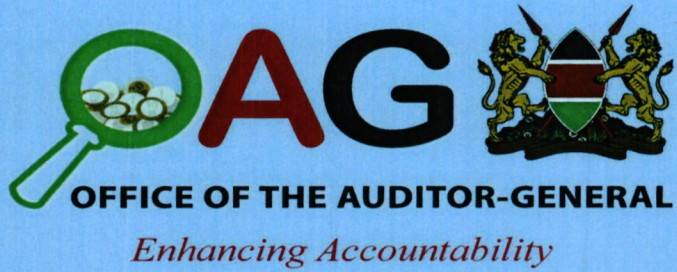


REPUBLIC OF KENYA



REPORT

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OF

THE AUDITOR-GENERAL

ON

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

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





**BAHATI CONSTITUENCY
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

REPORTS AND FINANCIAL STATEMENTS

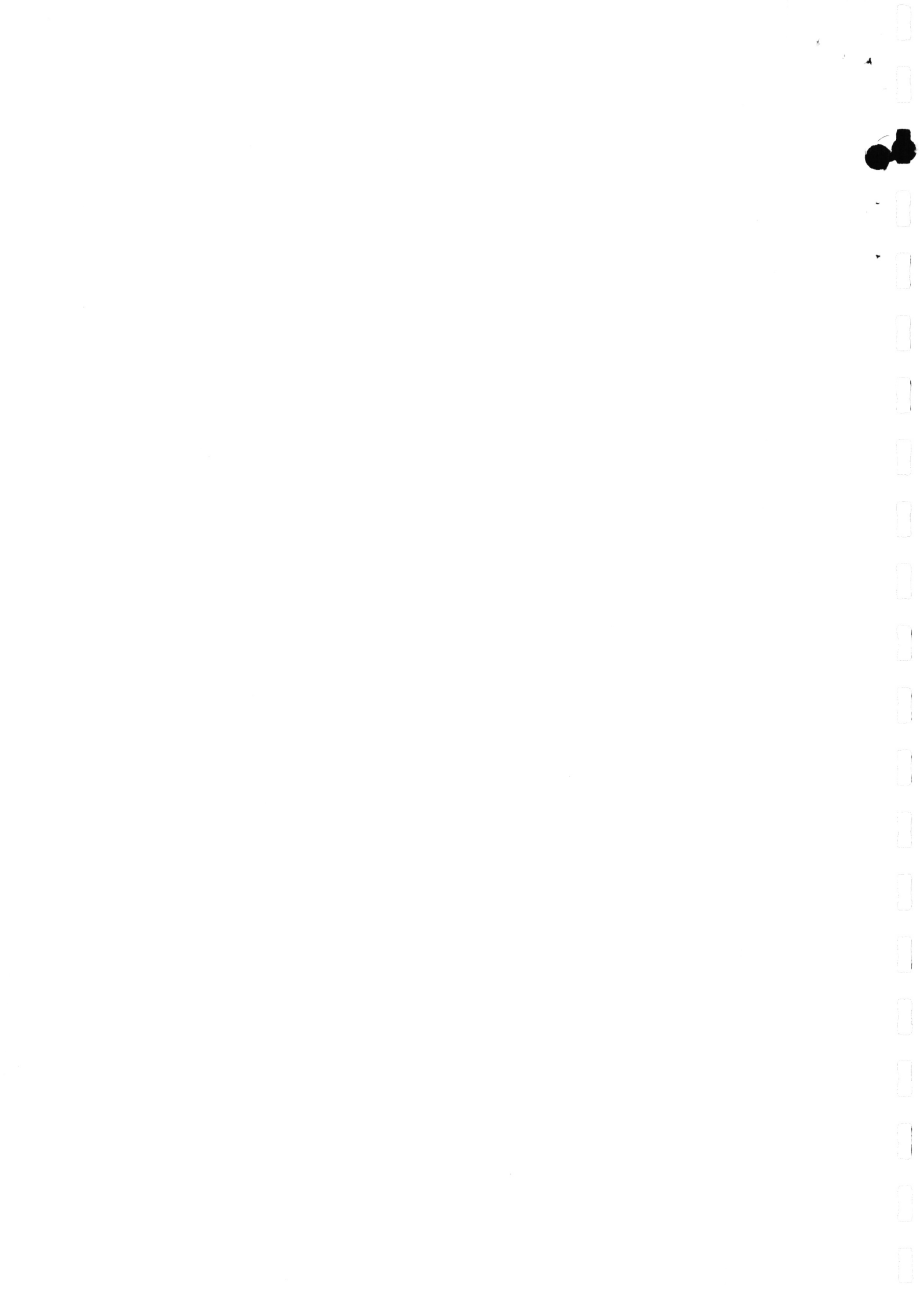
**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

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

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

Table of Content Page.....	ii
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	iii
II. NG-CDFC CHAIRMAN’S REPORT	viii
I. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY’S PREDETRMINED OBJECTIVES.....	xiv
II. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING	xviii
III. STATEMENT OF MANAGEMENT RESPONSIBILITIES	xxii
IV. REPORT OF THE INDEPENDENT AUDITORS ON THE NGCDF- BAHATI CONSTITUENCY	xxiv
V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30 TH JUNE 2021.....	1
VI. STATEMENT OF ASSETS AND LIABILITIES AS AT 30 TH JUNE 2021.....	2
VII. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30 TH JUNE 2021	3
VIII. SUMMARY STATEMENT OF APPROPRIATION	4
IX. BUDGET EXECUTION BY SECTORS AND PROJECTS	6
XI. SIGNIFICANT ACCOUNTING POLICIES	12
XII. NOTES TO THE FINANCIAL STATEMENTS	17
XIII. PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS.....	33



I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 as amended in 2016. The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NG-CDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;

- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

To provide leadership and policy direction for effective and efficient management of the Fund

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

Functions of NG-CDF Committee

The Functions of the NG-CDF Committee is as outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.




b) Key Management


The Bahati Constituency NGCDF day-to-day management is under the following key organs:

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

c) Fiduciary Management

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

No	Designation	Name	Photo
1.	A.I.E holder	Hawah Njeri Abdul	
2.	Sub-County Accountant	Dickson Nyaundi Moreka	
3.	Chairman NGCDFC	Daniel Kinyua Ngatia	

