

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

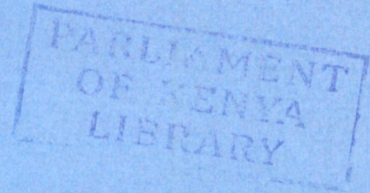
ON

THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
NANDI HILLS CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE 2017



THE NATIONAL ASSEMBLY PAPERS LAID		DAY. WEDNESDAY
DATE:	27 MAR 2019	
TABLED BY:	Hon. Peter Duall Leader of Majority Party.	
CLERK AT THE TABLE:		





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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND  
NANDI HILLS CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2017**

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

**CONSTITUENCY DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**CONSTITUENCY DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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# **CONSTITUENCY DEVELOPMENT FUND- NANDI HILLS CONSTITUENCY**

## **Reports and Financial Statements**

**For the year ended June 30, 2017**

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### **I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

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

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 amended in 2007 now repealed by the CDF Act, 2013. In 2015, The *Constituencies Development Fund* act was declared unconstitutional and a new act was enacted in 2015, being the National Government Constituencies Development Fund Act, NG-CDF Act, 2015. The National Government Constituencies Development fund is under the Ministry of Devolution and Planning. The objective of the fund is to provide mechanisms for supplementing implementation of the National Government Development agenda at the constituency level.

#### **(b) Key Management**

The Nandi Hills Constituency's day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (CDFB)
- ii. National Government Constituency Development Fund Committee (CDFC)

#### **(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2017 and who had direct fiduciary responsibility were:

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Mary Mwaki</b>
3.	Accountant	<b>Philemon Kitum</b>

#### **(d) Fiduciary Oversight Arrangements**

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

#### **(e) NANDI HILLS CDF Headquarters**

Nandi Hills Constituency  
Public Works Office  
P.O Box 181-30301,  
Nandi Hills.

**CONSTITUENCY DEVELOPMENT FUND- NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**(f) NANDI HILLS CDF Contacts**

Telephone: (254) 0725289356  
E-mail: [jbore@ngcdf.go.ke](mailto:jbore@ngcdf.go.ke)  
Website: [www.nandihillsngcdf.go.ke](http://www.nandihillsngcdf.go.ke)

**(g) NANDI HILLS CDF Bankers**

Equity Bank  
P. O. Box  
Nandi Hills

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

The NG-CDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NG-CDF have improved the Education and Security infrastructures of NANDI HILLS. The impact is enormous since the number of school dropouts has gone down.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NG-CDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations

The NG-CDFCs wish that the issues of having the project on going for more than 2years be stopped and the NGCDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.



**Enock Tum**  
**CHAIRMAN NG-CDFC**

# CONSTITUENCY DEVELOPMENT FUND- NANDI HILLS CONSTITUENCY

## Reports and Financial Statements

For the year ended June 30, 2017

### III. STATEMENT OF NG-CDF 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 agency shall prepare financial statements in respect of that agency. 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.

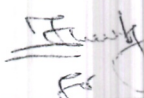
The Accounting Officer in charge of the NANDI HILLS Constituency Development Fund is responsible for the preparation and presentation of the NANDI HILLS CDF financial statements, which give a true and fair view of the state of affairs of the NANDI HILLS CDF for and as at the end of the financial year (period) ended on June 30, 2017. 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 CDF; (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 CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

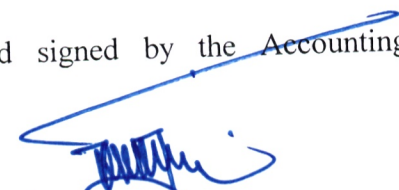
The Accounting Officer in charge of the NANDI HILLS CDF accepts responsibility for the CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the CDF's financial statements give a true and fair view of the state of CDF's transactions during the financial year ended June 30, 2017, and of the CDF's financial position as at that date. The Accounting Officer charge of the NANDI HILLS CDF further confirms the completeness of the accounting records maintained for the CDF, which have been relied upon in the preparation of the CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NANDI HILLS CDF confirms that the CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the CDF'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 CDF's financial statements were approved and signed by the Accounting Officer on  
26th June 2017.

  
\_\_\_\_\_  
Fund Account Manager

  
\_\_\_\_\_  
Chairman CDFEC



# REPUBLIC OF KENYA

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NAIROBI



## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NANDI HILLS CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

##### **Adverse Opinion**

I have audited the accompanying financial statements of Nandi Hills NGCDF set out on pages 5 to 26 which comprise the statement of assets as at 30 June 2017 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit

In my opinion, except for the effect of the matters described in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund - Nandi Hills Constituency as at 30 June 2017, and its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the National Government Constituencies Development Fund Act, 2015.

