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REPORT

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OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
SOTIK CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017





NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
SOTIK 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 CONSTITUENCY DEVELOPMENT FUND –SOTIK CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 amended in 2007 and repealed by the CDF Act of 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new act was enacted in 2015, being the National Government Constituencies development fund act, NG-CDF Act, 2015. The National Government Constituencies Development Fund (NG-CDF) is under the Ministry of Devolution and Planning. The objective of the fund is to provide mechanisms for supplementing implementation of the National Government development agenda at the constituency level.

(b) Key Management

The *SOTIK 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	Andrew Sigel
3.	Accountant	Nickson Mogute

(d) Fiduciary Oversight Arrangements

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

NO.	NAME	CATEGORY	ID NO	CONTACT
1	Alfred Kipkirui Ngeno	Man (Youth)	28831550	0714787635
2	Joseph Kipkirui Bett	Man (Adult)	2346992	0727526214
3	Millycent Chepkemoi	Woman (Youth)	29058633	0708705545
4	Hellen Cheron Langat	Woman (Adult)	20278170	0726614269
5	Edward Kipngetch Langat	Representative of Persons living with Disability	1143168	0710123931
6	Joseph Kipngeno Kirui	Nominee of the Constituency Office (Male)	8714471	0729058856
7	Winnie Chelangat Rotich	Nominee of the Constituency	22645025	0723401640

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		Office(Female)		
8	Peter M. Mwangi	Deputy County Commissioner		
9	Andrew Kimutai Sigei	Fund Account Manager	11368276	0722949414
10	Reuben Paul Kipkoech Korir	Co-opted Member	4440828	0721314454

(c) SOTIK CDF OFFICES

P.O. BOX 866 SOTIK
 CDF BUILDING
 Next to the DC's office
 SOTIK. KENYA

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

(f) SOTIK CDF Contacts

Telephone: (254) 0722949414
E-mail: cdfsotik@cdf.go.ke
Website: www.sotikconstituency.co.ke

(g) SOTIK CDF Bankers

1. Kenya Commercial Bank
Sotik Branch
Account No. 1105583686
P.O. Box
SOTIK

(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- SOTIK CONSTITUENCY
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**II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND -
COMMITTEE (CDFC)**
CHAIRMAN'S REMARKS

There was a slight increase in receipt of funds this year as compared to last year although most of the funds were for financial year 2015/2016.

1. Performance

The two main categories in the statement of appropriation i.e. transfer to other government units and other grants and transfers were above average in performance. They were 56% and 89% respectively. That was encouraging although we could have done better. The cash book closing balance stood at fourteen million but about ten million is for the purchase office vehicle. So the closing balance we can as well say was four million

2. Achievement

The main achievement for the financial year 2016/2017 was the clean bill of health the Auditor general's office gave to Sotik NG-CDF for the year ended June 2015 financial statement. This is the second time running for Sotik NG-CDF to get the best Audit certificate in the region. The other achievement was the CDF (Bursary) Sponsored students both at the university and the form four level are completing their studies. They were not just many but they passed highly

Emerging issues

It has now become official and unfortunate that all constituencies are treated equally in terms of allocation. The figure last year was about 81 million. To compare Starehe and Sotik constituencies are not only comparable but also un acceptable. The poverty index in the rural constituencies is increasing day by day.

3. Challenges.

- Delay of funds was one of the challenges in this year. This impacted negatively on the ongoing projects
- Procurement laws and regulations.- Sotik CDF had budgeted to purchase a motor vehicle. It has over delayed.
The reason being partly procurement and party re-allocation
The introduction of e government has proved to be difficult. We thought it would be better but the opposite was true. Yet the NG-CDF Board advised us to use it
- Frequent change of PMC's. Schools regularly change PMC's. After training, we thought we have made a step only to find a new team in place.


.....
CHAIRMAN NG- CDFC

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

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 SOTIK Constituency Development Fund is responsible for the preparation and presentation of the SOTIK CDF financial statements, which give a true and fair view of the state of affairs of the SOTIK 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 SOTIK 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 SOTIK 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 in charge of the SOTIK 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.

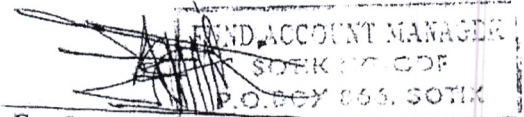
The Accounting Officer in charge of the SOTIK CDF confirms that the CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the CDF's funds received during the year under audit were used for the eligible purposes for which 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 SOTIK NG-CDF's financial statements were approved and signed by the Accounting Officer on 27th July 2017.



