

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



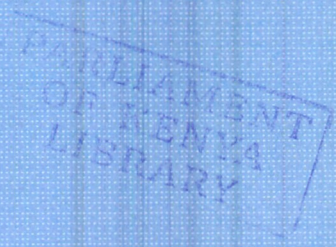
THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 17 SEP 2019 DAY: TUESDAY

TABLED BY: MAJORITY LEADER

OF

[Signature]



THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
NAKURU TOWN WEST CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2018**



OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
REGISTRY

02 MAY 2019

RECEIVED

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND NAKURU
TOWN WEST CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NG-CDF)
NAKURU TOWN WEST CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2018**

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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

Mandate

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

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;
- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution

Vision

Equitable Socio-economic development countrywide

Mission

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY**

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Core Values

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

(b) Key Management

The NGCDF Nakuru Town West 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 2018 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Faith Kathambi
3.	Sub-County Accountant	Beatrice Wakabu
4.	Chairman NGCDFC	Wilfred Omariba
5.	Member NGCDFC	Douglas Sengera

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF NAKURU TOWN WEST Constituency Headquarters

P.O. Box 15651
Glani Street
Adjacent to Koinange Primary School
Along Kolen Hollycross Road
Nakuru, KENYA

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

(f) NGCDF Nakuru Town West Constituency Contacts

Telephone: (254) 722606424
E-mail: nakurutwest@gmail.com

(g) NGCDF NAKURU TOWN WEST Constituency Bankers

1. Family Bank
Nakuru Finance Branch
P.O. Box 519-20100
Nakuru

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE

On behalf of the Nakuru Town West NG-CDFC, i would like to give an overview on the operations of our constituency under the financial year 2017/2018

The budget performance for this financial year was comparatively achieved as targeted. This was achieved even though the board disbursed funds late, this enhanced project prioritization and allocation of funds to day a little bit. All of the projects allocated funds were on going at the closure of the financial year period.

NG-CDF has become the backbone in education sector in our constituency. To improve security for the students and school properties, most of the schools have been aided in the construction of the perimeter walls and few schools construction of classrooms. Some of the schools which have been funded for the construction of perimeter walls include:

- Barut primary school
- Mogoony primary school
- Moi primary school
- Moi secondary school among others

NG-CDF has also aided in providing a conducive learning environment by assisting in the construction of new classrooms e.g Mwariki primary school (2classrooms construction and re-roofing and repair of 4 classrooms), Barut Primary school (Completion of 4 classrooms) and Ingobor primary school (Construction of 1 classroom).

Several roads under National Government were also repaired and drainages done to help ease movement of people and goods. All these roads had been completed by the end of the financial year.

During the financial year, twos school buses were also bought to ease transport of students in safer means while attending school function. At the close of the financial year, the production and assemblies of the two buses were still on going. The delivery of the buses was not yet complete.

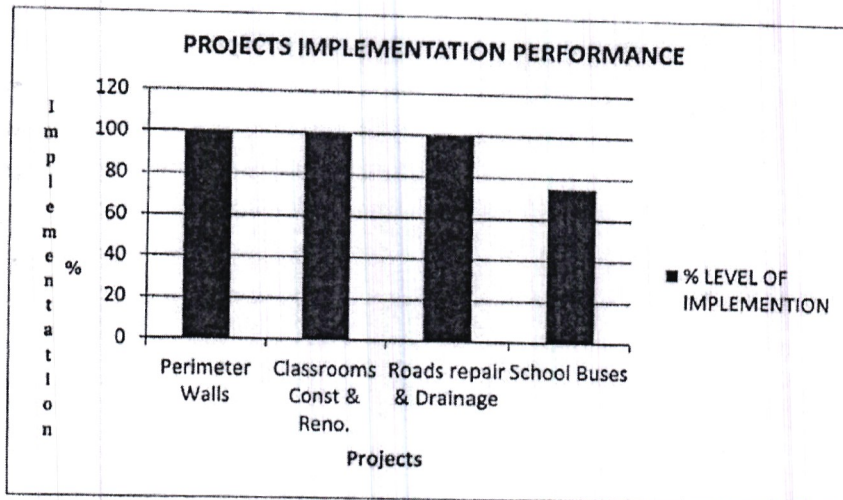
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