In addition, as required by article 229(6) of the Constitution, based on the procedures performed, I confirm that, public money has not been applied lawfully and in an effective way.

##### **Basis for Adverse Opinion**

##### **1.0 Cash and Cash Equivalents**

##### **1.1 Bank balances**

The statement of financial assets as at 30 June 2017 reflects bank balance of Kshs.2,556,168 which is at variance with the bank reconciliation statement balance of Kshs.2,245,576 resulting to unexplained or reconciled difference of Kshs.310,592. Further, a review of the bank reconciliation statement for the month of June 2017 revealed that, unpresented cheques totaling to Kshs.5,502,054

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Nandi Hills Constituency for the year ended 30 June 2017*

included stale cheques amounting to Kshs.2,810,012 which had not been reversed in the cash book, contrary to section 90(3) of the Public Finance Management (National Government) Regulations, 2015 which requires that, accounting officers to ensure any discrepancies noted during bank reconciliation exercise to be investigated immediately and appropriate action taken including updating the relevant cash books which had not been reversed in the cash book. No explanation was provided for the failure to reverse the stale cheques.

Under the circumstances, accuracy of the bank balance of Kshs.2,556,168 could not be confirmed.

## **1.2 Un-Supported Project Management Committee Bank Balances**

Note 15.4 to the financial statements reflects Project Management Committee (PMC) bank balances totalling Kshs.17,929,088 as at 30 June 2017. However, the cash books, bank statements and bank reconciliation statements for the individual project management committees accounts were not provided for audit review.

Consequently, the existence, accuracy, validity and completeness of the project management committee bank balance of Kshs.17,929,088 could not be confirmed

## **2.0 Transfer to Other Government Entities**

### **2.1 Un-Supported Expenditure**

The statement of receipts and payments for the year ended 30 June 2017 reflects transfers to other government units balance of Kshs.87,833,517 relating to funds disbursed to primary and secondary schools for various projects that was to be implemented by project management committees. However, actual expenditure returns from the project management committees and acknowledgement letters from institutions that received funds were not availed for audit verification.

Under the circumstances, it was not possible to confirm whether the funds totaling Kshs.87,833,517 was actually received and utilized for the budgeted projects in the year under review

### **2.2 Purchase of Land**

Included in the transfer to other government entities figure of Kshs.87,833,517 is transfer to primary schools balance of Kshs.71,533,517 out of which Kshs.6,400,000 was disbursed to various primary schools for the purchase of various parcels of land as detailed below.

<b>No.</b>	<b>Purpose</b>	<b>Payee</b>	<b>Date</b>	<b>PV No.</b>	<b>Cheque No.</b>	<b>Amount 'Kshs'</b>
1	Purchase of Land	Ollessos Stima Primary School	8-Dec-16	10	2466	1,000,000

2	Purchase of Land	Emitiot Primary School	8-Dec-16	38	2494	1,200,000
3	Purchase of Land	Choimim Primary school	8-Dec-16	40	2497	1,000,000
4	Purchase of Land	Kapchumba Primary School	21-Dec-16	58	2522	1,000,000
5	Purchase of land	Cheplelachbei Secondary School	25-Oct-16	14	2422	2,200,000
	<b>Total</b>					<b>6,400,000</b>

However, procurement records such as tender opening, evaluation and award minutes, and search from lands office in Nandi, valuation report and documents of ownership such as title/lease were not availed for audit verification.

Under the circumstances, the ownership, validity and propriety of the land costing Kshs.6,400,000 could not be confirmed.

### 3.0 Other Grants and Transfers

#### 3.1 Bursary

The statement of receipts and payments reflects other grants and transfers expenditure of Kshs.31,378,468 which includes bursary disbursements to secondary schools, universities, tertiary institutions and special schools total balance of Kshs.20,699,840 as detailed below:

No	Details	Amount Kshs
1	Secondary schools	11,674,000
2	Universities	4,775,840
3	Tertiary institutions	3,550,000
4	Special schools	700,000
	<b>Total</b>	<b>20,699,840</b>

However, as reported in the previous year, minutes of bursary subcommittee indicating how the needy cases were identified and bursary awards were determined were not availed for audit review. In addition, there was no report showing that the Constituency Developments Fund Committee ratified the list of beneficiaries forwarded by the Bursary Subcommittee as required by Constituency Development Fund circular reference No.Vol.1/111 dated 13 September 2010.

