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REPORT

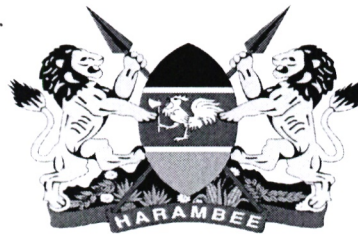
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND
TIGANIA WEST CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2015**



**CONSTITUENCY DEVELOPMENT FUND- TIGANIA WEST
CONSTITUENCY**

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)



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

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CONSTITUENCY DEVELOPMENT FUND- TIGANIA WEST CONSTITUENCY
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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The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013.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 *Constituencies Development Fund*.

(b) Key Management

The *TIGANIA WEST 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	Kenneth Njagi
3.	Accountant	Stanley Thiribi
4.		

(d) Fiduciary Oversight Arrangements

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

(e) TIGANIA WESTCDF Headquarters

P.O. Box 150 KIANJAI
CDF Building/House/Plaza
Urru market/Highway
Nairobi, KENYA

CONSTITUENCY DEVELOPMENT FUND- TIGANIA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

(f) TIGANIA WESTCDF Contacts

Telephone: (254) XXXXXXXXX
E-mail: cdf.tiganiawest@cdf.go.ke
Website: www.go.ke

(g) TIGANIA WESTCDF Bankers

1. Equity bank
Meru
P.O. Box 402
ACC NO:0140292799595
City Square 00200
Nairobi, Kenya

(h) Independent Auditors

Auditor General
Kenya National Audit Office
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

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

The Tigania West CDFC has been working to see to it that all the projects that have been funded previously by the Tigania West CDFC have been completed to the defined phase and that the community members are benefiting from the projects.

KEY ACHIEVEMENTS

- a) All projects have been constructed to the required ministerial standards with consultation with the relevant government ministries.
- b) Miathene boys has been in a position to accommodate an increased number of students after the construction of 4 classrooms, Mutionjuri dispensary is now a district hospital after being equipped with 1 wards and doctors rooms and houses
- c) Akithii ward has been in a position to get clean water due to funding of various projects in the ward thus farming is now a dream come true in the area
- d) Demand for education has been on the rise thus bursary allocations have been added in the financial year 2015/2016



Jimmy Munjuri
CHAIRPERSON CDFC

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III. 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.

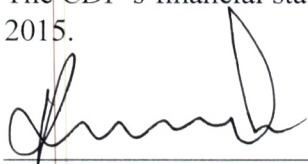
The Accounting Officer in charge of the (*TIGANIA WESTCDF*) is responsible for the preparation and presentation of the *CDF's* financial statements, which give a true and fair view of the state of affairs of the *CDF* for and as at the end of the financial year (period) ended on June 30, 2015. This responsibility 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 (*TIGANIA WESTCDF*) 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 (*name of the 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 (*TIGANIA WESTCDF*) confirms that the *CDF* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the *CDF's* funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *CDF's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The *CDF's* financial statements were approved and signed by the Accounting Officer on 16/9 2015.



Jimmy Munjuri
Chairperson - CDFC



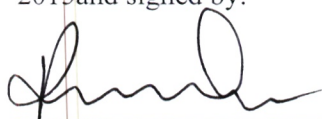
Kenneth Njagi
Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- TIGANIA WEST CONSTITUENCY
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IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015 Kshs	2013-2014 Kshs
RECEIPTS			
Transfers from Other Government Entities	1	90,802,867	82,581,602
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		90,802,867	82,581,602
PAYMENTS			
Compensation of Employees	4	994,378	949,730
Use of goods and services	5	9,259,353	1,140,487
Committee Expenses	6	3,750,460	6,312,153
Transfers to Other Government Units	7	18,146,350	29,689,420
Other grants and transfers	8	47,708,992	34,953,655
Social Security Benefits	9	19,600	7,003
Acquisition of Assets	10	-	7,747,044
Other Payments	11	1,818,961	-
TOTAL PAYMENTS		81,698,094	80,799,492
SURPLUS/DEFICIT		9,104,773	1,782,110

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TIGANIA WESTCDF financial statements were approved on 16/9 2015 and signed by:



Jimmy Munjuri
Chairperson - CDFC



Kenneth Njagi
Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON CONSTITUENCIES DEVELOPMENT FUND – TIGANIA WEST 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 - Tigania West Constituency set out on pages 6 to 25, which comprise the statement of assets as at 30 June 2015, and the statement of receipts and payments, statement of cash flows and 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 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(2) 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 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

Report of the Auditor-General on Constituencies Development Fund – Tigania West for The Year Ended 30 June 2015

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 adverse audit opinion.