Chairman NG CDFC



FUND ACCOUNT MANAGER
SOTIK NG CDF
P.O. BOX 866, SOTIK

Fund Account Manager

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 – SOTIK CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Sotik Constituency set out on pages 6 to 30, which comprise the statement of Receipts and Payments as at 30 June 2017, statement of financial assets, statement of cash flows, summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of National Government constituencies Development Fund-Sotik Constituency as at June 30, 2017, and (of) its financial performance and its cash flows for the year then ended, in accordance with International Sector Accounting Standards(Cash Basis) and comply with both the Constituency Development Act, 2015 and Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Cash and Cash Equivalent

The Statement of Financial Assets reports cash and cash equivalent balance of Kshs.14,410,413.95 as at 30 June 2017. However, the bank reconciliation statement reflects payments in cash book not recorded in the bank statement of Kshs.2,245,575 relating to unrepresented cheques with some dating as far back as 1 January 2016 and no reasonable explanation was given for the delay in reversing them in the books of account to update the records.

Further, the bank reconciliation statement reports receipts in bank statement not recorded in the cash book of Kshs.42,985.50 which are not supported by bank pay in slips or credit advices and therefore its accuracy and completeness could not be ascertained.

2. Project Management Committee Bank Account Balances

The Financial Statements reports project committee bank account balances of Kshs.868,328.80 as disclosed in note 15.4 constituting project account balances

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

carried forward from the financial year 2015-2016. However, the listing does not include all the projects accounts operated during the financial year 2016-2107 and the respective bank certificates and therefore it was not possible to confirm its accuracy and completeness.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund-Sotik 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 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 matter described in the Basis for Qualified Opinion section, I have determined that there are no key audit matters to communicate in my report.

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 continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable 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

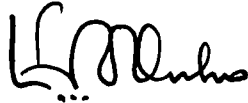
level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism 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 controls.
- 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 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 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 to express an opinion on the financial statements.

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

09 August 2018

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SOTIK CONSTITUENCY
Reports and Financial Statements
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IV. STATEMENT OF RECEIPTS AND PAYMENTS			
	Note	2016-2017 Kshs	2015-2016 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	104,446,322.60	94,170,682.00
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		104,446,322.60	94,170,682.00
PAYMENTS			
Compensation of employees	4	2,643,120.00	1,305,474.00
Use of goods and services	5	7,867,121.50	8,621,609.00
Transfers to Other Government Units	6	46,432,759.00	67,658,687.00
Other grants and transfers	7	41,852,764.80	43,463,102.41
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		98,795,765.30	121,048,872.41
SURPLUS/DEFICIT		5,650,557.05	(26,878,190.41)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The SOTIK NG-CDF financial statements were approved on 27th July 2017 and signed by:


 Chairman NG- CDFC

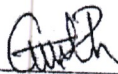

 Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SOTIK CONSTITUENCY
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For the year ended June 30, 2017

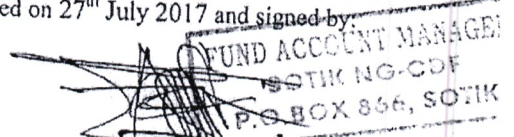
V. STATEMENT OF ASSETS

	Note	2016 - 2017	2015 - 2016
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10	14,410,413.95	8,759,856.90
Cash Balances (cash at hand)	10	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		14,410,413.95	8,759,856.90
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July...	13	8,759,856.90	35,638,047.31
Surplus/Deficit for the year		5,650,557.05	(26,878,190.41)
Prior year adjustments	14	-	
NET LIABILITIES		14,410,413.95	8,759,856.90

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The SOTIK NG-CDF financial statements were approved on 27th July 2017 and signed by:



Chairman NG- CDFC



FUND ACCOUNT MANAGER
 SOTIK NG-CDF
 P.O. BOX 856, SOTIK

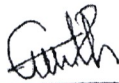
Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- SOTIK 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	104,446,322.60	94,170,682.00
Other Receipts	3		
		104,446,322.60	94,170,682.00
Payments for operating expenses			
Compensation of Employees	4	2,643,120.00	1,305,474.00
Use of goods and services	5	7,867,121.50	8,621,609.00
Transfers to Other Government Units	6		
		46,432,759.00	67,658,687.00
Other grants and transfers	7		
		41,852,764.80	43,463,102.41
Other Payments	9	-	
Total Payments		98,795,765.30	121,048,872.41
Adjusted for:			
Adjustments during the year	14		
Net cash flow from operating activities		5,650,557.05	(26,878,190.41)
Cash flow from Investing Activities			
Proceeds from Sale of Assets	2	-	
Acquisition of Assets	9		
Net cash flows from Investing Activities			
Net Increase in Cash and Cash Equivalent		5,650,557.05	(26,878,190.41)
Cash and cash equivalent at BEGINNING of the year	13	8,759,856.90	35,638,047.31
Cash and cash equivalent at END of the year		14,410,413.95	8,759,856.90

