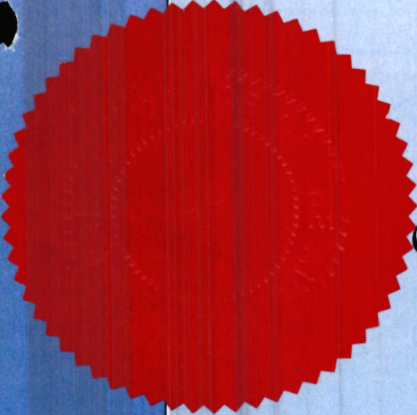


REPUBLIC OF KENYA



*paper laid by the
Leader of Majority
on 06/06/2018
Dumbi*

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REPORT
OF
THE AUDITOR-GENERAL
ON
THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
SABATIA CONSTITUENCY
FOR THE YEAR ENDED
30 JUNE 2016



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
SABATIA CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2016**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
SABATIA CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2016**

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
SABATIA CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2016

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (NGCDF) was set up under the NGCDF Act, 2003 now repealed by the NGCDF Act, 2013.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

(b) Key Management

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

- i. Constituencies Development Fund Board (NGCDFB)
- ii. NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Tom Gimonge
3.	Accountant	Consolata Oyinda
4.		

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Sabatia Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) SABATIA NGCDF Headquarters

Sabatia DCC's Office Ground's
P.O Box 260-50300,
WODANGA

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SABATIA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

(f) SABATIA NGCDF Contacts

Telephone: (254) 0722358998
E-mail: cdfsabatia@cdf.go.ke
Website: www.cdfsabatia.go.ke

(g) SABATIA NGCDF Bankers

1. Kenya Commercial Bank
P.O Box 1123
Maragoli.

(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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SABATIA
CONSTITUENCY**


**Reports and Financial Statements
For the year ended June 30, 2016**

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**

The NGCDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF have improved the Education and Security infrastructures of Sabatia.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations

The NGCDFCs wish that the issues of having the project on going for more than 2years be stopped and the NGCDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.


Sign.....
CHAIRMAN NGCDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SABATIA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

III. STATEMENT OF NGCDF 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 NGCDF shall prepare financial statements in respect of that NGCDF. 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.

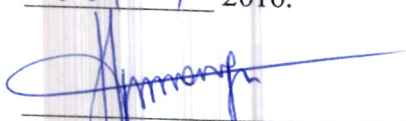
The Accounting Officer in charge of the Sabatia NGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility 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 NGCDF; (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 NGCDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

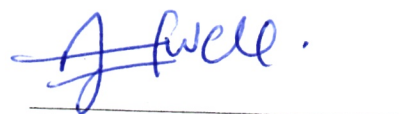
The Accounting Officer in charge of the Sabatia NGCDF accepts responsibility for the NGCDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NGCDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2015, and of the NGCDF's financial position as at that date. The Accounting Officer charge of the Sabatia NGCDF further confirms the completeness of the accounting records maintained for the NGCDF, which have been relied upon in the preparation of the NGCDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Sabatia NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF'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 NGCDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The NGCDF's financial statements were approved and signed by the Accounting Officer on 22/09 2016.


Fund Account Manager


Chairman

REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- SABATIA CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund –Sabatia Constituency set out on pages 5 to 20, which comprise the statement of assets and liabilities as at 30 June 2016, and the statement receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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 47 of the Public Audit Act, 2015.

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 48 of the Public Audit Act, 2015 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. 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.

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund-Sabatia Constituency for the year ended 30 June 2016

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

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

Basis for Qualified Opinion

1. Accuracy, Completeness and Presentation of the Financial Statements

The international public sector accounting standards (IPSAS) – Cash Basis Financial Statements presentation format prescribed by the Kenya Public Sector Accounting Standards Board requires the management to include the action taken on the previous year auditor's recommendations. In the year 2014/2015, Sabatia CDF had an Adverse Audit Opinion. However, the report on follow-up of the issues raised in the audit report has not been included in the financial statements for the year under review as required. Therefore, the presentation of the financial statements does not conform to IPSAS (Cash Basis) as prescribed by Kenya Public Sector Accounting Standards Board and in accordance with the Public Finance Management Act, 2012.

In the circumstances, the completeness and presentation of the financial statements as at 30 June 2016 could not be confirmed.

2. Irregular Re-Allocation of Funds

The CDF Management disbursed Kshs.800,000 to Evojo Secondary School for purchase of two acres of land. However, the funds were transferred to Evojo Primary School for construction of two toilets and two classrooms. Further, Kshs.1,500,000 disbursed to Bugina Secondary School for installment payment of the purchase of a 52 seater school bus was spent on construction of a dining hall.

No authority or approval by the Board was given for these re-allocations as required by National Government Constituencies Development Fund Act, 2015.

