

REPUBLIC OF KENYA

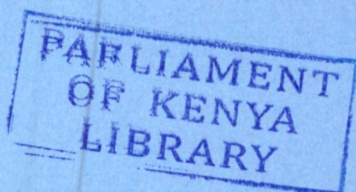


*papers card by the
leader of majority party
mpif
Tuesday 11/10/2018*

OFFICE OF THE AUDITOR-GENERAL

REPORT

OF



THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KACHELIBA CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017



CONSTITUENCY DEVELOPMENT FUND- KACHELIBA CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

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

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –
KACHELIBA CONSTITUENCY**
Reports and Financial Statements
For the year ended 30 June 2017

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013.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*. The objective of the fund to ensure that specific portion of the national annual budget is devoted to the constituencies for purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

The *KACHELIBA 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 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Mathew K. Tanui
3.	Accountant	Stephen N. Marigi
4.		

(d) Fiduciary Oversight Arrangements

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

P.O. Box 221-30600
KAPENGURIA

(f) KACHELIBA CDF Contacts

Telephone: 0725 732 332
E-mail: kacheliba@.go.ke
Website: www.go.ke

(g) KACHELIBA CDF Bankers

1. Equity Bank Limited
Kapenguria Branch
P.O. Box 75104-30600
Kapenguria, 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

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

The Kacheliba Constituency Development Fund in the financial year 2016/2017 was allocated Kshs.**81, 896,552** (Eighty one million eight hundred ninety six thousand five hundred fifty two shillings only).

During the financial year, 96% of the allocation was disbursed to the constituency. This translates to Kshs.**79,296,552** which was disbursed to the constituency by the end of June 2017. The constituency was further disbursed with Kshs.**72,198,695** being balance of undisbursed funds of financial year 2015/2016. Therefore the constituency received a total amount of Kshs.**151,495,247** in the financial year 2016/2017.

The CDFC was able to timely transfer the disbursed funds to projects management committees. The CDFC have also been able to carry out monitoring and evaluation of over 80% of the funded projects.

Kacheliba CDF Key Achievements

The following are key achievements for Kacheliba Constituency:

1. Community employment through full and labour based contracts.
2. Good learning facilities for students.
3. Reduction of mortality rate through Health facilities.
4. Poor and needy students accessing education through bursary.

Implementation Challenges and way forward

- 1 .Insufficient funds to cater for the community demands.

CDF allocation should be revised to 10% of the National Revenues.

- 2 .CDF Board to employ and deploy more staff to assist the Fund Account Manager in the implementation of projects and report preparation.

3. Sitting allowance for committees to be revised to improve motivation.

Sign



CHAIRMAN CDFC

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 agency shall prepare financial statements in respect of that agency. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

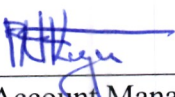
The Accounting Officer in charge of the KACHELIBA Constituency Development Fund is responsible for the preparation and presentation of the KACHELIBA CDF financial statements, which give a true and fair view of the state of affairs of the KACHELIBA CDF for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the KACHELIBA CDF accepts responsibility for the CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the CDF's financial statements give a true and fair view of the state of CDF's transactions during the financial year ended June 30, 2017, and of the CDF's financial position as at that date. The Accounting Officer charge of the KACHELIBA 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 KACHELIBA CDF confirms that the CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the CDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The CDF's financial statements were approved and signed by the Accounting Officer on _____
2017.



Fund Account Manager



Chairman CDFC

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Kacheliba Constituency set out on pages 5 to 35, which comprise the statement of financial assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund-Kacheliba Constituency as at 30 June 2017, 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 National Government Constituencies Development Fund Act, 2015.

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

Basis for Adverse Opinion

1.0 Transfers to Other Government Entities

1.1 Unconfirmed Expenditure

The statement of receipts and payments for the year ended 30 June 2017 reflects transfers to other government units amount of Kshs.87,614,854 relating to funds disbursed to various project management committees. However, actual expenditure returns and acknowledgement letters from institutions that received the funds were not availed for audit verification contrary to Section 15(1) (d) of the National Constituency Development Fund Regulations, 2016. Under the circumstances, it was not possible to confirm whether the funds totalling Kshs.87,614,854 was actually received and utilized for the budgeted projects in the year under review.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Kacheliba Constituency for the Year ended 30 June 2017

1.2 Purchase of Two Buses

Included in the transfers to secondary schools figure of Kshs.20,150,000 is an amount of Kshs.12,400,000 paid to a motor dealer company vide voucher no.36 for the supply of two new Isuzu semi-luxury buses Model FRR 51 seater passenger as detailed below:

Transaction Details					Amount
Date	Pv No.	Cheque no	Payee	Description	Kshs.
2-Dec-16	36	3018	Commissioner of VAT	Advance Tax	701,887
		3027	General Motors EA Ltd	Supply and Delivery of two number new semi luxury buses	11,698,113
	TOTAL				12,400,000

However, it was noted that the management used direct procurement method contrary to section 103 of the Public Procurement and Disposal Act 2015. Further, the payments were made against a proforma invoice No FS 03398 dated 16th November, 2016. This was in breach of Public Procurement and Disposal act 2015, Section 146 that states no works, goods or services contract shall be paid for before they are executed or delivered and accepted by the accounting officer of a procuring entity or an officer authorized by him or her in writing except where so specified in the tender documents and contract agreement. Such an advance payment shall not be paid before the contract is signed.

Consequently, the management of the fund is in breach of the law and the propriety of 12,400,000 incurred on the purchase of the two buses could be confirmed.

1.3 Construction of Dormitory at Kodich Boys Secondary School

Included also in the transfers to secondary schools figure of Kshs.20,150,000 is an amount of Kshs.2,501,737 incurred for the construction of a dormitory at Kodich Boys Secondary School. An amount of Kshs.3,721,288 had been paid to the construction firm in the year 2015/2016 bringing the total payments to Kshs.6,223,025. However, the project files lacked actual expenditure returns, bills of quantities, minutes of site and inspection meetings, procurement records, contract agreement and completion certificates. It was also observed that due to delay by the contractor in completing the project the contract had to be terminated.

Consequently, the objective of the project has not been achieved and there was no value for money for the expenditure of Kshs.6,223,025 on the project.

2.0 Other Grants and Transfers

2.1 Bursary

The statement of receipts and payments for the year ended 30 June 2017 reflects other grants and transfers figure of Kshs.42,757,731 which include bursaries figure of Kshs.27,354,700 comprising of disbursements of Kshs.7,230,000 to secondary schools and Kshs.20,124,700 to tertiary institutions. However, the minutes of the bursary sub-committee indicating how the beneficiaries were identified and evidence that two members of whom one should be area education officer or officer seconded from the Ministry of Education were co-opted as required by the CDF Board circular Ref. CDF Board circulars/Vol 1/111 dated 13 September 2010 were not provided for audit review. In addition, no documentary evidence in form of acknowledgements from schools and institutions was provided for audit verification to confirm receipt of these bursaries.

Consequently, the management is in breach of the law and propriety of the bursary disbursement of Kshs.27,354,700 could not be confirmed.

2.2 Roads

The other grants and transfers of Kshs.42,757,731 also include roads projects expenditure of Kshs.6,500,000 incurred on the Kauriong Nakusse, Kamka Kaphugun and Katuda Chelopoy roads. However, procurement records such as bill of quantities, tender documents, evaluation and award minutes and contract agreement were not provided for audit review.

Consequently, the propriety and validity of the expenditure of Kshs.6,500,000 on road projects for the year ended 30 June 2017 could not be confirmed.

2.3 Sports Projects

Included in the other grants and transfers amount of Kshs.42,757,731 is sports projects expenditure of Kshs.1,637,931 used on cash purchases which exceeded the low value cash purchase limit of Kshs.5,000 for entities in class 'C'. Further, the payment vouchers were not supported by imprest warrant, invoices and goods received notes, distribution list and inspection and acceptance report. Under the circumstances, the validity and propriety of the cash purchases figure of Kshs.1,637,931 on sports projects could not be confirmed.

