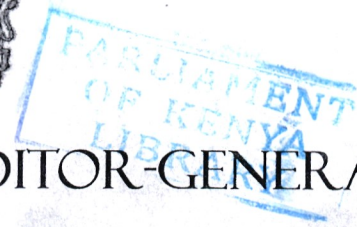


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

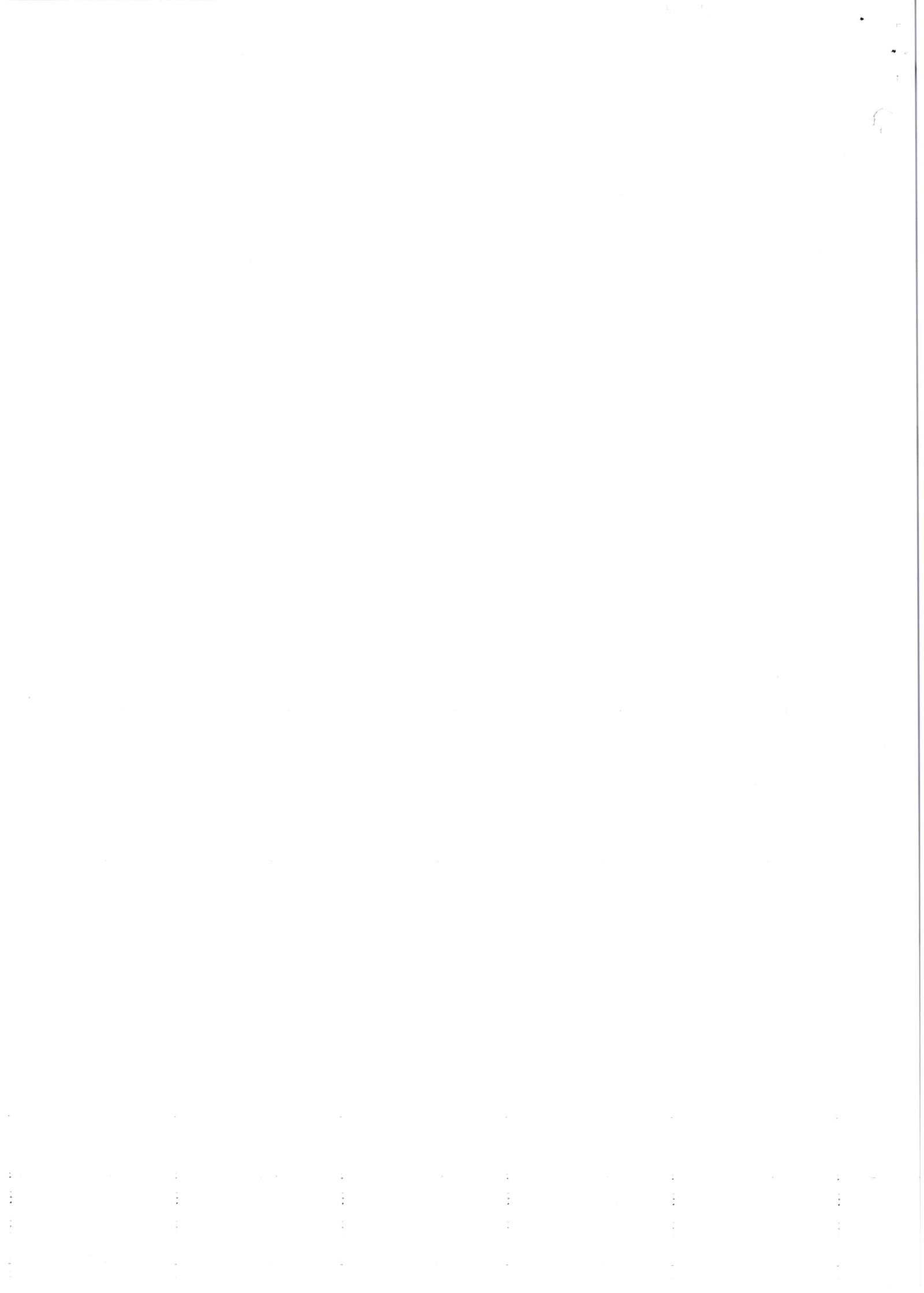
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND
MOYALE CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2015**





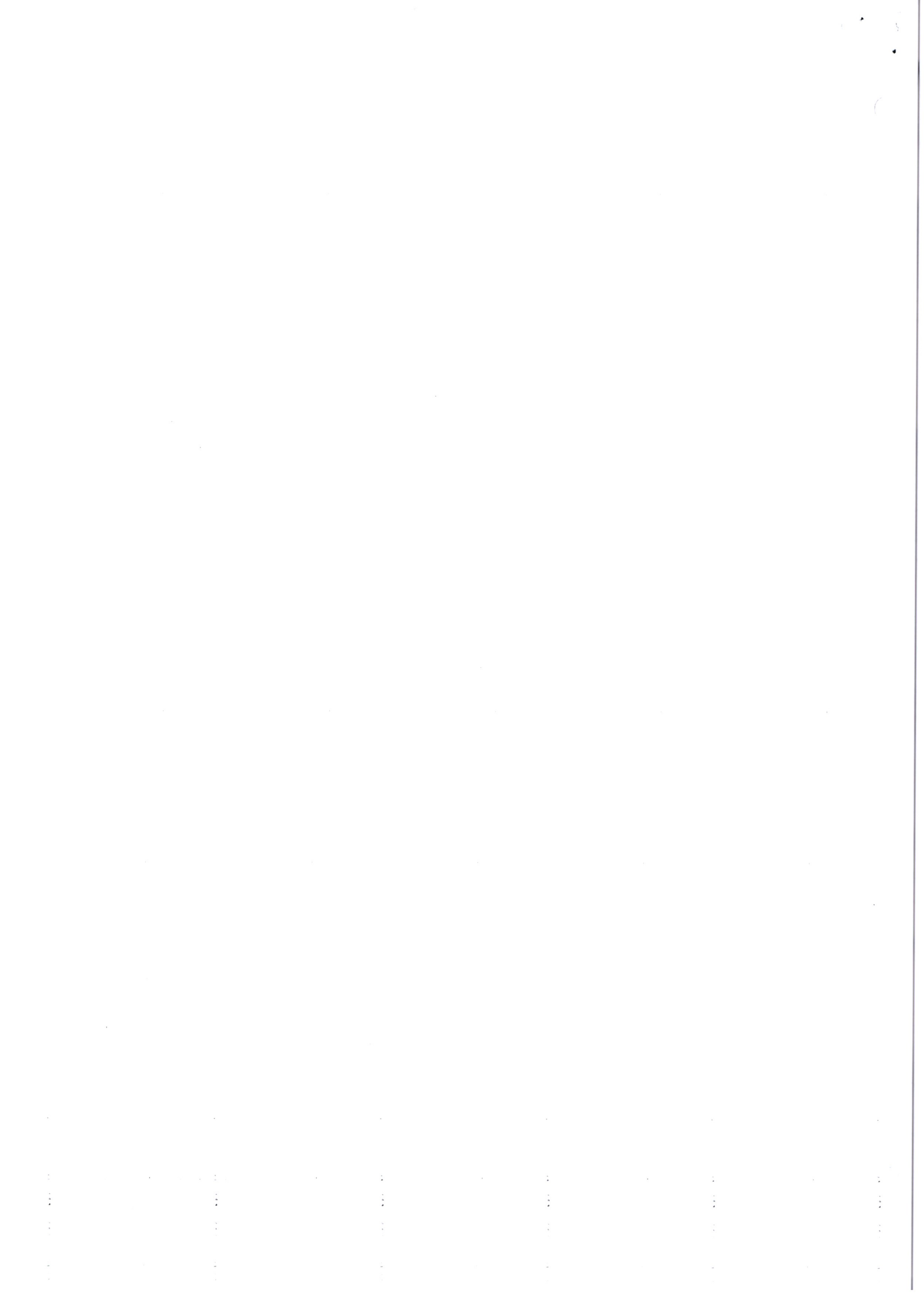
CONSTITUENCY DEVELOPMENT FUND- MOYALE CONSTITUENCY

ANNUAL REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2015**

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

1419



MINUTES OF MOYALE CDF MEETING HELD ON 10TH SEPTEMBER 2015 AT CDF OFFICE BOARDROOM

MEMBERS PRESENT

1. Abdi Ibrahim	CDFC Chairman
2. Barako Duba	CDFC Secretary
3. Yusuf Dika	FAM
4. Diko Mohamed	CDFC Member
5. Galgallo Waqo	”
6. Diba Konso	”
7. Maka Kadir	”
8. Shukri Kosaye	”
9. Saida Mohamed	”
10. Mohammed Roba	Constituency Manager

AGENDA

1. Preliminaries,
2. Financial statement 2014/2015
3. A.O.B

MIN.CDFC-MOYL/ 01/09/15 –PRELIMINARIES:

The chairman called the meeting to order at 10.00 am and Diba Konso said a word of prayer. He thanked members for attending the meeting on time and went to the agenda of the day.

MIN.CDFC-MOYL/ 02/09/15 –FINANCIAL STATEMENT 2014/2015

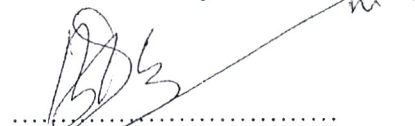
The Fund Manager presented before the committee the financial statement for financial year 2014/2015. The committee went through it and certified it as a true copy.

MIN.CDFC-MOYL-03/09/15- AOB

The head teacher for Badan Rero wrote a letter requesting for Re-roofing and renovation of the classroom following the blowing up of the classroom by the wind. Members unanimously approved payment of Kshs 300,000 from Emergency Vote to Dawiti Construction Company for re-roofing and renovation of the classrooms.

There being no any other business the meeting ended at 10.40 am with a word of prayer.

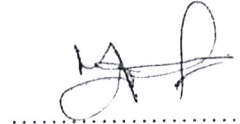
Minutes taken by:



Barako Duba

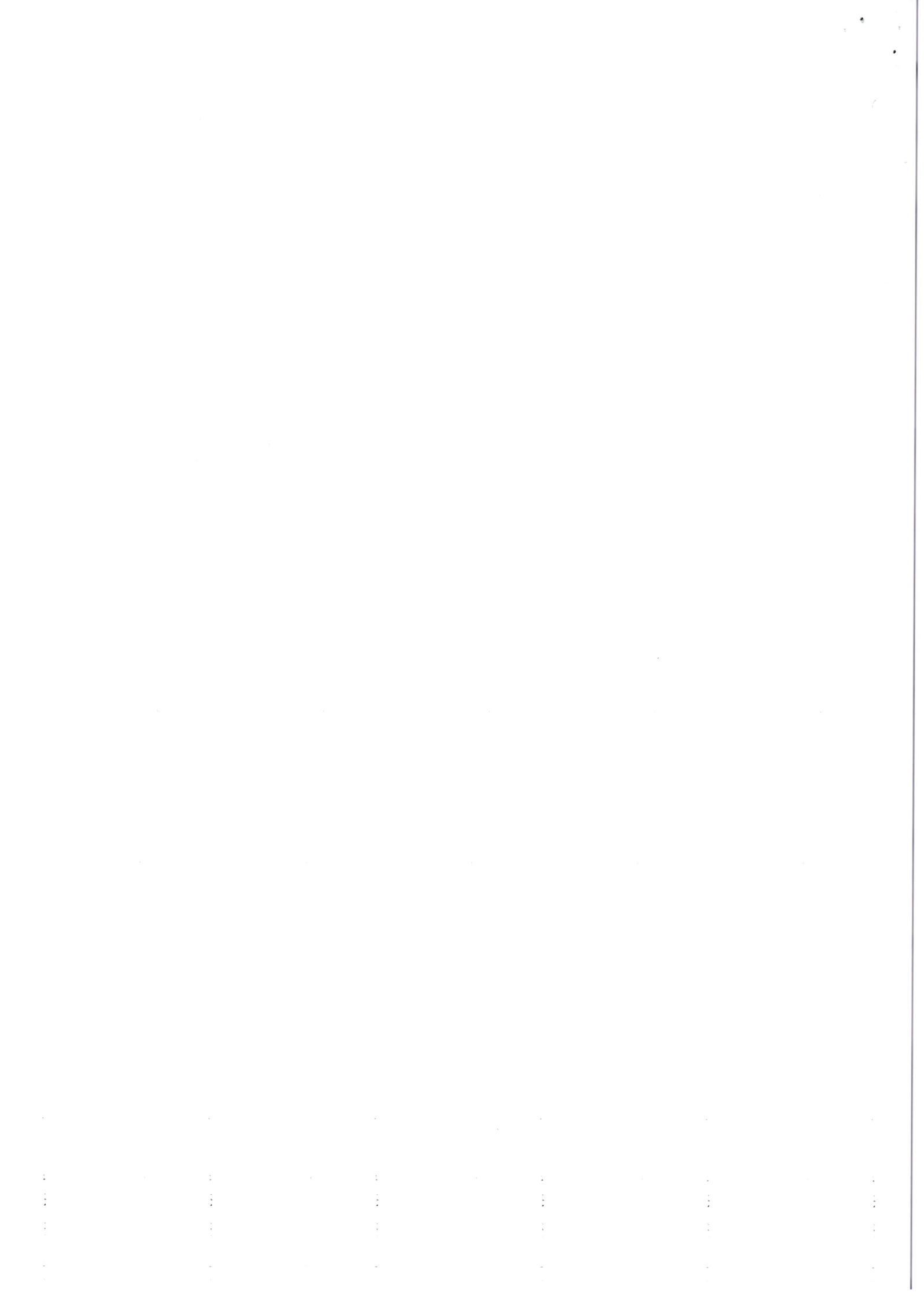
CDFC Secretary

Minutes Confirmed by:



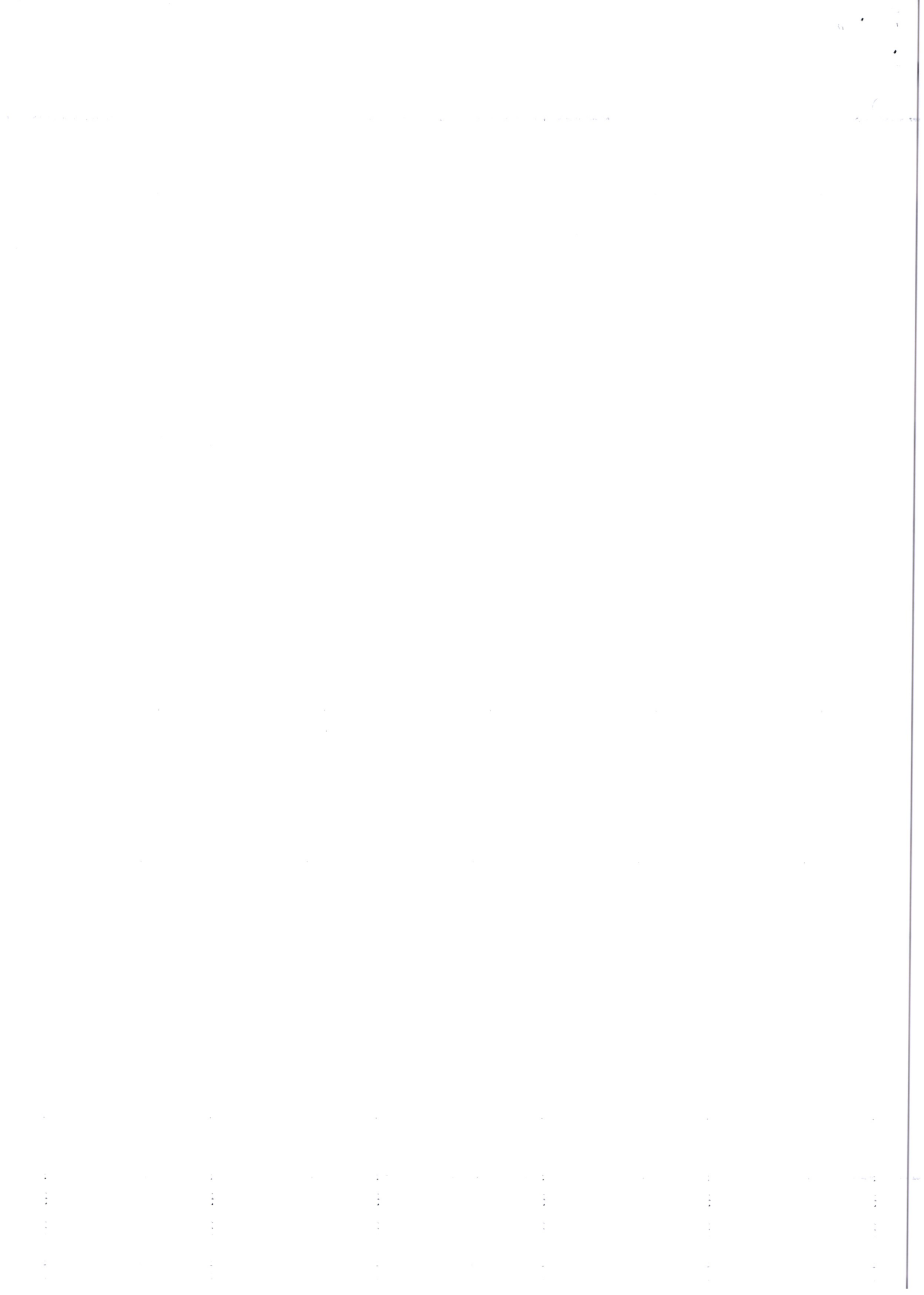
Abdi Ibrahim

CDFC Chairman



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

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CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (CDF) was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The Constituencies Development Fund is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the Constituencies Development Fund.

(b) Key Management

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

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

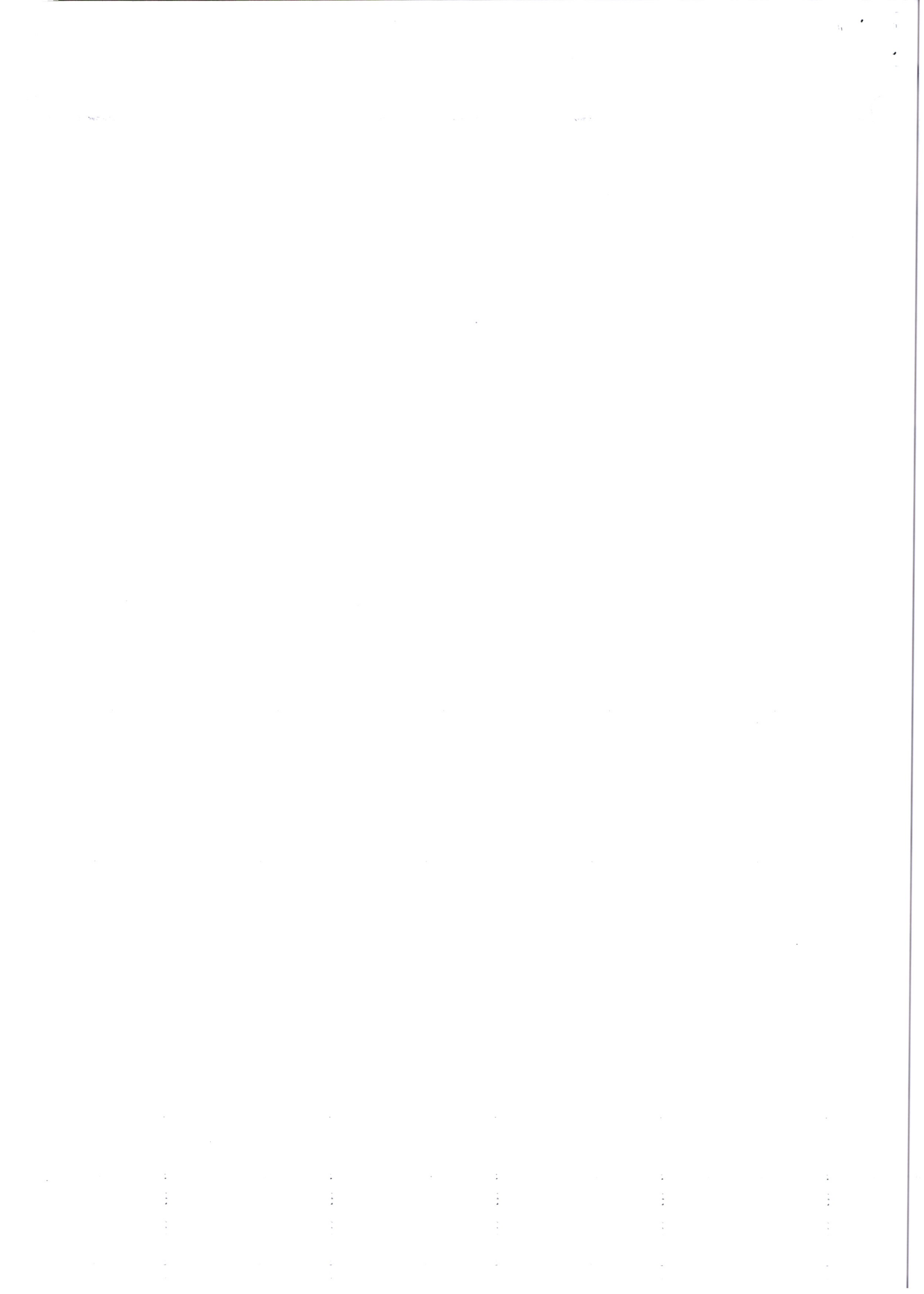
(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Yusuf Mbuno
2.	Fund Account Manager	Yusuf Dika
3.	District Accountant	Amon Thananga

(d) Fiduciary Oversight Arrangements-CDFC Members

No.	Name	Designation
1.	Hon. Roba Duba	Member of Parliament
2.	Abdi Ibrahim Boru	CDFC Chairman
3.	Barako Duba Boru	CDFC Secretary
4.	Yusuf Dika	Fund Account Manager
5.	Maka Kadir	CDFC Member



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

6.	Saida Mohamed	”
7.	Shukri Kosaye	”
8.	Diba Konso	”
9.	Galgallo Waqo	”
10.	Diko Mohamed	”
11.	Mr. Cheriyyot	”

The Audit and Risk Management Committee (ARMC) of CDF Board provide overall fiduciary oversight on the activities of Moyale 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.

12. Entity Headquarters

Moyale CDF
P.O. Box 24-60700,
Moyale
Moyale Town

13. Entity Contacts

E-mail: moyalecdf@cdf.go.ke
Website: www.go.ke

14. Entity Bankers

Constituency CDF main banker (provide the bank, branch, account number and address)

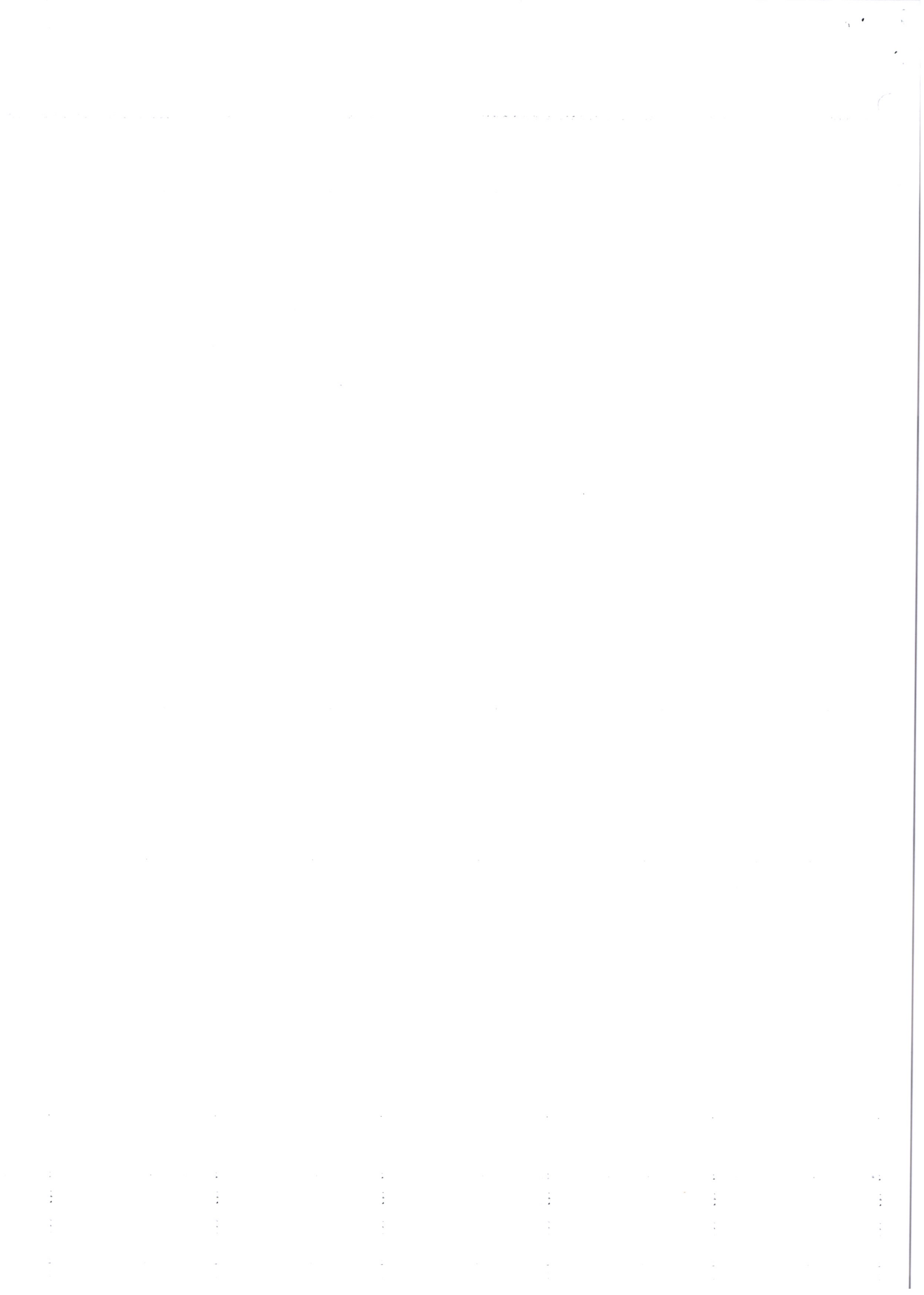
1. Equity Bank- Moyale Branch,
Account no. 1020298992601