Table of budget performance against actual amounts

NO.	SECTOR/ACTIVITY	AMOUNT DISBURSED	% LEVEL OF UTILIZATION
1.	Perimeter Walls	16,000,000.00	100
2.	Classrooms Construction & Renovation	5,100,701.08	100
3.	Roads repair & Drainage	12,076,520.00	100
4.	School Buses	10,400,000.00	75



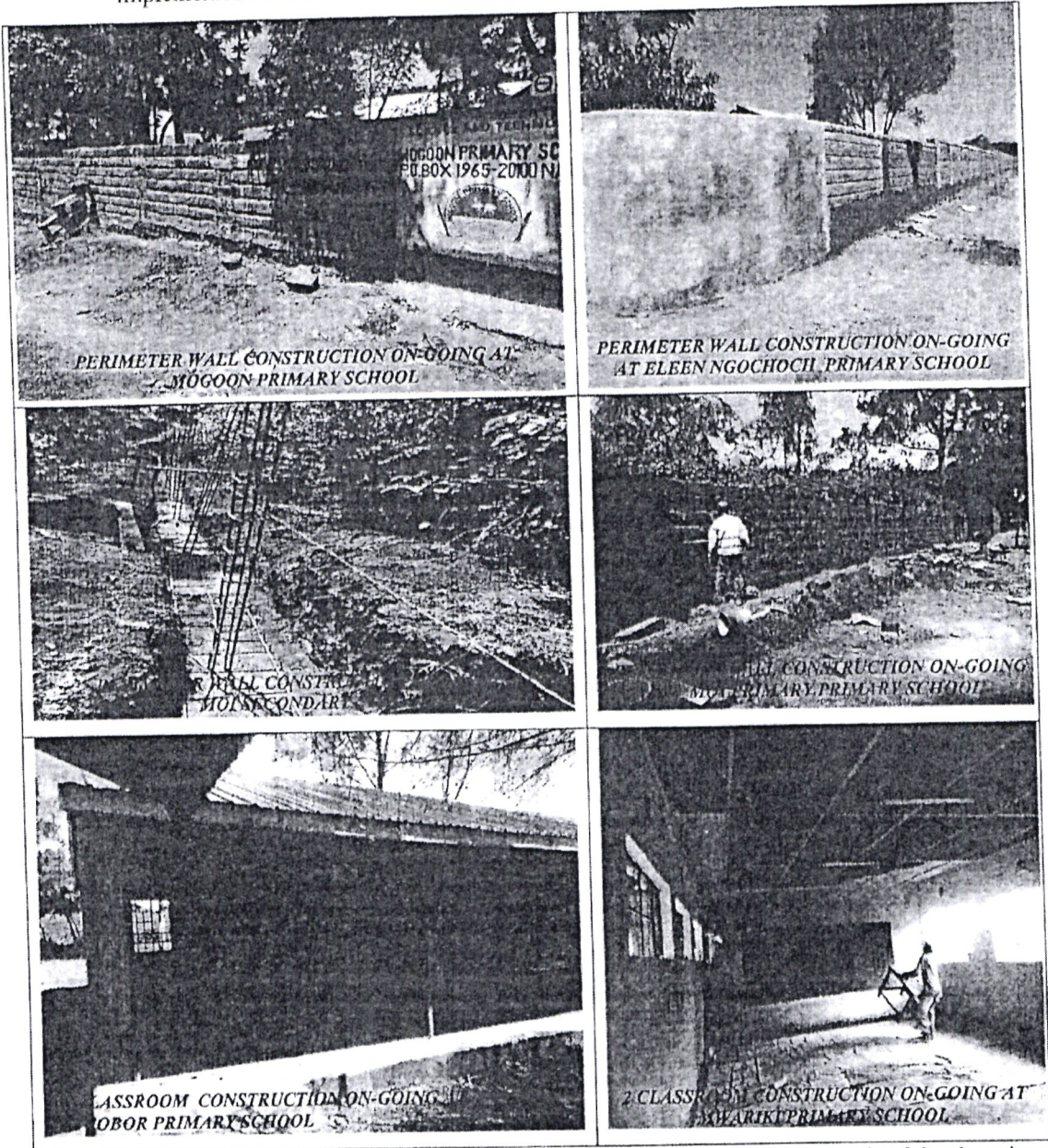
During the financial year under review, NG-CDF took the issue of office construction as an important project within the constituency. It managed to conduct community participation in Kaptembwo market to help reallocate and renovate the market to be used as office.