Under the circumstances, the propriety of expenditure on bursaries not be confirmed.

#### 3.2 Emergency Projects

Included in other grants and transfers figure of Kshs.31,378,468 is disbursements to emergency projects balance of Kshs.4,812,837. However, actual expenditure returns

were not availed for audit verification to confirm the projects funded and whether they were of emergency in nature as per the Act.

Under the circumstances, validity and propriety of the emergency projects expenditure of Kshs.4,812,837 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund-Nandi Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse 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. Except for the matters described in the Basis for Adverse Opinion and Other Matter sections, I have determined that there are no other Key Audit Matters to communicate in my report.

### Other Matter

#### 1.0 Budget Control and Performance

#### 1.1 Budget Performance

During the year under review, the fund had an expenditure budget of Kshs.131,207,314 against actual expenditure of Kshs.128,651,146 resulting to an under expenditure of Kshs.2,556,168 or approximately 2 % of the approved budget as shown below.

No	Expenditure	Approved budget	Actual Receipts/ expenditure	Under/Over expenditure	Under utilization
		Kshs	Kshs	Kshs	%
1	Compensation of Employees	1,793,080	904,020	889,060	49
2	Transfer to other Government units	92,180,000	87,833,517	4,346,483	5
3	Other Grants and transfers	31,656,624	31,378,468	278,156	0.8
4	Use of Goods & Services	5,577,610	8,535,140	(2,957,530)	53
	<b>Total</b>	<b>131,207,314</b>	<b>128,651,145</b>	<b>2,556,168</b>	<b>2</b>

Funds not utilized is an indication of approved programs not implemented, hence an indication that, the budget has not fully met the intended objectives of improving delivery of goods and services to the residents of Nandi Hills constituency.

## 2.2 Project Implementation

During the financial year 2016/2017, the fund budgeted to disburse Kshs.42,580,000 to finance seventy-one (71) projects and out of which an amount of Kshs.40,767,931 was disbursed to the projects as detailed below.

No	Project name	Details of the project	Allocation Amount	Disbursement 2016/2017	Expenditure	% Completion	Status
			Kshs	Kshs	Kshs		
1	Ainapng'etuny primary	Roofing,plastering,painting and ceiling to completion of 2 classrooms	500,000	500,000	500,000	100	complete
2	Chebinyiny primary	Walling, foundation, plastering, painting and ceiling to completion of 1 classrooms	600,000	600,000	600,000	100	complete
3	Chemalal hill view point academy	Walling, foundation, plastering,painting and ceiling to completion of 1 classroom	500,000	500,000	500,000	100	complete
4	Cheptingting primary	Walling, foundation, plastering,painting and ceiling to completion of 2 classrooms	1,000,000	1,000,000	1,000,000	100	complete
5	Cherobon primary	Walling, plastering,painting and ceiling to completion of 1 classrooms	500,000	500,000	500,000	100	complete
6	Aichesirikan primary	Purchase 3 acres of land-	600,000	600,000	600,000	100	complete

7	Choimim primary	Purchase of land 1 acre -500,000, Construction of 1 class room-500,000	1,000,000	1,000,000	1,000,000	100	complete
8	Kapchanga primary	walling, foundation, plastering, painting and ceiling to completion of 2 classrooms-500,000	500,000	500,000	500,000	100	completed
9	Kapkoros primary	Walling, foundation, plastering, painting and ceiling to completion of 1 classrooms	500,000	500,000	500,000	100	completed
10	Kapsean primary	Walling, foundation, plastering, painting and ceiling to completion of 1 classrooms	500,000	50,000	500,000	80	On-going
11	Kapsokio primary	walling, foundation, plastering, painting and ceiling to completion of 1 classrooms-	500,000	500,000	500,000	90	On-going
12	Kaptien primary	Renovation by Plastering, painting and ceiling to completion of 2 classrooms	400,000	400,000	350,000	90	On-going
13	Kaputi primary	Plastering, painting and ceiling to completion of 1 classroom-	600,000	600,000	500,000	80	On-going
14	Kimolonik primary	Walling, slap, plastering, painting and ceiling to completion of 1 classrooms	500,000	500,000	450,000	85	On-going

