

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

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THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND
MAARA CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2015

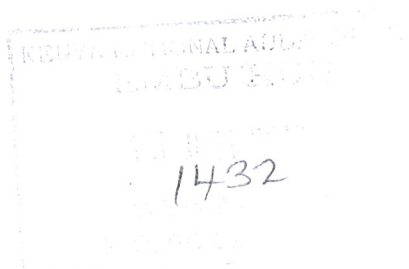


CONSTITUENCIES DEVELOPMENT FUND – MAARA

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)



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

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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The Constituencies Development Fund (CDF) was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013.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 Constituency Development Fund

The objective of the fund is to ensure that specific portion of the national annual budget is devoted to the constituencies for the purpose of infrastructural development, wealth creation and in the fight against poverty at constituency level.

(b) Key Management

The Maara *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.	Accounting Officer	Yusuf Mbuno
2.	A.I.E Holder	Anthony Muchangi Kariuki
3.	Accountant	Samuel Njoroge Kamau

(d) Fiduciary Oversight Arrangements

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

(e) Maara CDF Headquarters

P.O. Box 301-60401
Youth Empowerment Centre
Kieganguru kiraro road
chogoria, KENYA

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(f) Maara CDF Contacts

E-mail: cdfmaara@cdf.go.ke

(g) Maara CDF Bankers

1. Equity bank
Chuka branch
A/C NO. 0210261751645

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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

During the financial year Maara CDF utilised Kshs 82,265,498 out of kshs 107,231,479 available for utilisation representing 77% absorption rate. This comprised compensation of employees at 73%, use of goods and services 68%, committee members expenses 98%, transfer to other government units 69%, other grants and transfers 82% and social security benefits 38% and acquisition of assets at 100%.

The constituency has greatly benefitted from CDF notably in the sectors of Education, water ,Health, sports, environment conservation, roads and bridges among many other areas.

During implementation of the projects, the constituency has encountered numerous challenges including: lack of proper planning by project management committees, lengthy and cumbersome procurement procedures, late release of funds and so many projects requiring assistance against limited resources.

To address these challenges we recommend that: more funds be set aside for monitoring and evaluation to enable CDFC train project management committees on project planning, the CDF Board ensures the category of CDF for procurement purposes is moved upwards and employment of procurement assistants at CDFC level, the Board releases funds on time to ensure utilisation is improved and an increase in the CDF funding to enable the constituency take care of the numerous projects proposed by the residents.



Njue Njagi Kaithungu
CHAIRMAN CDFC
Maara constituency



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III. STATEMENT OF CONSTITUENCY MANAGEMENT RESPONSIBILITIES

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

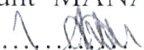
The Fund Account Manager in charge of the Maara *CDF* is responsible for the preparation and presentation of the Constituency's financial statements, which give a true and fair view of the state of affairs of the Constituency as at the end of the financial year ended on June 30, 2015. This responsibility 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 constituency; (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 constituency; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Fund Account Manager in charge of the Maara *CDF* accepts responsibility for the Constituency'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) and relevant legal framework of the Government of Kenya. The Fund Account Manager is of the opinion that the Maara *CDF* financial statements give a true and fair view of the state of Constituency's transactions during the financial year ended June 30, 2015, and of the Constituency's financial position as at that date. The Fund Account Manager in charge of the Maara *CDF* further confirms the completeness of the accounting records maintained for the Constituency, which have been relied upon in the preparation of the Constituency financial statements as well as the adequacy of the systems of internal financial control.

The Fund Account Manager in charge of the Maara *CDF* confirms that the entity has complied fully with applicable Government Regulations and that the Constituency'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 Fund Account Manager confirms that the Constituency'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 Maara *CDF* financial statements were approved and signed on 26th August 2015.

Anthony M. Kariuki
Fund Account MANAGER
Signature.....

Njue Njagi Kaithungu
CHAIRMAN CDFC
Signature.....

DATE.....

DATE.....

REPUBLIC OF KENYA

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Website: www.kenao.go.ke



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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Maara Constituency set out on pages 5 to 22, which comprise statement of financial assets and liabilities as at 30 June 2015, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 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 the audit.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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(7) 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

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

assessments, the auditor 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. Cash and Cash Equivalents

The financial statements reflect a cash and cash equivalents balance of Kshs.24,971,981 as at 30 June 2015 which includes unrepresented cheques of Kshs.5,826,061 shown in the bank reconciliation statement of June 2015. However, included in the unrepresented cheques balance are stale cheques amounting Kshs.183,340 which had not been reversed in the cash book as at 30 June 2015.