The greatest key achievements made by the office was to prioritize construction of perimeter walls in different institutions to secure school boundaries which had previously been subjected to a lot of cases of land grabbing and infiltration of non-staff to the school, occupying some of the school's infrastructures and land.

Other areas of key achievements are construction of classrooms to improve students learning environment which has an impact in performance and purchase of two school buses for two schools during the financial to aid in safe student's transportation during school functions.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
 NAKURU TOWN WEST CONSTITUENCY
 Reports and Financial Statements
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At the time of the close of the financial year, the projects allocated funds were being implemented and the work was still on-going.



NG-CDF has been an important resource to the members of the community. Members have benefitted a lot from the bursaries. They are able to access the funds aiding them for subsidising their children's school fees.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY**

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The issue that was raised that the CDF funds to be administered from the county was a worry to the communities since through constituency is where they the funds get distributed to community more effectively and easy for the needy cases to be identified. The challenges realised were mostly related to the project implementation specifically construction of perimeter walls. It was realised that most of the school did not have title deeds which could be used during land demarcation.

There are various challenges associated with the implementation of projects. This relates with project prioritisation considering the amount of funds disbursed by the board in a given time. Since the funds are disbursed in tranches, there may be more projects which have agency comparing the funds disbursed. This usually leads to the delay of the projects hence affecting the time when projects will be put into use.

Sign



CHAIRMAN NG-CDFC

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

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.


The Accounting Officer in charge of the NGCDF-Nakuru Town West Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Nakuru Town West 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 *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF- Nakuru Town West Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

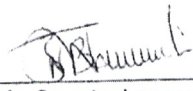
The Accounting Officer in charge of the NGCDF- Nakuru Town West Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF- Nakuru Town West Constituency financial statements were approved and signed by the Accounting Officer on 20/09/ 2018.



Fund Account Manager
Name:



Sub-County Accountant
Name: BEATRICE W. NDIKIE
ICPAK Member Number:

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - NAKURU TOWN WEST FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituency Development Fund-Nakuru Town West set out on pages 9 to 34, which comprise the statement of assets and liabilities as at 30 June 2018, the statement of receipts and payments, statement of cash flows, summary statement of appropriation recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituency Development Fund-Nakuru Town West at 30 June 2018, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituency Development Fund Act, 2015.

Basis for Qualified Opinion

Statement of Appropriation

The summary statement of appropriation reported receipts budget of Kshs.98,630,666 against actual of Kshs.87,251,355. However, the actual of Kshs.87,251,355 differs with the transfers from the Board of Kshs.86,810,345 resulting to unexplained difference of Kshs.441,010. In addition, the appropriation statement reported total receipts of Kshs.71,464,036 against an actual of Kshs.86,810,345 resulting to unexplained difference of Kshs.15,346,309. Further, the reported adjustment column for receipts was supported by a code list of Kshs.9,379,310.34 which was approved on 8 August 2018 after the end of the financial year and therefore the adjustment should be

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

Kshs.9,379,310.34 and not Kshs.11,820,321. In the circumstances, the completeness and accuracy of the summary statement of appropriation could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituency Development Fund Nakuru Town West 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 qualified 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 Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.0 Budget and Budgetary Control

1.1 Revenue Analysis

During the year under review, the approved budget for receipts was Kshs.98,630,666 against an actual on comparable basis of Kshs.87,251,355 resulting to an underfunding of Kshs.11,379,311. The underfunding represents twelve (12%) percent.