2.4 Emergency Projects

Included in the other grants and transfers of Kshs.42,757,731 is emergency projects expenditure of Kshs.6,262,100 out of which cash purchases amounted to Kshs.4,058,100 which also exceeded the low value cash purchase limit of Kshs.5,000 for entities in class 'C'. Further, the payment vouchers were not supported by imprest warrant, invoices and goods received notes, distribution list and inspection and acceptance report.

Under the circumstances, the validity and propriety of the cash purchases figure of Kshs.4,058,100 on emergency projects could not be confirmed.

3.0 Acquisition of Assets

3.1 Delay in Completion of Project

The management of the CDF entered into contract with a construction firm on 22 August, 2014 to construct the CDF Office at Alale at a contract sum of Kshs.29,945,061. The contract was for eight months (8). During the year under review Kshs.7,800,000 was paid for roofing, windows, doors and plastering. However, physical verification of the project revealed that the office is not complete though approximately 90% complete. No explanation was provided for taking more than 5 years to complete the project instead of 8 months as per the contract agreement. Further no evidence was provided to confirm whether there was approval of the contract extension period. Also the status report on the project was not provided for audit review and therefore it was not possible to confirm the total payments so far paid to the contractor.

In the circumstances, the propriety of total expenditure incurred on this project so far could not be confirmed and the community may not realize value for money on the project.

4.0 Cash and Bank Balances

The statement of financial assets reflects bank balances figure of Kshs.2,506,893 as at 30 June 2017. However, the bank reconciliation statement availed for audit review reflects un-presented cheques totalling Kshs.23,931,947 out of which cheques amounting to Kshs.890,981 had become stale but had not been reversed in the cash book.

In the circumstances, the accuracy and completeness of the cash and bank balances of Kshs.2,509,893 as at 30 June 2017 could not be confirmed.

5.0 Project Management Committee Balances

Note 15.4 to the financial statements reflects project management committee bank accounts balances of Kshs.34,644 as at disclosed under annex 4 in respect of unutilized funds in the project management committee bank accounts. However, cash books, board of survey report, bank confirmation certificates and bank reconciliation statements from project management committee were not availed for audit review. Under the circumstances, the accuracy, completeness and existence of the project management committee bank account balances of Kshs.34,644 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of Constituency Development Fund – Kacheliba Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I

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

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Adverse Opinion and Other Matter sections, I have determined that there are no other Key Audit Matters to communicate in my report.

Other Matter

1.0 Budget Control Performance

1.1 Budget Performance

Kacheliba CDF approved budget for 2016/2017 amounted to Kshs.154,109,840. During the same period, the Fund incurred expenditure of Kshs.148,948,947 or 97% of the approved budget resulting to under-expenditure of Kshs.5,160,893 or 3 % of the approved budget as detailed below:

Item	Budget 2016/2017 (Kshs)	Actuals 2016/2017 (Kshs)	Under Expenditure (Kshs)	% Under Expenditure
Compensation of Employees	2,430,820	2,430,820	0	
Use of goods and services	8,152,266	8,345,542	(193,276)	
Transfer to other Government Units	93,255,323	87,614,854	5,640,468	6
Other grants and transfers	42,471,431	42,757,731	(286,300)	
Acquisition of Assets	7,800,000	7,800,000	0	
Total	154,109,840	148,948,947	5,160,893	3

Failure to utilize all the funds as budgeted is an indication that programs or activities were not implemented as planned thus not achieving the intended objective of improving delivery of goods and services to the people of Kacheliba Constituency.

1.2 Project Implementation Status.

A review of the project implementation status as at 30 June 2017 revealed that Kshs.257,556,543 was disbursed to two hundred and fifty five (255) out of which one hundred and five (105) projects at an estimated cost of Kshs.128,923,720 were complete, one hundred and forty seven (147) projects at an estimated cost of Kshs.126,694,890 were partially complete while three (3) projects had not been initiated as indicated in below:-

Project Implementation Status							
	Project Name	Sub-Project/ Activities	Location	Allocations Kshs	Disbursement Kshs	Cum. Achieve ment (%)	Remarks
	Complete Projects						
1	Kacheliba Health Center	Maternity wing	Kacheliba	1,700,000.00	1,700,000	80%	complete
2	Kacheliba Health Center	Maternity wing	Kacheliba	800,000.00	800,000	80%	complete
3	Kacheliba Health Center	Maternity wing	Kacheliba	2,000,000.00	2,000,000	100%	complete
4	Kacheliba Health Center	Eye unit	Kacheliba	400,000.00	400,000	30%	complete
5	Kacheliba Health Center	Eye unit	Kacheliba	2,000,000.00	2,000,000	100%	complete
6	Alale Health Centre	Prefabricated staff house	Alale	4,200,000.00	4,200,000	80%	Complete
7	Kour Dispensary	Outpatient	Ompolion	2,000,000.00	2,000,000	70%	Complete
8	Kour Dispensary	Outpatient	Ompolion	2,000,000.00	2,000,000	95%	Complete
9	Kour Dispensary	Outpatient	Ompolion	300,000.00	300,000	100%	Complete
10	Kour Dispensary	Staff Quarter	Ompolion	500,000.00	500,000	70%	Complete
11	Kour Dispensary	Staff Quarter	Ompolion	1,500,000.00	1,500,000	95%	Complete
12	Kour Dispensary	Staff Quarter	Ompolion	200,000.00	200,000	100%	Complete
13	Kour Dispensary	fencing	Ompolion	2,000,000.00	2,000,000	30%	Complete
14	Kour Dispensary	fencing	Ompolion	1,000,000.00	1,000,000	100%	Complete
15	Mading Dispensary	Outpatient	Konyao	2,000,000.00	2,000,000	100%	Complete
16	Mading Dispensary	Outpatient	Konyao	800,000.00	800,000	100%	Complete
17	Mading Dispensary	Staff Quarters	Konyao	500,000.00	500,000	60%	Complete
18	Mading Dispensary	Staff Quarter	Konyao	500,000.00	500,000	100%	Complete
19	Mading Dispensary	toilets	Konyao	200,000.00	200,000	100%	Complete
20	Kamla Dispensary	Outpatient	Kiwawa	2,000,000.00	2,000,000	100%	complete
21	Kamla Dispensary	Outpatient	Kiwawa	800,000.00	800,000	100%	Complete
22	Kamla Dispensary	Staff Quarters	Kiwawa	500,000.00	500,000	80%	Complete
23	Kamla Dispensary	Staff Quarters	Kiwawa	500,000.00	500,000	100%	Complete
24	Mbaro Dispensary	Outpatient	Lopet	2,000,000.00	2,000,000	80%	Complete
25	Mbaro Dispensary	Outpatient	Lopet	800,000.00	800,000	100%	Complete
26	Mbaro Dispensary	Staff Quarters	Lopet	500,000.00	500,000	60%	Complete
27	Mbaro Dispensary	Staff Quarters	Lopet	500,000.00	500,000	100%	Complete
28	Mbaro Dispensary	toilets	Lopet	200,000.00	200,000	100%	Complete
29	Sirwach Dispensary	Outpatient	Kaptolomwo	2,000,000.00	2,000,000	80%	Complete
30	Sirwach Dispensary	Outpatient	Kaptolomwo	800,000.00	800,000	100%	Complete
31	Sirwach Dispensary	Staff Quarters	Kaptolomwo	500,000.00	500,000	60%	Complete
32	Sirwach Dispensary	Staff Quarters	Kaptolomwo	500,000.00	500,000	100%	Complete
33	Sirwach Dispensary	toilets	Kaptolomwo	200,000.00	200,000	100%	Complete
34	Nasal Dispensary	Outpatient	Lokitonyala	2,000,000.00	2,000,000	80%	Complete
35	Nasal Dispensary	Outpatient	Lokitonyala	800,000.00	800,000	100%	Complete
36	Nasal Dispensary	Staff Quarters	Lokitonyala	500,000.00	500,000	60%	Complete