No	Designation	Name	Photo
4.	Member NGCDFC	Tom Njogu Kironji	

d) Fiduciary Oversight Arrangements

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

e) Bahati Constituency NGCDF Headquarters

P.O. Box 22,
NGCDF Building,
Nakuru-Nyahururu Road,
Bahati, KENYA

f) Bahati Constituency NGCDF Contacts

Telephone: (254) 711566300
E-mail: cdfbahati@ngcdf.go.ke
Website: www.ngcdf.go.ke

g) Bahati Constituency NGCDF Bankers

Equity Bank
Gate House Branch
P.O Box 12568-20100
Nakuru, Kenya

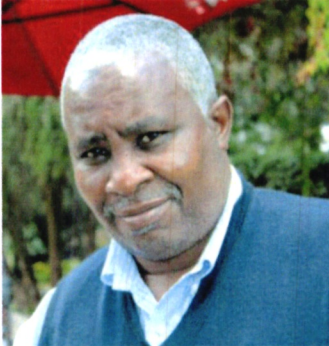
h) Independent Auditors

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

i) Principal Legal Adviser

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

II. NG-CDF CHAIRMAN’S REPORT



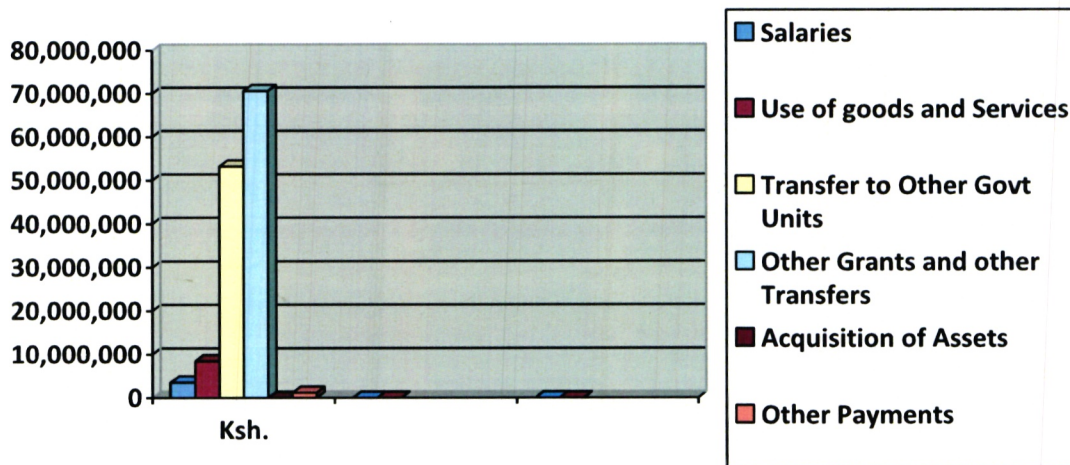
CHAIRMAN: DANIEL KINYUA NGATIA

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

The Bahati NG-CDF was allocated Kshs. 137,088, 879 during the financial year 2020/2021 and a balance of Ksh.5,700,000 for the financial year 2019/2020 out of the budget allocated, the Board disbursed Kshs. 108,600,000 which translates to 75% funding. A balance of Ksh.34,188,879.31 was not yet released to the constituency account by close of the financial year.

The NG-CDF Bahati has continued to use the Project Management Committee in implementation of all the constituency Development Fund projects. During the year under review most of the projects were allocated funds for completion. Most projects would be completed with the funds allocated during the year. However, few projects are in various phases and will be allocated more funds in the subsequent years.

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



Key achievements.

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

Security

Under security the NGCDF Bahati has so far established 4 Police stations, OCPD Headquarters, The Committee has also constructed 24 modern Chiefs and assistant chiefs' offices across the constituency.

Through this initiative the security officers have continued to enjoy the good working environment and as such have been working efficiently thus the constituents have been receiving good service.



Figure 1: Lanet Police Station



Figure 2: Nakuru workers Sub-location assistant Chiefs office



Figure 3: Nyonjoro Assistant Chiefs Office



Figure 4: Mutukanio Assistant Chiefs Hall

Education

Bahati Constituency has 45 Primary schools and 38 Secondary schools. Due to the increasing population and the Government directive of 100% transition for Secondary schools, there has been a great need to have more classrooms, Dormitories, Laboratories in all the secondary schools.

Most if not all the Primary schools were constructed in the 1960s and are currently dilapidated, some with earthen grounds, leaking roofs and without windows and even some muddy classrooms. The Committee have strived to ensure that every school is renovated and classes modernised and equipped with desks and lockers to ensure the pupils are studying in a conducive environment something that the pupils, the teachers and the parents are happy about.



Figure 5: Equipped Classroom at Kiamaina Primary School



Figure 6: Heshima Secondary school



Figure 7: Giachong'e Primary School



Figure 8: St.Francis Bahati Secondary School



Figure 9: Bavuni Secondary school

SIGNATURE

Handwritten signature in blue ink.

CHAIRMAN NG-CDF COMMITTEE

I. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

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

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

- a) To nurture a highly trained human capital by improving; access, relevance, quality and equity in education.
- b) To improve security of persons and property.
- c) To empower the youth, women and persons living with disability; through capacity enhancement in technology, innovation, entrepreneurship, industry and sports.
- d) To improve environment through tree planting, advocacy and mainstreaming environmental issues.
- e) To address the cross-cutting issues; Gender mainstreaming, improve infrastructure, adequate clean water and quality health service through Advocacy, Partnerships, Collaborations, intervention during emergencies and referral structures.



Progress on attainment of Strategic development objectives

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


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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - Number of primary schools, - - Number of secondary schools - Number tertiary institution - Number of Students who benefited from at special, secondary and tertiary levels. 	<ul style="list-style-type: none"> - 17 primary schools, 14 secondary schools 2,486 bursary beneficiaries at special, secondary and tertiary levels.
Security	To ensure all the security officers have a conducive and better working environment	Enhancement of security services in the constituency	<ul style="list-style-type: none"> - Number of Chief's and Assistant chief's offices constructed. - Number of Police posts Constructed. - Number of houses constructed for security personnel. 	<ul style="list-style-type: none"> -1Chief's and 12 Assistant chief's offices constructed, usable and in good condition -2Modern Police stations at 90% completion and 1 Police post and 24 Chiefs and Assistant Chiefs offices being constructed over the years and already in use.

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

Constituency Program	Objective	Outcome	Indicator	Performance
Environment	To enable public institutions, harvest clean water for consumption	To enhance environmental-related hygiene to public institutions	- Number of water tanks with gutters and accessories purchased for schools	In F/Y 20/21 we ensured 10 Primary schools, 2 Secondary School, 1 chiefs Office, 1 Police station were supplied with water tanks, Gutters and Tank Base and water harvesting is done.
Sports	To ensure the youth in the constituency are involved in various sports activities To ensure conducive environment through levelling of sports ground	To promote youth talents and sports in the constituency To enhance safety hazards to the youths during sport activities	- Number of Trophies, Games kits, uniforms and balls - No. of Teams playing at the county level funded.	-In F/Y 20/21 we ensured the winning teams were motivated by being awarded with 1 trophy, 50 balls and 20 games kits. -2 Teams were funded to continue with inter-constituency tournaments.  