15. Independent Auditors

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

16. Principal Legal Adviser

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



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (CDFC)

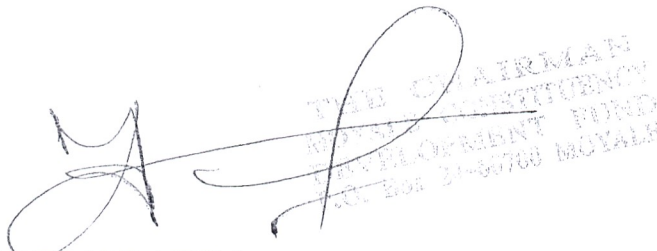
The CDF Moyale did a lot of development work in the constituency especially in the Education, Water, Health, Security and other sectors.

The community are very much appreciative of the work done by CDF and they want CDF to continue serving people at the grassroots' level since it is the only devolved fund which has a great impact on the life of common Mwananchi.

During the last financial year 2014/2015 we received money from the CDF Board which was used for intended purposes. The budget performance against the actual performance is quite well since the fund has been utilized properly.

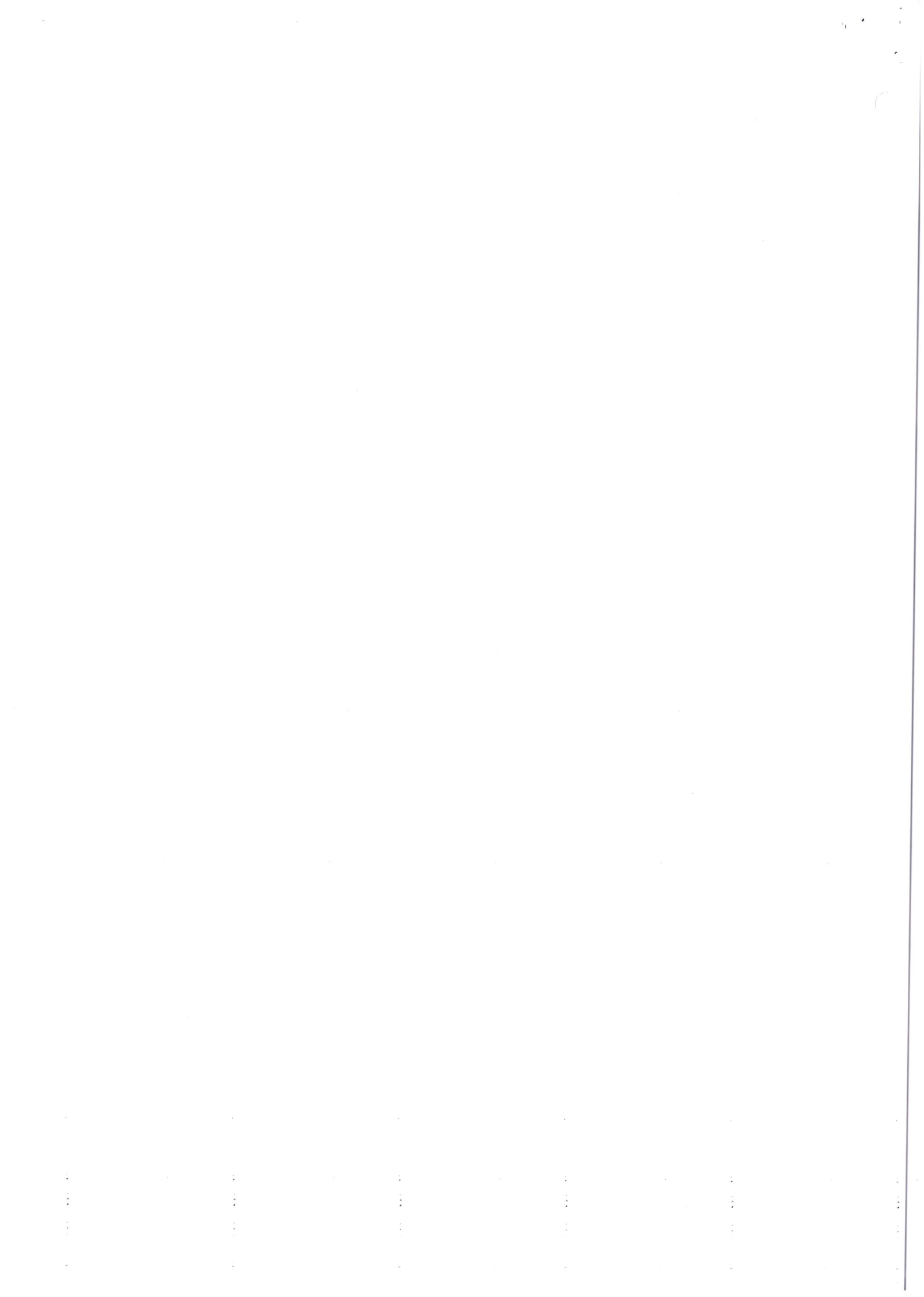
We had a challenge of not receiving the money from the CDF Board on time thus delaying most of our project to be paid on time.

For this financial year 2015/2016, we request the Board to disburse the fund as soon as they get it in order for us to utilize the fund effectively and efficiently.



ABDI IBRAHIM
CDFC CHAIRMAN

.....



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

111. STATEMENT OF 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 CDF shall prepare financial statements in respect of that CDF. 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 Moyale CDF is responsible for the preparation and presentation of the CDF's financial statements, which give a true and fair view of the state of affairs of the CDF for and as at the end of the financial year (period) ended on June 30, 2015. 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.

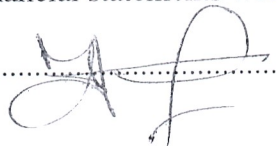
The Accounting Officer in charge of the Moyale CDF accepts responsibility for the CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The 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, 2015, and of the CDF's financial position as at that date. The Accounting Officer charge of the Moyale 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 Moyale 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.

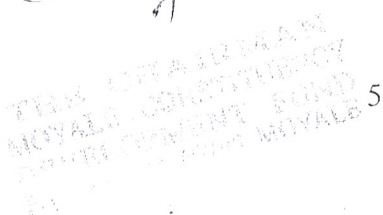
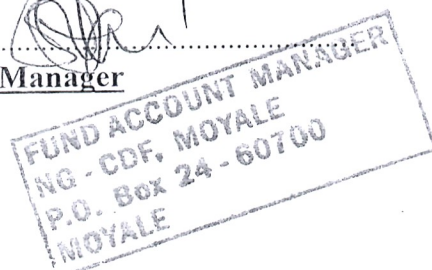
Approval of the financial statements

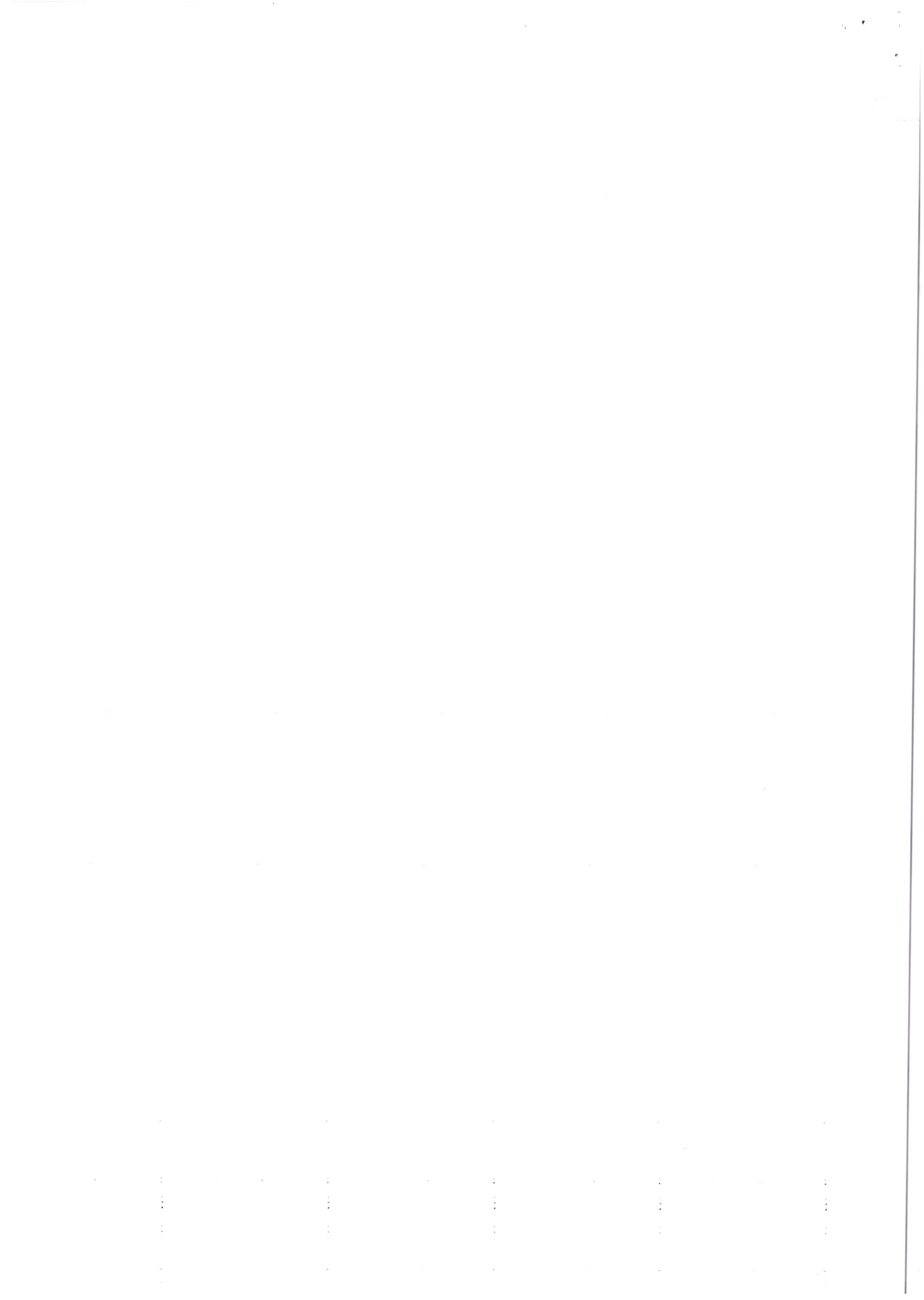
The Moyale CDF financial statements were approved and signed on 12/09 2015.

Abdi Ibrahim Boru.....
Chairman - CDFC



Yusuf Dika.....
Fund Account Manager







OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON CONSTITUENCIES DEVELOPMENT FUND - MOYALE CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2015

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Constituencies Development Fund - Moyale Constituency set out on pages 6 to 17, which comprise the statement of assets and liabilities as at 30 June 2015, and 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 8 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of this audit.