15	Kimwogi primary	walling, foundation, plastering, painting and ceiling to completion of 1 classrooms	1,000,000	1,000,000	900,000	90	On-going
16	Kipkorom primary	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	600,000	600,000	600,000	100	complete
17	Kipsamoo primary	renovation by plastering, painting and ceiling of 5 classroom	500,000	500,000	500,000	100	complete
18	Kipsebwo primary	renovation by Plastering, painting and ceiling of 5 classroom	500,000	500,000	500,000	100	On-going
19	Kisoga primary	Walling, plastering,painting and ceiling to completion of 1 classrooms.	600,000	600,000	500,000	1	On-going
20	Kitechgaa primary	Walling, roofing, plastering,painting and ceiling to completion of 2 classrooms.	600,000	600,000	500,000	1	On-going
21	Kogamei primary	Plastering,painting and ceiling to completion of 8 classrooms	600,000	600,000	600,000	100	complete
22	Kosoiwo primary	Walling, foundation, plastering,painting and ceiling to completion of 2 classrooms	700,000	700,000	700,000	100	complete
23	Lengon primary	Walling, roofing, plastering,painting and ceiling to completion of	500,000	500,000	500,000	100	complete

		1 classroom.					
24	Lolkireny primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	500,000	500,000	500,000	100	complete
25	Nandi hills township primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	500,000	500,000	500,000	100	complete
26	Ndururo primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	600,000	600,000	500,000	90	On-going
27	Ngame primary	Plastering, painting and ceiling to completion of 2 classrooms.	400,000	400,000	400,000	100	complete
28	Ogirgir primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classrooms.	500,000	500,000	500,000	100	complete
29	O'llessos primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classrooms.	980,000	980,000	850,000	80	On-going
30	Sile primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	500,000	500,000	500,000	100	complete
31	Simbi primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	700,000	700,000	700,000	100	complete



32	Sirwa primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom. Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	500,000	500,000	500,000	-	On-going
33	Sochoi primary	Renovation by plastering, painting and ceiling of 4 classrooms.	500,000	500,000	500,000	100	complete
34	Timobo primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	600,000	600,000	600,000	100	complete
35	Siwo primary	Renovatin by Plastering, painting and ceiling to completion of 5 classrooms.	500,000	500,000	500,000	95	On-going
36	Kabikwen primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom- 600,000 purchase 1 acre of land 1,000,000	600,000	600,000	600,000	90	On-going
37	Nukiat primary school	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom.	500,000	500,000	500,000	100	complete
38	Koimur primary school	Roofing, plastering, painting and ceiling to completion of 1 classroom	700,000	700,000	700,000	100	complete

39	Keben primary school	Renovation of roof and plastering, painting and ceiling to completion of 5 classrooms and administration block	500,000	500,000	500,000	100	complete
40	Chepngetuny primary school	Walling, plastering, painting and ceiling to completion of 1 classroom.	500,000	500,000	500,000	100	complete
41	Taboiyat primary school	renovation plastering, painting and ceiling to completion of 4 classroom	500,000	500,000	500,000	80	On-going
42	Kapkembur primary school	Completion of 5 classrooms by plastering, painting and ceiling	500,000	500,000	500,000	100	Complete
43	Chepkunyak primary school	Renovation of roof, Walls by plastering, painting and ceiling of 4 classrooms	500,000	500,000	500,000	100	Complete
44	Nduroto primary school	Completion of 3 classrooms by plastering, painting and ceiling	500,000	500,000	500,000	100	On-going
45	Kaplelmet primary school	Renovation by Plastering, painting and ceiling to completion of 5 classroom	1,000,000	1,000,000	800,000	25	On-going
46	Tereno primary school	plastering, painting and ceiling to completion of 2 classrooms.	600,000	600,000	500,000	80	On-going

47	Kapnyemis primary school	Walling,roofing, plastering,painting and ceiling to completion of 1 classrooms.	600,000	600,000	600,000	90	On-going
48	Ollessos hills primary school	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	800,000	500,000	500,000	75	On-going
49	Keteng primary school	Walling,roofing, plastering,painting and ceiling to completion of 1 classrooms.	500,000	500,000	500,000	80	On-going
50	Great highland intergrated	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	500,000	437,931	437,931	100	Complete
51	Mogobich primary	renovation plastering,painting and ceiling to completion of 5 classroom	500,000	400,000	400,000	80	On-going
52	Koilot primary	renovation plastering,painting and ceiling to completion of 5 classrooms	500,000	400,000	400,000	90	On-going
53	Lolduga primary	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	500,000	500,000	400,000	85	On-going
54	Cheptuingeny primary	renovation by plastering,painting and ceiling to completion of 6 classrooms	500,000	500,000	500,000	100	Complete
55	Kaptuma primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom	600,000	600,000	500,000	100	Complete