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Kacheliba Constituency for the Year ended 30 June 2017

37	Nasal Dispensary	Staff Quarters	Lokitonyala	500,000.00	500,000	100%	Complete
38	Lengorok dispensary	Staff Quarter	Chemrongit	500,000.00	500,000	100%	Complete
39	Nakwiji dispensary	fencing	Kodich	700,000.00	700,000	100%	Complete
40	Ngotut dispensary	Outpatient Block	Konyao	1,500,000.00	1,500,000	50%	Complete
41	Ngotut dispensary	Outpatient Block	Konyao	1,000,000.00	1,000,000	80%	Complete
42	Nangolesinyon dispensary	Outpatient Block	Kases	1,500,000.00	1,500,000	50%	Complete
43	Nangolesinyon dispensary	Outpatient Block	Kases	1,000,000.00	1,000,000	100%	Complete
44	Chelopoi dispensary	Outpatient Block	Kiwawa	1,500,000.00	1,500,000	50%	Complete
45	Chelopoi dispensary	Outpatient Block	Kiwawa	1,000,000.00	1,000,000	100%	Complete
46	Murkorio dispensary	Outpatient Block	Kasei	1,500,000.00	1,500,000	50%	Complete
47	Murkorio dispensary	Outpatient Block	Kasei	1,000,000.00	1,000,000	100%	Complete
48	Konyao ecd	2classes	Kapchok	2,000,000.00	-	0%	Complete
49	kasei secondary	equipping the lab	Kasei	1,500,000.00	1,500,000	100%	Complete
50	Kasei secondary	purchase of bus	Kasei	7,500,000.00	7,500,000	100%	Complete
51	Kodich Boys Sec	building 4classes	Kodich	1,500,000.00	1,500,000	10%	Complete
52	Kodich Boys Sec	building dormitory	Kodich	2,000,000.00	2,000,000	30%	Complete
53	Kodich Boys Sec	building 4 classes	Kodich	2,000,000.00	2,000,000	100%	Complete
54	Kodich Boys Sec	building dormitory	Kodich	2,000,000.00	2,000,000	30%	Complete
55	Kodich Boys Sec	dorm	Kodich	2,000,000.00	2,000,000	30%	Complete
56	Kiwawa Boys sec	building 4 classes	Kiwawa	1,500,000.00	1,500,000	10%	Complete
57	Kiwawa Boys sec	building 4 classes	Kiwawa	2,000,000.00	2,000,000	100%	Complete
58	Kiwawa Boys sec	building dormitory	Kiwawa	2,000,000.00	2,000,000	20%	Complete
59	Kiwawa Boys sec	building dormitory	Kiwawa	2,000,000.00	2,000,000	40%	Complete
60	Kiwawa Boys sec	building dormitory	Kiwawa	2,000,000.00	2,000,000	60%	Complete
61	Holy Cross Sec	dining hall	Suam	4,500,000.00	4,500,000	80%	Complete
62	Holy Cross Sec	Bus	Suam	5,000,000.00	5,000,000		Complete
63	Holy Cross Sec	Bus	Suam	2,500,000.00	2,500,000	100%	Complete
64	St Baghita Karon secondary	Fencing round the School	Kacheliba	1,500,000.00	1,500,000	50%	Complete
65	St Baghita Karon secondary	Fencing round the School	Kacheliba	1,000,000.00	1,000,000	80%	Complete
66	St Comboni Amakuriat sec.	Fencing round the School	Alale	1,500,000.00	1,500,000	30%	Complete
67	St Comboni Amakuriat sec.	Fencing round the School	Alale	1,000,000.00	1,000,000	50%	Complete
68	St Comboni Amakuriat sec.	Purchase of Bus	Alale	7,000,000.00	7,000,000	100%	Complete
69	Boralee sec	Dormitory	Konyao	1,500,000.00	1,500,000	40%	Complete
70	Boralee sec	Dormitory	Konyao	1,500,000.00	1,500,000	50%	Complete
71	Boralee sec	40beds	Konyao	400,000.00	400,000	100%	Complete
72	St Anne sec	Twin Admin	Kiwawa	1,000,000.00	1,000,000	80%	Complete
73	Kasaka primary	1 Class	Kasei	400,000.00	400,000	80%	Complete
74	Cherangan primary	40beds	Kodich	480,000.00	480,000	100%	Complete
75	Kapsintoi primary	2 Classes	Kasei	500,000.00	500,000	80%	Complete

76	Kapsintoi primary	2 Classes	Kasei	300,000.00	300,000	100%	Complete
77	Katuperot primary	1 Class	Kacheliba	200,000.00	200,000	100%	Complete
78	Kapterema	1 Class	Kasei	400,000.00	400,000	100%	Complete
79	Chepurwo primary	1 Class	Kasei	300,000.00	300,000	100%	Complete
80	Kauriong' primary	1 Class	Kiwawa	300,000.00	300,000	100%	Complete
81	Kauriong' primary	1 Class	Kiwawa	500,000.00	500,000		Complete
82	Oron primary	1 Class	Alale	200,000.00	200,000	100%	Complete
83	Tighot Primary	2 Classes	Kasei	600,000.00	600,000	70%	Complete
84	Tighot Primary	2 Classes	Kasei	800,000.00	800,000	80%	Complete
85	Tighot Primary	2 Classes	Kasei	300,000.00	300,000	20%	Complete
86	Rockvalley primary	2 Classes	Konyao	400,000.00	400,000	80%	Complete
87	Karameri primary	2 Classes	Kodich	400,000.00	400,000	100%	Complete
88	Nakwapuo Primary	2 Classes	Kodich	300,000.00	300,000	100%	Complete
89	Nakwapuo Primary	1classes	Kodich	700,000.00	700,000	80%	Complete
90	Nakwapuo Primary	1classes	Kodich	300,000.00	300,000	20%	Complete
91	Kasepa primary	1class	KAMKETO	400,000.00	400,000	100%	Complete
92	Alale girls sec	ud bus	Alale	7,643,720.00	7,643,720	100%	Complete
93	Churum primary	1class	Kasei	300,000.00	300,000	100%	Complete
94	Kodich A.I.C primary	electricity	Kodich	500,000.00	500,000	100%	Complete
95	Tiyinei primary	2 Classes	KOPULIO	400,000.00	400,000	100%	Complete
96	Katopoton Primary	2 Classes	Kodich	500,000.00	500,000	100%	Complete
97	Katopoton Primary	2 Classes	Kodich	400,000.00	400,000	100%	Complete
98	Kapkewa primary	2 Classes	Kasei	400,000.00	400,000	100%	Complete
99	Kalam primary	2 Classes	Kasei	400,000.00	400,000	100%	Complete
100	Woyakol Primary	2 Classes	Alale	400,000.00	400,000	50%	Complete
101	Woyakol Primary	2 Classes	Alale	700,000.00	700,000	80%	Complete
102	Woyakol Primary	2 Classes	Alale	300,000.00	300,000	20%	Complete
103	Sonkok Primary	2 Classes	Kasei	400,000.00	400,000	100%	Complete
104	Kapkoghin primary	2 Classes	Kiwawa	600,000.00	600,000	100%	Complete
105	Kimpur primary	2 Classes	Kiwawa	400,000.00	400,000	100%	Complete
					128,923,720		
		New Projects					
1	takawia preschool	4semi permanent classes	ompolion	400,000.00	400,000		New
2	kamketo primary	rehabilitation of 8 classrooms	Kasei	837,931.00	837,931	50%	New
3	kamketo primary	rehabilitation of 8 classrooms	Kasei	700,000.00	700,000	100%	Not implemented
					1,937,931		
		Ongoing Projects					
1	akelin primary	admin block	Kasei	500,000.00	500,000	80%	On going
2	akelin primary	admin block	Kasei	300,000.00	300,000	100%	On going
3	melee primary	finishing 2classes	Kases	600,000.00	600,000	100%	On going
4	kasei primary	football field leveling	Kasei	1,000,000.00	1,000,000	60%	On going
5	kasei primary	football field leveling	Kasei	1,000,000.00	1,000,000	100%	On going