Management's Responsibility 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.

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 7 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229 of the constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

Report of the Auditor-General on Constituencies Development Fund- Moyale Constituency for the year ended 30 June 2015

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion.

1.0 Presentation of the Financial Statements

According to the International Public Sector Accounting Standards (Cash Basis) financial statements presentation format prescribed by the National Treasury, the management is required to annex to the financial statements, a report on action taken in relation to previous year auditor's recommendations. In the year 2013/2014, Moyale CDF received a qualified opinion. However, no report on the progress on follow up of the issues raised in the previous year's audit report was included in the financial statements for the year under review.

As a result, the presentation of the financial statements for the year under review do not comply fully with IPSAS (Cash Basis) financial reporting format.

2.0 Cash and cash equivalents

The cash and cash equivalents balance of Kshs.11,504,038 as at 30 June 2015 included reconciling items of un-presented cheques totaling to Kshs.3,087,072. Further, a balance of Kshs.9,845 referred to as bank charges was not included in the balance reflected in financial statements. In addition, outstanding imprest of Kshs.1,501,000 for 2013/2014 have not been accounted for as at 30 June 2015.

In the circumstances, it has not been possible to ascertain the accuracy and completeness of the cash and cash equivalents balance of Kshs. 11,504,038 as at 30 June 2015.

3.0 Unaccounted for Expenditure

During the year under review, expenditures totaling to Kshs.630,830.00 was incurred in respect of repair of motor vehicles. However, the repairs were not entered in the respective motor vehicle logbooks as required. Further, the inspection reports on the motor vehicles were not made available for audit verification.

Consequently, the authenticity, completeness and accuracy of the expenditure totaling to Kshs.630,830 as at 30 June 2015 could not be confirmed.

4.0 Budgetary Control and Performance

During the year under review, Moyale Constituency approved budget totaled to Kshs.110,120,188.00, while the actual expenditure as at 30 June 2015 totalled Kshs.117,356,776 (107%) resulting in over-expenditure amounting to Kshs.7,236,588. Further, six (6) projects allocated Kshs.70,950,188 returned expenditure of Kshs.84,729,744 resulting in over-expenditure of Kshs.13,779,556. In addition, two projects allocated Kshs.2,000,000 recorded nil expenditure as at 30 June 2015 as shown below:

BUDGET ANALYSIS				
Sub Head	Budget (Kshs.)	Actual (Kshs.)	Budget Utilization Difference (Kshs.)	Absorption Rate
Administration/Recurrent/M&E	10,791,998.00	11,930,827.50	(1,138,829.50)	111%
Emergency	5,400,259.00	8,064,250.00	(2,663,991.00)	149%
Bursary-Tertiary	8,000,000.00	9,723,000.00	(1,723,000.00)	122%
Primary School Projects	26,407,931.00	31,408,022.00	(5,000,091.00)	119%
Water Projects	18,290,000.00	19,213,644.00	(923,644.00)	105%
Others-Chiefs office & Stage sheds	2,060,000.00	4,390,000.00	(2,330,000.00)	213%
Sub – Total	70,950,188	84,729,743.5		
Auditors Fees	500,000.00		500,000.00	0%
Environmental Projects	1,500,000.00		1,500,000.00	0%
Sub – Total	2,000,000	-		
Sports activities	1,500,000.00	670,000.00	830,000.00	45%
Bursary-Secondary	13,000,000.00	10,143,500.00	2,856,500.00	78%
Mocks and Cats	1,000,000.00	431,430.00	568,570.00	43%
Secondary School Projects	15,030,000.00	14,365,226.00	664,774.00	96%
Tertiary- Projects			-	
Health Projects		4,997,340.00	(4,997,340.00)	
Road Projects	5,590,000.00	2,019,536.00	3,570,464.00	36%
Acquisition of Assets	1,050,000.00		1,050,000.00	
Security Projects			-	
Sub – Total	37,170,000.00	32,627,032.00		
Grand Total	110,120,188.00	117,356,775.50	(7,236,587.50)	107%

Apparently there was no supplementary budget to cover the over – expenditure of Kshs.7,236,587.50 as none was made available for audit review. Further, during the year

under review Moyale CDF received exchequer receipts totaling to Kshs.100,580,210.00 which represented 91% of the approved budget for the year. The unreleased budgeted receipts of Kshs.9,539,978 thus resulted in delay service or failure to deliver services promised to the constituents.

5.0 Project Implementation

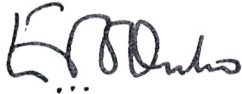
Supporting schedules for the financial statements reflect balances totaling Kshs.129,957,690 allocated CDF projects earmarked for implementation within the constituency as at 30 June 2015. However, analysis of the project implementation status report revealed that eight (8) projects totaling to Kshs.28,020,000 had not commenced and funds for the projects were not disbursed to the project management committee (PMC) as at 30 June 2015. Further, three (3) projects allocated Kshs.3,760,000 were on going while projects amounting to Kshs.98,177,690 were completed as at 30 June 2015:

Sector	Project Status	Amount Allocated(Kshs)	Amount Disbursed (Kshs)	No. of projects
Education	Completed	66,542,931.00	43,295,000.00	64
	Ongoing	3,140,000.00	0.00	2
	Not started	5,480,000.00	0.00	4
	Sub Total	75,162,931.00	43,295,000.00	70
Health	Completed	5,012,759.00	5,012,759.00	4
	Ongoing	0.00	0.00	0
	Not started	0.00	0.00	0
	Sub Total	5,012,759.00	5,012,759.00	4
Water	Completed	19,862,000.00	19,862,000.00	10
	Ongoing	0.00	0.00	0
	Not started	16,950,000.00	0.00	2
	Sub Total	36,812,000.00	19,862,000.00	12
Roads	Completed	2,050,000.00	2,050,000.00	1
	Ongoing	0.00	0.00	0
	Not started	5,590,000.00	0.00	2
	Sub Total	7,640,000.00	2,050,000.00	3
Other	Completed	4,710,000.00	2,650,000.00	5
	Ongoing	620,000.00	0.00	1
	Not started	0.00	0.00	0
	Sub Total	5,330,000.00	2,650,000.00	6
Grand Total		129,957,690.00	72,869,759.00	95

In view of the foregoing, the residents of Moyale Constituency did not enjoy public services equivalent to Kshs.57,087,931 being the variance between the allocated funds balance of Kshs.129,957,690 and the funds disbursed to the projects totaling to Kshs.72,869,759.

Qualified Opinion

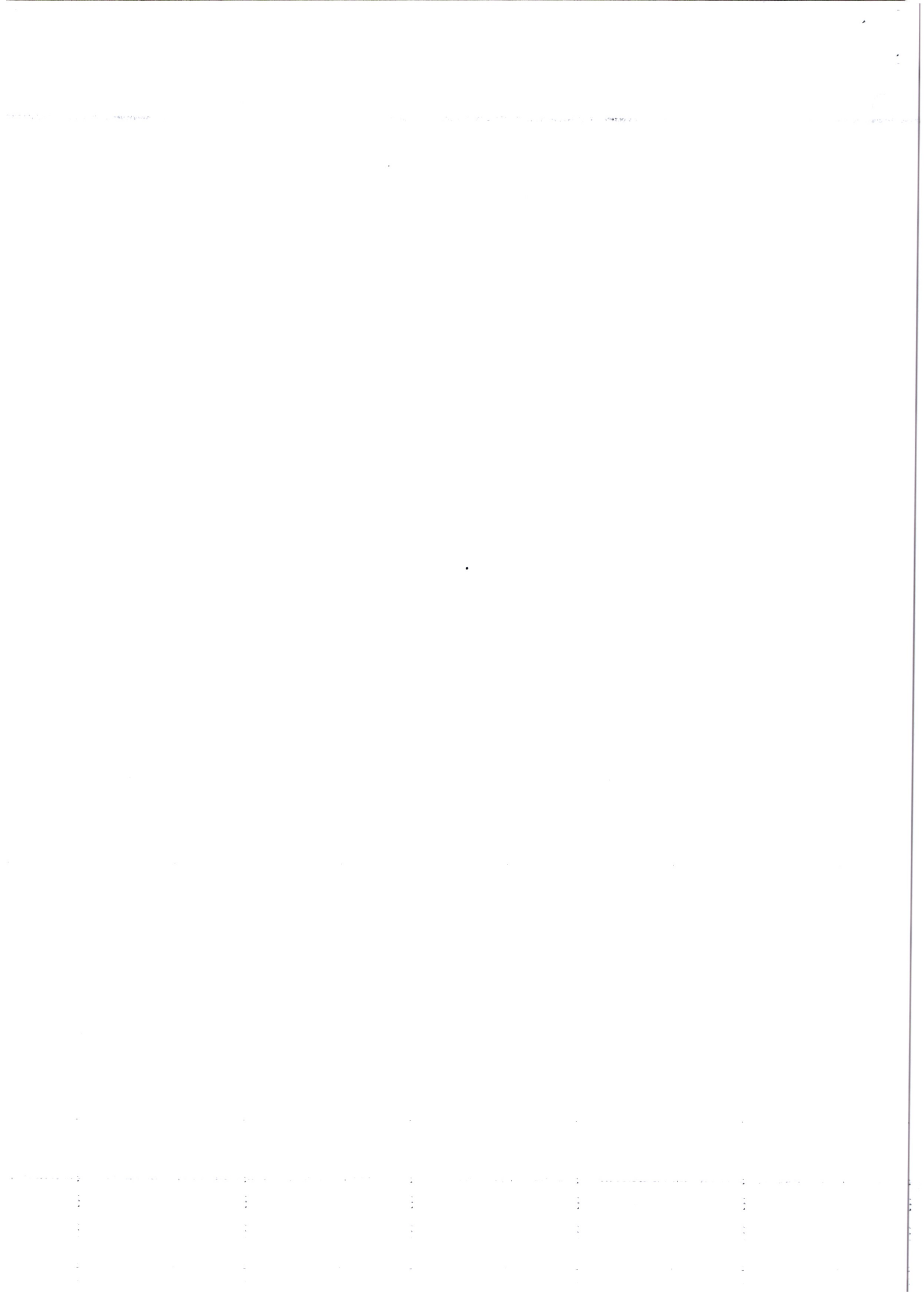
In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Constituencies Development Fund - Moyale Constituency as at 30 June 2015, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Constituencies Development Fund Act, 2013.



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

Nairobi

16 November 2016



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015	2013-2014
		Kshs	Kshs
RECEIPTS			
Balance b/f		-	16,394,928
Transfers from CDF board-A.I.Es' Received	1	100,580,210	154,202,016
Proceeds from sale of Asset			
TOTAL RECEIPTS		100,580,210	170,596,944
PAYMENTS			
Compensation of Employees	2	1,653,829	1,126,108
Use of goods and services	3	4,189,368	5,272,462
Committee Expenses	4	6,084,000	4,410,540
Transfers to Other Government Units	5	50,770,588	57,595,185
Other grants and transfers	6	50,265,360	72,434,751
Social Security Benefits	7	3,600	2,800
Acquisition of Assets	8		1,474,524
Other Payments	11	4,390,000.00	
TOTAL PAYMENTS		117,356,745	142,316,371
SURPLUS/DEFICIT		(16,776,535)	28,280,573

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Moyale CDF financial statements were approved on 12/09/2015 and signed by:



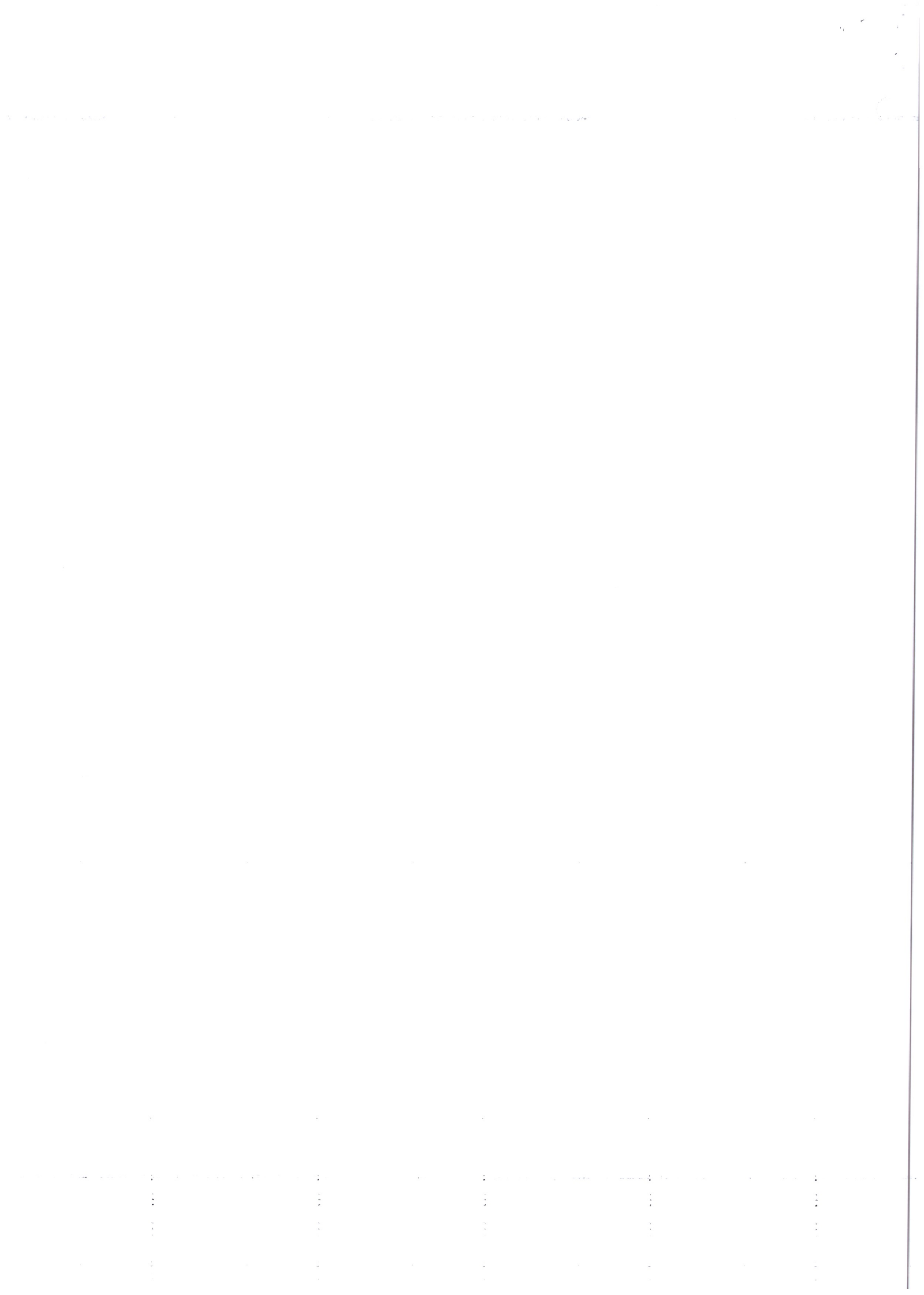
 Chairman - CDFC

THE CHAIRMAN
 MOYALE CONSTITUENCY
 DEVELOPMENT FUND
 P.O. Box 24-60700 MOYALE



 Fund Account Manager

FUND ACCOUNT MANAGER
 P.O. BOX 24-60700
 MOYALE



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2014-2015	2013-2014
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	9	11,504,038	26,779,573
Outstanding Imprests	10		1,501,000
TOTAL FINANCIAL ASSETS		11,504,038	28,280,573
REPRESENTED BY			
Fund balance b/fwd 1st July 2014	12	28,280,573	
Surplus/Deficit for the year (from stm of receipt & expenditure)		(16,776,535)	28,280,573
NET LIABILITIES		11,504,038	28,280,573

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Moyale Cdf financial statements were approved on 18/09/2015 and signed by:

CDFC Chairman

Date.....

18/09/2015

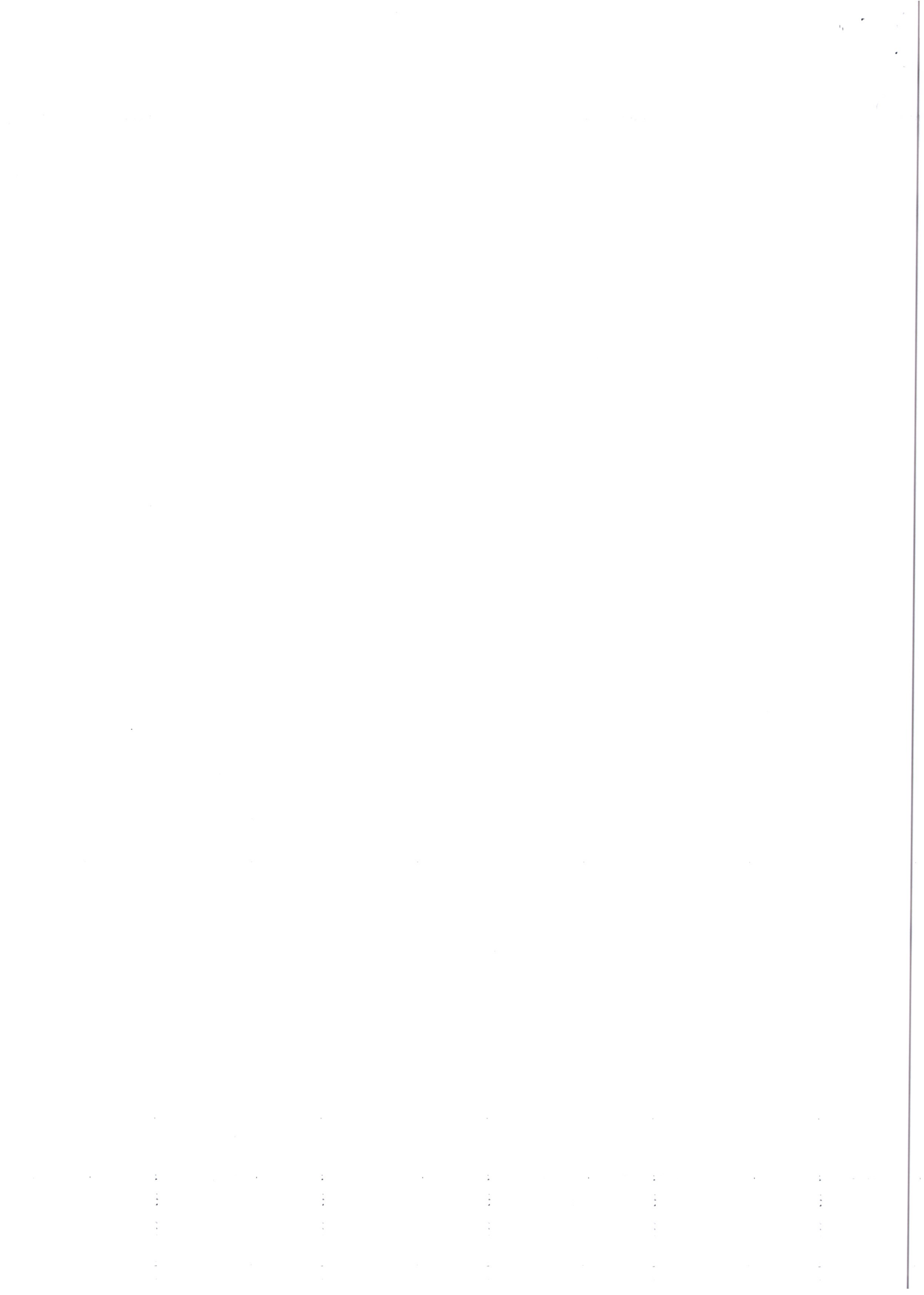
[Signature]
 THE CHAIRMAN
 MOYALE CONSTITUENCY
 DEVELOPMENT FUND
 P.O. BOX 24-60700 MOYALE

Fund Account Manager

Date.....

18/09/2015

[Signature]
 FUND ACCOUNT MANAGER
 MOYALE CDF, MOYALE
 P.O. BOX 24 - 60700
 MOYALE



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

VI. STATEMENT OF CASHFLOW

Receipts for operating Activities		2014/2015	2013/2014
Transfers from Other Government Entities	1	100,580,210	154,202,016
Payments for operating expenses			
Compensation of Employees	2	1,653,829	1,126,108
Use of goods and services	3	4,189,368	5,272,462
CDFC Expenses	4	6,084,000	4,410,540
Transfers to Other Government Units	5	50,770,588	57,595,185
Other grants and transfers	6	50,265,360	72,434,752
Social Security Benefits	7	3,600	2,800
Other Payments	11	4,390,000	
Outstanding imprest	10	0	0
Net cashflow from operating activities		(16,776,536)	13,360,169
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	8	0	(1,474,524)
Net cash flows from Investing Activities		0	(1,474,524)
NET INCREASE/ IN CASH AND CASH EQUIVALENT		(16,776,536)	11,885,645
Cash and cash equivalent at BEGINNING of the year	12	28,280,573	16,394,928
Cash and cash equivalent at END of the year	9	11,504,038	28,280,573

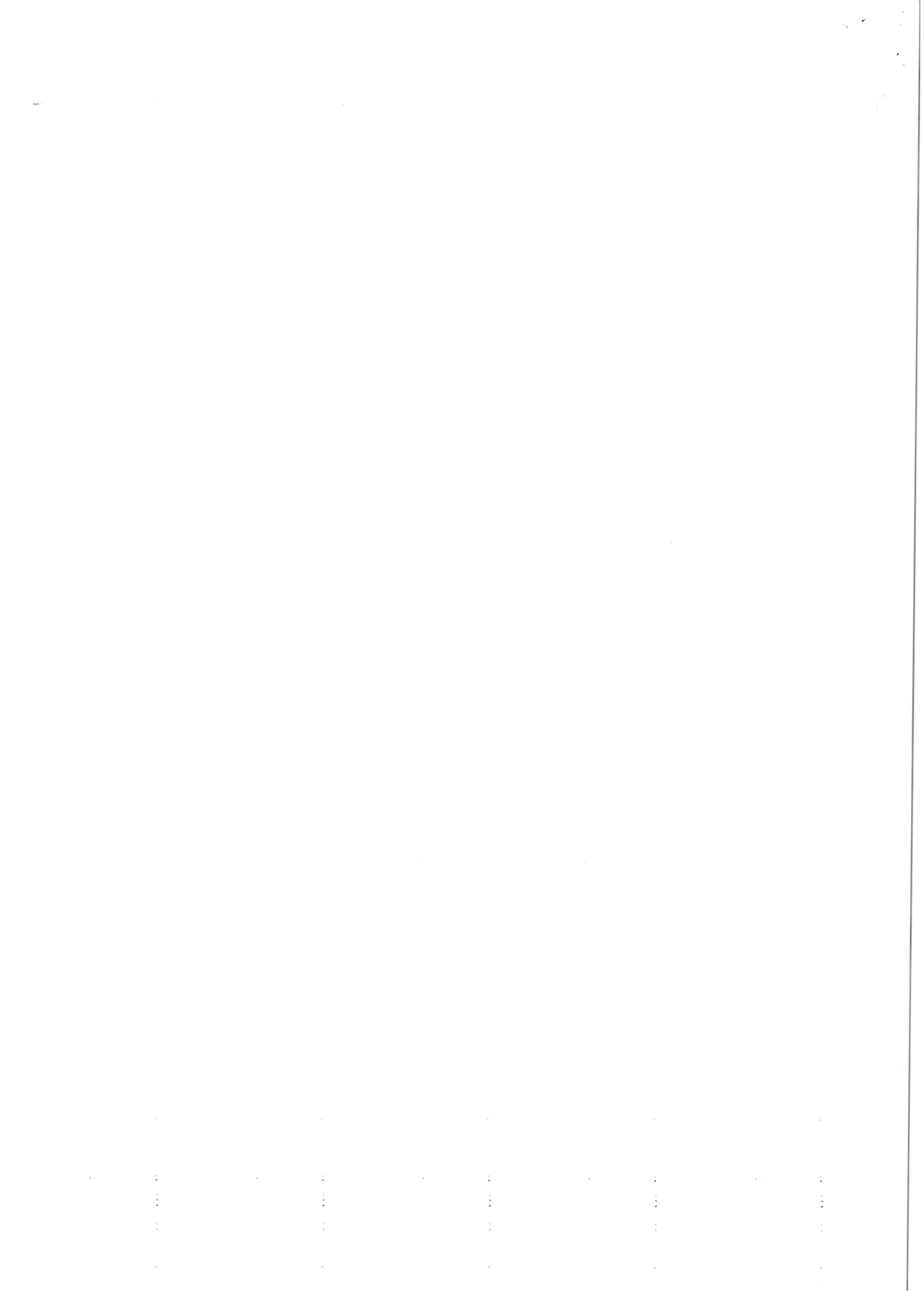
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Moyale Cdf financial statements were approved on 18/09/2015 2015 and signed by:

CDFC Chairman

Fund Account Manager

Date... 18/09/2015

Date... 18/09/2015



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

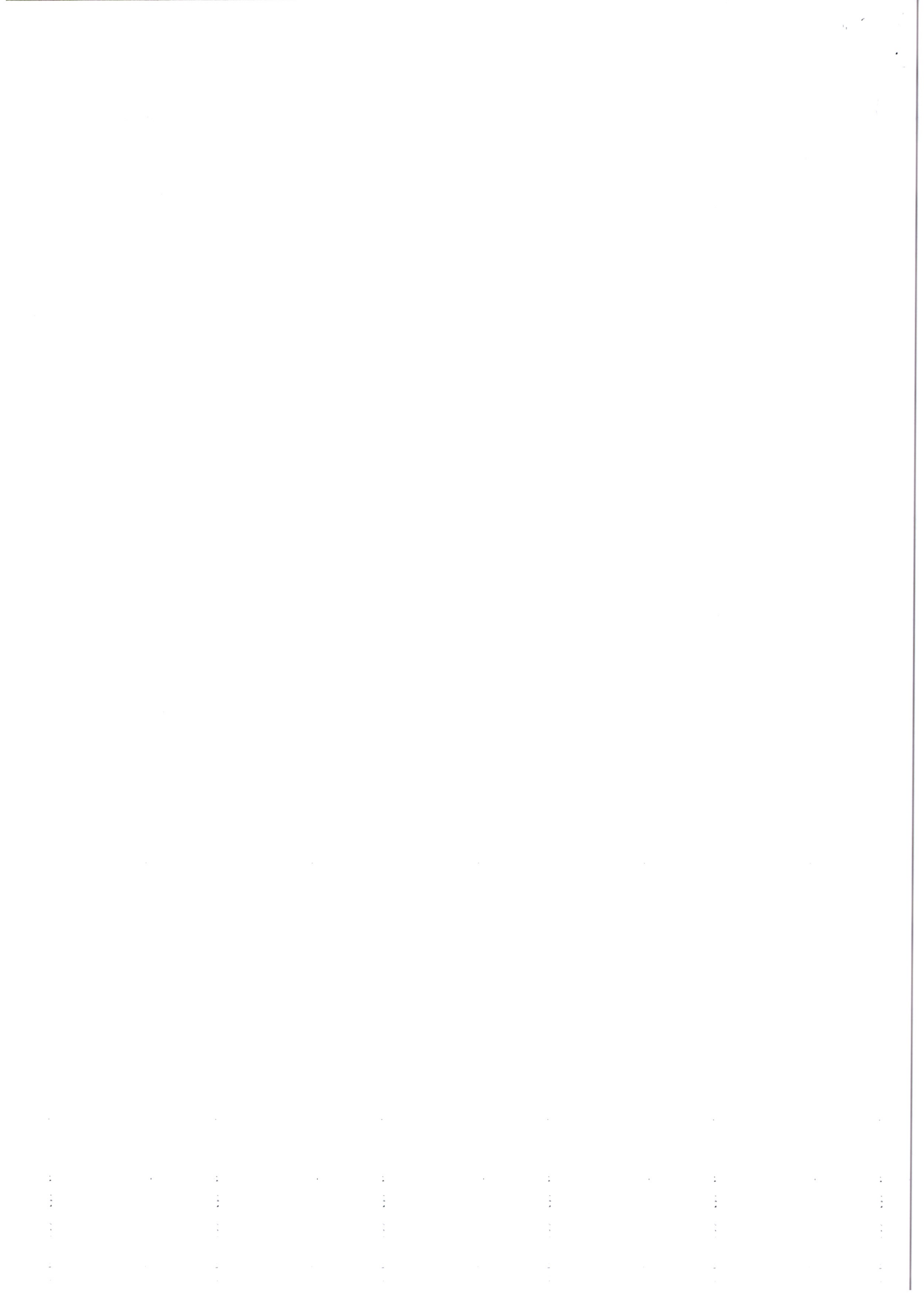
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	118,820,188	41,169,745	159,989,933	100,580,210	59,409,722	63
TOTAL	118,820,188	41,169,745	159,989,933	100,580,210	59,409,722	63
PAYMENTS						
Compensation of Employees	2,500,000	0	2,500,000	1,653,829	846,171	66
Use of goods and services	3,967,998	0	3,967,998	4,189,368	(221,371)	106
Committee Expenses	4,300,000	0	4,300,000	6,084,000	(1,784,000)	141
Transfers to Other Government Units	41,437,931	29,351,759	70,789,690	50,770,588	20,019,102	72
Other grants and transfers	62,980,259	10,951,985	73,932,245	50,265,360	23,666,885	68
Social Security Benefits	24,000	-	24,000	3,600	20,400	15
Acquisition of Assets	-	-	-	-	-	-
Other Payments	3,610,000	866,000	4,476,000	4,390,000	86,000	98
TOTALS	118,820,188	41,169,745	159,989,933	117,356,746	42,633,187	

The Moyale CDF financial statements were approved on 18/09 2015 and signed by:

.....
 Abdi Ibrahim
Chairman - CDFC

.....
 Yusuf Dika
Fund Account Manager





VII. 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

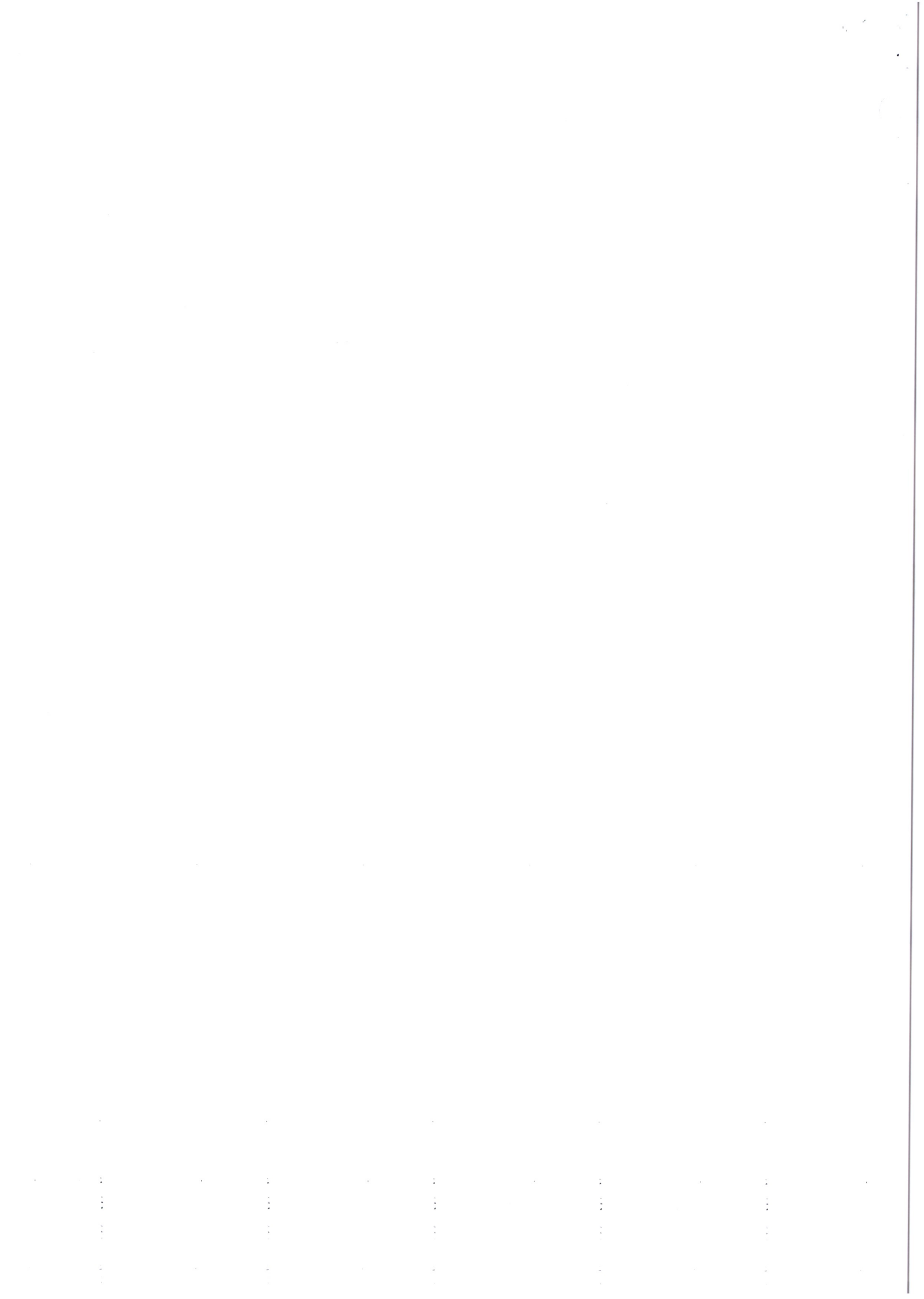
The CDF recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the CDF. In addition, the CDF recognises all expenses when the event occurs and the related cash has actually been paid out by the CDF.

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.

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



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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

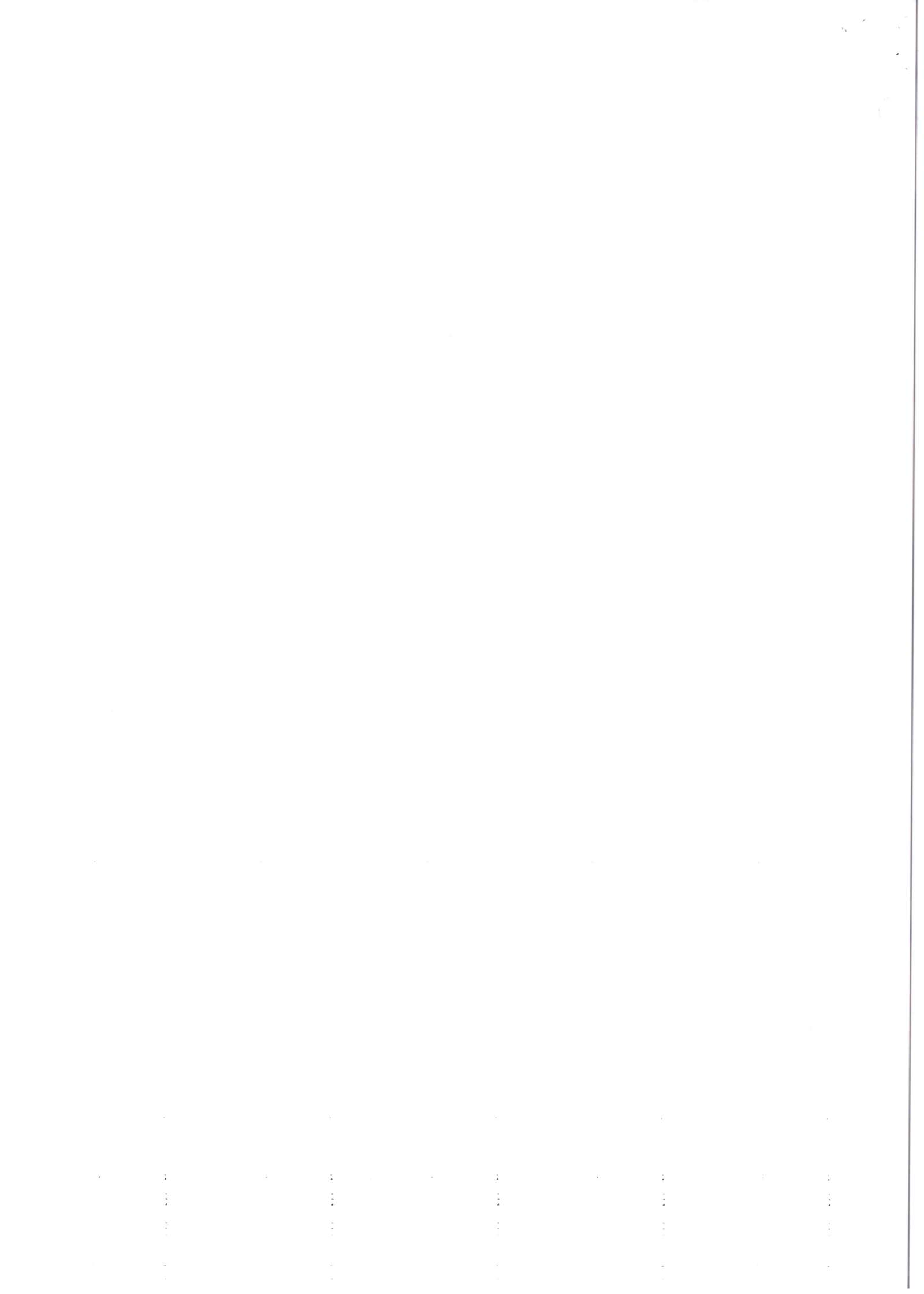
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The CDF’s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment 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, 2015.