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The SOTIK NG-CDF financial statements were approved on 27th July 2017 and signed by



Fund Account Manager



Chairman NG -CDF

NATIONAL GOVERNMENT COMMUNITIES DEVELOPMENT FUND - SOUTH COASTAL DISTRICT
 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	81,896,551.69					
Proceeds from Sale of Assets		72,757,903.00	154,654,454.69	104,446,322.60	50,208,132.09	68%
Other Receipts						
PAYMENTS						
Compensation of Employees	2,056,960.00	1,761,970.00	3,818,930.00	2,643,120.00	1,175,810.00	69%
Use of goods and services	5,242,040.00	6,183,824.00	11,425,864.00	7,867,121.50	3,558,743.50	69%
Transfers to Other Government Units	39,900,000.00	43,467,814.00	83,367,814.00	46,432,759.00	36,935,055.00	56%
Other grants and transfers	34,697,551.69	12,344,295.00	47,041,846.69	41,852,764.80		
Acquisition of Assets		9,000,000.00	9,000,000.00		5,189,082.00	89%
Other Payments					9,000,000.00	0
TOTALS	81,896,551.69	72,757,903.00	154,654,454.69	98,795,765.30	55,858,690.50	

(a) [For the

The SOTIK NG-CDF financial statements were approved on 27th July 2017 and signed by:



FUND ACCOUNT MANAGER
 SOTIK NG-CDF
 08-76X 866, SOTIK



NATIONAL GOVERNMENT CONSORTIUMS DEVELOPMENT FUND - SOUTH AFRICA CONSORTIUM

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

Fund Account Manager

Chairman NG CDF

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 *NG-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 *NG-CDF*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *NG-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 *NG-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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SOTIK
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 *NG-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 *NG-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 *NG-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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SOTIK
CONSTITUENCY**

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1.1.1.1.1.1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	AIE NO	2016-2017	2015 - 2016
		Kshs	Kshs
NG-CDF Board			
AIE 1	A825890	63,498,046.00	29,170,682.00
AIE 2	A 829999	4,094,827.60	64,000,000.00
AIE 3 (other constituency e,g, parent constituency)	A855088	36,853,449.00	1,000,000.00
TOTAL		104,446,322.60	94,170,682.00

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.4 COMPENSATION OF EMPLOYEES

	2016-2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	1,677,422.00	1,305,474.00
Basic wages of casual labour	xxx	xxx
Personal allowances paid as part of salary		
House allowance	xxx	xxx
Transport allowance	xxx	xxx
Leave allowance	xxx	xxx
Gratuity	965,698.00	xxx
Other personnel payments	xxx	xxx
Total	2,643,120.00	1,305,474.00

1.1.1.1.1.1.5 USE OF GOODS AND SERVICES

	2016-2017	2015 - 2016
	Kshs	Kshs
Committee Expenses	5,784,941.00	8,621,609.00
Utilities, supplies and services	58,866.00	9,160.00
Communication, supplies and services		xxx
Domestic travel and subsistence	xxx	xxx
Printing, advertising and information supplies & services	xxx	xxx
Rentals of produced assets	xxx	xxx
Training expenses	1,207,000.00	xxx
Hospitality supplies and services	xxx	xxx
Insurance costs	xxx	117,500.00
Specialized materials and services	xxx	xxx
Office and general supplies and services	127,980.00	669,735.40
Other operating expenses	20,905.50	xxx
Routine maintenance – vehicles and other transport equipment	257,429.00	853,468
Routine maintenance – other assets	410,000.00	535,3460
Total	7,867,121.50	15,624,932.40

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SOTIK
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.6 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016-2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities	xx	xx
Transfers to primary schools (see attached list)	22,650,000.00	24,908,687.00
Transfers to secondary schools (see attached list)	19,300,000.00	40,950,000.00
Transfers to tertiary institutions (see attached list)	-	1,500,000.00
Transfers to health institutions (see attached list)	4,482,759.00	300,000.00
TOTAL	46,432,759.00	67,658,687.00
	0	