1.2 Expenditure Analysis

The budgeted payments were Kshs.98,630,666 against an actual of Kshs.71,464,036. However, comparison of the approved budget and the actual expenditure disclosed unexplained over and under expenditures of more than ten (10%) percent with an overall absorption of funds was seventy-two (72%) percent. No explanation has been provided in support of the variances.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

Transfer to Other Government Entities

Note 6 to the financial statements reflects transfers to other Government entities of Kshs.21,100,701 which includes transfers to primary schools of Kshs.16,100,701 and Kshs.5,000,000 for construction of perimeter walls and labelling. However, perimeter walls for Baruti, Magoon, Eileen primary schools at a cost of Kshs.3,000,000 each and

Moi primary school at a cost of Kshs.2,000,000 all totaling Kshs.11,000,000 for primary schools were incomplete.

In addition, perimeter walls for Crater secondary school Kshs.3,000,000 and Moi secondary school Kshs.2,000,000 totaling Kshs.5,000,000 were also incomplete. Physical verification conducted on 13 March 2019 revealed that the projects were not complete as the perimeter walls had not been erected all-round the compound. No certificate of measurement for works done was availed for audit verification yet the entire amounts had been fully utilized. Also no title deeds were availed to confirm whether the length of the perimeter wall was within the school land. In the circumstance, the intended objective has not been achieved.

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

Basis for Conclusion

REPORT ON INTERNAL CONTROLS EFFECTIVENESS, GOVERNANCE AND RISK MANAGEMENT SYSTEMS

Bursaries

During the year under review, Nakuru Town West Constituency spent Kshs. 21,596,375 as bursaries to needy cases in secondary schools and tertiary institutions. The Constituency Development Fund Committee (CDFC) did not produce a bursary allocation policy, minutes approving the list of beneficiaries and therefore the basis for the award could not be confirmed in the absence of a set criteria. In addition, the amounts allocated to students were not consistent to a particular group and therefore in the circumstance there could be possible biasness in allocating the amounts to needy students. It was also observed that there were no acknowledgements for bursary disbursed to tertiary institutions totaling to Kshs. 12,049,400. In the circumstance, it is not possible to ascertain if the students actually benefitted from the bursary.

Conclusion

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

The audit was conducted in accordance with ISSAI 1315 and ISSAI 1330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and governance were

operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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

In preparing the financial statements, management is responsible for assessing the ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the International Public Sector Accounting Standards (Cash Basis) of accounting unless the management of the National Government Constituency Development Fund Nakuru Town West either intends to liquidate or to cease operations, or have no realistic alternative but to do so.

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern or 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 as a going concern or to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

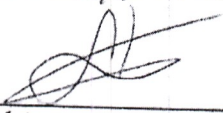
Nairobi


08 August 2019

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

IV. STATEMENT OF RECEIPTS AND PAYMENTS			
	Note	2017-2018 Kshs	2016 - 2017 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	86,810,345	82,396,552
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		86,810,345	82,396,552
PAYMENTS			
Compensation of employees	4	2,282,636	2,000,400
Use of goods and services	5	5,367,224	6,004,751
Transfers to Other Government Units	6	21,100,701	31,900,000
Other grants and transfers	7	41,713,475	52,241,466
Acquisition of Assets	8	-	-
Other Payments	9	1,000,000	-
TOTAL PAYMENTS		71,464,036	92,146,617
SURPLUS/DEFICIT		15,346,309	(9,750,065)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Nakuru Town West Constituency financial statements were approved on 22/09/2018 and signed by:


 Fund Account Manager
 Name:


 Sub-County Accountant
 Name: BEATRICE W'INDOGU
 ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

V. STATEMENT OF ASSETS AND LIABILITIES

FINANCIAL ASSETS

Cash and Cash Equivalents

Bank Balances (as per the cash book)	10A	15,787,319	441,011
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalent		15,787,319	441,011

Current Receivables-Outstanding Imprests	11	-	-
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TOTAL FINANCIAL ASSETS		15,787,319	441,011
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FINANCIAL LIABILITIES