Basis for Adverse Opinion

1. Accuracy, Completeness and Presentation of the Financial Statements

1.1 Presentation of the Financial Statements

According to International Public Sector Accounting Standards (Cash Basis), the management is required to include the action taken on the previous year auditor's recommendation as part of the financial statements. In the year 2013/2014, Tigania West CDF had a qualified audit opinion. However, no report on the progress of follow-up on the issues raised in the audit report was included in the financial statements for the year under review. Additionally, the financial statements did not conform to the prescribed International Public Sector Accounting Standards (Cash basis) reporting template presentation format, as they were not properly paged, the statement of assets was not signed by the chairperson – CDFC and the notes to the financial statements were not properly cross referenced as the numbering on the actual notes differed with the numbering reflected on the face of the financial statements.

1.2 Pending Payables

Note 15.3 to the financial statements reflects pending payables balance of Kshs. 49,353,698 as at 30 June 2015. However, the pending payables were not analyzed as required by IPSAS (Cash Basis). In addition, the cash and cash equivalents balance as at 30 June 2015 was only Kshs. 13,837,438 which was not adequate to cover the pending bills. As a result, the authenticity of the payables balance of Kshs. 49,353,698 as at 30 June 2015 could not be confirmed.

1.3 Inaccuracies in the Financial Statements

The financial statements balances and the supporting schedules balances have the following unexplained variances;

Item	Balance as per Financial Statement/Notes (Kshs)	Balance as per supporting schedules (Kshs)	Variance (Kshs)
Bursary Secondary	8,800,104	13,540,614	4,740,450
Bursary Tertiary	10,787,200	6,194,690	(4,592,510)
Routine maintenance	450,000	1,126,961	676,961

Bursary special	200,000	52,000	(148,000)
Other payment	1,818,961	1,142,000	(676,961)

Further, Note 14 to the financial statements and the statements of assets reflect an unexplained prior year adjustment of Kshs. 1,329,500.

In view of the foregoing, the validity, accuracy, completeness of the financial statements could not be ascertained.

2. Cash and Cash Equivalents

Included in the cash and cash equivalents balance of Kshs.13,837,438 as at 30 June 2015 are reconciling items of unrepresented cheques amounting to Kshs.6,040,898 out of which cheques amounting to Kshs.609,945 were stale.

In the circumstances, it has not been possible to ascertain the accuracy and completeness of the cash and cash equivalents balance of Kshs.13,837,438 as at 30 June 2015.

3. Budgetary Control and Performance

During the year under review, Tigania West Constituency had an approved budget of Kshs.140,156,565 and actual receipts of Kshs. 90,802,867 (65%). However, the Fund did not utilize all the exchequer receipts as only Kshs. 81,698,094 (90%) was utilized.

The budgeted amount of Kshs.140,156,565 was divided into seven (7) categories namely emergency (5%), Sports activities (2%), Monitoring and Evaluation (4%), Environment (2%), Education Bursary (25%), Administration (7%) and Projects (55%). The following is a comparison of budget verses actual expenditure;

Sub Head	Budget (Kshs.)	Actual (Kshs.)	Difference between actual and Budgeted Expenditure (Kshs.)
Administration/Recurrent/M&E	16,193,023	14,700,752	1,492,271
Auditors Fees	500,000		500,000
Emergency	7,464,725	4,215,190	3,249,535
Sports activities	3,049,027	1,541,000	1,508,027
Environmental Projects	2,147,389	2,204,300	(56,911)
Bursary-Secondary	17,899,221	8,800,104	9,099,117
Bursary-Tertiary	11,300,000	10,787,200	512,800
Bursary-Special	-	200,000	(200,000)
Primary School Projects	15,587,931	5,516,170	10,071,761
Secondary School Projects	16,700,000	11,990,180	4,709,820
Health Projects	5,200,000	640,000	4,560,000

Water Projects	21,261,176	13,468,960	7,792,216
Road Projects	9,254,073	1,003,600	8,250,473
Agricultural Projects	500,000	65,000	435,000
Electricity Project	3,000,000	132,000	2,868,000
Security Projects	8,600,000	5,291,638	3,308,362
Strategic Planning, Internet websites	1,500,000	1,142,000	358,000
Totals	140,156,565	81,698,094	58,458,471

From the above analysis, it is evident that, the constituents of Tigania West Constituency did not receive all the budgeted services.