In review of the foregoing, the accuracy of the cash and cash equivalents balance of Kshs.24,971,981 as at 30 June 2015 could not be ascertained.

2. Project Implementation and Payments

The approved budget of Kshs.85,753,802 (91% of the total budget) for development projects was apportioned among various sectors within the constituency namely primary schools, secondary schools, health institutions, sports, water projects, security, foot bridges, electrification and environment. The Fund had planned and budgeted to implement 117 projects. However, review of the project implementation status report revealed that only 39 projects were completed, 24 had not started and 54 were ongoing as shown below:

Sector	Project Status	Amount Allocated Kshs.	Amount Disbursed Kshs.	No. of projects
Education	Completed	20,837,981	20,837,981	25
	Ongoing	11,700,000	11,700,000	27
	Not started	3,100,000	-	08
	Sub Total	35,637,981	32,537,981	60
Health	Completed	450,000	450,000	01
	Ongoing	5,200,000	4,500,000	05
	Not started	-	-	-
	Sub Total	5,650,000	4,950,000	06
Water	Completed	-	-	-
	Ongoing	6,900,000	6,900,000	06
	Not started	1,000,000	-	01
	Sub Total	7,900,000	6,900,000	07

Security	Completed	300,000	300,000	01
	Ongoing	850,000	850,000	02
	Not started	-	-	-
	Sub Total	1,150,000	1,150,000	03
Foot Bridges	Completed	6,100,000	6,100,000	10
	Ongoing	-	-	-
	Not started	3,900,000	-	06
	Sub Total	10,000,000	6,100,000	16
Agriculture	Completed	-	-	-
	Ongoing	2,500,000	2,000,000	08
	Not started	-	-	-
	Sub Total	2,500,000	2,000,000	08
Electrification	Completed	-	-	-
	Ongoing	-	-	-
	Not started	3,750,000	3,750,000	06
	Sub Total	3,750,000	3,750,000	06
Sports	Completed	1,882,781	1,882,781	01
	Ongoing	-	-	-
	Not started	-	-	-
	Sub Total	1,882,781	1,882,781	01
Environment	Completed	1,382,781	1,382,781	01
	Ongoing	-	-	-
	Not started	-	-	-
	Sub Total	1,382,781	1,382,781	01
Emergency	Completed	-	-	-
	Ongoing	-	-	-
	Not started	5,400,259	-	01
	Sub Total	5,400,259	-	01
Other	Completed	-	-	-
	Ongoing	-	-	-
	Not started	10,500,000	-	02
	Sub Total	10,500,000	-	02
	Grand Total	85,753,802	60,653,543	117

Further, out of the budgeted 117 projects, 6 projects for installation of transformers allocated Kshs.3,750,000 and whose funds were disbursed had not yet commenced as at 30 June 2015. In addition, works on 18 other projects with an approved budget of Kshs.23,900,259 had not commenced though the funds had not been disbursed as at 30 June 2015. Therefore the residents of Maara Constituency did not obtain the expected services equivalent to Kshs. 27,650,259 in value.

In the circumstances, it has not been possible to ascertain that the Fund has the capacity to implement all projects as budgeted and planned to ensure service delivery to the constituents.

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 – Maara 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

15 November 2016

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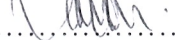
For the year ended June 30, 2015

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015	2013-2014
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	94,139,056	87,549,790
Other Receipts	2	6,000	0
TOTAL RECEIPTS		94,145,056	87,549,790
PAYMENTS			
Compensation of Employees	3	1,256,802	715,263
Use of goods and services	4	2,852,103	729,100
Committee meeting allowances	5	3,576,850	4,627,661
Transfers to Other Government Units	6	32,063,881	38,181,948
Other grants and transfers	7	42,495,062	26,915,656
Social Security Benefits	8	20,800	7,800
Acquisition of Assets	9		4,279,939
TOTAL PAYMENTS		82,265,498	75,457,367
SURPLUS/DEFICIT		11,879,558	12,092,423


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Maara CDF financial statements were approved on 26th August 2015 and signed by:

Anthony M. Kariuki
Fund Account MANAGER

Signature.....