Retention	12	-	-
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NET FINANCIAL ASSETS		15,787,319	441,011
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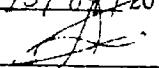
REPRESENTED BY

Fund balance b/fwd 1st July...	13	441,011	10,191,076
Surplus/Deficit for the year		15,346,309	(9,750,065)


Prior year adjustments	14	-	-
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NET FINANCIAL POSTION		15,787,319	441,011
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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Nakuru Town West Constituency financial statements were approved on 20/07/2018 and signed by:



Fund Account Manager
Name:



Sub-County Accountant
Name: PSATRICE W. NISOLE
ICPAK Member Number:

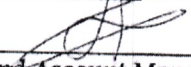
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
NAKURU TOWN WEST CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2018**

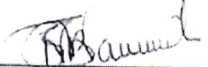
VI. STATEMENT OF CASHFLOW

Receipts for operating income		2017- 2018	2016 - 2017
Transfers from CDF Board			
Other Receipts	1	86,810,345	82,396,552
	3	-	
Payments for operating expenses		86,810,345	82,396,552
Compensation of Employees			
Use of goods and services	4	2,282,636	2,000,400
Transfers to Other Government Units	5	5,367,224	6,004,751
Other grants and transfers	6	21,100,701	31,900,000
Other Payments	7	41,713,475	52,241,466
	9	1,000,000	-
Adjusted for:		71,464,036	92,146,617
Adjustments during the year			
	14	-	-
Net cash flow from operating activities		15,346,309	(9,750,065)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets			
	2	-	-
Acquisition of Assets			
	8	-	-
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT			
		15,346,309	(9,750,065)
Cash and cash equivalent at BEGINNING of the year			
	13	441,011	10,191,076
Cash and cash equivalent at END of the year		<u>15,787,319</u>	<u>441,011</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- Nakuru Town West Constituency financial statements were approved on 20/09/2018 and signed by:



Fund Account Manager
Name:



Sub-County Accountant
Name: BEATRICE W'NDJICIE
ICPAK Member Number:

NAKURU TOWN WEST
 NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - NAKURU TOWN WEST
 CONSTITUENCY

Reports and Financial Statements
 For the year ended June 30, 2018

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 %
RECEIPTS						
Transfers from CDF Board	86,810,345	11,820,321	98,630,666	87,251,355	11,379,310	88%
Proceeds from Sale of Assets			-			
Other Receipts		-	-			
TOTAL RECEIPTS	86,810,345	11,820,321	98,630,666	71,464,036	11,379,310	
PAYMENTS						
Compensation of Employees	2,413,514	283,247	2,696,761	2,282,636	414,125	85%
Use of goods and services	5,399,417	1,127,603	6,527,020	5,367,224	1,159,796	82%
Transfers to Other Government Units	31,500,701	4,000,000	35,500,701	21,100,701	14,400,000	59%
Other grants and transfers	41,819,686	6,409,471	48,229,157	41,713,475	6,515,682	86%
Acquisition of Assets			-			
Other Payments	5,677,027		5,677,027	1,000,000	4,677,027	18%
TOTAL	86,810,345	11,820,321	98,630,666	71,464,036	27,166,630	72%

(a) The summary on revenue, the original budget is different from the final budget, this is due to the balance that was brought forward from the previous financial year of Ksh 441,070.69 and Ksh 11,379,310 which was of the additional budget of which its proposal was submitted to the board in May 2018 and at the closure of the financial the amount had not been received.

(b) Compensation of employees has got unspent balance of ksh.414, 124.81 which is equivalent to 15.3% this is the amount that is being set aside each year to cater for the staff gratuity at the expiry of their contract.

(c) Transfer to other government entities has got unutilized fund of Ksh. 14,400,000. This is equivalent to 41% of which Ksh 12,400,000 was meant for the purchase of school buses and Ksh 2,000,000 was meant for the construction of NG CDF Office. At

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) - NAKURU TOWN WEST
CONSTITUENCY**

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the closure of the financial year the process was on-going since it involves a long process it had not been completed and thus the said amount had not been paid to the project.