56	Lelwak primary	Plastering, painting and ceiling to completion of 4 classrooms	500,000	500,000	500,000	100	Complete
57	Tururo primary	Walling, roofing, plastering, painting and ceiling to completion of 1 classroom-600,000 Purchase of land 0.3 acre - 300,000	900,000	900,000	700,000	100	Complete
58	Ndubusat Primary	Walling, roofing, plastering, painting and ceiling to completion of 2 classrooms	700,000	600,000	600,000	100	Complete
59	Sinendet Primary	renovation by plastering, painting and ceiling to completion of 5 classrooms	500,000	500,000	500,000	100	Complete
60	Emitiot primary Tereno	Purchase of land 2 acre-600,000. Walling, roofing, plastering, painting and ceiling to completion of 1 classroom-600,000	1,200,000	1,000,000	1,000,000	100	Complete
61	Cheptililik primary	Purchase of land 1 acre-600,000. Walling, roofing, plastering, painting and ceiling to completion of 1 classroom-600,000	1,200,000	1,200,000	1,200,000	100	Complete

62	St Ludovico pri	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	600,000	600,000	600,000	100	Complete
63	Cheplelach bei pri	Renovation of 3 classrooms, flooring ceiling and plastering	300,000	300,000	300,000	100	Complete
64	St Mathias Kapkwang pri	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	500,000	500,000	400,000	80	Complete
65	Mosine Primary	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	600,000	600,000	600,000	100	Complete
66	Serengonik primary	Walling,roofing, plastering,painting and ceiling to completion of 2 classrooms	1,000,000	1,000,000	1,000,000	100	Complete
67	Kabikwen primary	Walling,roofing, plastering,painting and ceiling to completion of 1 classroom	600,000	600,000	600,000	100	Complete
68	Kabote Adventist secondary	Walling, Roofing ,Plastering and painting of Dormitory	500,000	500,000	-	-	Not started
69	Mogoon Chiefs Office	Renovation and equipping of Chiefs office,	500,000	500,000	-	-	Not started
70	Kipkimba primary school	Walling, Plastering, painting and	500,000	-	-	-	Not started
71	St Stephen Chebilat Primary	Construction of one classroom	500,000	500,000	-	-	Not started
	<b>Total</b>		<b>42,580,000</b>	<b>40,767,931</b>	<b>38,187,931</b>		

However, according to the projects status report availed for audit review, forty-three (43) projects with a budget of Kshs.26,200,000 were complete, twenty -four (24)

projects with a budget of Kshs.14,380,000 were on going and four (4) projects with a budget of Kshs.2,000,000 had not been started.

No reasons were provided as to why the twenty-eight (28) projects were not executed to completion when funds for the same had been disbursed. As a result, the residents of Nandi Hills constituency failed to benefit from the incomplete projects.

### Project Verification

During the year under review, nine (9) projects with a budget of Kshs.5,730,000 were verified and the following observations were made.

No	Project name	Details of the project	Amount 'Kshs'	Remarks
1	Kapkembur pry school	Completion of 5 classrooms by plastering, painting and ceiling	500,000	Complete
2	Kogamei primary school	Plastering,painting and ceilinging to completion of 8 classrooms	600,000	Complete
3	Chelelacbei Sec school	Renovation of 3 classrooms, flooring ceiling and plastering	300,000	Complete
4	ACK Cheptingiting Pry school	Walling, foundation, plastering,painting and cielinging to completion of 2 classrooms	1,000,000	Complete
5	Olessos Secondary School	Walling,roofing, plastering,painting and cielinging to completion of 1 classroom	500,000	Complete
6	Olessos Primary School	Walling, roofing, plastering,painting and cielinging to completion of 1 classrooms.	980,000	Ongoing
7	Kaptien Secondary School	Renovation by Plastering,painting and cielinging to completion of 2 classrooms	350,000	complete
8	Nandi Hill Township Primary School	Walling, roofing, plastering,painting and ceiling to completion of 1 classroom.	500,000	Complete
9	Choimim sec school	Purchase of land 1 acre.	1,000,000	Complete
	<b>Total</b>		<b>5,730,000</b>	

However, the nine (9) projects verified were complete and in use.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Nandi Hills NG-CDF in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in

accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

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 such 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services.