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

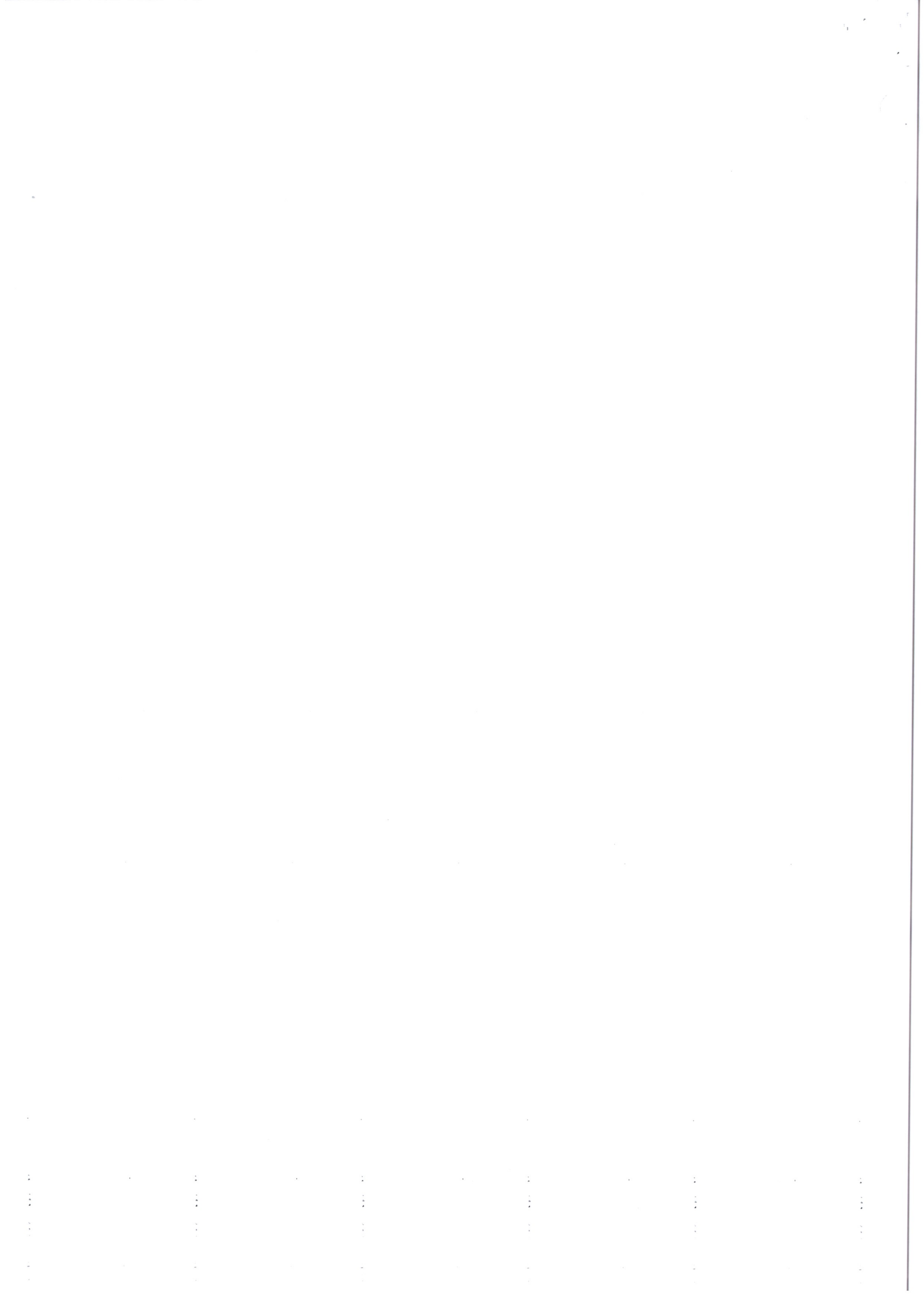
VIII. NOTES TO THE FINANCIAL STATEMENT

1. TRANSFER FROM CDF BOARD

Description		2014 - 2015	2013 - 2014
		Kshs	Kshs
CDF Board			
AIE NO	A750284-Ref. No. 2013/2014/770	41,169,744	
AIE NO	A796503-Ref. No. 2014/2015/312	25,705,233	
AIE NO	A796865-Ref. No.2014/2015/631	33,705,233	
	A711925- Ref. No. 2011/12/802		38,079,222
	A711946- Ref. No.2012/13/537		27,620,284
	A709948- Ref. No.2013/14/087		2,000,000
	A709848- Ref. No. 2012/13/610		47,314,765
	A735813- Ref. No. 2013/14/410		39,187,745
TOTAL		100,580,210	152,202,016

2. COMPENSATION OF EMPLOYEES

	Description	2014-2015	2013 - 2014
		Kshs	Kshs
2110201	Basic wages of contractual employees	1,653,829	1,126,108
	Total	1,653,829	1,126,108



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

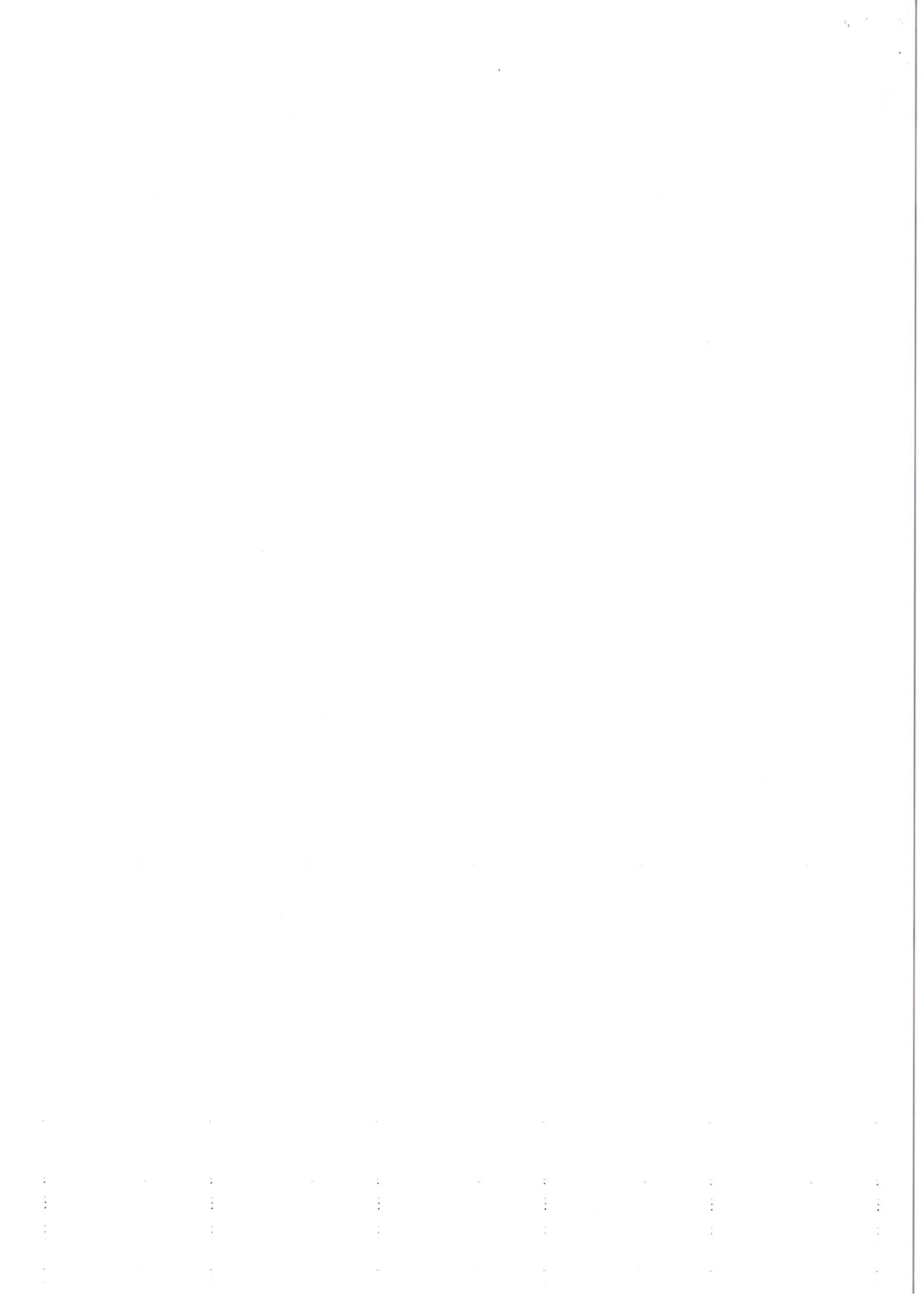
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. USE OF GOODS AND SERVICES

	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
2210100	Utilities, supplies and services	252,540	155,400
2210200	Communication, supplies and services		254,702
2210300	Domestic travel and subsistence		712,100
2210500	Printing, advertising and information supplies & services	77,000	215,000
2210700	Training Expenses	350,000	
2211100	Office and general supplies and services		318,556
2211200	Fuel ,oil & lubricants	2,111,186	2,355,050
2211300	Other operating expenses	580,152	195,000
2220100	Routine maintenance – vehicles and other transport equipment	818,490	1,024,254
2220200	Routine maintenance – other assets		42,400
	Total	4,189,369	5,272,462

4. COMMITTEE EXPENSES

	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
2210802	Other committee expenses	958,500	120,540
2210809	Committee allowance	5,125,500	4,290,000
	TOTAL	6,084,000	4,410,540

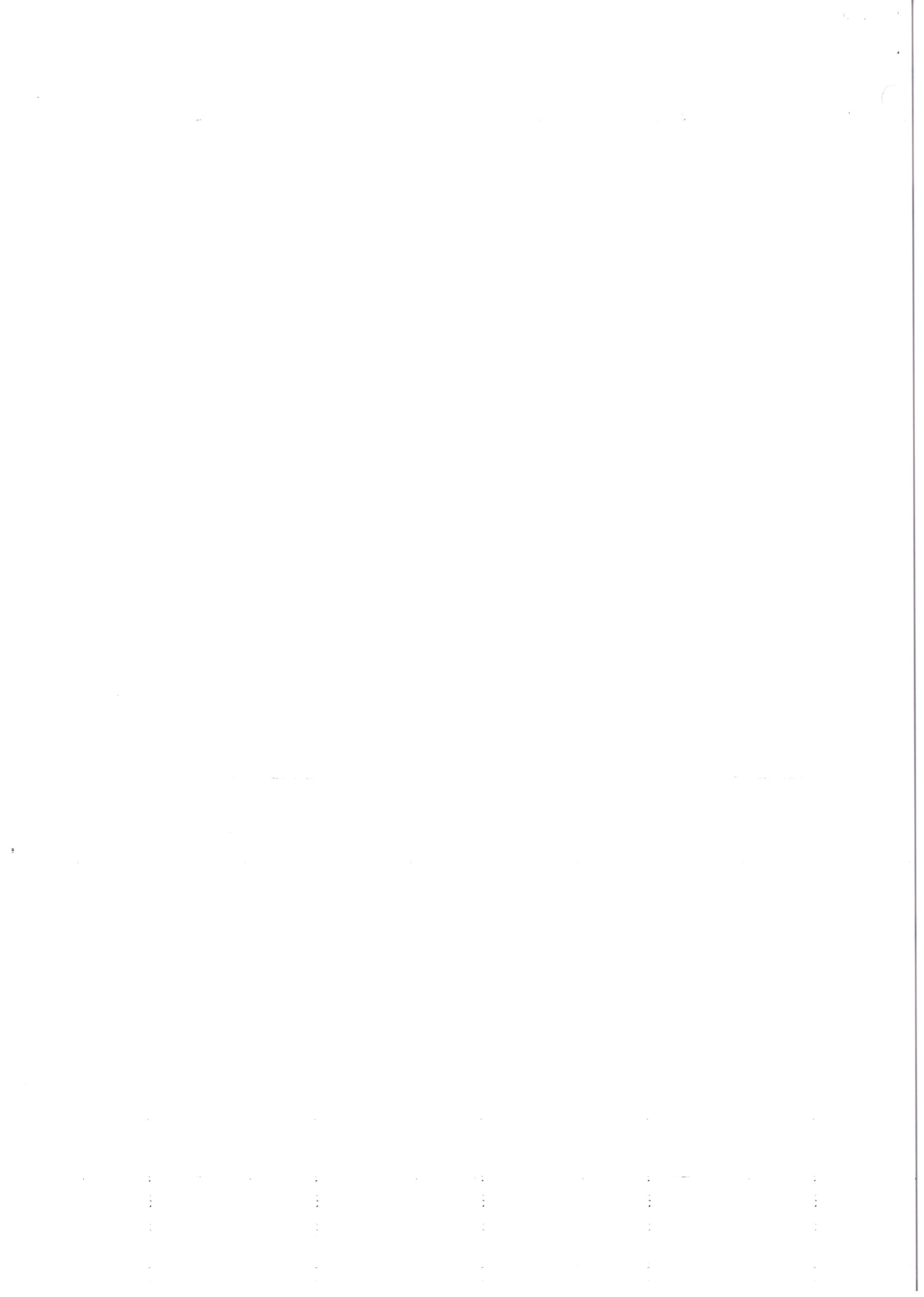


CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****5. TRANSFER TO OTHER GOVERNMENT ENTITIES**