- (d) Under use of goods and services there is also a budget underutilization difference of ksh1,159,796 which is 18%, this is as a result of the additional funding of which the proposal had been submitted to the board but at the closure of the financial year the whole amount had not been received.*
- (e) Other grants and other transfers has got a budget underutilization difference of 14%, this is as a result of the additional funding of which the proposal had been submitted to the board but at the closure of the financial year the whole amount had not been received.*
- (f) Other payments have 82% underutilization difference. The unspent amount was meant for the innovation hub which had not yet been utilized since the office was awaiting the direction from the Head Office.*

The NGCDF- Nakuru Town West Constituency financial statements were approved on 20/09/ 2018 and signed by:



Fund Account Manager
Name:



Sub-County Accountant
Name: BEATRICE W. NDOGGI
ICPAK Member Number:

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

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

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

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

2. Reporting Entity

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

3. Reporting Currency

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

4. Significant Accounting Policies

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

a) Recognition of Receipts

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

Tax Receipts

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

Transfers from the Exchequer

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NAKURU TOWN WEST CONSTITUENCY
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SIGNIFICANT ACCOUNTING POLICIES

External Assistance

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

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

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

During the year ended 30th June 2018, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

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

b) Recognition of payments

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

Compensation of Employees

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

Use of Goods and Services

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

Acquisition of Fixed Assets

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NAKURU TOWN WEST CONSTITUENCY
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SIGNIFICANT ACCOUNTING POLICIES

5. In-kind contributions

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

6. Cash and Cash Equivalents

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

7. Accounts Receivable

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

8. Accounts Payable

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

9. Pending Bills

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

10. Unutilized Funds

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

SIGNIFICANT ACCOUNTING POLICIES

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

12. Comparative Figures

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

13. Subsequent Events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30th June 2018.

14. Errors

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

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

15. Related Party Transactions

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

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES
GFS
CODES

**1 TRANSFERS FROM OTHER
GOVERNMENT AGENCIES**

Description		2017-2018 Kshs	2016-2017 Kshs
1330407 Normal Allocation	A855960	5,500,000	
	A892791	37,905,172	
	A896845	21,000,000	
	A892999	22,405,173	
	A796292		4,094,828
	A839646		36,853,449
	A855225		40,948,275
	A855683		500,000
1330408 Conditional grants			-
			-
1330409 Receipt from other Constituency			-
TOTAL		86,810,345	82,396,5520

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 NAKURU TOWN WEST CONSTITUENCY
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3510000	2	PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS	2017-2018	2016-2017
Description			Kshs	Kshs
3510202		Receipts from the Sale of Buildings	-	-
3510601		Receipts from the Sale of Vehicles and Transport Equipment	-	-
3510801		Receipts from the Sale Plant Machinery and Equipment	-	-
3510803		Receipts from the Sale of Office and General Equipment	-	-
		TOTAL	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NAKURU TOWN WEST CONSTITUENCY
Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

1400000		3 OTHER RECEIPTS	
	Description	2017-2018 Kshs	2016-2017 Kshs
1410107	Interest Received	-	0
1410405	Rents	-	0
1420601	Sale of Tender Documents	-	0
1450207	Other Receipts Not Classified Elsewhere.	-	0
	TOTAL	-	-
2110000		4 COMPENSATION OF EMPLOYEES	
	Description	2017-2018 Kshs	2016-2017 Kshs
2110201	Basic wages of contractual employees	1,353,066	1,328,112
2110202	Basic wages of casual labour	60,000	
	Personal allowances paid as part of salary		
2110301	House allowance	154,689	191,626
2110314	Transport allowance	185,914	230,503
2110320	Leave allowance		
2110326	Other personnel payments	230,411	235,759
2120101	Employer contribution to NSSF	16,000	14,400
2710120	Gratuity-contractual employees	282,556	
	TOTAL	2,282,636	2,000,400