1.1.1.1.1.1.7 OTHER GRANTS AND OTHER PAYMENTS

	2016-2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	18,885,700.00	28,441,417.00
Bursary – tertiary institutions (see attached list)	11,309,100.00	xx
Bursary – special schools (see attached list)	125,000.00	xx
Mock & CAT (see attached list)	500,000.00	500,000.00
Water projects (see attached list)	xx	1,100,000.00
Agriculture projects (see attached list)	xx	700,000.00
Electricity projects (see attached list)	xx	xx
Security projects (see attached list)	2,100,000.00	1,596,108.00
Roads projects (see attached list)	xx	299,860.00
Sports projects (see attached list)	966,200.00	2,755,431.00
Environment projects (see attached list)	1,866,764.80	2,333,382.41
Emergency projects (see attached list)	6,100,000.00	5,736,904.00
Total	41,852,764.80	43,463,102.41

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SOTIK
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016-2017	2015 - 2016
	Kshs	Kshs
<i>KCB – Sotik, A/C No. 1105583686</i>	14,410,413.95	8,759,856.90
Total	14,410,413.95	8,759,856.90

13. BALANCES BROUGHT FORWARD

	2016-2017	2015 - 2016
	Kshs	Kshs
Bank accounts	8,759,856.90	35,638,047.31
Cash in hand	-	43,500.00
Imprest		
Total	8,759,856.90	35,681,547.31

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SOTIK
CONSTITUENCY**

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Senior management	xxx	xxx
Middle management		-
Unionisable employees	xxx	xxx
Others (<i>specify</i>)	125,400	-
Total	125,400	-

15.3: OTHER PENDING PAYABLES (See Annex 3)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Amounts due to other Government entities (see attached list)	894,824	xxx
Amounts due to other grants and other transfers (see attached list)	10,272,669.05	xxx
Others (<i>specify</i>)- various savings	3,195,921.00	xxx
	14,410,413.95	xxx

15.4: PMC ACCOUNT BALANCES (See Annex 3)

	2016 - 2017	2015 - 2016
	Kshs	Kshs
PMC account balances (see attached list)	868,328.80	xxx
TOTAL	868,328.80	xxx

NATIONAL GOVERNMENT ENTITY - (SOTIK CONSTITUENCY)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

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.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT ENTITY - (SOTIK CONSTITUENCY)
 Reports and Financial Statements
 For the year ended June 30, 2017 (Kshs'000)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 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. NG-CDFC Staff		125,400	31/07/2017	-	125,400		Service already offered
11.							
12.							
	Sub-Total	125,400			125,400		
	Grand Total						

NATIONAL GOVERNMENT ENTITY - (SOTIK CONSTITUENCY)
 Reports and Financial Statements
 For the year ended June 30, 2017 (Kshs'000)
 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							
Chebilat Pry Sch	Classroom	100,000	100,000	-	100,000	-	No required documents
Manaret Pry Sch	Classroom	50,000	50,000	-	50,000		No required documents
Moiminariet Sec Sch	Classroom	144,824	144,824	--	144,824		No required documents
Chebungei Adult Education	Classroom	100,000	100,000	-	100,000		No required documents
Mabwaita Pry School	Classroom	100,000	100,000	-	100,000		No required documents
Ndanai Girls Sec Sch	Classroom	400,000	400,000	-	400,000		Changed work plan
Sub-Total		894,824	894,824		894,824		
Amounts due to other grants and other transfers							
Ndanai Pry Sch	Environment	158,208.25	158,208.25		158,208.25		Payment in process
Chebirbelek Pry Sch	Environment	244,460.80	244,460.80		244,460.80		Changed work plan
Mutarakwa Loc Adm Office	Office	70,000.00	70,000.00		70,000.00		No required documents
Tapkosam Dam	Dam	100,000	100,000		100,000		No required documents
Sub-Total		572,669.05	572,669.05		572,669.05		

NATIONAL GOVERNMENT ENTITY - (SOTIK CONSTITUENCY)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
Office Vehicle		9,747,000.00	9,747,000.00		9,747,000.00		Procurement issues
Sub-Total		9,747,000.00	9,747,000.00		9,747,000.00		
Others (specify)							
1. Others e.g Various Savings		3,195,921.00	3,195,921.00		3,195,921.00		Various Savings
Sub-Total		3,195,921.00	3,195,921.00		3,195,921.00		
Grand Total		14,410,413.95					