6	kasei primary	40beds	Kasei	400,000.00	400,000	100%	On going
7	lonyangalem primary	building dormitory	Kasei	1,500,000.00	1,500,000	50%	On going
8	lonyangalem primary	building dormitory	Kasei	2,000,000.00	2,000,000	80%	On going
9	lonyangalem primary	building dormitory	Kasei	1,000,000.00	1,000,000	100%	On going
10	chepkinagh primary	25beds	Kiwawa	300,000.00	300,000	100%	On going
11	lokomolo primary	2classes	Suam	1,400,000.00	1,400,000	50%	On going
12	lokomolo primary	2classes	Suam	300,000.00	300,000	80%	On going
13	lokomolo primary	2classes	Suam	200,000.00	200,000	50%	On going
14	chepkinagh primary	40beds	Kiwawa	500,000.00	500,000	100%	On going
15	konyao dorcas adventist primary	1classes	Konyao	1,000,000.00	1,000,000	80%	On going
16	konyao dorcas adventist primary	1classes	Konyao	500,000.00	500,000	100%	On going
17	asilong primary	2classes	Kacheliba	600,000.00	600,000	100%	On going
18	asilong primary	1class	Kacheliba	700,000.00	700,000	100%	On going
19	kabul primary	2classes	Kacheliba	800,000.00	800,000	100%	On going
20	kabul primary	1classes	Kacheliba	700,000.00	700,000	100%	On going
21	kacheliba mix primary	boys dormitory	Kacheliba	500,000.00	500,000	100%	On going
22	chelopoi primary	girls dormitory	Kiwawa	500,000.00	500,000	100%	On going
23	chelopoi primary	40beds	Kiwawa	500,000.00	500,000	100%	On going
24	kawolok primary	2classes	Konyao	400,000.00	400,000	60%	On going
25	kawolok primary	2classes	Konyao	600,000.00	600,000	80%	On going
26	kawolok primary	2classes	Konyao	500,000.00	500,000	100%	On going
27	tapadany rescure c	rescure center	Kacheliba	1,500,000.00	1,500,000	70%	On going
28	tapadany rescure c	rescure center	Kacheliba	700,000.00	700,000	100%	On going
29	mbaro primary	dormitory	lopet	2,000,000.00	2,000,000	50%	On going
30	mbaro primary	dormitory	lopet	800,000.00	800,000	100%	On going
31	kacheliba mix primary	4beds	Kacheliba	500,000.00	500,000	100%	On going
32	kacheliba islamic	2classes	Suam	1,200,000.00	1,200,000	80%	On going
33	kacheliba islamic	2classes	Suam	300,000.00	300,000	80%	On going
34	kacheliba islamic primary	2classes	Suam	300,000.00	300,000		On going
35	konyao arid zone	renovation: 2dorms	Kapchok	800,000.00	800,000	30%	On going
36	konyao arid zone	renovation: 2dorms	Kapchok	800,000.00	800,000	60%	On going
37	lotepes primary	2classes	Kodich	1,400,000.00	1,400,000	80%	On going
38	lotepes primary	2classes	Kodich	300,000.00	300,000	90%	On going
39	kotulpogh primary	2classes	kamketo	1,500,000.00	1,500,000	80%	On going
40	kotulpogh primary	2classes	kamketo	300,000.00	300,000	100%	On going
41	cheptopongwuny pri	2classes	Alale	1,400,000.00	1,400,000	80%	On going

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Kacheliba Constituency for the Year ended 30 June 2017

42	cheptopongwuny pri	2classes	Alale	400,000.00	400,000	100%	On going
43	chedawa primary	2classes	Kasei	1,400,000.00	1,400,000	80%	On going
44	chedawa primary	2classes	Kasei	300,000.00	300,000	100%	On going
45	atar primary	2classes	Kiwawa	1,366,010.00	1,366,010	80%	On going
46	atar primary	2classes	Kiwawa	300,000.00	300,000	100%	On going
47	katumkale primary	2class	Kiwawa	1,366,010.00	1,366,010	100%	On going
48	katumkale primary	2class	Kiwawa	300,000.00	300,000	100%	On going
49	kalapata primary	dormitory	Alale	1,300,000.00	1,300,000	50%	On going
50	kalapata primary	dormitory	Alale	300,000.00	300,000	100%	On going
51	nagwailap primary	1class	Alale	500,000.00	500,000	100%	On going
52	nagwailap primary	1class	Alale	700,000.00	700,000	100%	On going
53	nagwailap primary	1class	Alale	700,000.00	700,000	100%	On going
54	nagwailap primary	1class	Alale	300,000.00	300,000		On going
55	naruoro primary	2classes	Alale	1,300,000.00	1,300,000	80%	On going
56	naruoro primary	2classes	Alale	300,000.00	300,000	100%	On going
57	nauyapong' primary	dormitory	lokitonyala	2,000,000.00	2,000,000	50%	On going
58	nauyapong' primary	dormitory	lokitonyala	800,000.00	800,000	80%	On going
59	morwepong pri	2classes	Suam	1,200,000.00	1,200,000	80%	On going
60	lobiroi primary	2classes	Alale	1,200,000.00	1,200,000	100%	On going
61	lobiroi primary	2classes	Alale	700,000.00	700,000	80%	On going
62	lobiroi primary	2classes	Alale	300,000.00	300,000		On going
63	katich primary	1classes	Alale	600,000.00	600,000	80%	On going
64	Katich primary	1classes	Alale	700,000.00	700,000	80%	On going
65	Katich primary	1classes	Alale	300,000.00	300,000	100%	On going
66	Katich primary	1classes	Alale	300,000.00	300,000		On going
67	Kapetakinei pri	2classes	Suam	872,772.00	872,772	70%	On going
68	Kapetakinei pri	2classes	Suam	300,000.00	300,000		On going
69	Shongen pri	2classes	Suam	872,772.00	872,772	70%	On going
70	Shongen pri	2classes	Suam	300,000.00	300,000	50%	On going
71	Kopeyon pri	2classes	Konyao	1,000,000.00	1,000,000	70%	On going
72	Kopeyon pri	2classes	Konyao	300,000.00	300,000	50%	On going
73	Kariamawoi	2classes	Konyao	1,000,000.00	1,000,000	70%	On going
74	Kkariamawoi	2classes	Konyao	300,000.00	300,000	50%	On going
75	Kanyerus pri	2classes	Suam	1,000,000.00	1,000,000	70%	On going
76	Kanyerus pri	2classes	Suam	300,000.00	300,000	50%	On going
77	Kalas pri	dormitory	Kodich	1,500,000.00	1,500,000	70%	On going
78	Kalas pri	dormitory	Kodich	500,000.00	500,000		On going
79	Cheptapa pri	2classes	Kiwawa	700,000.00	700,000	70%	On going
80	cheptapa pri	2classes	Kiwawa	300,000.00	300,000		On going
81	krimti pri	2classes	Kodich	700,000.00	700,000	70%	On going
82	krimti pri	2classes	Kodich	300,000.00	300,000	50%	On going
83	Namoru pri	3classes	Kodich	400,000.00	400,000	100%	On going
84	Sirwach pri	2classes	katolomwo	1,200,000.00	1,200,000	80%	On going
85	Sirwach pri	2classes	katolomwo	300,000.00	300,000	50%	On going