	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
2630204	Transfers to Primary schools	31,408,022	34,308,829
2630205	Transfers to Secondary schools	14,365,226	12,857,766
2630206	Transfers to Tertiary institutions		2,729,430
2630207	Transfers to Health institutions	4,997,340	7,699,160
	TOTAL	50,770,588	57,595,185

6. OTHER GRANTS AND OTHER PAYMENTS

		2014 - 2015	2013 - 2014
		Kshs	Kshs
2640101	Bursary –Secondary	10,143,500	7,941,450.00
2640102	Bursary –Tertiary	9,723,000	6,730,050.00
2640104	Mocks & CATS	431,430	
2640504	Water	19,213,644	17,307,020
2640507	Security		1,498,111
2640508	Roads	2,019,536	33,438,370
2640509	Sports	670,000	
2640511	Community projects		1,400,000
2640200	Emergency Projects	8,064,250	4,119,750
	Total	50,265,360	72,434,752



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. SOCIAL SECURITY BENEFITS

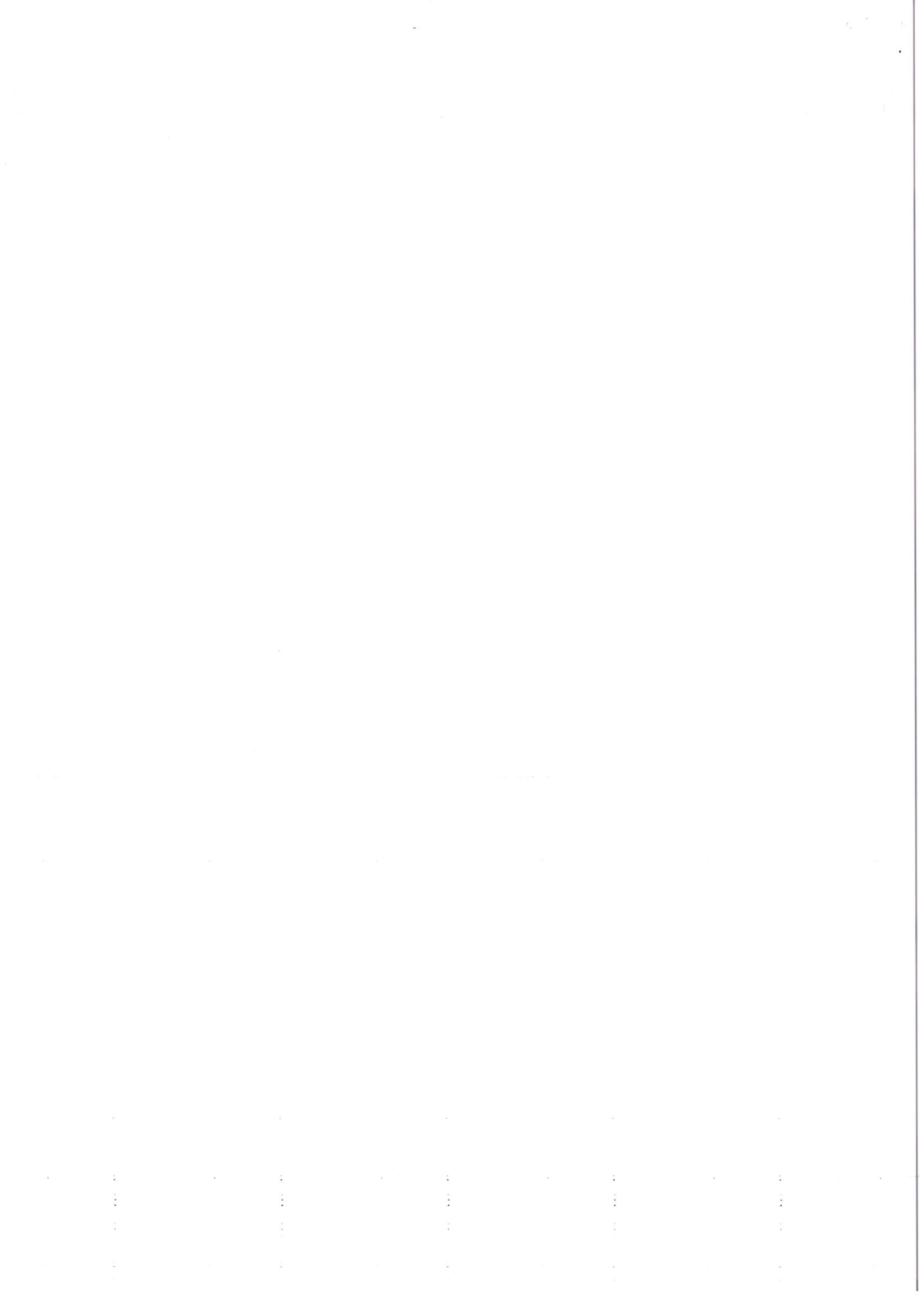
		2014-2015	2013 - 2014
			Kshs
2120101	Employer contribution to NSSF	3,600	2,800
	Total	3,600	2,800

8. ACQUISITION OF ASSETS

	Non Financial Assets	2014-2015	2013 - 2014
			Kshs
3111001	Purchase of Office furniture and fittings	0	1,474,524
	Total	0	1,474,524

9. BANK BALANCES (CASH BOOK BANK BALANCE)

Date	Name of Bank, Account No. & currency	2014-2015	2013 - 2014
		Kshs	Kshs
30.06.2015	Equity Bank, Moyale Branch no. 1020298992601 A/C	11,504,038	
30.06.2014	Equity Bank, Moyale Branch no. 1020298992601 A/C		26,779,573
	Total	11,504,038	26,779,573



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015**

10. OUTSTANDING IMPRESTS

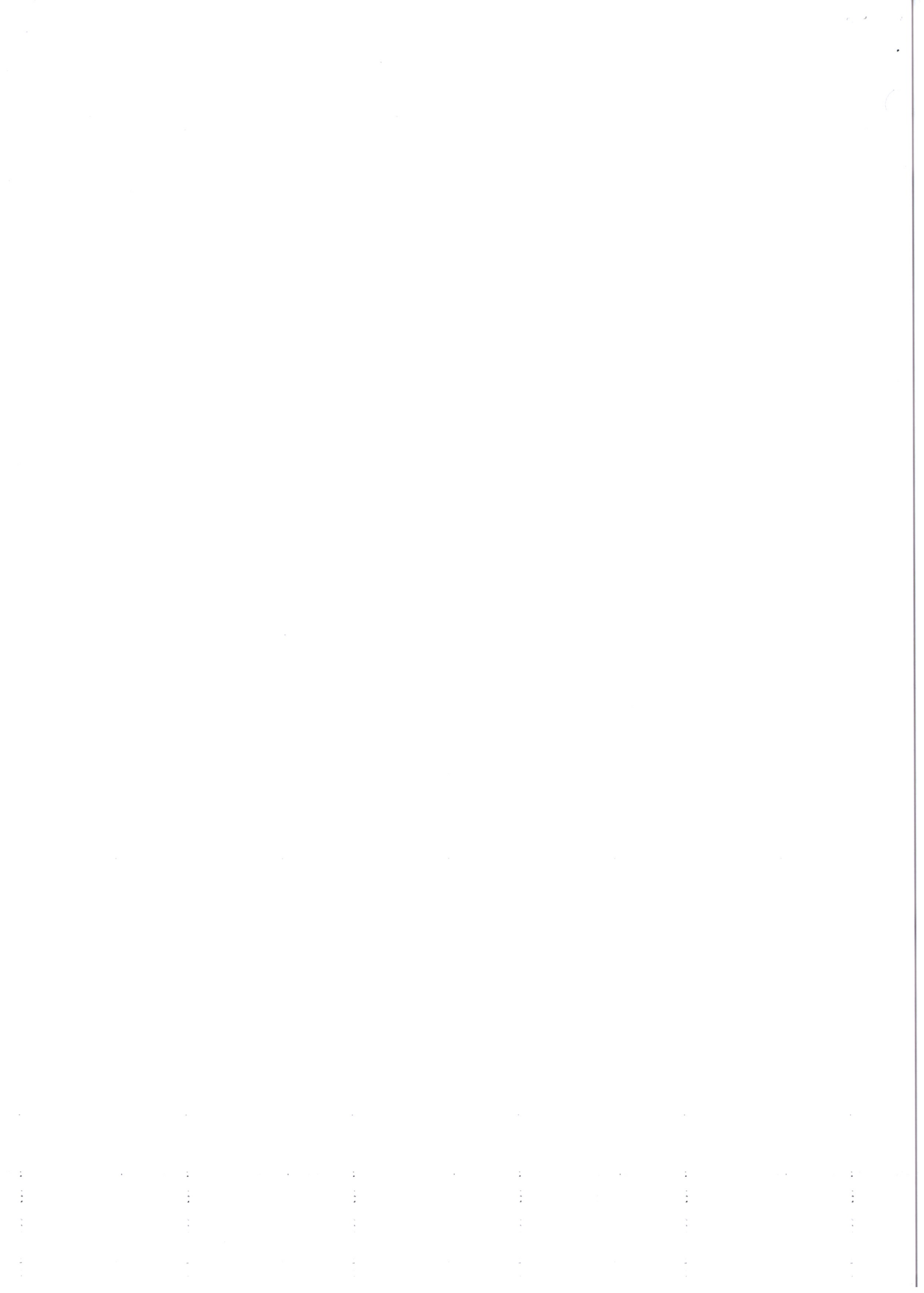
Name of Officer or Institution	Amount Taken	Amount Surrendered	Balance -2013/2014
	Kshs	Kshs	Kshs
Japhet Ngui	1,501,000	-	1,501,000
Total			1,501,000

11. OTHER PAYMENT

	2014-2015	2013 - 2014
	Kshs	Kshs
Moyale Community Library	700,000	
Strategic Plan	1,800,000	
Sign Posts	40,000	
Moyale Township Cementry	800,000	
Moyale CDF Office	1,050,000	
Total	4,390,000	

12. BALANCES BROUGHT FORWARD

	2014-2015	2013 - 2014
	Kshs	Kshs
Cash at Bank account	28,280,573	16,394,928



CONSTITUENCY DEVELOPMENT FUND – MOYALE CONSTITUENCY
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13.1 SUMMARY OF FIXED ASSETS REGISTER

Asset class	Historical Cost (Kshs) 2014/15	Historical Cost (Kshs) 2013/14
Land		
Buildings and structures	7,976,000	7,976,000
Transport equipment	4,550,000	4,550,000
Office equipment, furniture and fittings	1,328,750	1,328,750
ICT Equipment, Software and Other ICT Assets	133,500	133,500
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total	13,988,250	13,988,250