3. Irregular Purchase of Land

The Fund disbursed Kshs.1,000,000 to St. Ursula Chamakanga Girls High School for purchase of two (2) acres land. However the following unsatisfactory matters were noted:

- (i) The seller was paid Kshs 1,000,000 before entering into an agreement with the school.
- (ii) Official search from Ministry of Land, the Government Surveyor report and valuation report were not availed for audit review.
- (iii) The title deed for the land was not provided.

In the circumstances, it was not clear how the seller was paid for the land in the absence of all the required documents.

4. Unvouched Expenditure

The Fund made payments totalling Kshs.7,150,687 in respect to committee allowances (administration), Monitoring and Evaluation (M & E) and office and general supplies and services. However, the payments were not supported with relevant documents including payment vouchers.

Consequently, it was not possible to ascertain the propriety of the expenditure.

Qualified Opinion

In my opinion, except for the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Sabatia Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

1. Budget Control and Performance

The Fund budget receipts of Kshs.80,668,712 including Kshs.30,668,712 brought forward from 2014/2015. However, the actual expenditure was Kshs.76,869,309 resulting to an under expenditure of Kshs.3,799,403 as analyzed below:-

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	Kshs.	Kshs.	Kshs.	Kshs.	Kshs.	
Transfers from CDF Board	50,000,000	30,668,712	80,668,712	76,869,309	3,799,403	95.3%
Proceeds from Sale of Assets	0	0	0	0	0.00	
Other Receipts	0	0	0	0	0.00	
Total	50,000,000	30,668,712	80,668,712	76,869,309	3,799,403	95.3%
Payments						

Compensation of Employees	2,998,000	1,668,712	4,666,712	1,079,899	3,586,812	23.1%
Use of goods and services	4,752,630	8,500,000	13,252,630	10,739,878	2,512,752	81.0%
Transfers to Other Government Units	40,400,000	12,000,000	52,400,000	37,237,931	15,162,069	71.1%
Other grants and transfers	26,560,863	8,000,000	34,560,863	27,811,600	6,749,263	80.5%
Acquisition of Assets	0	0	0	0	0	0.0%
Other Payments	0	0	0	0	0	
Total	74,711,493	30,168,712	104,880,205	76,869,309	28,010,896	73.3%

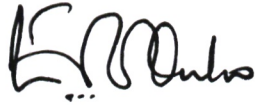
Consequently, the Fund did not operate within the approved budget and this might impact negatively in respect to service delivery to the constituents.

2. Project Analysis

The CDF Management had approved plan to implement a total of 49 projects valued at Kshs.44,500,000. However, 40 projects valued at Kshs.35,400,000 were not started, 6 projects valued at Kshs.6,700,000 were on-going and only 3 projects valued at Kshs.2,400,000 were completed as analyzed;

Sector	Actual/Implemented Projects								
	Not Started		On-going		Completed		Total Projects	Total cost (Ksh)	% of completed projects
	No	Cost (Ksh)	No	Cost (Ksh)	No	Cost (Ksh)	No		
Primary Schools	24	13,400,000	2	1,400,000	1	800,000	27	15,600,000	4%
Secondary Schools	9	7,900,000	4	5,300,000	2	1,600,000	15	14,800,000	13%
Tertiary Institutions	1	10,000,000	-	-	-	-	1	10,000,000	0%
Agricultural projects	3	2,800,000	-	-	-	-	3	2,800,000	0%
Security	2	700,000	-	-	-	-	2	700,000	0%
Sports	1	600,000	-	-	-	-	1	600,000	0%
Total	40	35,400,000	6	6,700,000	3	2,400,000	49	44,500,000	6%
% implementation over Budgeted projects	82%		12%		6%		1		

In view of the foregoing the Fund did not deliver the expected services to the Constituents and therefore did not achieve its development objectives.



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

Nairobi

18 April 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SABATIA
CONSTITUENCY**

Reports and Financial Statements

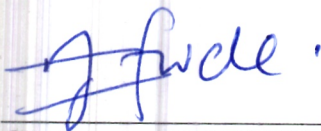
For the year ended June 30, 2016

IV. STATEMENT OF RECEIPTS AND PAYMENTS

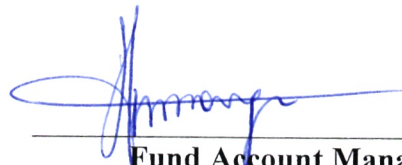
I. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	50,000,000.00	95,976,968.00
TOTAL RECEIPTS		50,000,000.00	95,976,968.00
PAYMENTS			
Compensation of employees	2	1,079,899.40	953,744.00
Use of goods and services	3	10,739,878.45	13,216,448.90
Transfers to Other Government Units	4	37,237,931.00	59,400,000.00
Other grants and transfers	5	27,811,600.00	35,154,446.60
TOTAL PAYMENTS		76,869,308.85	108,724,639.50
SURPLUS/DEFICIT		(26,869,308.85)	(12,747,671.50)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Sabatia NGCDF financial statements were approved on 28/09 2016 and signed by:



Chairman - NGCDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SABATIA
CONSTITUENCY

Reports and Financial Statements

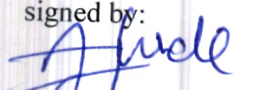
For the year ended June 30, 2016

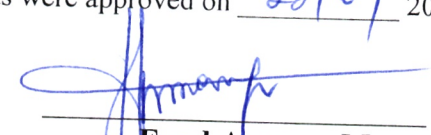
V. STATEMENT OF ASSETS

II. STATEMENT OF FINANCIAL ASSETS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	6	3,799,402.65	30,668,711.50
TOTAL FINANCIAL ASSETS		<u>3,799,402.65</u>	<u>30,668,711.50</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	7	30,668,711.50	43,416,382.00
Surplus/Deficit for the year		(26,869,308.85)	(12,747,671.50)
NET LIABILITIES		<u>3,799,402.65</u>	<u>30,668,710.50</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Sabatia NGCDF financial statements were approved on 22/09 2016 and signed by:


Chairman - NGCDFC

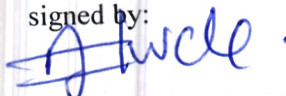

Fund Account Manager

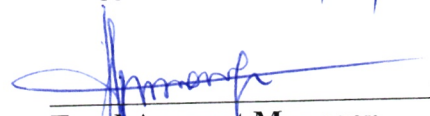
Reports and Financial Statements
 For the year ended June 30, 2016

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2015 - 2016	2014 - 2015
Transfers from CDF Board	1	50,000,000.00	95,976,968.00
		50,000,000.00	95,976,968.00
Payments for operating expenses			
Compensation of Employees	2	1,079,899.40	953,744.00
Use of goods and services	3	10,739,878.45	13,216,448.90
Transfers to Other Government Units	4	37,237,931.00	59,400,000.00
Other grants and transfers	5	27,811,600.00	35,154,446.60
		76,869,308.85	108,724,639.50
Adjusted for:			
Net cash flow from operating activities		(26,869,308.85)	(12,747,671.50)
CASHFLOW FROM INVESTING ACTIVITIES			
NET INCREASE IN CASH AND CASH EQUIVALENT		(26,869,308.85)	(12,747,671.50)
Cash and cash equivalent at BEGINNING of the year	6	30,668,711.50	43,416,382.00
Cash and cash equivalent at END of the year		3,799,402.65	30,668,711.50

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Sabatia NGCDF financial statements were approved on 22/09 2016 and signed by:


 Chairman NGCDFC


 Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND SABATIA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

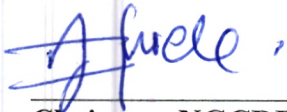
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	50,000,000.00	30,668,711.50	80,668,711.50	76,869,308.85	3,799,402.65	95.3%
TOTAL	50,000,000.00	30,668,711.50	80,668,711.50	76,869,308.85	3,799,402.65	95.3%
PAYMENTS						
Compensation of Employees	2,998,000.00	1,668,711.50	4,666,711.50	1,079,899.40	3,586,812.10	23.1%
Use of goods and services	4,752,630.00	8,500,000.00	13,252,630.00	10,739,878.45	2,512,751.55	81.0%
Transfers to Other Government Units	40,400,000.00	12,000,000.00	52,400,000.00	37,237,931.00	15,162,069.00	71.1%
Other grants and transfers	26,560,863.00	8,000,000.00	34,560,863.00	27,811,600.00	6,749,263.00	80.5%
TOTAL	74,711,493.00	30,168,711.50	104,880,204.50	76,869,308.85	28,010,895.65	73.3%

NATIONAL GOVERNMENT ENTITY - (SABATIA CONSTITUENCY)
For the year ended June 30, 2016 (Kshs)

- (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. The underutilization was caused by the delay in disbursement of funds from the NGCDF board for the financial year under review while the overutilization was due to the funds for the financial year 2014/2015 carried forward that was later utilized in the year under review.

The SABATIA NGCDF financial statements were approved on 27/09 2016 and signed by:



Chairman NGCDF



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 NGCDF 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 NGCDF.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the NGCDF 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 NGCDF 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.

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 NGCDF 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 NGCDF'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 NGCDF'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, 2016.