86	Kasopit pri	2classes	kamketo	1,000,000.00	1,000,000	70%	On going
87	Kasopit pri	2classes	kamketo	300,000.00	300,000		On going
88	Kapcheror pri	2classes	Kasei	1,000,000.00	1,000,000	80%	On going
89	Kapcheror pri	2classes	Kasei	300,000.00	300,000		On going
90	Kour pri	dormitory	Kasei	1,500,000.00	1,500,000	70%	On going
91	Kour pri	dormitory	Kasei	400,000.00	400,000		On going
92	Kangoletiang pri	dormitory	Kasei	1,500,000.00	1,500,000	0%	On going
93	Katuda pri	2classes	Kiwawa	1,000,000.00	1,000,000	80%	On going
94	Katuda pri	2classes	Kiwawa	300,000.00	300,000		On going
95	Kases pri	2classes	Kiwawa	1,000,000.00	1,000,000	70%	On going
96	Kases pri	2classes	Kiwawa	300,000.00	30,000		On going
97	Lochoriamonyang pr	2classes	Alale	1,000,000.00	1,000,000	70%	On going
98	Lochoriamonyang pr	2classes	Alale	300,000.00	300,000		On going
99	Wasat pri	1classes	Kiwawa	500,000.00	500,000	70%	On going
100	Wasat pri	1classes	Kiwawa	300,000.00	300,000		On going
101	Kapem pri	2classes	Kiwawa	700,000.00	700,000	70%	On going
102	Kapem pri	2classes	Kiwawa	300,000.00	300,000	50%	On going
103	Chepsepin pri	2classes	Kiwawa	700,000.00	700,000	70%	On going
104	Chepsepin pri	2classes	Kiwawa	300,000.00	300,000		On going
105	Sasak pri	dormitory	Alale	1,500,000.00	1,500,000	60%	On going
106	sasak pri	dormitory	Alale	400,000.00	400,000		On going
107	Alany pri	2classes	Alale	1,200,000.00	1,200,000	80%	On going
108	Alany pri	2classes	Alale	300,000.00	300,000	50%	On going
109	Nasal pri	staff hse	Alale	800,000.00	800,000	80%	On going
110	Nasal pri	staff hse	Alale	300,000.00	300,000	50%	On going
111	Alale pri	fence	Alale	1,500,000.00	1,500,000	40%	On going
112	Kaptolomwo pri	2classes	Kasei	700,000.00	700,000	70%	On going
113	Kaptolomwo pri	2classes	Kasei	300,000.00	300,000	50%	On going
114	mayaipogh pri	1class	Kasei	500,000.00	500,000	20%	On going
115	lokichar pri	dormitory	Kodich	1,000,000.00	1,000,000	20%	On going
116	ngengechwa pri	dormitory	Suam	1,000,000.00	1,000,000	20%	On going
117	ngotut pri	dormitory	Kapchok	1,000,000.00	1,000,000	20%	On going
118	kasitet pri	1class	Alale	500,000.00	500,000	20%	On going
119	mistin pri	1class	Kasei	500,000.00	500,000	20%	On going
120	kachawa pri	1class	Kasei	500,000.00	500,000	20%	On going
121	napitiro pri	1class	Kapchok	500,000.00	500,000	20%	On going
122	tapadany borehole (primary)	drilling & installation of pipes	Kacheliba	1,500,000.00	1,500,000	100%	On going
123	cheputir cattle dip	renovation	Kasei	464,004.00	464,004.0	100%	On going
124	kamila tarakit rd	opening of new rd	Kiwawa	2,000,000.00	2,000,000	100%	On going
125	Alale naruoro rd	opening of new rd	Alale	6,000,000.00	6,000,000	100%	On going
126	Katuda chelopoi rd	opening of new rd	Kiwawa	2,000,000.00	2,000,000	100%	On going
127	Kaurioug nakuse rd	opening of new rd	Kiwawa	2,500,000.00	2,500,000	100%	On going

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Kacheliba Constituency for the Year ended 30 June 2017

128	Kamila d.o office	100chairs/10tables	Kiwawa	500,000.00	500,000.0	100%	On going
129	DC residence	fencing	Alale	500,000.00	500,000.0	100%	On going
130	DC residence	fencing	Alale	200,000.00	200,000.0	70%	On going
131	CDF office	roofing	Alale	8,000,000.00	8,000,000	50%	On going
132	CDF office	building cdf office	Alale	7,000,000.00	7,000,000	90%	On going
133	Constituency office	finishing	Alale	1,000,000.00	1,000,000	100%	On going
134	Constituency office	electrification	Alale	700,000.00	700,000	100%	On going
135	Konyao D.O office	office	Kapchok	2,329,310.00	2,329,310	70%	On going
136	orolwo chiefs office	1 block	Kodich	1,000,000.00	1,000,000	70%	On going
137	korokou pri	Tree Seedlings	Kasei	400,000.00	400,000.0	100%	On going
138	alale pri	Tree Seedlings	Alale	310,000.00	310,000	100%	On going
139	tapadany pri	Tree Seedlings	Suam	154,014.00	154,014	100%	On going
140	nakuyen pri	Tree Seedlings	Suam	300,000.00	300,000.0	100%	On going
141	chepkinagh pri	Tree Seedlings	Kiwawa	350,000.00	350,000.0	100%	On going
142	kasaka pri	Tree Seedlings	KASE	330,000.00	330,000.0	100%	On going
143	kasei pri	Tree Seedlings	Kasei	300,000.00	300,000.0	100%	On going
144	kodera pri	Tree Seedlings	Kapchok	300,000.00	300,000.0	100%	On going
145	kameris pri	Tree Seedlings	Alale	150,000.00	150,000.0	100%	On going
146	kodich aic pri	Tree Seedlings	Kodich	150,000.00	150,000.0	100%	On going
147	nakwijit pri	Tree Seedlings	Kodich	150,000.00	150,000.0	100%	On going
	Sub-Total				126,694,892		
	Total				257,556,543		

Projects which are partially/not implemented impact negatively on the service delivery to the people of Kacheliba constituency.

1.3 Projects Verification

Eight (8) projects costing Kshs.21,501,737 were physically verified and the following observations were made regarding the projects:

No.	Date	PV No.	Project	Activity	Amount	Remarks
1	13-Apr-17	120	Kodich Secondary School	Construction of cubicle dormitory at kodich Secondary School	2,501,737	On-going, Foundation done, materials on the ground. A new contractor on site
2	2-Dec-16	36	Holy cross boys Secondary School Bus	Supply and Delivery of two number new semi luxury buses	12,000,000	The Buses were delivered and in use by the school
3			St Comboni Amakuriat Secondary School Bus			

4	28-Sep-16	9	Kiwawa Boys Secondary School	Completion of 4 Classroom at Kiwawa Boy's Secondary	2,000,000	No window panes, No Electrical installation, Class are occupied and in use.
5	6-Sep-16	29	Kalas Primary School	Construction of Dormitory	1,500,000	Walling and roofing done, The dormitory is in use, Finishing not done.
6	16-Sep-16	3	St Comboni Amakuriat Secondary School Bus	Construction of Perimeter Fence	1,000,000	Fencing Partially done as per the disbursed funds
7	28-Sep-16	6	St. Bhakita Girls	Fencing by heavy duty chain Link	1,000,000	Fencing Partially done as per the disbursed funds
8	16-Sep-16	28	Alale Pry. School	Fencing by heavy duty chain Link	1,500,000	Fencing Partially done as per the disbursed funds
Total					21,501,737	

Consequently, the people of Kacheliba constituency may not have received value for money for Kshs.9,501,737 spent on seven projects that were still incomplete.

Responsibilities of Management and those charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the Fund's or to cease operations, or have no realistic alternative but to do so.