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

5 USE OF GOODS AND			
2200000 SERVICES			
	Description	2017-2018 Kshs	2016-2017 Kshs
2210100	Utilities, supplies and services	383,569	395,806
2210101	Electricity		
2210102	Water & sewerage charges		
2210104	Office rent	600,000	600,000
2210200	Communication, supplies and services	144,000	163,640
2210300	Domestic travel and subsistence	85,800	50,175
2210500	Printing, advertising and information supplies & services		
2210600	Rentals of produced assets		
2210700	Training expenses	800,000	
2210800	Hospitality supplies and services	40,938	117,230
2210802	Other committee expenses	67,200	
2210809	Committee allowance	2,513,000	4,072,600
2210900	Insurance costs		
2211000	Specialised materials and services		
2211100	Office and general supplies and services		
2211200	Fuel , oil & lubricants	276,000	384,000
2211300	Other operating expenses		153,800
2211301	Bank service commission and charges	34,757	
2211313	Security operations		
2220100	Routine maintenance - vehicles and other transport equipment		
2220200	Routine maintenance- other assets	421,960	67,500
	TOTAL	5,367,224	6,004,751

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

6 TRANSFER TO OTHER			
2630200 GOVERNMENT ENTITIES			
Description	2017-2018 Kshs	2016-2017 Kshs	
2630204	Transfers to Primary schools	16,100,701	15,700,000
2630205	Transfers to Secondary schools	5,000,000	14,200,000
2630206	Transfers to Tertiary institutions	-	
2630207	Transfers to Health institutions	-	
	Transfers to Special schools		2,000,000
	TOTAL	21,100,701	31,900,000

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

7 OTHER GRANTS

640000 AND OTHER PAYMENTS

Description		2017-2018	2016-2017
		Kshs	Kshs
2640101	Bursary -Secondary	9,372,675	8,243,203
2640102	Bursary -Tertiary	12,223,700	4,771,637
2640104	Bursary-Special schools		7,992,500
2640105	Mocks & CAT		
2640504	Water	-	
2640505	Food security	-	
2640506	Electricity	-	
2640507	Security		6,500,000
2640508	Roads and Bridges	12,075,720	16,681,034
2640509	Sports	1,736,207	1,637,931
2640510	Environment	1,736,207	1,637,931
2640512	Cultural Projects		
2640513	Agriculture		
2640200	Emergency Projects	4,568,966	4,777,229
TOTAL		41,713,475	52,241,466

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3100000	8 ACQUISITION OF ASSETS	2017-2018	2016-2017
	<u>Non Financial Assets</u>	Kshs	Kshs
3110102	Purchase of Buildings	-	-
3110202	Construction of Buildings	-	-
3110302	Refurbishment of Buildings	-	-
3110701	Purchase of Vehicles	-	-
3110704	Purchase of Bicycles & Motorcycles	-	-
3110801	Overhaul of Vehicles	-	-
3111001	Purchase of office furniture and fittings	-	-
	Purchase of computers ,printers and other	-	-
3111002	IT equipment	-	-
3111005	Purchase of photocopier	-	-
3111009	Purchase of other office equipment	-	-
3111112	Purchase of soft ware	-	-
3130101	Acquisition of Land	-	-
	TOTAL	-	-
	 9 Other Payments		
	Strategic plan	1,000,000	-
		-	-
		-	-
	TOTAL	1,000,000	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) -
 NAKURU TOWN WEST CONSTITUENCY
 Reports and Financial Statements
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018 Kshs	2016-2017 Kshs
<i>FAMILY BANK-NAKURU FINANCE BRANCH A/C 018000049795</i>	15,787,319	441,010
Total	15,787,319	441,010
10B: CASH IN HAND		
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>specify</i>)	0	0
Total	0	0
<i>[Provide cash count certificates for each]</i>	<u>0</u>	<u>0</u>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NAKURU TOWN WEST CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2018
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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>			0	0
<i>Total</i>				0

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

12 RETENTION

	2017 - 2018	2016-2017
	Kshs	Kshs
Supplier 1	0	0
Supplier 2	0	0
Supplier 3	0	0
Total	0	0