NATIONAL GOVERNMENT ENTITY – SABATIA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016(Kshs')

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 -2015
		Kshs	Kshs
Normal Allocation	A724148	20,000,000.00	23,994,242.00
	A796363	10,000,000.00	23,994,242.00
	A820783	20,000,000.00	23,994,242.00
			23,994,242.00
TOTAL		50,000,000.00	95,976,968.00

NATIONAL GOVERNMENT ENTITY – SABATIA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016(Kshs')

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. COMPENSATION OF EMPLOYEES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	809,579.40	910,864.00
Basic wages of casual labour	180,000.00	-
Personal allowances paid as part of salary		
Employer contribution to NSSF	90,320.00	42,880.00
Total	1,079,899.40	953,744.00

NATIONAL GOVERNMENT ENTITY – SABATIA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016(Kshs')

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. USE OF GOODS AND SERVICES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Other committee expenses	3,838,000.00	3,910,940.00
Committee allowance	3,750,000.00	3,779,740.00
Office and general supplies and services	2,469,020.00	4,465,385.00
Fuel ,oil & lubricants	400,000.00	500,000.00
Routine maintenance – vehicles and other transport equipment	282,858.45	560,383.90
Total	10,739,878.45	13,216,448.90

NATIONAL GOVERNMENT ENTITY – SABATIA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016(Kshs')

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to primary schools	15,237,931.00	-
Transfers to secondary schools	12,000,000.00	55,600,000.00
Transfers to Tertiary institutions	10,000,000.00	1,500,000.00
Transfers to Health institutions	-	2,300,000.00
TOTAL	37,237,931.00	59,400,000.00

5. OTHER GRANTS AND OTHER PAYMENTS

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary -Secondary	12,807,600.00	12,111,800.00
Bursary -Tertiary	10,826,000.00	8,077,000.00
Bursary-Special schools	723,000.00	-
Mocks & CAT	-	700,000.00
Agriculture (food security)	500,000.00	1,200,000.00
Security	955,000.00	2,900,000.00
Roads	-	4,915,646.60
Sports	750,000.00	800,000.00
Emergency Projects (specify)	1,250,000.00	4,450,000.00
Total	27,811,600.00	35,154,446.60

6: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs	Kshs
Kenya Commercial Bank A/c 1102377678	3,799,402.65	30,668,711.50
	3,799,402.65	30,668,711.50

NATIONAL GOVERNMENT ENTITY – SABATIA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016(Kshs')

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. BALANCES BROUGHT FORWARD

	2015 - 2016 Kshs	2014 - 2015 Kshs
Bank accounts	30,668,711.50	43,416,383.00
Cash in hand		
Total	30,668,711.50	43,416,383.00

NATIONAL GOVERNMENT ENTITY – *SABATIA CONSTITUENCY*
Reports and Financial Statements
For the year ended June 30, 2016(Kshs')

SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Buildings and structures	21,500,000.00	21,500,000.00
Transport equipment	5,457,448.00	5,457,448.00
Office equipment, furniture and fittings	99,300.00	99,300.00
ICT Equipment, Software and Other ICT Assets	1,904,976.00	1,904,976.00
Other Machinery and Equipment	20,849.00	20,849.00
Total	28,982,573.00	28,982,573.00

NATIONAL GOVERNMENT ENTITY - (SABATIA CONSTITUENCY)

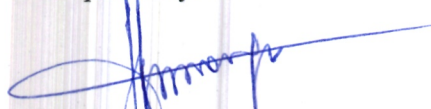
For the year ended June 30, 2016 (Kshs)

TRIAL BALANCE AS AT 30TH JUNE 2016			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	3,799,402.65	
Payments			
	Compensation of Employees	1,079,899.40	
	Use of goods and services	10,739,878.45	
	Transfers to Other Government Units	37,237,931.00	
	Other grants and transfers	27,811,600.00	
Receipts			
	Transfers from the Board		50,000,000.00
Fund Balance b/f			
			30,668,711.50
TOTAL			
		80,668,711.50	80,668,711.50

ACCURACY, COMPLETENESS AND PRESENTATION OF THE FINANCIAL STATEMENTS.

- ✓ In the Fy 2014/2015, sabatia NG-CDF received a qualified opinion and not an adverse opinion as indicated in the draft report.
- ✓ The Fy 2014/2015 report in budget control and project implementation on over expenditure of ksh. 12,947,670.90
- ✓ The over expenditure of the stated amount was due under expenditure in the previous Fy-2013/2014. By the closure of the Fy 2013/2014, Sabatia NG-CDF had only received ksh.26,911,886.80 against the budgeted amount of ksh.67,279,717.00. The balance of ksh.40,367,830.20 was received on 06th June 2014. The expenditure was carried forward to the financial year of 2015/2017. The funds were put in good use as per the proposed budget.

Prepared by:



Mr. Tom M. Gimonge
Fund Account Manager
SABATIA CONSTITUENCY