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

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

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or

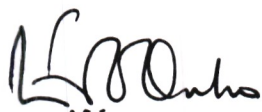
error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern or to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund's to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund's to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

15 August 2018

CONSTITUENCY DEVELOPMENT FUND- KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017****IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2016 - 2017	2015 - 2016
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	151,495,247	72,000,000
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		151,495,247	72,000,000
PAYMENTS			
Compensation of employees	4	2,430,820.00	2,308,176
Use of goods and services	5	8,345,542	11,950,493
Transfers to Other Government Units	6	87,614,854	42,509,141
Other grants and transfers	7	42,757,731	48,807,232
Acquisition of Assets	8	7,800,000	4,000,000
Other Payments	9	-	-
TOTAL PAYMENTS		148,948,947	109,575,042
SURPLUS/DEFICIT		2,546,300	(37,575,042)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KACHELIBA CDF financial statements were approved on _____ 2017 and signed by:



Chairman - CDFC



Fund Account Manager

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

V. STATEMENT OF ASSETS

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	2,560,893	14,593
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		2,560,893	14,593
REPRESENTED BY			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	14,593	37,489,467
Surplus/Deficit for the year		2,546,300	(37,575,042)
Prior year adjustments			14
NET LIABILITIES		2,560,893	(85,575)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KACHELIBA CDF financial statements were approved on _____ 2017 and signed by:



Chairman - CDFC



Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

VI. STATEMENT OF CASHFLOW

		2016 - 2017	2015 - 2016
Receipts for operating income			
Transfers from CDF Board	1	151,495,247	72,000,000
Other Receipts	3		
		151,495,247	72,000,000
Payments for operating expenses			
Compensation of Employees	4	2,430,820	2,308,176
Use of goods and services	5	8,345,542	11,850,325
Transfers to Other Government Units	6	87,614,854	42,509,141
Other grants and transfers	7	42,757,731	48,807,232
Other Payments	9		
Adjusted for:		141,148,947	105,474,874
Adjustments during the year	14		
		10,346,300	(33,474,874)
Net cash flow from operating activities			
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	9	(7,800,000)	(4,000,000)
Net cash flows from Investing Activities		(7,800,000)	(4,000,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		2,546,300	(37,474,874)
Cash and cash equivalent at BEGINNING of the year	13	14,593	37,489,467
Cash and cash equivalent at END of the year		2,560,893	14,593

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KACHELIBA CDF financial statements were approved on _____ 2017 and signed by:



Chairman CDFC



Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY

**Reports and Financial Statements
For the year ended June 30, 2017**

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,552	72,198,695	154,095,247	151,495,247	2,600,000	98%
Proceeds from Sale of Assets						
Other Receipts		14,593	14,593	-	14,593	
TOTALS	81,896,552	72,213,288	154,109,840	151,495,247	2,614,593	98%
PAYMENTS						
Compensation of Employees	2,050,000	380,820	2,430,820	2,430,820	-	100.0%
Use of goods and services	5,320,690	2,831,576	8,152,266	8,345,542	(193,276)	102%
Transfers to Other Government Units	47,158,621	46,096,702	93,255,323	87,614,854	5,640,468	94%
Other grants and transfers	19,667,241	22,804,190	42,471,431	42,757,731	(286,300)	101%
Acquisition of Assets	7,700,000	100,000	7,800,000	7,800,000	-	100%
Other Payments						
TOTALS	81,896,552	72,213,288	154,109,840	148,948,947	5,160,893	97%

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

The Kacheliba CDF financial statements were approved on _____ 2017 and signed by:



Chairman CDF



Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

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 – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

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, 2017.

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017****IX. NOTES TO THE FINANCIAL STATEMENTS****1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
CDF Board			
	A82640		
AIE No		72,198,695	20,000,000
	A829572		
AIE No		4,094,828	20,000,000
	A855024		
AIE No		36,853,449	20,000,000
	A85573		
AIE No		38,348,275	12,000,000
TOTAL		151,495,247	72,000,000

2. PROCEEDS FROM SALE OF ASSETS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	
Receipts from sale of office and general equipment		
Receipts from the Sale Plant Machinery and Equipment	-	-
	-	-
Total	-	-

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEIPTS**

	2016- 2017	2015 - 2016
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	2,198,020	2,288,376
Basic wages of casual labour	210,000	
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity		
Employers contribution to NSSF	22,800	19,800
Other personnel payments	-	-
Total	2,430,820	2,308,176

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***5. USE OF GOODS AND SERVICES**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Committee Expenses	6,815,334	9,761,320
Utilities, supplies and services	-	-
Office Rent	135,000	285,000
Communication, supplies and services	76,960	58,960
Domestic travel and subsistence	861,648	1,105,238
Printing, advertising and information supplies & services	-	127,980
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	116,598
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	295,200	60,170
Fuel, oil & Lubricants	-	22,485
Other operating expenses	79,000	160,357
Routine maintenance – vehicles and other transport equipment	82,400	188,185
Routine maintenance – other assets	-	64,200
Total	8,345,542	11,950,493

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	62,864,854	22,939,141
Transfers to secondary schools (see attached list)	20,150,000	2,200,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	4,600,000	17,370,000
TOTAL	87,614,854	42,509,141

7. OTHER GRANTS AND OTHER PAYMENTS

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	7,230,000	10,945,000
Bursary – tertiary institutions (see attached list)	20,124,700	21,227,000
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	-	433,882
Water projects (see attached list)	500,000	-
Agriculture projects (see attached list)	-	-
Electricity projects (see attached list)	-	-
Security projects (see attached list)	500,000	500,000
Roads projects (see attached list)	6,500,000	-
Sports projects (see attached list)	1,637,931	3,140,400
Environment projects (see attached list)	-	-
Other projects (see attached list)	-	6,560,950
Emergency projects (see attached list)	6,262,100	6,000,000
Total	42,757,731	48,807,232

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***8. ACQUISITION OF ASSETS****Non Financial Assets**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	7,800,000	4,000,000
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	7,800,000	4,000,000

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***9.OTHER PAYMENTS**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
specify	-	-

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017	2015 - 2016
	Kshs	Kshs
<i>Equity Bank -Kapenguria, Account No.10702616277353</i>	2,560,893	14,593
<i>Name of Bank, Account No.</i>	-	-
<i>Name of Bank, Account No.</i>	-	-
Total	2,560,893	14,593

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

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

[Provide cash count certificates for each]

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>		-	-	-
Total				-

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

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2017***NOTES TO THE FINANCIAL STATEMENTS (Continued)***12. RETENTION**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

*[Provide short appropriate explanations as necessary]***13. BALANCES BROUGHT FORWARD**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	14,593	37,489,467.50
Cash in hand	-	-
Imprest	-	-
Total	14,593	37,489,467.50

*[Provide short appropriate explanations as necessary]***14. PRIOR YEAR ADJUSTMENTS**

	2016- 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

CONSTITUENCIES DEVELOPMENT FUND – KACHELIBA CONSTITUENCY
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For the year ended June 30, 2017

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016- 2017	2015 - 2016
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	60,893	-
Supply of services	-	-
	60,893	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	2,500,00	-
Amounts due to other grants and other transfers (see attached list)	-	-
Others (<i>specify</i>)	-	-
	2,500,000	-

15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances (see attached list)	34,644	-
	34,644	-

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	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. Use of goods and services	8,406,453		8,435,542	60,893		Outstanding balance on use of goods and services
8.						
9.						
Sub-Total	8,406,453		8,406,453	60,893		
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total	8,406,453		8,345,542	60,893		

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	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 – KACHELIBA CONSTITUENCY
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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1.	Transfer to secondary schools	22,650,000		20,150,000	2,500,000		Funds awaiting transfer to pmc accounts
2.							
3.							
	Sub-Total	22,650,000		20,150,000	2,500,000		
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total	22,650,000		20,150,000	2,500,000		

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY
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For the year ended June 30, 2017

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	-	
Buildings and structures	14,100,000	6,300,000
Transport equipment	-	-
Office equipment, furniture and fittings	-	-
ICT Equipment, Software and Other ICT Assets	526,500	526,000
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	-	
Total	14,626,500	6,826,500