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs	Kshs
Bank accounts	441,011	10,191,076
Cash in hand	0	0
Imprest	0	0
Total	441,011	10,191,076

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NAKURU TOWN WEST CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2018
NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts		
Cash in hand	0	0
Imprest	0	0
	0	0
Total	0	0

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings	0	0
Construction of civil works	0	0
Supply of goods	0	0
Supply of services	0	0
	0	0
	0	0

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: UNUTILIZED FUNDS (See Annex 3)

	Kshs	Kshs
Compensation of employees	0	0
Use of goods and services	0	0
Amounts due to other Government entities (see attached list)	0	0
Amounts due to other grants and other transfers (see attached list)	0	0
Acquisition of assets	0	0
Others (<i>specify</i>)	0	0
	0	0
	0	0

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
NAKURU TOWN WEST CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Annex 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	12,649,759	11,192
	12,649,759	11,192

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND NAKURU TOWN WEST
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
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						

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND NAKURU TOWN WEST

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND NAKURU TOWN WEST
Reports and Financial Statements
For the year ended June 30, 2018

ANNEX 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees		414,125	283,247	
Use of goods & services		1,159,796	108,465	
Amounts due to other Government entities				
Mwaiki secondary school	Purchase of school bus	6,200,000	-	
Mama Ngina primary school	Purchase of school bus	6,200,000	-	
Renovation of NG-CDF Office	Rehabilitation of shades to office	2,000,000	-	
Sub-Total		14,400,000	386,712	
Amounts due to other grants and other transfers				
Bursary				
Emergency		2,491,543	54,298	
Sports		568,966	1	
Environment		227,586		
Pivot-Mama Ngina Road		227,586		
Nakuru west Kapkures centre Road		1,500,000	-	
Sub-Total		1,500,000	-	
Acquisition of assets		6,515,681	54,299	
Others (<i>specify</i>)				
Innovation hub				
Sub-Total		4,677,028		
Grand Total		4,677,028		
		27,166,630	441,011	

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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture and fittings	648,140	0	0	648,140
ICT Equipment, Software and Other ICT Assets	650,499	0	0	650,499
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	1,298,639			1,298,639

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ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC ACCOUNT NAME	Bank	Account number	Bank Balance	
			2017/18	2016/17
MWARIKI SECONDARY SCHOOL	FAMILY BANK	18000056661	444,478	3,648
CRATERVIEW SECONDARY SCHOOL	FAMILY BANK	18000056663	1,691	1,691
MOGOON PRIMARY SCHOOL	FAMILY BANK	18000073993	2,998,050	-
INGOBOR PRIMARY SCHOOL	FAMILY BANK	18000074021	1,198,050	-
BARUT PRIMARY SCHOOL	FAMILY BANK	18000047651	3,001,184	-
EILEEN NGOCHOCH PRIMARY SCHOOL	FAMILY BANK	18000074108	-	-
MOI PRIMARY SCHOOL	FAMILY BANK	18000030028	2,003,670	3,670
MOI SECONDARY SCHOOL	FAMILY BANK	18000056944	2,002,183	2,183
PIVOT MAMA NGINA PRIMARY SCHOOL ROAD	FAMILY BANK	18000074341	-	-
PARKVIEW ECD ROAD NG CDF PROJECT	FAMILY BANK	18000073525	70	-
SOYMET KAPKURES ROAD	FAMILY BANK	18000073386	80	-
KELELWET SECONDARY-BARUT ROAD	FAMILY BANK	18000073388	1,000,225	-
NAKURU T WEST CONSTITUENCY ENVIRONMENTAL COMMITTEE	FAMILY BANK	18000056637	78	-
NAKURU T WEST CONSTITUENCY SPORTS COMMITTEE	FAMILY BANK	18000056700	131	2
Total			12,649,890	11,193

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PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Stale cheques which had not been resolved	The delay for replacement was because we didn't have physical cheques.	FAM	Resolved	
	Difference in the summary of fixed assets.	The amount stated in the summary of fixed assets is different from that in fixed asset register.	FAM	Resolved	