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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### **Auditor-General's Responsibilities for the Audit of the Financial Statements**

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 of Kenya. 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 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.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve

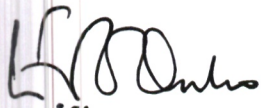
collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue offering 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 offering 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 of the entities or business activities to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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



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



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

**Nairobi**

**24 August 2018**

**CONSTITUENCY DEVELOPMENT FUND- NANDI HILLS CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016 - 2017	2015 - 2016
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	81,896,552	105,623,471
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
<b>TOTAL RECEIPTS</b>		<b>81,896,552</b>	<b>105,623,471</b>
<b>PAYMENTS</b>			
Compensation of employees	4	904,020	901,091
Use of goods and services	5	8,535,140	9,932,490
Transfers to Other Government Units	6	87,833,517	28,150,000
Other grants and transfers	7	31,378,468	41,979,807
Acquisition of Assets	8	-	-
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>128,651,146</b>	<b>80,963,388</b>
<b>SURPLUS/DEFICIT</b>		<b>(46,754,594)</b>	<b>24,660,082</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NANDI HILLS CDF financial statements were approved on 26th June 2017 and signed by:

  
Chairman - NG-CDFC

  
Fund Account Manager

**CONSTITUENCY DEVELOPMENT FUND- NANDI HILLS CONSTITUENCY**

**Reports and Financial Statements**


**For the year ended June 30, 2017**

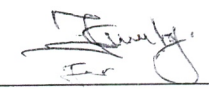
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**V. STATEMENT OF ASSETS**

	Note	<b>2016 - 2017</b> Kshs	<b>2015 - 2016</b> Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	2,556,168	49,310,762
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<u>2,556,168</u>	<u>49,310,762</u>
<b>REPRESENTED BY</b>			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	49,310,762	24,650,680
Surplus/Deficit for the year		(46,754,594)	24,660,082
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<u>2,556,168</u>	<u>49,310,762</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NANDI HILLS CDF financial statements were approved on 26<sup>th</sup> June 2017 and signed by:

  
Chairman – NG-CDEC

  
Fund Account Manager

**CONSTITUENCY DEVELOPMENT FUND- NANDI HILLS CONSTITUENCY**

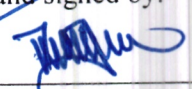
**Reports and Financial Statements**

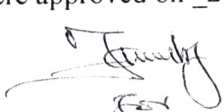
**For the year ended June 30, 2017**

**VI. STATEMENT OF CASHFLOW**

		2016 - 2017	2015 - 2016
<b>Receipts for operating income</b>			
Transfers from CDF Board	1	81,896,552	105,623,471
Other Receipts	3	-	-
		<b>81,896,552</b>	<b>105,623,471</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	904,020	901,091
Use of goods and services	5	8,535,140	9,932,490
Transfers to Other Government Units	6	87,833,517	28,150,000
Other grants and transfers	7	31,378,468	41,979,807
Other Payments	9	-	-
		<b>128,651,146</b>	<b>80,963,388</b>
<b>Adjusted for:</b>			
Adjustments during the year	14	-	-
<b>Net cash flow from operating activities</b>		<b>(46,754,594)</b>	<b>24,660,082</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(46,754,594)</b>	<b>24,660,082</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	<b>49,310,762</b>	<b>24,650,680</b>
<b>Cash and cash equivalent at END of the year</b>		<b>2,556,168</b>	<b>49,310,762</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NANDI HILLS CDF financial statements were approved on 26th June 2017 and signed by:

  
 \_\_\_\_\_  
**Chairman CDFC**

  
 \_\_\_\_\_  
**Fund Account Manager**

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	81,896,552	49,310,762	131,207,314	131,207,314	-	100.0%
Proceeds from Sale of Assets	-			-	-	
Other Receipts	-			-	-	
<b>TOTAL</b>	<b>81,896,552</b>	<b>49,310,762</b>	<b>131,207,314</b>	<b>131,207,314</b>	<b>-</b>	<b>100.0%</b>
<b>PAYMENTS</b>						
Compensation of employees	1,793,080		1,793,080	904,020	889,060	50.4%
Use of goods and services	5,577,610		5,577,610	8,535,140	(2,957,530)	153.0%
Transfers to Other Government Units	46,180,000	46,000,000	92,180,000	87,833,517	4,346,483	95.3%
Other grants and transfers	28,345,862	3,310,762	31,656,624	31,378,468	278,156	99.1%
Acquisition of Assets	-	-	-	-	-	0.0%
Other Payments						
<b>TOTAL</b>	<b>81,896,552</b>	<b>49,310,762</b>	<b>131,207,314</b>	<b>128,651,146</b>	<b>2,556,168</b>	<b>98.1%</b>