4. Project Implementation and Management

During the year under review, Tigania West CDF allocated Kshs.112,543,993 to one hundred and eighty one (181) projects in various sectors including education, health institutions, roads and water. Analysis as per the project implementation status revealed that one hundred and fifty five (155) projects were completed, nine (9) had not started and seventeen (17) projects were on going as follows:-

Sector	Project Status	Amount Allocated (Kshs.)	Amount Disbursed (Kshs.)	Variance (Kshs.)	No. of projects
Education	Completed	42,387,931	39,787,931	2,600,000	78
	Ongoing	600,000	600,000.00	0	2
	Not started	400,000	0.00	400,000	1
	Sub Total	43,387,931	40,387,931	3,000,000	81
Health	Completed	10,382,759	10,382,759	0	9
	Ongoing	0.00	0.00	0	0
	Not started	0.00	0.00	0	0
	Sub Total	10,382,759	10,382,759	0	9
Water	Completed	11,202,000	11,202,000	0	21
	Ongoing	5,211,176	5,211,176	0	4
	Not started	4,150,000	0.00	4,150,000	8
	Sub Total	20,563,176	16,413,176	4,150,000	33

Security	Completed	4,750,000	4,750,000	0	11
	Ongoing	3,900,000	3,900,000	0	11
	Not started	0.00	0.00	0	0
	Sub Total	8,650,000	8,650,000	0	22
Roads	Completed	9,254,073	9,254,073	0	11
	Ongoing	0.00	0.00	0	0
	Not started	0.00	0.00	0	0
	Sub Total	9,254,073	9,254,073	0	11
Environment	Completed	3,529,027	3,529,027	0	9
	Ongoing	0.00	0.00	0	0
	Not started	0.00	0.00	0	0
	Sub Total	3,529,027	3,529,027.30	0	9
Sports	Completed	3,929,027	3,929,027	0	9
	Ongoing	0.00	0.00	0	0
	Not started	0.00	0.00	0	0
	Sub Total	3,929,027.30	3,929,027	0	9
Agriculture	Completed	500,000	500,000	0	1
	Ongoing	0.00	0.00	0	0
	Not started	0.00	0.00	0	0
	Sub Total	500,000.00	500,000	0	1
Other	Completed	12,348,000	11,948,000	400,000	6
	Ongoing	0.00	0.00	0	0
	Not started	0.00	0.00	0	0
	Sub Total	12,348,000	11,948,000	400,000	6
	Grand Total	112,543,993	104,993,993	7,550,000	181

Further, the analysis indicated that Kshs.104,993,993 was disbursed to various projects as at 30 June 2015, which was over and above the exchequer releases of Kshs. 90,802,867 received during the year under review and balance brought forward of Kshs. 3,403,165 both totaling to Kshs.94,206,032. The source of an excess disbursement of Kshs. 10,787,961 could not be ascertained.

In addition, Kuuru and Kimwimbi bridges were allocated and utilized Kshs.200,000 and Kshs.300,000 respectively in 2013/2014. However, the projects were not funded in the subsequent financial year and physical verification of the projects revealed that the two projects had stalled. The future CDF funding of the two projects is not certain as they fall

under the devolved units. No value of money has been realized from the expenditure of Kshs. 500,000 incurred on the stalled projects.

In view of the foregoing, full implementation of budgeted projects was not achieved leading to delayed services to the residents of Tigania West constituency.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of Constituencies Development Fund - Tigania West 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 do not comply with the Constituencies Development Fund Act, 2013.

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

Nairobi

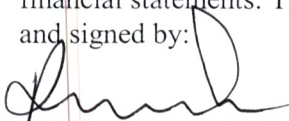
01 December 2016

CONSTITUENCY DEVELOPMENT FUND- TIGANIA WEST CONSTITUENCY
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For the year ended June 30, 2015

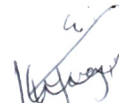
V. STATEMENT OF ASSETS

	Note	2014-2015 Kshs	2013-2014 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	12A	13,837,438.00	3,403,165
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	-	-
TOTAL FINANCIAL ASSETS		<u>13,837,438.00</u>	<u>3,403,165.00</u>
REPRESENTED BY			
Fund balance b/fwd	13	3,403,165	1,621,055
Surplus/Deficit for the year		9,104,773	1,782,110
Prior year adjustments	14	<u>1,329,500.00</u>	
NET FINANCIAL POSITION		<u>13,837,438.00</u>	<u>3,403,165.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TIGANIA WESTCDF financial statements were approved on 16/9 2015 and signed by:



Jimmy Munjuri
Chairperson - CDFC



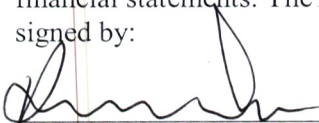
Kenneth Njagi
Fund Account Manager

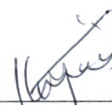
CONSTITUENCY DEVELOPMENT FUND- TIGANIA WEST CONSTITUENCY
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VI. STATEMENT OF CASHFLOW

		2014 - 2015	2013 - 2014
Receipts for operating income			
Transfers from CDF Board	1	90,802,867.00	82,581,602
Other Receipts	3		-
Payments for operating expenses			
Compensation of Employees	4	994,378	(949,730)
Use of goods and services	5	9,259,353	(1,140,487)
Committee Expenses	6	3,750,460	(6,312,153)
Transfers to Other Government Units	7	18,146,350	(29,689,420)
Other grants and transfers	8	47,708,992	(34,953,655)
Social Security Benefits	9	19,600	(7,003)
Other Payments	11	1,818,961	
Adjusted for:			
Adjustments during the year		1,329,500	-
Net cash flow from operating activities		10,434,273	9,529,154
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	(-)	(7,747,044)
Net cash flows from Investing Activities		-	-
NET INCREASE IN CASH AND CASH EQUIVALENT		10,434,273.00	1,782,110.00
Cash and cash equivalent at BEGINNING of the year	15	3,403,165.00	1,621,055.00
Cash and cash equivalent at END of the year	16	13,837,438.00	3,403,165.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TIGANIA WEST CDF financial statements were approved on 16/9 2015 and signed by:


Jimmy Munjuri
 Chairperson - CDFC


Kenneth Njagi
 Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND – TIGANIA WEST 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	98,707,396	41,449,168.5	140,156,564	90,802,867	49,353,698	0.65
Proceeds from Sale of Assets						
Other Receipts	-					
TOTAL RECEIPTS	98,707,396	41,449,168.5	140,156,565	90,802,867	49,353,698	0.65
PAYMENTS						
Compensation of Employees	954,324	41,000	995,324	994,378	946	0.99
Use of goods and services	4,840,444	4,999,000	9,839,444	9,259,353	580,091	0.94
Committee Expenses	2,921,092	1,000,000	3,921,092	3,750,460	829,368	0.96
Transfers to Other Government Units	31,187,931	14,209,169	45,397,100	18,146,350	28,250,750	0.40
Other grants and transfers	57,256,205	20,800,444	78,056,649	47,708,992	30,347,657	0.61
Social Security Benefits	47,400		47,400	19,600	27,800	0.41
Acquisition of Assets						
Other Payments	1,500,000	400,000	1,900,000	1,818,961	81,039	0.96
TOTALS	98,707,396	41,449,169	140,156,565	81,698,094	58,458,471	0.58

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

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

- i. Xxx
- ii. Xxx
- iii. Xxx
- iv. Xxx

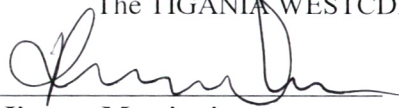
CONSTITUENCIES DEVELOPMENT FUND – TIGANIA WEST CONSTITUENCY

Reports and Financial Statements

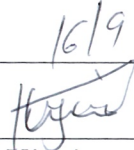
For the year ended June 30, 2015

v. Xxx

The TIGANIA WESTCDF financial statements were approved on 16/9 2015 and signed by:



Jimmy Munjuri
Chairperson - CDFC



Kenneth Njagi
Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

CONSTITUENCIES DEVELOPMENT FUND – TIGANIA WEST CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1.1.1.1.1.1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2014 - 2015	2013 - 2014
		Kshs	Kshs
CDF Board			
AIE NO	A750182	41,449,168.50	
AIE NO	A750388	7,300,000.00	
AIE NO	A759543	17,376,849.00	
AIE NO	A796950	9,870,740.00	
AIE NO	A796884	14,806,109.00	
AIE NO...	A709960		2,000,000
AIE NO.....	A 711938		9,445,000
AIE NO.....	A 711804		45,503,822
AIE NO....	A735584		25,632,780
TOTAL		90,802,867.50	82,581,602

1.1.1.1.1.1.2 PROCEEDS FROM SALE OF ASSETS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	xxx	xxx
Receipts from sale of office and general equipment	xxx	xxx
Receipts from the Sale Plant Machinery and Equipment	xxx	xxx
Total	xxx	xxx

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.3 OTHER RECEIPTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