DATE.....10/6/2016.....

Njue Njagi Kaithungu
CHAIRMAN CDFC

Signature.....

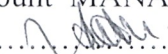
DATE.....10/6/2016.....

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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)	10A	24,971,941	12,092,423
Cash Balances (sale of tenders, hire of grader)	10B	40	-
TOTAL FINANCIAL ASSETS		24,971,981	12,092,423
REPRESENTED BY			
Fund balance b/fwd 1st July...	11	12,092,423	-
Surplus/Deficit for the year (from statement of receipt & expenditure		11,879,558	12,092,423
Prior year adjustments	12	1,000,000	-
NET LIABILITIES		24,971,981	12,092,423

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Maara CDF financial statements were approved on 26th August 2015 and signed by:

Anthony M. Kariuki
Fund Account MANAGER
Signature.....

DATE.....

Njue Njagi Kaithungu
CHAIRMAN CDFC
Signature.....


DATE.....


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VI. CASHFLOW STATEMENT

		2014-2015	2013-2014
		Kshs	Kshs
Receipts for operating Activities			
Transfers from Other Government Entities	1	94,139,056	87,549,790
Other Revenues	2	<u>6,000</u>	<u>-</u>
		94,145,056	87,549,790
Payments for operating expenses			
Compensation of Employees	3	1,256,802	715,263
Use of goods and services	4	2,852,103	729,100
Committee Expenses	5	3,576,850	4,627,662
Transfers to Other Government Units	6	32,063,881	38,181,948
Other grants and transfers	7	42,495,062	26,915,656
Social Security Benefits	8	20,800	7,800
Other Expenses		<u>-</u>	<u>-</u>
		<u>(82,265,498)</u>	<u>(71,177,428)</u>
Adjusted for:			
Adjustments during the year		1,000,000	-
Net cashflow from operating activities		12,879,558	16,372,362
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	9	-	4,279,939
Net cash flows from Investing Activities		-	(4,279,939)
NET INCREASE/ IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year		12,092,423	-
Cash and cash equivalent at END of the year		24,971,981	12,092,423

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Maara CDF financial statements were approved on 26th August 2015 and signed by:

Anthony M. Kariuki
Fund Account MANAGER
Signature.....

Njue Njagi Kaithungu
CHAIRMAN CDFC
Signature.....

DATE 10/6/2016

DATE 10/6/2016

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 Utilization Difference	% of Utilization Difference to Final Budget
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF board	94,139,056		94,139,056	94,139,056		
Proceeds from Sale of Assets						
Other receipts		13,092,423	13,092,423	6,000		
Total	94,139,056	13,092,423	107,231,479	94,145,056	13,086,423	88%
PAYMENTS						
Compensation of Employees	1,600,000	116,132	1,716,132	1,256,802	459,330	73%
Use of goods and services	3,511,082	506,061	4,017,143	2,852,103	1,165,040	68%
Committee Members Expenses	3,224,172	407,545	3,631,717	3,576,850	54,867	98%
Transfers to Other Government Units	39,287,981	6,982,759	46,270,740	32,063,881	14,206,859	69%
Other grants and transfers	46,465,821	5,075,526	51,541,347	42,495,062	9,046,285	82%
Social Security Benefits	50,000	4,400	54,400	20,800	33,600	38%

CONSTITUENCIES DEVELOPMENT FUND - MAARA CONSTITUENCY
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For the year ended June 30, 2015

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

a) 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 and relevant legal framework of the Government of Kenya. 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 Constituency and all values are rounded to the nearest thousand. 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 Constituency.

b) Recognition of revenue and expenses

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

c) In-kind contributions

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

d) Cash and cash equivalents

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

REPORTS AND FINANCIAL STATEMENTS
 For the year ended June 30, 2015

The Maara CDF financial statements were approved on 26th August 2015 and signed by:

Acquisition of Assets						
TOTALS	94,139,056	13,092,423	1,07,231,479	82,265,498	24,965,981	77%

Anthony M. Kariki
 Fund Account MANAGER

Signature.....

DATE 10/6/2015

Njue Njagi Kaithungu
 CHAIRMAN CDFO

Signature.....