NATIONAL GOVERNMENT ENTITY - (SOTIK CONSTITUENCY)
 Reports and Financial Statements
 For the year ended June 30, 2017 (Kshs'000)
 ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land		
Buildings and structures	5,000,000.00	5,000,000.00
Transport equipment	1,500,000.00	2,000,000.00
Office equipment, furniture and fittings	341,000.00	341,000.00
ICT Equipment, Software and Other ICT Assets	70,000.00	70,000.00
Other Machinery and Equipment	150,000.00	150,000.00
Heritage and cultural assets		
Intangible assets		
Total	<u>7,061,000.00</u>	<u>7,561,000.00</u>



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

SOTIK CONSTITUENCY

P.O BOX 866,

SOTIK, KENYA


SOTIK NG-CDF.

Email: cdfsotik@cdf.go.ke

SOTIK NG- CDF PROJECTS ACCOUNT NUMBERS AND BALANCES

S/NO	PROJECT NAME	F/Y	AMOUNT	BANK	A/C NO.	BALANCE
1	Burgesi Pry Sch	2015/2016	600,000.00	KCB-Sotik	1177370816	40,400.00
2	Chebirbelek Sec Sch	2015/2016	600,000.00	KCB-Sotik	1115976230	500,000.00
3	Chepkeigei Pry Sch	2015/2016	600,000.00	KCB-Sotik	1145538657	1,959.50
4	Chepkosiom Pry Sch	2015/2016	244,840.80	KCB-Sotik	1176555960	40,840.80
5	Chemobei Pry Sch	2015/2016	600,000.00	KCB-Sotik	1173894357	584.50
6	Chesegem Pry Sch	2015/2016	900,000.00	KCB-Sotik	1118983939	1,915.00
7	Chilgowet Pry Sch	2015/2016	600,000.00	KCB-Sotik	1134661266	248.05
8	Kagasik Girls Sec Sch	2015/2016	600,000.00	KCB-Sotik	1123071047	429.50
9	Kamugeno Pry Sch	2015/2016	600,000.00	KCB-Sotik	1199497509	4,435.00
10	Kamungei Pry Sch	2015/2016	500,000.00	KCB-Sotik	1130184021	2,235.50
11	Kapchepkoro High Sch	2015/2016	600,000.00	KCB-Sotik	1164951254	1,000.00
12	Kapkelei Sec Sch	2015/2016	500,000.00	KCB-Sotik	1201091098	785.00
13	Kapkesembe Sec Sch	2015/2016	600,000.00	KCB-Sotik	1151849421	2,469.00
14	Kipngosos Special Sch For Mentally H.	2015/2016	400,000.00	KCB-Sotik	1174027517	2,160.00
15	Kipsingei Sec Sch	2015/2016	600,000.00	KCB-Sotik	1111393540	3,764.00
16	Kiricha Sec Sch	2015/2016	600,000.00	KCB-Sotik	1179240790	4,600.00
17	Mabwaita Pri Sch	2015/2016	600,000.00	KCB-Sotik	1160929998	64,755.00
18	Mosonik Pry Sch	2016/2017	300,000.00	KCB-Sotik	1199357863	1,885.00
19	Ndanai Boys Sec Sch	2015/2016	5,000,000.00	KCB-Sotik	1174918918	5,218.00
20	Ngariet Pry Sch	2015/2016	600,000.00	KCB-Sotik	1116220415	130,455.00
21	Sigorian Pry Sch	2015/2016	600,000.00	KCB-Sotik	1174113553	2,864.50
22	Soget Pry Sch	2015/2016	800,000.00	KCB-Sotik	1166347613	51,874.50
23	St Joseph Mabwaita Sec Sch	2015/2016	600,000.00	KCB-Sotik	1116001241	880.50
24	Sugutek Pry Sch	2015/2016	600,000.00	KCB-Sotik	1176628556	2,571.00

Prepared By :-


A. Sigei

Fund Accounts Manager- Sotik

PAYMENTS

42

F.O. 26 (Small)

Kind of Payment	Allocation	Voucher No.	Cheque No.	Sh. cts.	Sh. cts.	Sh. cts.
ch			11687			
Manager		67			589500	500000
					589500	500000
					1136250	1488902195
					1195200	1538902195
Sci		68	11688		56000	56000
cheque no 01679 see below					56000	
Manager		69			315200	283500
Manager		70			316200	
Manager		71			44000	
		72			60000	
		73	11689			
		74	11690			10000
car (see motor)		75	11691			10960
		76	11692			112026
					1050	6110
					1192250	278505
						1441041395
					1192250	1488902195