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

Constituency Program	Objective	Outcome	Indicator	Performance
Disaster Management	To ensure the constituency meets the healthy guidelines in prevention of virus during the pandemic	To minimize the spread of Corona virus by ensuring water supply in various institutions	<ul style="list-style-type: none"> - No.of tanks purchased - Ensure staff receives vaccine. 	<p>In F/Y 20/21 14 Water tanks 10,000 Litres were distributed to schools and police stations within the constituency to help curb of Corona virus.</p> 

II. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

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

1. Sustainability strategy and profile -

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

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

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

To attain this level of sustainability, we acknowledge challenges currently arising from the effects of COVID- 19 that have adversely affected the sporting activities and thereby limiting the potential benefits envisaged in using sports as development strategy within the constituency. On macro levels FY 20/21 has been a challenging year with limited funding towards these activities which may hamper the success of priority strategies undertaken.

2. Environmental performance

The Bahati NG-CDF has an environmental plan to ensure that all schools within the constituency access clean water. Planting of trees, waste management.

So far over 25 institutions have been supplied with water tanks, gutters to encourage water harvesting and ensuring access to basic need that is water. However, efforts to plant trees in institution of learning have been futile due to lack of proper management by the stakeholders.

The Bahati NG-CDF Committee has been working closely with the Chiefs and Assistant Chiefs in Sensitization of youth/ community on the impact of drugs after by construction of Chiefs Offices and police stations supported NG-CDF.

- Bahati NG-CDF have continued to engage the youths by sponsoring tournaments that bring communities together and sensitizing them on environmental conservation matters.

3. Employee welfare

We invest in providing the best working environment for our employees. Bahati constituency recruitment is guided by Employment Act, NG-CDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of our employees for exemplary performance.

The constituency promotes a healthy lifestyle and intends to provide all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and

supported to continually build on their skills and knowledge. Bahati constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues. The staff were trained on Sign Language to ensure proper service delivery to the disadvantaged group.

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

4. Market place practices-

Bahati NG-CDF Constituency is committed to fair and ethical market practises.

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

We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

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

The NGCDF Bahati has been using the Project management Committees in execution of all the projects. The Committee works hand in hand with the relevant ministries to ensure that the implementation of projects are perfectly done.

The constituency has been ensuring that there is value for money for all the projects and quality has been key in implementation. It has ensured that all classrooms are well done with tiles/ Ceiling and paint work done to satisfaction.

The Contractors are first prequalified by the District Tender committee after which the PMC places an open advertisement inviting interested bidders to bid for specified works after which the appropriate contractor is identified through evaluation process. The process is done fairly and ensuring that all the contractors at least have a fair share and fair award observing ethical practices.

The Project are implemented in phases and once the stipulated work is done, the PMC then processes payment to the contract within just a few days.

5. Community Engagements-

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

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

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

III. STATEMENT OF MANAGEMENT RESPONSIBILITIES

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

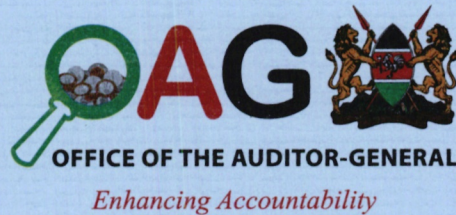
The Accounting Officer in charge of the NG-CDF - Bahati Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2021. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NG-CDF - Bahati Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2021, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF - Bahati Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NG-CDF - Bahati Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BAHATI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Bahati Constituency set out on pages 1 to 36, which comprise of the statement of assets and liabilities as at 30 June, 2021 and the statement

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

In my opinion, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Bahati Constituency as at 30 June, 2021 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

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

Key Audit Matters

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

Other Matter

Budgetary Control and Performance

The summary statement of appropriation indicates that the Fund had a final receipts budget of Kshs.167,221,154 for the year but realized actual receipts of Kshs.133,032,275 resulting in under funding of Kshs.34,188,879 or about 20% of the budget. In addition, out of the actual receipts of Kshs.133,032,227, the Fund utilized only Kshs.119,560,608 resulting in under expenditure of Kshs.47,660,346 or 28 % of the budget.

In the circumstances, the underfunding and under expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

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

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

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


CPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

02 September, 2022

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

V. STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 30TH JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF Board	1	108,600,000	131,667,724
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		108,600,000	131,667,724
PAYMENTS			
Compensation of employees	4	2,333,274	2,998,920
Use of goods and services	5	8,511,006	7,026,900
Transfers to Other Government Units	6	54,950,000	50,650,000
Other grants and transfers	7	53,309,328	56,808,976
Acquisition of Assets	8	457,000	-
Other Payments	9	-	-
TOTAL PAYMENTS		119,560,608	117,484,796
SURPLUS/(DEFICIT)		(10,960,608)	14,182,928


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Bahati Constituency financial statements were approved on 21/06/2022 and signed by:


 Fund Account Manager

Name: Hawah N. Abdul


 National Sub-County Accountant

Name: Dickson Moreka
 ICPAK M/No: 12484


 Chairman NG-CDF Committee

Name: Daniel K. Ngatia

VI. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2021

	Note	2020 – 2021	2019 - 2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	13,471,667	24,432,275
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		13,471,667	24,432,275
Accounts Receivable			
Outstanding Imprests	11	-	(136,006)
TOTAL FINANCIAL ASSETS		13,471,667	24,296,269
FINANCIAL LIABILITIES			
Accounts Payable (Deposits)			
Retention	12A	-	-
Gratuity	12B	-	-
TOTAL FINANCIAL LIABILITES		13,471,667	24,296,269
NET FINANCIAL ASSETS			
REPRESENTED BY			
Fund balance B/Fwd		24,432,275	10,385,353
Prior year adjustments	14	-	(136,006)
Surplus/Deficit for the year		(10,960,608)	14,182,928
NET FINANCIAL POSITION		13,471,667	24,432,275

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Bahati Constituency financial statements were approved on 21/06/2022 and signed by:




Fund Account Manager

Name: Hawah N. Abdul



National Sub-County Accountant

Name: Dickson Moreka
ICPAK M/No: 12484



Chairman NG-CDF Committee

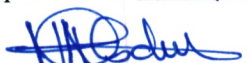
Name: Daniel K. Ngatia

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

VII. STATEMENT OF CASHFLOW FOR THE YEAR ENDED 30TH JUNE 2021

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	108,600,000	131,667,724
Other Receipts	3	-	-
		108,600,000	131,667,724
Payments for operating activities			
Compensation of Employees	4	2,333,274	2,998,920
Use of goods and services	5	8,511,006	7,026,900
Transfers to Other Government Units	6	54,950,000	50,650,000
Other grants and transfers	7	53,309,328	56,808,976
Other Payments	9	-	-
		119,103,608	117,484,796
Adjusted for:			
Decrease/(Increase) in Accounts receivable	15	-	(136,006)
Increase/(Decrease) in Accounts Payable	16	-	-
Prior year Adjustments	14	-	-
Net Adjustments		-	(136,006)
Net cash flow from operating activities		(10,503,608)	14,046,922
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	457,000	-
Net cash flows from Investing Activities		(457,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		(10,960,608)	14,046,922
Cash and cash equivalent at BEGINNING of the year	10	24,432,275	10,385,353
Cash and cash equivalent at END of the year		13,471,667	24,432,275

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Bahati Constituency financial statements were approved on 21/06/2022 and signed by:


Fund Account Manager

Name: Hawah N. Abdul


National Sub-County Accountant

Name: Dickson Moreka


Chairman NG-CDF Committee

Name: Daniel K. Ngatia

ICPAK M/No: 12484

VIII. SUMMARY STATEMENT OF APPROPRIATION

Receipt/Expense Item	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% Of Utilization
	a	b		c=a+b	d	e=c-d	f=d/c %
RECEIPTS		Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements				
Transfers from NG-CDF Board	137,088,879	24,432,275	5,700,000	167,221,154	133,032,275	34,188,879.31	79.6%
Proceeds from Sale of Assets	-	-	-	-	-	-	0.0%
Other Receipts	-	-	-	-	-	-	
TOTAL RECEIPTS	137,088,879	24,432,275	5,700,000	167,221,154	133,032,275	34,188,879	79.6%
PAYMENTS							
Compensation of Employees	3,600,000	1,799,585	-	5,399,585	2,333,274	3,066,311	43.2%
Use of goods and services	8,400,000	1,140,204	-	9,540,204	8,511,006	1,029,198	94.1%
Transfers to Other Government Units	54,450,000	13,600,000	3,800,000	71,850,000	54,950,000	16,900,000	93.9%
Other grants and transfers	70,638,879	7,384,465	1,900,000	79,923,344	53,309,328	26,614,016	57.6%
Acquisition of Assets	-	500,000	-	500,000	457,000	43,000	91.4%
Other Payments	-	8,021	-	8,021	-	8,021	0.0%
TOTAL	137,088,879	24,432,275	5,700,000	167,221,154	119,560,608	47,660,546	71.5%

- a) The Bahati NGCDF utilized 71.5% of the total Budget, the underutilization was caused by the fact that the Board had not disbursed all the funds to the constituency account amounting to Ksh. 34,188,879.31. Similarly, the reason for delay in the expenditure of Ksh. 47,660,546 was as a result of delay by the board to release the AIE.*
- b) The Board disbursed Ksh. 5,700,000 which was meant for financial year 2019/20 but utilized under financial year 2020/21*
- c) The cash book balance for the year ended 30th June 2020 was Ksh. 24,432,275.*


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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	47,660,546
Less undisbursed funds receivable from the Board as at 30th June 2021	34,188,879
	13,471,667
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 202021	13,471,667

The NGCDF-Bahati Constituency financial statements were approved on _____ 2022 and signed by:

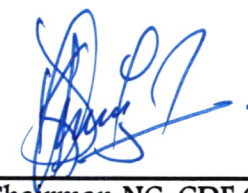
Fund Account Manager

Name: Hawah N. Abdul



National Sub-County Accountant

Name: Dickson Moreka
ICPAK M/No: 12484



Chairman NG-CDF Committee

Name: Daniel K. Ngatia

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

IX. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation(f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Employees' Salaries	3,600,000	1,799,585	-	5,399,585	2,333,274	3,066,311	43%
1.2 Committee Expenses	1,900,000	487,136	-	2,387,136	1,441,750	945,386	60%
1.3 Goods and Services	2,500,000	(100,540)	-	2,399,460	2,178,628	220,832	91%
Total	8,000,000	2,186,181	-	10,186,181	5,953,652	4,232,529	
2.0 Monitoring and evaluation							
2.1 Capacity building	1,500,000	239,105		1,739,105	2,134,000	(394,895)	123 %
2.2 Committee allowances	2,000,000	304,000		2,304,000	2,068,000	236,000	90%
2.3 Use of goods and services	500,000	210,503		710,503	688,628	21,875	97 %
Total	4,000,000	753,608	-	4,753,608	4,890,628	(137,020)	103 %
3.0 Emergency							
3.1 Primary Schools	4,750,000		-	4,750,000	4,750,000	-	-
3.2 Secondary schools	700,000		-	700,000	700,000	-	-
3.3 Tertiary institutions	-		-	-	-	-	-
3.4 Security projects	-		-	-	-	-	-
3.5 Unutilised	1,742,207	458,700	-	2,200,907	-	2,200,907	-

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation (f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Total	7,192,207	458,700	-	7,650,907	5,450,000	2,200,907	71%
4.0 Bursary and Social Security							
4.1 Secondary Schools	10,286,672	2,279,084	1,500,000	14,065,756	9,976,259	4,089,497	71%
4.2 Tertiary Institutions	18,000,000	1,486,621	-	19,486,621	11,832,989	7,653,632	61%
4.3 Social Security	1,500,000	-	-	1,500,000	1,200,000	300,000	80%
4.4 Special Needs	700,000	741,000	-	1,441,000	553,000	888,000	38%
Total	30,486,672	4,506,705	1,500,000	36,493,377	23,562,248	12,931,129	65%
5.0 Sports							
5.1	2,000,000	739,040	-	2,739,040	1,372,700	1,366,340	50%
Total	2,000,000	739,040	-	2,739,040	1,372,700	1,366,340	50%
6.0 Environment							
6.1	1,960,000	1,680,000	-	3,640,000	3,624,380	15,620	100%
Total	1,960,000	1,680,000	-	3,640,000	3,624,380	15,620	100%
7.0 Primary Schools Projects							
Giachonge Primary School	-	3,000,000	-	3,000,000	3,000,000	-	100 %
Limuko Primary School	-	2,300,000	-	2,300,000	2,300,000	-	100%
St. Peters Engoshura Primary School	-	3,000,000	-	3,000,000	3,000,000	-	100%
Mereroni Primary School	-	2,300,000	-	2,300,000	2,300,000	-	100%