1.1.1.1.1.1.4 COMPENSATION OF EMPLOYEES

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Basic wages of contractual employees	994,378	949,730
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	-	-
Total	994,378	949,730

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.5 USE OF GOODS AND SERVICES

	2014 - 2015	2013- 2014
	Kshs	Kshs
Utilities, supplies and services	1,200,353.00	76,717.00
Communication, supplies and services	250,000.00	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	500,000.00	-
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	800,000.00	-
Insurance costs	-	-
Specialized materials and services	-	1,063,770.00
Office and general supplies and services	4,059,000.00	-
Other operating expenses	2000,000.00	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	450,000.00	-
Total	9,259,353.00	1,140,487.00

1.1.1.1.1.1.1.6 COMMITTEE EXPENSES

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Committee allowances	1,638,260.00	2,000,000
Other committee expenses	2,112,200	4,312,153
Total	3,750,460.00	6,312,153.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.7 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2014 - 2015	2013 - 2014
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools	5,516,170.00	8,433,420
Transfers to secondary schools	11,990,180.00	12,210,000
Transfers to tertiary institutions	-	6,293,000
Transfers to health institutions	640,000.00	2,753,000
TOTAL	18,146,350.00	29,689,420.00

1.1.1.1.1.1.8 OTHER GRANTS AND OTHER PAYMENTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bursary – secondary schools	8,800,104.00	8,000,000
Bursary – tertiary institutions	10,787,200.00	11,621,655
Bursary – special schools	200,000.00	1,262,000
Mock & CAT	-	-
Water projects	13,468,960.00	8,275,000
Agriculture projects	65,000	100,000
Electricity projects	132,000	1,830,000
Security projects	5,291,638.00	3,283,000
Roads projects	1,003,600	490,000
Sports projects	1,541,000.00	50,000
Environment projects	2,204,300	42,000
Emergency projects	4,215,190.00	
Total	47,708,992.00	34,953,655.00

1.1.1.1.1.1.9 SOCIAL SECURITY BENEFITS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Employer contribution to NSSF	19,600.00	7,003.00
Total	19,600.00	7,003.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.1.10 ACQUISITION OF ASSETS

Non Financial Assets

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Purchase of Buildings	xx	-
Construction of Buildings	xx	-
Refurbishment of Buildings	xx	-
Purchase of Vehicles and Other Transport Equipment	xx	6,147,044
Overhaul of Vehicles and Other Transport Equipment	xx	-
Purchase of Household Furniture and Institutional Equipment	xx	-
Purchase of Office Furniture and General Equipment	xx	-
Purchase of ICT Equipment, Software and Other ICT Assets	xx	1,600,000
Purchase of Specialised Plant, Equipment and Machinery	xx	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	xx	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	7,747,044.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.11 OTHER PAYMENTS

	2014 - 2015 Kshs	2013- 2014 Kshs
Being payment for office renovations	676,961	
Strategic plan	1,142,000	
	1,818,961	Xxx

12A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2014 - 2015 Kshs	2013 - 2014 Kshs
<i>Equity Bank, Meru Branch. A/C NO 0140292799595</i>	13,837,438.25	3,403,165.00
Total	13,837,438.25	3,403,165.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B: CASH IN HAND

	2014 - 2015 Kshs	2013– 2014 Kshs
Location 1	xxx	xxx
Location 2	xxx	xxx
Location 3	xxx	xxx
Other Locations (<i>specify</i>)	xxx	xxx
Total	xxx	xxx

[Provide cash count certificates for each]

12C: OUTSTANDING IMPRESTS

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bank accounts	13,837,438.25	3,403,165
Cash in hand	-	-
Imprest	-	-
Total	13,837,438.25	3,403,165.00

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bank accounts	1,329,500	-
Cash in hand	-	-
Imprest	-	-
Total	1,329,500	-

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	xxx	-
Amounts due to other grants and other transfers (see attached list)	49,353,698	41,449,168.80
Others (<i>specify</i>)	xxx	-
	49,353,698	41,449,168.80

NATIONAL GOVERNMENT ENTITY - (TIGANIA WEST CDF)

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	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 ENTITY - (Indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		a	b	c	d=a-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 ENTITY - (Indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2015

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2014/15	Historical Cost (Kshs) 2013/14
Land		
Buildings and structures	3,700,000	3,700,000
Transport equipment	6,147,044	6,147,044
Office equipment, furniture and fittings	383,240	383,240
ICT Equipment, Software and Other ICT Assets	94,945	94,945
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	-	-
Total	10,325,229	10,325,229