DATE 10/6/2015

CONSTITUENCIES DEVELOPMENT FUND – MAARA CONSTITUENCY

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include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

e) 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 receipt or payment of cash in the reporting period, they are recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the Constituency at the end of the year. When the receivables or payables are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

f) 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 Constituency’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 Constituency’s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

g) Comparative figures

This is the first year the Constituency is preparing financial statements and hence we do not have comparative figures.

h) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2015.

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IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM CDF BOARD

	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
Normal Allocation	AIE No. A750353 / A735557	7,300,000	26,426,638
	AIE No. A759592 / A735769	16,234,764	19,819,979
	AIE No. A796604 / A750003	14,120,858	19,819,979
	AIE No. A796813 / A709801	9,413,906	21,483,195
	AIE No. A 797149	23,534,764	-
	AIE No. A796128	23,534,764	-
	TOTAL	94,139,056	87,549,790

2 OTHER REVENUES

		2014 - 2015	2013 - 2014
		Kshs	Kshs
1420601	Sale of tender documents	6,000	0
	Total	6,000	0

3 COMPENSATION OF EMPLOYEES

		2014 - 2015	2013 - 2014
		Kshs	Kshs
2110201	Basic wages of contractual employees	1,256,802	715,263
	Total	1,256,802	715,263

CONSTITUENCIES DEVELOPMENT FUND – MAARA CONSTITUENCY

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4 USE OF GOODS AND SERVICES

		2014 - 2015	2013 - 2014
		Kshs	Kshs
2210100	Utilities, supplies and services	100,120	300,000
2210104	Office rent	0	150,100
2210200	Communication, supplies and services	273,540	85,000
2210300	Domestic travel and subsistence	206,000	16,000
2210500	Printing, advertising and information supplies & services	69,600	175,000
2210700	Training	180,000	
2210800	Hospitality supplies and services	331,800	
2211000	Specialized materials and services	71,000	
2211100	Office and general supplies and services	283,380	3,000
2211200	Fuel ,oil & lubricants	562,625	
2211300	Other operating expenses	109,773	
2220100	Routine maintenance – vehicles and other transport equipment	316,469	
2220200	Routine maintenance – other assets	93,600	
2210900	Insurance costs	234,197	
Total		2,852,103	729,100

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5 CDFC COMMITTEE EXPENSES

Description		2014 - 2015	2013 - 2014
		Kshs	Kshs
2210802	Other Committee Expenses	2,912,850	3,085,100
2210809	Committee Allowance	664,000	1,542,562
TOTAL		3,576,850	4,627,662

6 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description		2014 - 2015	2013 - 2014
		Kshs	Kshs
2630204	Transfers to Primary Schools	13,237,981	16,481,948
2630205	Transfers to Secondary Schools	5,800,000	13,600,000
2630206	Transfers to Tertiary Institutions	1,100,000	1,400,000
2630207	Transfers to Health Institutions	11,925,900	6,700,000
TOTAL		32,063,881	38,181,948

7 OTHER GRANTS AND OTHER PAYMENTS

		2014 - 2015	2013 - 2014
		Kshs	Kshs
2640101	Bursary -Secondary	5,507,500	4,608,000
2640102	Bursary -Tertiary	3,522,000	3,145,891
2640104	Bursary-Special schools	25,000	11,000
2640105	Mocks & CAT	1,814,000	

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2640504	water	9,800,000	6,623,411
2640505	food security	2,000,000	700,000
2640506	Electricity	3,750,000	-
2640507	Security	2,150,000	4,550,000
2640508	Roads	5,600,000	1,000,000
2640509	Sports	1,882,781	1,231,677
2640510	Environment	1,382,781	1,231,677
2640200	Emergency Projects	5,061,000	3,814,000
	Total	42,495,062	2,6915,656

8 SOCIAL SECURITY BENEFITS

		2014 - 2015	2013 - 2014
		Kshs	Kshs
2120101	Employer contribution to NSSF	20,800	7,800
	Total	20,800	7,800

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9 ACQUISITION OF ASSETS

	2014 - 2015	2013 - 2014
ITEM	Kshs	Kshs
3100000 Toyota Hilux	-	4,297,939
Total	-	4,297,939

10 A Bank Balances (cash book bank balance)

Name of Bank, Account No. & currency	2014 - 2015	2013 - 2014
	Kshs	Kshs
<i>Equity bank, chuka branch A/C NO 0210261751645</i>	24,971,941	12,092,423
Total	24,971,941	12,092,423