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation (f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Giachonge Primary School	2,500,000	-	-	2,500,000	2,500,000	-	100%
Dundori Primary School	2,000,000	-	-	2,000,000	2,000,000	-	100%
Kamoronyo Primary School	1,800,000	-	-	1,800,000	1,800,000	-	100%
Our Lady Of Fatima Primary School	1,550,000	-	-	1,550,000	1,550,000	-	100%
Kagoto Primary School	1,800,000	-	-	1,800,000	1,800,000	-	100%
St. Lwanga Primary School	900,000	-	-	900,000	900,000	-	100%
Osembo Primary School	900,000	-	-	900,000	900,000	-	100%
Mikeu Primary School	1,800,000	-	-	1,800,000	1,800,000	-	100%
Menengai Hill Primary School	2,300,000	-	-	2,300,000	2,300,000	-	100%
Kimani Ngunjiri Primary School	2,300,000	-	-	2,300,000	1,000,000	1,300,000	43%
Umoja Primary School	1,500,000	-	-	1,500,000	1,500,000	-	100%
Baraka Primary School	1,150,000	-	-	1,150,000	1,150,000	-	100%
Rurii Primary School	1,150,000	-	-	1,150,000	1,150,000	-	100%
Kendurum Primary School	2,300,000	-	-	2,300,000	2,300,000	-	100%
Total	23,950,000	10,600,000	-	34,550,000	33,250,000	1,300,000	96%
8.0 Secondary Schools Projects							
Our Lady Of Fatima Secondary School		3,000,000		3,000,000	3,000,000	-	100%
Kimani Ngunjiri High School	-	-	2,000,000	2,000,000	2,000,000	-	100%
St. Francis Secondary School	-	-	1,800,000	1,800,000	1,800,000	-	100%
Kimaini Ngunjiri Secondary School	4,800,000	-	-	4,800,000	-	4,800,000	0%

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation (f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
J.M Kariuki Memorial Secondary School	1,900,000	-	-	1,900,000	1,900,000	-	100%
St. Anthony Engoshura Secondary School	4,000,000	-	-	4,000,000	2,000,000	2,000,000	50%
Our Lady Of Fatima Secondary School	3,000,000	-	-	3,000,000	-	3,000,000	0%
Bavuni Secondary School	3,800,000	-	-	3,800,000	2,000,000	1,800,000	53%
St. Francis Secondary School	4,200,000	-	-	4,200,000	4,200,000	-	100%
Murunyu Secondary School	4,000,000	-	-	4,000,000	1,500,000	2,500,000	38%
Heroes Secondary School	2,500,000	-	-	2,500,000	1,000,000	1,500,000	40%
Bahati Girls Secondary School	1,100,000	-	-	1,100,000	1,100,000	-	100%
Total	29,300,000	3,000,000	3,800,000	36,100,000	20,500,000	15,600,000	57%
9.0 Tertiary institutions Projects							
9.1	1,200,000	-	-	1,200,000	1,200,000	-	100%
Total	1,200,000	-	-	1,200,000	1,200,000	-	100 %
10.0 Security Projects							
Kiamaina Acc Office	-	20		20	-	20	0%
Umoja Assistant Chiefs Office	-		400,000	400,000	-	400,000	0%
Wendo Assistant Chiefs Office	200,000	-	-	200,000	200,000	-	100%
Bahati Police Station	3,900,000	-	-	3,900,000	3,900,000	-	100%
Kiamaina ICT Centre /Multipurpose Hall	9,500,000	-	-	9,500,000	4,000,000	5,500,000	42 %
Workers Assistant Chiefs Office	700,000			700,000	700,000	-	100%
Lanet Police Station	8,000,000	-	-	8,000,000	4,000,000	4,000,000	50 %
Lanet Chiefs Office	500,000	-	-	500,000	500,000	-	100%

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

Programme/Sub-programme	Original Budget(a)	Adjustments(b)		Final Budget c = (a+b)	Actual on comparable basis(d)	Budget utilization difference (e = c-d)	% of Utilisation (f=d/c %)
	2020/2021	Opening Balance (C/Bk) and AIA	Previous years Outstanding Disbursements	2020/2021	30/06/2021		
	Kshs		Kshs	Kshs	Kshs	Kshs	
Mereroni Chiefs Office	1,200,000	-	-	1,200,000	1,200,000	-	0%
Nyonjoro Chiefs Office	1,400,000	-	-	1,400,000	1,200,000	200,000	86%
Kiamaina Assistant Chiefs Office	1,600,000	-	-	1,600,000	1,600,000	-	0%
Ndege Ndimu Police Post	2,000,000	-	-	2,000,000	2,000,000	-	100%
Total	29,000,000	20	400,000	29,400,020	19,300,000	10,100,020	66%
11.0 Acquisition of assets							
11.1 Motor Vehicles	-	-	-	-	-	-	-
11.2 Construction of CDF office	-	-	-	-	-	-	-
11.3 Purchase of furniture and equipment	-	500,000	-	500,000	457,000	43,000	91%
11.4 Purchase of computers	-	-	-	-	-	-	-
Total	-	500,000	-	500,000	457,000	43,000	91%
12.0 Other payments							
12.1		8,021	-	8,021	-	8,021	0%
Total	-	8,021	-	8,021	-	8,021	0%
13.0 Unallocated fund							
Unapproved projects	-	-	-	-	-	-	-
AIA	-	-	-	-	-	-	-
PMC savings		-		-	-	-	-
Total	137,088,879	24,432,275	5,700,000	167,221,154	119,560,608	47,660,546	71%

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

(NB: This statement is a disclosure statement indicating the utilisation in the same format as the entity's budgets which are programme based. Ensure that this document is completed to enable consolidation by the National Treasury)

XI. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

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

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

Proceeds from Sale of Assets

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

Other receipts

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

Unutilized Funds from PMCs.

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

External Assistance

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

5. In-kind contributions

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

6. Cash and Cash Equivalents.

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Fund

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

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest which is accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on 30TH June 2020 for the period 1st July 2020 to 30th June 2021 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2021.

14. Errors

Material prior period errors are corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i. restating the comparative amounts for prior period(s)

presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

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

15. Related Party Transactions

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

XII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020 - 2021	2019 - 2020
		Kshs	Kshs
	AIE NO. B 047361		4,000,000
Normal Allocation	AIE NO. B 041436		20,000,000
	AIE NO. B 047854		7,000,000
	AIE NO. B 049224		14,000,000
	AIE NO. B 104236		23,000,000
	AIE NO. B 096746		63,667,724
	AIE NO. B 104581	5,700,000	
	AIE NO. B 104983	9,000,000	
	AIE NO. B 124887	12,000,000	
	AIE NO. B 119693	15,000,000	
	AIE NO. B 119733	6,900,000	
	AIE NO. B 128343	8,000,000	
	AIE NO. B 132088	6,000,000	
	AIE NO. B 138756	15,000,000	
	AIE NO. B 126341	10,000,000	
	AIE NO. B 126052	6,000,000	
	AIE NO. B 105186	15,000,000	
TOTAL		108,600,000	131,667,724