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

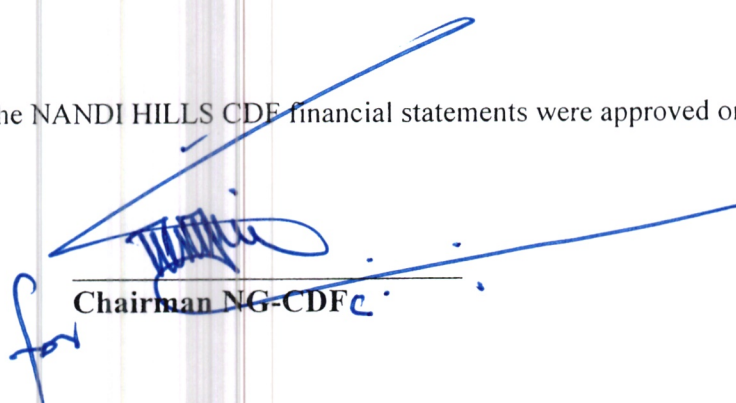
**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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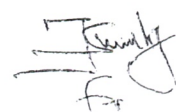
(b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

- i. 00
- ii. 00
- iii. 00
- iv. 00
- v. 00

The NANDI HILLS CDF financial statements were approved on June 26, \_\_\_\_\_ 2017 and signed by:

  
\_\_\_\_\_

**Chairman NG-CDF**

  
\_\_\_\_\_

**Fund Account Manager**

## **VIII. SIGNIFICANT ACCOUNTING POLICIES**

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

### **1. Statement of compliance and basis of preparation**

The financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) with particular emphasis on Cash Basis Financial Reporting under the Cash Basis of Accounting. The financial statements comply with and conform to the form of presentation prescribed by the Public Sector Accounting Standards Board of Kenya.

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *CDF* and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *CDF*.

### **2. Recognition of revenue and expenses**

The *CDF* recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the *CDF*. In addition, the *CDF* recognises all expenses when the event occurs and the related cash has actually been paid out by the *CDF*.

### **3. In-kind contributions**

In-kind contributions are donations that are made to the *CDF* 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 *CDF* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

# CONSTITUENCIES DEVELOPMENT FUND – *NANDI HILLS* CONSTITUENCY

## Reports and Financial Statements

For the year ended June 30, 2017

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### 4. 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 also 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.

### 5. Pending bills

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

### 6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *CDF*'s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *CDF*'s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

### 7. Comparative figures

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

### 8. 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, 2017.



**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM NG-CDF BOARD**

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
CDF Board			
	A829956	4,094,828	20,000,000
	A839612	36,853,449	20,000,000
	A820987	40,948,275	13,000,000
			52,623,471
		<b>81,896,551.70</b>	<b>105,623,471.00</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2016 – 2017	2015 - 2016
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	0	0
Receipts from sale of office and general equipment	0	0
Receipts from the Sale Plant Machinery and Equipment	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEIPTS**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	0	0
Rents	0	0
Receipts from Sale of tender documents	0	0
Other Receipts Not Classified Elsewhere	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**4. COMPENSATION OF EMPLOYEES**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic wages of contractual employees	896,820	887,891.00
Basic wages of casual labour	-	-
<b>Personal allowances paid as part of salary</b>	-	-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	7,200	13,200.00
gratuity	-	-
<b>Total</b>	<b>904,020</b>	<b>901,091.00</b>

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	<b>2016 - 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	261,640	138,000
Office rent	-	-
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	2,655,000	-
Hospitality supplies and services	-	-
Other committee expenses	-	-
Committee allowance	4,928,500	8,372,960
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	-	-
Fuel ,oil & lubricants	690,000	178,000
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	-	1,243,530
<b>TOTAL</b>	<b>8,535,140</b>	<b>9,932,490</b>

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6 TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016 - 2017 Kshs	2015 - 2016 Kshs
Transfers to primary schools	71,533,517	19,050,000.00
Transfers to secondary schools	16,300,000	9,100,000.00
Transfers to Tertiary institutions	-	-
Transfers to Health	-	-
<b>TOTAL</b>	<b>87,833,517</b>	<b>28,150,000.00</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2016 – 2017 Kshs	2015- 2016 Kshs
Bursary -Secondary	11,674,000	11,000,000
Bursary -University	4,775,840	7,000,000
Bursary-Tertiary	3,550,000	3,375,511
Bursary-Special schools	700,000	1,511,772
water	-	-
Environment	975,180	518,110
Electricity projects	-	-
Security	2,000,000	-
Roads	-	11,997,124
Sports	2,890,611	1,905,000
Other capital grants and transfer	-	-
Emergency Projects (specify)	4,812,837	4,672,291
<b>Total</b>	<b>31,378,468</b>	<b>41,979,807</b>

# CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY

## Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

### 8. ACQUISITION OF ASSETS

#### Non Financial Assets

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	0	0
Construction of Buildings	0	0
Refurbishment of Buildings	0	0
Purchase of Vehicles and Other Transport Equipment	0	0
Overhaul of Vehicles and Other Transport Equipment	0	0
Purchase of Household Furniture and Institutional Equipment	0	0
Purchase of Office Furniture and General Equipment	0	0
Purchase of ICT Equipment, Software and Other ICT Assets	0	0
Purchase of Specialised Plant, Equipment and Machinery	0	0
Rehabilitation and Renovation of Plant, Machinery and Equip.	0	0
Acquisition of Land	0	0
Acquisition of Intangible Assets	0	0
	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**9. OTHER PAYMENTS**

Specify	2016 - 2017 Kshs	2015 – 2016 Kshs
	0	0
	<u>0</u>	<u>0</u>

**10A: Bank Accounts (cash book bank balance)**

Name of Bank, Account No. & currency	2016 - 2017 Kshs	2015 – 2016 Kshs
Equity Nandi Hills Branch 0920261628747	2,556,168	49,310,762
<b>Total</b>	2,556,168	49,310,762

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10B: CASH IN HAND**

	2016 – 2017 Kshs	2015 – 2016 Kshs
Location 1	00	00
Location 2	00	00
Location 3	00	00
Other Locations ( <i>specify</i> )	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

*[Provide cash count certificates for each]*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<i>Name of Officer or Institution</i>	dd/mm/yy	00	00	00
<b>Total</b>				<b>00</b>

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

**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY**  
**Reports and Financial Statements**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**12. RETENTION**

	<b>2016 - 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Supplier 1	00	00
Supplier 2	00	00
Supplier 3	00	00
<b>Total</b>	<b>00</b>	<b>00</b>

*[Provide short appropriate explanations as necessary]*

**13. BALANCES BROUGHT FORWARD**

	<b>2015- 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	49,310,762	24,650,680
Cash in hand	00	00
Imprest	00	00
<b>Total</b>	<b>49,310,762</b>	<b>24,650,680</b>

*[Provide short appropriate explanations as necessary]*

**14. PRIOR YEAR ADJUSTMENTS**

	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	00	00
Cash in hand	00	00
Imprest	00	00
<b>Total</b>	<b>00</b>	<b>00</b>



**CONSTITUENCIES DEVELOPMENT FUND – NANDI HILLS CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2017**

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**15. OTHER IMPORTANT DISCLOSURES****15.1: PENDING ACCOUNTS PAYABLE**

	2016 – 2017 Kshs	2015 – 2016 Kshs
Construction of buildings	00	00
Construction of civil works	00	00
Supply of goods	00	00
Supply of services	00	00
	<b>00</b>	<b>00</b>

**15.2: PENDING STAFF PAYABLES**

	Kshs	Kshs
Senior management	00	00
Middle management	00	00
Union sable employees	00	00
Others ( <i>specify</i> )	00	00
	<b>00</b>	<b>00</b>

**15.3: OTHER PENDING PAYABLES**

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	00	00
Amounts due to other grants and other transfers (see attached list)	00	00
Others ( <i>specify</i> )	00	00
	<b>00</b>	<b>00</b>

**15.4: PMC account balances**

	Kshs	Kshs
PMC account Balances (see attached list)	17,929,088	00
	<b>17,929,088</b>	<b>00</b>

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
	a	B	c	d=a-c		
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
**Reports and Financial Statements**  
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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		A	B	c	d=a-c		
<b>Senior Management</b>							
1.							
2.							
3.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
4.							
5.							
6.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
7.							
8.							
9.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
10.							
11.							
12.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

**NANDI HILLS CONSTITUENCY**  
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**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		A	B	c	d=a-c		
<b>Amounts due to other Government entities</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Amounts due to other grants and other transfers</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost (Kshs) 2016 - 2017</b>	<b>Historical Cost (Kshs) 2015/16</b>
Land		
Buildings and structures		
Transport equipment	4,117,536	4,117,536
Office equipment, furniture and fittings	595,800	595,800
ICT Equipment, Software and Other ICT Assets	573,300	573,300
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
<b>Total</b>	<b>5,286,636</b>	<b>5,286,636</b>

**NANDI HILLS CONSTITUENCY**  
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**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2017**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2016/17</b>	<b>Bank Balance 2015/16</b>
<b>Total</b>				

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)

**NANDI HILLS CONSTITUENCY**  
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