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

ANNEX 4 –PMC BANK BALANCES AS AT 30TH JUNE 2017

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
LOBIROI PRIMARY SCHOOL	KCB	1171521022	1,060	-
KACHAWA PRIMARY SCHOOL	KCB	1210705273	NIL	-
KASOPIT PRIMARY SCHOOL	KCB	1198983116	580	-
NASAL PRIMARY SCHOOL	KCB	1111613125	1,397	-
OMPOLION PRIMARY SCHOOL	KCB	1117994767	498	-
MBARU PRIMARY SCHOOL	KCB	1109420781	2,350	-
KALAPATA PRIMARY SCHOOL	KCB	1105574229	1,899	-
CHEPTOPONGUNY PRIMARY SCHOOL	KCB	1171834039	4,642	-
MADING DISPENSARY	KCB	1137494638	340	-
KOTULPOGH PRIMARY	KCB	1171936621	560	-
LOCHERIAMONYANG PRI SCHOOL	KCB	1198937750	1,080	-
KAPCHEROR PRIMARY SCHOOL	KCB	1198623810	280	-
NARUORO PRIMARY SCHOOL	KCB	1128378361	1,772	-
NAKWAPUO PRI SCHOOL	KCB	1128682117	477	-
MISTIN PRI SCHOOL	TRANSNATIONAL	260533	5,502	-
MAYAIPOGH PRIMARY SCHOOL	KCB	260628	5,201	-
NAPITIRO PRIMARY SCHOOL	KCB	260640	6,003	-
NGOTUT PRIMARY SCHOOL	KCB	260639	1,003	-
Total			34,644	-

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)																				
1.0	PURCHASE OF SCHOOL BUS FOR KASEI SECONDARY SCHOOL		Wilson Chemkenei Koringura FAM	Resolved	-																				
	<p>Included in the transfer to other government entities figure of Kshs. 59,547,010 is an expenditure of Kshs. 7,643,720 incurred against a budget of Kshs. 7,500,000 On the purchase of a school bus for kasei secondary school. However, procurement records such as tender advertisement, tender evaluation and award minutes and inspection and acceptance committee minutes on the procurement of the school bus were not availed for audit review. Further, include in the expenditure are insurance expenditure of Kshs. 553,017 and installation of radio and gear lock of Kshs. 46,983 incurred before the vehicle was acquired whose procurement records were also not availed for audit verification. The management</p>	<table border="1" data-bbox="632 1055 1161 1285"> <thead> <tr> <th>DATE</th> <th>P.V</th> <th>PAYEE</th> <th>AMOUNT</th> </tr> </thead> <tbody> <tr> <td>4.7.14</td> <td>383</td> <td>AMACO</td> <td>553,017</td> </tr> <tr> <td>4.7.14</td> <td>384</td> <td>JONIKA AUTOSPARE</td> <td>46,983</td> </tr> <tr> <td>24.3.15</td> <td>541</td> <td>CMC MOTORS</td> <td>5,343,720</td> </tr> <tr> <td>24.3.15</td> <td>542</td> <td>DESTINY MOTORS</td> <td>1,700,000</td> </tr> </tbody> </table> <p>The payment voucher for insurance cover and gear lock are for 4/7/2015 and not 4/7/2014. This is just an error. Attached are the copy invoices and dates indicated. The vehicle was handed over to kasei secondary in October 2015 by the Excellency Deputy President. CMC dealers are the only dealer that sale UD vehicle buses in the country thus qualifying direct procurement in the acquisition of the bus for Kasei secondary school. Attached are CMC invoices and payment vouchers copies.</p>	DATE	P.V	PAYEE	AMOUNT	4.7.14	383	AMACO	553,017	4.7.14	384	JONIKA AUTOSPARE	46,983	24.3.15	541	CMC MOTORS	5,343,720	24.3.15	542	DESTINY MOTORS	1,700,000			
DATE	P.V	PAYEE	AMOUNT																						
4.7.14	383	AMACO	553,017																						
4.7.14	384	JONIKA AUTOSPARE	46,983																						
24.3.15	541	CMC MOTORS	5,343,720																						
24.3.15	542	DESTINY MOTORS	1,700,000																						

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
	was therefore in breach of the law and priority of Kshs. 7,643,720 expenditures on the purchase of a school bus could not confirm for the year ended 30 th June 2015.				
2.0	Construction of Dormitory at Kodich Secondary School.		Wilson Chemkenei Koringura FAM	resolved	-
	Included to the transfer to other government entities figure of Kshs. 59,547,010 reflected in the statement of receipts and payments are transfers to secondary schools of Kshs. 25,059,000 out of which a payment of Kshs. 1,000,000 was made on 14 th January 2015 vide payment voucher number 0493 to Ms Bosisa Enterprises for the construction of a dormitory at Kodich boys' secondary school. However, procurement records such as tender, advertisement, tender evaluation and award minutes for the construction of the dormitory were not availed for audit review. Further, the payment was made to the contractor although information available indicate	<ol style="list-style-type: none"> i. Tender advertisement document availed. ii. Tender evaluation document availed iii. CDFC Award minutes' document availed. <ul style="list-style-type: none"> • M/S Bosisa Enterprises LTD was awarded the contract by the CDFC to build 4 classrooms, dormitory and toilet. Construction of 4 classrooms is completed and usable. The contractor is now beginning constructing dormitory which is an ongoing project awaiting to be allocated more by CDFC in order to the contractor to complete the project on time. 			

NATIONAL GOVERNMENT ENTITY – KACHELIBA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)									
	that the construction of the dormitory had not commenced. Under the circumstances, the management is in breach of the law and priority of Kshs. 1,000,000 expenditure for the construction of dormitory at the school could not be confirmed for the year ended 30 th June 2015.													
3.0	Construction of Dormitory at Kiwawa Boys' secondary school		Wilson Chemkenei Koringura FAM	resolved	-									
	Included in the transfer to other government entities figure of Kshs. 59,547,010 reflected in the statement of receipts and payments are transfers to secondary schools of Kshs. 25,059,000 are payments totalling to 3,546,000 vide payment vouchers number 0494 of 24 January 2015 and 508 of 18 February 2015 for Kshs. 3,016,000 and Kshs. 530,000 respectively to MS Chemkeris Company for the construction of a dormitory at Kiwawa Boys' secondary school against a budget of Kshs. 2,000,000.	<table border="1" data-bbox="635 1301 1142 1406"> <thead> <tr> <th>DATE</th> <th>PV No.</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>24.1.2015</td> <td>494</td> <td>3,016,000</td> </tr> <tr> <td>18.2.2015</td> <td>508</td> <td>530,000</td> </tr> </tbody> </table> <p>i. Tender advertisement document availed. ii. Tender evaluation document availed iii. Award minutes availed. M/S Chemkeris Enterprises Co. LTD was awarded the contract by the CDFC to build 4 classrooms, dormitory and toilet. Construction of 4 classes is complete and usable. The contractor is now beginning constructing dormitory which is an ongoing project awaiting to be allocated more funds by CDFC in order to the contractor to complete the project on time.</p>	DATE	PV No.	Amount	24.1.2015	494	3,016,000	18.2.2015	508	530,000			
DATE	PV No.	Amount												
24.1.2015	494	3,016,000												
18.2.2015	508	530,000												

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	<p>However, procurement records such as tender advertisement, tender evaluation and award minutes for the construction of the dormitory were not availed for audit review. Further information available indicates that payment was made to the contractor before the commencement of the construction of the dormitory. Under the circumstances, the priority of Kshs. 3,546,000 expenditure for the construction of dormitory at the school could not be confirmed for the year ended 30th June 2015.</p>				
4.0	BURSARIES				
	<p>Indicated in the other grants and transfers figure of Kshs. 41,647,195 reflected in the statement of receipts and payments are bursaries disbursed to secondary schools and tertiary institutions of Kshs. 8,831,000 and 20,120,000 respectively, totalling to Kshs. 28,951,000. However, bursary subcommittee as constituted did not co-opt two members who are not members</p>	<p>i. Co-opted members</p> <ul style="list-style-type: none"> • Attached with copies of members having co-opted member from ministry of education. <p>Students with similar names amounting to Kshs. 320,000 and Kshs. 338,000. The list of similar names is erroneous and nothing like that was paid upto the CDFC. You can also witness because there was no such voucher or cheque paid on bursary.</p>	Wilson Chemkenei Koringura FAM	resolved	-