2. PROCEEDS FROM SALE OF ASSETS

	2020-2021	2019-2020
	Kshs	Kshs
	-	-
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2020-2021	2019-2020
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from sale of tender documents	-	-
Hire of plant/equipment/facilities	-	-
Unutilized funds from PMCs	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2020-2021	2019-2020
	Kshs	Kshs
NG-CDFC Basic staff salaries	1,604,274	1,430,500
Personal allowances paid as part of salary		
House Allowance	387,500	283,500
Transport Allowance	285,500	184,000
Leave allowance	56,000	-
Gratuity to contractual employees	-	1,082,520
Employer Contributions Compulsory national social security schemes	-	18,400
TOTAL	2,333,274	2,998,920

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2020-2021	2019-2020
	Kshs	Kshs
Utilities, supplies and services	675,460	550,000
Electricity	58,808	30,000
Water & sewerage charges	-	-
Office rent	-	-
Communication, supplies and services	270,800	36,400
Domestic travel and subsistence	28,500	86,600
Printing, advertising and information supplies & services	1,186,940	80,000
Rentals of produced assets	-	-
Training expenses	1,210,000	443,000
Hospitality supplies and services	100,000	114,300
Other committee expenses	3,217,750	2,771,400
Committee allowance	1,016,000	832,000
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	142,156	510,900
Fuel, oil & lubricants	243,568	750,000
Other operating expenses	-	130,000
Bank service commission and charges	20,060	21,540
Other Operating Expenses	-	-
Security operations	-	-
Routine maintenance - vehicles and other transport equipment	340,964	670,760
Routine maintenance- other assets	-	-
TOTAL	8,511,006	7,026,900

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to Primary Schools	33,250,000	22,350,000
Transfers to Secondary Schools	20,500,000	24,300,000
Transfers to Tertiary Institutions	1,200,000	4,000,000
TOTAL	54,950,000	50,650,000

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Bursary - Secondary (see attached list)	9,976,259	6,956,063
Bursary -Tertiary (see attached list)	11,832,989	12,758,120
Bursary- Special Schools	553,000	259,000
Mocks & CAT (see attached list)	-	-
Social Security programmes (NHIF)	1,200,000	-
Security Projects (see attached list)	19,300,000	26,288,494
Sports Projects (see attached list)	1,372,700	2,349,800
Environment Projects (see attached list)	3,624,380	1,400,000
Emergency Projects (see attached list)	5,450,000	6,797,500
TOTAL	53,309,328	56,808,977

8. ACQUISITION OF ASSETS

Non-Financial Assets	2020-2021	2019-2020
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of office furniture and General Equipment	457,000	-
Purchase of computers, printers and other IT equipment's	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
TOTAL	457,000	-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2020-2021	2019-2020
	Kshs	Kshs
Strategic plan	-	-
ICT Hub	-	-
	-	-

10: CASH BOOK BANK BALANCE

10A: BANK ACCOUNTS (CASH BOOK BANK BALANCE)

Name of Bank, Account No. & currency	Account Number	2020-2021 (30/6/2020)	2019-2020 (30/6/2019)
		Kshs	Kshs
EQUITY Bank - BAHATI NG-CDF	A/C No.0130275794440	13,471,667	24,432,275
		-	-
		-	-
Total		13,471,667	24,432,275
		-	-
10B: CASH IN HAND			
		-	-
Location 1		-	-
Location 2			
Location 3			
Other receipts (specify)			
TOTAL		-	-

11: OUTSTANDING IMPRESTS

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12A. RETENTION

	2020-2021	2019-2020
	Kshs	Kshs
Retention as at 1 st July (A)	-	-
Retention held during the year (B)	-	-
Retention paid during the Year (C)	-	-
Closing Retention as at 30 th June D= A+B-C	-	-

12B. GRATUITY

	2020-2021	2019-2020
	Kshs	Kshs
Gratuity as at 1 st July (A)	-	-
Gratuity held during the year (B)	-	-
Gratuity paid during the Year (C)	-	-
Closing Gratuity as at 30 th June D= A+B-C	-	-

13. BALANCES BROUGHT FORWARD

	2020-2021	2019-2020
	(1 st July 2021)	(1 st July 2020)
	Kshs	Kshs
Bank accounts	13,471,667	24,432,275
Cash in hand		0
Imprest		0
TOTAL	13,471,667	24,432,275

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	Balance b/f FY 2019/2020 as per Audited Financial statements	Adjustments	Adjusted Balance** b/f FY 2019/2020
Description of the error	Kshs	Kshs	Kshs
Bank account Balances	-	-	-
Cash in hand	-	-	-
Accounts Payables	-	-	-
Receivables	-	136,006	(136,006)
Others (<i>specify</i>)	-	-	-
TOTAL	-	-	-

15. CHANGES IN ACCOUNTS RECEIVABLE – OUTSTANDING IMPREST

	2020-2021	2019-2020
	Kshs	Kshs
Advance as at 1st July 2020 (A)	-	136,006
Outstanding Imprest as at 1st July (B)	-	-
Imprest issued during the year (C)	-	-
Imprest surrendered during the Year (D)	-	-
Net changes in accounts receivables (D=A+B-C)	-	-
	-	136,006

FY STATEMENT OF FY 19.20 HAS BEEN RESTATED TO REFLECT Ksh. 136,006 relating to advance salaries not recovered.

16. CHANGES IN ACCOUNTS PAYABLE – DEPOSITS AND RETENTIONS

	2020-2021	2019-2020
	Kshs	Kshs
Deposits and Retention as at 1st July 2019 (A)	-	-
Deposits and Retention held during the year (B)	-	-
Deposits and Retention paid during the year ©	-	-
Closing accounts payable at 30th June (D=A+B-C)	-	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. OTHER IMPORTANT DISCLOSURES

17.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2020-2021	2019-2020
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-

17.2: PENDING STAFF PAYABLES (See Annex 2)

	2020-2021	2019-2020
	Kshs	Kshs
NGCDFC Staff	-	-
Others (<i>specify</i>)	-	-
	-	-

17.3: UNUTILIZED FUND (See Annex 3)

	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	3,066,311	2,035,591
Use of goods and services	1,029,198	1,140,204
Amounts due to other Government entities (see attached list)	16,900,000	3,800,000
Amounts due to other grants and other transfers (see attached list)	26,614,016	22,656,479
Acquisition of assets	43,000	500,000
Others (Roads)	8,021	-
Funds pending approval	-	-
TOTAL	47,660,546	30,132,274

17.4: PMC account balances (See Annex 5)

	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	9,916,410	46,989,107
	9,916,410	46,989,107