10 B CASH BALANCES (cash in hand)

	2014 - 2015	2013 - 2014
	Kshs	Kshs
cash for office use	40	0
Total	40	0

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11 BALANCES BROUGHT FORWARD

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bank accounts	12,092,423	0
Total	12,092,423	0

12 PRIOR YEAR ADJUSTMENTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Payables	1,000,000	0
Total	1,000,000	0

13 OTHER IMPORTANT DISCLOSURES

13.1 PENDING STAFF PAYABLES (See Annex 1)

	2014 - 2015	2013 - 2014
	Kshs	Kshs
CDFC Staff gratuity	175,844	0
	175,844	0

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ANNEX 1: ANALYSIS OF PENDING STAFF PAYABLES

Name of staff	Job group	Outstanding balance
ANN MWENDE	G	37,503
NELLYJOY MURUGI	G	28,000
GENESIUS KITHINJI	J	46,611
WYCLIFF MAWIRA	J	19,730
JACOB MUNENE	G	44,000
Total		175,844

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ANNEX 2: SUMMARY OF FIXED ASSETS REGISTER

Asset Class	Historical Cost	Historical Cost
	2014/2015	2013/2014
	Kshs	Kshs
Motor Vehicles	4,279,939	4,279,939
Total	4,279,939	4,279,939

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ANNEX 3: PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

1.0 Failure to disburse Funds to Projects

The undisbursed funds were for projects under health which had received half the funds with the other half to be released after accounting for first half disbursement and purchase of water pipes and construction of prefabricated staff houses which were awaiting designs from the CDF Board. The release of funds in tranches is meant to ensure project management committees utilize funds prudently. The Kshs 12,092,423 was meant for a number of projects as outlined below:

Project Name	Allocation	Disbursement	Undisbursed Amount	Reasons for delay in disbursement	Current status
Office Administration	3,695,030	3,113,468	581,562	Routine operations which are recurrent in nature	Funds were utilized for administrative purposes
Monitoring and Evaluation	1,847,515	1,447,000	400,515	Routine operations which are recurrent in nature	Funds were utilized for monitoring
Bursary	7,390,060	7,378,000	12,060	Balance from allocated amount	utilized
Emergency	3,564,466	2,801,000	763,466	To cater for any unforeseen event	Amount utilized
Karaa Dispensary	1,000,000	500,000	500,000	To account for first disbursement before additional release of additional funds	Funds utilized for intended purpose
Muthambi H/C	1,000,000	500,000	500,000	To account for first disbursement before additional release of additional funds	Funds utilized for intended purpose
Mumbuni Dispensary	1,000,000	500,000	500,000	To account for first disbursement before additional release of additional funds	Funds utilized for intended purpose

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Kariakomo Dispensary	1,120,690		1,120,690	Delay in design from the CDF Board caused delay in the procuring process. The process had begun by closure of the financial year and lpo was issued in early July.	Funds utilized for intended purpose
Kalewa Disypensary	1,120,690		1,120,690	Delay in design from the CDF Board caused delay in the procuring process. The process had begun by closure of the financial year and lpo was issued in early July.	Staff houses built
Kaare Dispensary	1,920,690	800,000	1,120,690	Delay in design from the CDF Board caused delay in the procuring process. The process had begun by closure of the financial year and lpo was issued in early July.	Funds utilized for intended purpose
Mukui Dispensary	1,120,690		1,120,690	Delay in design from the CDF Board caused delay in the procuring process. The process had begun by closure of the financial year and lpo was issued in early July.	Staff houses built
Maara District Social Hall	1,500,000	750,000	750,000	To account for first disbursement before additional release of additional funds	Funds utilized for intended purpose

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constituency motor vehicle	4,700,000	4,297,939	402,061	Vehicle bought and this is the balance from the allocated amount	Funds utilized
Kithitu Thigaa w/p	2,000,000		2,000,000	Procurement process by CDF Tender committee had already began by the closure of the financial year and an LPO Issued only delivery was remaining.	Pipes bought
Kamwene w/p	1,200,000		1,200,000	Procurement process by CDF Tender committee had already began by the closure of the financial year and an LPO Issued only delivery was remaining.	Pipes bought
TOTAL KSHS			12,092,423		