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	of the constituency development fund committee as is stipulated in CDF board circulars/Vol 1/111 of 13 th September 2010. Further, records made available indicate that bursaries were awarded to students with similar names in tertiary institutions and secondary schoolss.				
5.0					
	The statement of Receipts and payments reflects expenditure on other grants and other payments of Kshs. 41,657,195 which include emergency expenditure of Kshs. 5,227,000. However, no documentary evidence such as emergency responds and disasters were availed to confirm that expenditure was of emergency in nature. Under the circumstance, the propriety of Kshs. 5,227,300 on the construction of a CDF Office could not be confirmed for the year ended 30 th June 2015	<ul style="list-style-type: none"> i. John Khabakali Kshs. 963,000 and Headboy Enterprises LTD. ii. Alale Kalapata Road Kshs. 1,500,000 iii. Kamla Kapkoghin Road Kshs. 491,500 iv. Tunoyo Kapkewa Road Kshs. 692,500 v. Jayesh Auto Distributors Kshs. 180,000 vi. Kamketo primary Kshs. 150,000 <p>The project is Kamketo secondary school and not primary school. Is a new secondary school that started from Kamketo primary school. The fund was used to build semi permanent kitchen for students enrolment in form one.</p>	Wilson Chemkenei Koringura FAM	resolved	-
6.0	Construction of CDF Office				

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	<p>The statement of receipts and payments reflects acquisition of assets figure of Kshs. 2,826,500 being expenditure on acquisition assets against a budget of Kshs. 500,000 resulting to an over expenditure of Kshs. 2,326,000 and which had not been budgeted for. Further, no documentary evidence was availed to confirm that a reallocation of funds to the construction of the CDF Office was approved by the Board. Under the circumstance, the propriety of Kshs. 2,326,000 on the construction of a CDF Office could not be confirmed for the year ended 30th June 2015.</p>	<p>Code list for previous years allocation for the construction of CDF Office thus resulting a balance of 2,326,000 due for disbursement in the year 2014/2015.</p>	<p>Wilson Chemkenei Koringura FAM</p>	<p>resolved</p>	<p>-</p>
7.1	Bank Balance	Cash balances			
	<p>The statement of financial assets reflect bank balance of Kshs. 36,198,491 as at 30th June 2015 which appears in the cash book. However, the bank balance confirmation certificate reflects a figure of Kshs. 49,274,300 and which has not been reconciled with the cash book balance resulting</p>	<p>Statement of asset reflect bank balance of Kshs. 36,198,491 as at 30 June 2015. Bank statement reflects a figure Of Kshs. 49,274,300.</p> <ul style="list-style-type: none"> The bank sttement reflecting figure of 49,274,330 has been reconciled with the cash book balance. See attached bank 	<p>Wilson Chemkenei Koringura FAM</p>	<p>resolved</p>	<p>-</p>

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	to a variance of Kshs. 13,075,809. Under the circumstance, the validity, accuracy, completeness and existence of Kshs. 36,198,491 bank balance could not be confirmed as at 30th June 2015.	reconciliation. <ul style="list-style-type: none"> Kshs. 34,079,899.65 was received by AIE No. 797214 on 26 June 2015. 			
7.2	Cash Balance				
		Statement of asset reflect a nil cash book as at 30 th June 2015 Cash book balance of 1,290,977 The bank statement reflecting figure of Kshs. 1, 290, 977 has been reconciled with the cash book balance.	Wilson Chemkenei Koringura FAM	resolved	-
7.3	Outstanding Imprest				
	The statement of assets reflects outstanding imprests balance of Kshs. 170,000. However, the imprest have been outstanding for long and no recovery has been made from the salaries of the beneficiaries. Further, the imprest register was not availed for audit review. Under the circumstance, the propriety, accuracy, validity and existence of the outstanding imprest of Kshs. 170,000 could not be confirmed as at 30 th June 2015.	The imprest was taken out at the end of the year.	Wilson Chemkenei Koringura FAM		-

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8.0	Statement of Cash Flow				
	<p>The statement of cash reflects cash and cash equivalent at beginning of year of Kshs. 36,144,268 which differs with the figure of Kshs. 34,396,253 reflected in the audited financial statements of 2013/2014 resulting to explained variance of Kshs. 1,748,015 and which has not been explained or reconciled. Under the circumstance, the accuracy and validity of the statements of cash flow for the year ended 30th June 2015 could not be determined.</p>	<p>The statement of cash flow reflect cash equivalent to beginning of the year Kshs. 36,144,268 which differ with figure Kshs. 34,396,253 reflected in the financial statement of 2013/2014 resulting an explained variance of Kshs. 1,748,015. Kshs. 36,144,268 is a closing balance as at 30th June 2015 and Kshs. 34,396,253 is an opening balance as at 1st July 2014.</p>	Wilson Chemkenei Koringura FAM	resolved	-
9.0	Summary Statement of Appropriation				
	<p>The summary statement of appropriation reflects total original budget figure of Kshs. 158, 448, 291 under payments. However, information available indicate that the approved budget amounted to Kshs. 136, 319,599 resulting to a variance of Kshs. 22,128,692 and which the management has not explained or reconciled. Further, the payments final budget figure of Kshs. 158,448,291 is at variance of</p>	<p>Approved budget Kshs. 136,319,599 and total original budget Kshs. 158,448,291. The variance of Kshs. 22,128,692 comes up as a result of a project fund that were not implemented 2013/2014. CDF Kacheliba received Kshs. 34,079,899 by AIE No. 7972214 on 26 June 2015. Some payments had been done during the month of June 2015 thus leaving the difference balance of Kshs. 22,128,692.</p>	Wilson Chemkenei Koringura FAM	resolved	-

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	Kshs 34,296,253 which has not been explained or reconciled. Under the circumstance, the accuracy and validity of the summary statement of appropriation could not be confirmed for the year ended 30 th June 2015				
10.0					
	Included in the fund balance brought forward figure of Kshs. 36,144,268 reflected in note 13 to the financial statement is bank accounts figure of Kshs. 35,246,281 as at 1 ST July 2014. However, the audited financial statements of 2013/2014 reflects a figure of Kshs. 33,498,266 resulting to unexplained variance of Kshs. 1,748,015. Under the circumstance, the accuracy and validity of the fund balance brought forward figure of Kshs. 36,144,268 could not be confirmed for the year ended 30 th June 2015.	Balance brought forward Kshs. 36,144,268 reflected in statement of asset is bank account figure of Kshs. 35,246,281 which differ with figure of Kshs. 33,498,266 reflected in audited financial statement of 2013/2014 resulting an explained variance of Kshs. 1,748,015. Accuracy and validity of balance brought forward figure of Kshs. 36,144,268 could not be confirmed for the year ended 30 th June 2015. Financial statement 2013/2014 amount above was updated as per your advice to confirm to the standards.	Wilson Chemkenei Koringura FAM	resolved	-
11.0	Accuracy of Financial Statements				
	The statement of assets reflects total financial assets of Kshs. 36,368,491 which varies with net liabilities figure of Kshs.	Statement of receipt and payments of Kshs. 181,082,688, which represent funds due to projects. However, the funds due to projects have not been	Wilson Chemkenei Koringura FAM	resolved	-

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	<p>54,226,956 resulting to a variance of Kshs. 17,858,465 which has not been explained or reconciled. This is an indication that these financial statements contain fundamental errors and misstatements as the statement of financial assets and liabilities is not balancing by Kshs. 17,858,465. Further, the figure in the financial statements have not been rounded off to the nearest thousand as stipulated in significant accounting policies number 1 of the financial statements. Under the circumstance, the accuracy and validity of these financial statements could not be confirmed for the year 30th June 2015.</p>	<p>disclosed in the financial statement. The financial report has been new to constituencies and any advice on disclosure can be accepted.</p>			