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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2020	Comments
	a	b	c	d=a-c	
Construction of buildings					
1.					
2.					
3.					
Sub-Total					
Construction of civil works					
4.					
5.					
6.					
Sub-Total					
Supply of goods					
7.					
8.					
9.					
Sub-Total					
Supply of services					
10.					
11.					
12.					
Sub-Total					
Grand Total					

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Designation	Date employed	Outstanding Balance 30 th June 2021	Comments
NG-CDFC Staff				
1.				
2.				
3.				
Sub-Total				
Grand Total				

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

ANNEX 3 – UNUTILIZED FUND

Name	Brief Transaction Description	Outstanding Balance	Outstanding Balance
		2020/21	2019/20
Compensation of employees	Employees Salaries, Gratuity, Leave Allowance.	3,066,311	1,799,585
Use of goods & services	Purchase of fuel, repairs and maintenance, printing, stationery, telephone, travel and subsistence, office tea.	1,029,198	1,140,204
Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	2,200,907	458,700
Bursary and Social Security	Payment of bursary to needy students	13,331,129.	6,406,705
Sports	Carry out constituency sports tournament and the winning teams/schools to be awarded with trophies, balls, and games kits	1,366,340	739,040
Environment	Purchase Tanks for identified schools and public institutions	15,620	1,680,000
Sub-total		21,009,505	12,224,234
Amounts due to other Government entities			
Kimani Ngunjiri Primary School	construction of two classrooms to completion	1,300,000	-
Giachong'e Primary School	Construction of Storey Classrooms		3,000,000
Limuko Primary School	Construction and Equipping 2 Classrooms		2,300,000
St.Peters Engoshura Primary School	Construction of Storey Classrooms		3,000,000
Mereroni Primary School	Construction and Equipping 2 Classrooms		2,300,000
Sub-Total		1,300,000	10,600,000
8.0 Secondary Schools Projects			
Kimaini Ngunjiri Secondary School	Completion of four classrooms	4,800,000	2,000,000
St. Anthony Engoshura Secondary School	Completion work for school administration block	2,000,000	-

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

St.Francis Secondary School	Construction of an Administration Block		1,800,000
Our Lady Of Fatima Secondary School	Additional funds for construction of two classrooms to completion on 2nd floor	3,000,000	3,000,000
Bavuni Secondary School	Additional funds for construction of storey building made up of 12 classrooms	1,800,000	-
Murunyu Secondary School	Additional funds for completion of two ground floor classrooms	2,500,000	-
Heroes Secondary School	Additional funds to complete a Boys Dormitory	1,500,000	-
Sub-Total		15,600,000	6,800,000
10.0 Security Projects			
Kiamaina Acc Office		20	20
Kiamaina Ict Centre /Multipurpose Hall	Completion of Kiamaina ICT Centre/Multipurpose hall with 15 rooms on 1st floor and 15 washrooms at Kiamaina Assistant County Commissioners' offices ground with a capacity of 1,000 people.	5,500,000	-
Lanet Police Station	Completion of modern police station with 11 offices and 8 cells to completion	4,000,000	-
Nyonjoro Chiefs Office	Construction of a two-door pit latrine	200,000	-
Sub-Total		9,700,020	20
Amounts due to other grants and other transfers			
Acquisition of assets	Purchase of Furniture and Equipment's	43,000	500,000
Sub-Total		43,000	500,000
Others (specify)			
Other Payments	Roads and Bridges	8,021	8,021
Sub-Total		8,021	8,021
Funds pending approval			
Grand Total		47,660,546	30,132,275

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2019/20	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/21
Land	1,999,999	-	-	1,999,999
Buildings and structures	-	-	-	-
Transport equipment	6,350,000	-	-	6,350,000
Office equipment, furniture and fittings	2,057,838	457,000	-	2,514,838
ICT Equipment, Software and Other ICT Assets	1,600,610	-	-	1,600,610
Other Machinery and Equipment	-	-	-	-
Heritage and cultural assets	-	-	-	-
Intangible assets	-	-	-	-
Total	12,008,447	457,000	-	12,465,447

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

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2021

PROJECTS NAME	SECTOR	BANK NAME	ACCOUNT NUMBER	Bank Balances as at 30th June 2020	Bank Balances as at 30th June 2021
KIAMAINA ICT CENTRE MULTIPURPOSE HALL	OTHERS	EQUITY GATE HSE BRANCH-NKR	0130278990270	5,538,513.60	2,333,394.60
GIACHONGE PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130280149988	0	268,90350
KAGOTO PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130278997883	1,201,820	
BARAKA PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0310278883526	999,798.50	8.50
DUNDORI PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130279054650	1,200,880	1,761,660.00
KAMORONYO PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130279030122	2,000,820	30,052
LIMUKO PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130279898877	0	700,779.90
KIAMAINA PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130279689097	68,167	67.50
MERERONI PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130279032999	1,600,020	423.50
MIKEU PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130278886721	0	1,799,980.00
MENENGAI HILL PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130279896808	0	885,649.50
OSEMBO PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130278865946	1,200,710	601,150.00
OUR LADY OF FATIMA PRIMARY	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130279784850	1,044,680	1,563,217.50
ST. PETERS ENGOSHURA PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130278857641	0	3,443.00
ST. LWANGA PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130278827998	0	900,855.00
KIMANI NGUNJIRI PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130279333439	174,342	983,307.00
UMOJA PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH	0130278994430	20	20.00
RURII PRIMARY SCHOOL	PRIMARY	ABC Bank -Nakuru	008215001004926	0	
KEDURUM PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130280899598	0	2,299,550.00
KINARI PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130277364024	1,000,010	-1,928.50
MURINGA PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130279006318	592,615.10	120.10
MWIRUTI PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	0130279893310	2,000,000	1,427.50
ST.JOHN PRIMARY SCHOOL	PRIMARY	EQUITY GATE HSE BRANCH-NKR	013278977936	17,898	598.00
BISHOP EDWARD DONOVAN SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279889144	1,500,000	
BAHATI PCEA GIRLS SECONDARY	SECONDARY	EQUITY GATE HSE	0130278990423	116,860	63,940.00

