu	1590265004851	604,500.00
Makueni	670265000090	1,269,575.55
Kiambu	1174787597	12,305,784.00
Wajir	1001083954000	239,928.45
Nyamira	1174734140	7,475.70
Muranga	890265012321	380,275.85
Machakos	1173170537	18,962,896.60
Siaya	970264392174	30,154,136.65
Laikipia	1141367557300	549,619.40
Mombasa	1560265100361	1,101,684.20
Kwale	1580265128124	3,436,195.14
Kilifi	1060264992250	-
Kisumu	1184142319	1,237,749.41
Isiolo	1141437464600	1,033,349.80
Mandera	121001445701	85,995.70

43	Marsabit	1010265012964	-
44	Nandi	490264982696	-
45	Turkana	1141592086700	-
46	Kisii	1141477819600	17,985,421.30
47	Samburu	1100264674404	-
	<b>Totals</b>		<b>283,915,749.61</b>



NGAAF Headquarter  
Tel Posta Building, GPO  
P.O BOX 48274-00100  
NAIROBI

*Empowering for Self-reliance*



Website : [www.ngaaf.go.ke](http://www.ngaaf.go.ke)  
Email : [ceo@ngaaf.go.ke](mailto:ceo@ngaaf.go.ke)  
Phone : 020 2300796

**INTERNAL MEMO**

**TO :** Chief Executive Officer  
**FROM:** Accounts  
**REF :** NGAAF/  
**DATE :** 25/09/2019  
**RE :** **UNSURRENDERED IMPRESTS**

The Board members and officers tabulated below have imprests issued in F/Y 2018/2019 but have not been surrendered.

S.NO	NAME	AMOUNT ISSUED	AMOUNT NOT SURRENDERED	REMARKS
1	Mr Isaac Ngige	90,000.00	90,000.00	No documents provided
2	Prof Wanjiku Kabira	65,000.00	5,000.00	Receipts for taxi not provided
3	Mr Kimutai Chirchir	65,000.00	5,000.00	Receipts for taxi not provided
4	Mr Robert Oduor	65,000.00	5,000.00	Receipts for taxi not provided
5	Ms Linda Kinyua	65,000.00	5,000.00	Receipts for taxi not provided
6	Ms Emily Opati	65,000.00	5,000.00	Receipts for taxi not provided
7	Ms Juliet Kola	65,000.00	5,000.00	Receipts for taxi not provided
8	Mr Brian Mureithi	49,100.00	49,100.00	Travel documents not provided
9	Mr Kevin Wafula	49,100.00	49,100.00	Travel documents not provided

The purpose of this memo is to inform you and seek your guidance on the outstanding imprests.

A handwritten signature in black ink, appearing to read 'Josphat Nzioki', with a long horizontal line extending to the right.

Josphat Nzioki  
**Accounts Office**

**PROPERTY, PLANT AND EQUIPMENTS**

	Motor vehicles Shs	Furniture and fittings Shs	Computers Shs	Other Assets (Specify) Shs	Plant and equipment Shs	Total Shs
Cost						
At 1 July 2017	163,496,536.00					
Additions						
Disposals						
Transfers/adjustments						
At 30 <sup>th</sup> June 2018	163,496,536.00			0	0	163,496,536.00
Additions	14,500,000.00	127,500.00	181,102.00			14,808,602.00
Disposals	-	-	-			-
Transfer/adjustments						
At 30 <sup>th</sup> June 2019	177,996,536.00	127,500.00	181,102.00	0	0	178,305,138.00
<b>Depreciation and impairment</b>						
At 1 July xxx						
Depreciation	-					-
Impairment						-
At 30 June 2017	-	-	-	0	0	-
Depreciation						-
Disposals						-
Impairment						-
Transfer/adjustment						-
At 30 <sup>th</sup> June 2018	-	-	-	0	0	-
Net book values						
At 30 <sup>th</sup> June 2019	177,996,536.00	127,500.00	181,102.00	0	0	178,305,138.00
At 30 <sup>th</sup> June 2018	163,496,536.00	-	-	0	0	163,496,536.00
<i>The Fund had no Work In Progress</i>						