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

SCHOOL		BRANCH-NKR			
HEROES SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279897210	1,500,000	21,532.50
MURUNYU SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279893229	2,000,000	1,511,687.50
OUR LADY OF FATIMA SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130277433312	1,709,595	422,269.50
KIMANI NGUNJIRI HIGH SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130280393899	1,306,799.5 5	294,030
ST. FRANCIS SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130278983044	0	805,608
WANYORORO SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279894786	2,000,000	78,298.50
J.M KARIUKI MEMORIAL SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279135031	1,899,550	544,310
ST. ANTHONY ENGOSHURA SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0310278988433	97,418	2,002,230
BAVUNI SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130278997613	1,649,820	129,625.00
JOMO KENYATTA BOYS SECONDARY	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279893719	1,500,000	1,197.50
MURUNGARU SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130279892731	600,000	367.50
LIMUKO SECONDARY SCHOOL	SECONDARY	EQUITY GATE HSE BRANCH-NKR	0130278973138	878,372	1,747.00
BAHATI TTI	TERTIARY	EQUITY GATE HSE BRANCH-NKR	0130279524609	106,580	1,938.00
WENDO ASST. CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279903891	1,200,000	202,112.50
WORKERS ASST. CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279892390	500,000	59,564.50
LANET POLICE STATION	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279758483	11,279.50	2,412,380.25
LANET CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130280991277	0	0.00
MUGUMO ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278845991	37,355.75	35.75
BAHATI POLICE STATION	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278990903	5,900,500	2,734.50
LAND MAWE ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278990800	1,068	1,068.00
LAND MAWE ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130277306844	890	890.00
MERERONI CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130280865827	0	1,199,100.00
MWAKI MUGI ASISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279892656	200,000	240.00
MUTUKANIO ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278676537	2,709,945	10,045.00
NAKURU NORTH DCC RESIDENCE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278984384	126,745	1,625.00
GIACHONG'E ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278994040	93,200	3,140.00
RURII ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130278993596	1,785	1,785.00
NYONJORO CHIEFS OFFICE	SECURITY	EQUITY GATE HSE	0130280855524	0	986.00

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

		BRANCH-NKR			
WANYORORO ASSISTANT CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279803251	1,200,600	600.00
KABATINI CHIEFS OFFICE	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279903915	1,400,000	19,617.50
NDEGE NDIMU POLICE POST	SECURITY	EQUITY GATE HSE BRANCH-NKR	0130279793771	0	121,705.00
TOTAL				46,989,107	9,916,410

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
<p>Other Matter 1. Budgetary Control and Performance</p>	<p>The summary statement of appropriation: recurrent and development combined for the year ended 30 June, 2020 shows that the National Government Constituencies Development Fund – Bahati Constituency had a total income budget of Kshs.147,753,076 against actual income of Kshs.142,053,076 or 96% of the expected amount. Similarly, the statement reflects a total expenditure budget of Kshs.147,753,077 against actual expenditure of Kshs.117,484,896 or 80% budget absorption. The management explained that the low absorption was due to delay in funding by the NG-CDF Board and the closure of schools due to the Covid 19 pandemic. The budget underutilization of 20% implies that the constituents did not receive the envisaged services as provided for under Article 232 (1- c) of the Constitution which requires responsive, prompt, effective, impartial and equitable provision of services from the Public</p>	<p><i>The Bahati NGCDF had requested for reallocation of funds which were pending approval</i> <i>The Explanation has been elaborated under the statement of appropriation. (Refer to pg4 of the financial statement)</i></p>	<p>Resolved</p>	<p>January 2022</p>

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)												
	Service.															
2.1 Project Implementation Status	<p>The project status report indicated that a total of Kshs. 136,267,724 was allocated for 85 projects during the financial year ended 30 June 2020. Scrutiny of the project implementation status report revealed as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Status</th> <th>Number of Projects</th> <th>Allocation Kshs</th> </tr> </thead> <tbody> <tr> <td>Ongoing Projects</td> <td>28</td> <td>87,087,724</td> </tr> <tr> <td>Completed Projects</td> <td>57</td> <td>49,180,000</td> </tr> <tr> <td>Total</td> <td>85</td> <td>136,267,724</td> </tr> </tbody> </table> <p>From the above analysis, the 28 ongoing projects at the closure of the year were because the funds were received towards the end of the financial year 2020. The possible delay in completion of projects may impact negatively on delivery of goods and services to the residents of Bahati Constituency.</p>	Status	Number of Projects	Allocation Kshs	Ongoing Projects	28	87,087,724	Completed Projects	57	49,180,000	Total	85	136,267,724	<p><i>Most projects in our constituency are funded in phases because most are storied buildings that require a lot of resources to complete. The projects were still ongoing but the funds were allocated for a specific phase. We will endeavour to fund projects to completion.</i></p>	Resolved	December 2021
Status	Number of Projects	Allocation Kshs														
Ongoing Projects	28	87,087,724														
Completed Projects	57	49,180,000														
Total	85	136,267,724														
	Bahati F.C.E.A Girls Secondary-	<i>The project has now been labelled and a</i>	Resolved													

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Project complete and in use but not labeled.	<i>photo of the project attached herewith for audit verification. (Annex3)</i>		
	J.M Kariuki Memorial Secondary- Project funded for 3 years at cumulative cost of Kshs. 4.2m but not yet complete. Project not labelled. The works not done include: plastering, finishes, paintings, fixing of 2 steel doors, fixing of 2 windows, flooring, electrical works, keying and fascia board. One door fixed not gauge 14 as per BQ specifications Roofing sheet gauge 28 could not be confirmed as no gauge was indicated on the roofing sheets	<i>The project is now complete and in use</i>	Resolved	January 2021
	St. Anthony Engoshura Secondary School- Incomplete project, Not labelled Works not done include: finishes, plastering, electrical, doors, windows, painting, flooring. Timber used on roofing not treated as per BQ specifications Roofing sheet gauge 28 could not be confirmed as no gauge was indicated on the roofing sheets	<i>The project is complete and handed over</i>	Resolved	October 2021
	Jomo-Kenyatta Boys Secondary School- 2No classrooms constructed at a cost of Ksh. 1,000,000 instead of 1.No. Project incomplete and not in use. Not labeled.	<i>The project was implemented through labor-based contract. The school has a very high population. The Project management</i>	Resolved	April 2022

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Works not done include: ceiling board, flooring, painting Timber used on roofing not treated as per BQ specifications Roofing sheet gauge 28 could not be confirmed.</p>	<p><i>committee together with the school BOM decided to construct 2 Classrooms to deal with the problem of congestion. The Classrooms are now complete and in use</i></p>		
	<p>2. Lack of Risk Management Policy Our audit noted that NG-CDF Bahati Constituency does not have a risk management policy that guides on assessment and evaluation of risk and to develop the strategies to mitigate them. This is contrary to clause Regulation 165 (1) of the Public Finance Management Act (National Government) Regulations 2015 which require the Accounting Officer to ensure that the national government entity develops risk management strategies, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations. Consequently, the service delivery may be adversely affected by avoidable risks.</p>	<p><i>The NGCDF Board has developed a policy that is used by all the 290 constituencies, The Board has developed a risk management system that is used by every constituency to identify with risks and as a constituency we have a risk data or risk register that has been a guide in our operations. (Refer to erm.ngcdf.go.ke:88)</i></p>	Resolved	