20/1/77

20/1/77



REPUBLIC OF KENYA
NATIONAL GOVERNMENT CDF
BANK RECONCILIATION
AS AT 30TH JUNE, 2017 STATION: SOTIK NATIONAL SUB COUNTY TREASURY

	Shs/Cts	Shs/Cts	Shs/Cts
Balance as per Bank Certificate			16,613,023.45
Less-			
1. Payments in Cash Book not yet recorded in Bank Statement (Unpresented Cheques)	2,245,595.00		
2. Receipts in Bank Statement not yet recorded in Cash Book	0.00	2,245,595.00	2,245,595.00
Add-			
3. Payments in Bank Statement not yet recorded Cash Book	42,985.50		
4. Receipts in Cash Book not yet recorded in Bank Statement	0.00	42,985.50	42,985.50
Bank Balance as per Cash Book			14,410,413.95

I certify that I have verified the Bank Balance in the Cash Book with the Bank Statement and that the above reconciliation is correct.

Signature

Designation

Date 29/7/17

1. PAYMENTS IN CASH BOOK NOT YET RECORDED IN BANK STATEMENT (UNPRESENTED CHEQUES)								
CHEQUE		PAYEE	AMOUNT		CHEQUE		AMOUNT	
No.	Date		Shs/Cts	No.	Date	PAYEE	Shs/Cts	
	30.06.17	As Per Attached List	2,245,595.00				0.00	
TOTALS			2,245,595.00	TOTALS			0.00	

(1) PAYEMENTS IN THE CASH BOOK NOT YET RECORDED IN THE BANK STATEMENT
(UNPRESENTED CHEQUES) AS AT 30TH JUNE,,2017

CHEQUE NO.	DATE	PAYEE	AMOUNT Kshs/Cts
009488	08.01.16	Kilgoris Girls High School	6,000.00
009625	08.01.16	Kiprorget High School	4,000.00
009702	08.01.16	Siomet Sec School	12,200.00
009703	08.01.16	Soiyet Sec School	4,000.00
009744	08.01.16	Region Group College	6,000.00
009816	08.01.16	Chema Instiute	4,500.00
009827	08.01.16	Eye Opener ECDE TTC	4,000.00
009881	08.01.16	Melengine Youth Poly	4,000.00
009891	08.01.16	Nakuru College of Health Science	4,000.00
009896	08.01.16	Nishkam St. Puran Singh Inst.	39,200.00
009901	08.01.16	Region Group College	4,000.00
009913	08.01.16	St. John TTC Kilimambogo	4,000.00
009945	25.01.16	VAT	2,483.00
009953	01.02.16	VAT	26,260.00
009980	10.02.16	VAT	5,224.00
009991	10.02.16	VAT	2,580.00
009992	16.02.16	VAT	10,000.00
009992	17.02.16	Chebilat Sec School	10,000.00
010003	17.02.16	Kenyatta University	10,000.00
010004	17.02.16	Kisi Unversity	10,000.00
010028	18.02.16	VAT	15,510.00
010037	18.02.16	VAT	20,000.00
010209	18.02.16	Cheborgei Girls Sec	4,000.00
010269	18.02.16	AIC Kedowa Special School	6,000.00
010315	18.02.16	Kericho South Bsn & Techn Institute	16,000.00
010472	05.07.16	Kagumo High School	7,000.00
010496	05.07.16	KMTC Eldoret	10,000.00
010647	15.09.16	Income Tax	172,622.00
010743	09.11.16	VAT	7,241.00
010795	03.01.17	Kanga High School	95,000.00
010856	03.01.17	Olechakati Supat Apostolic	29,000.00
010898	03.01.17	VAT	24,854.00
010925	01.02.17	Chelilis Girls	12,000.00
010970	02.02.17	Kamureito Sec School	361,600.00
011124	02.02.17	Kirimeses Sec School	8,000.00
011134	02.02.17	Lanet Hills View	4,000.00
011157	02.02.17	Mosop Sec School	4,000.00
011250	03.02.17	Kiprorget High School	4,000.00
011246	03.02.17	Kapwera Sec School	9,200.00
011247	03.02.17	Korara Special School	4,000.00
011248	03.02.17	Mugango Boys High School	4,000.00
011231	15.02.17	Eldoret Unversity	8,000.00
011251	15.02.17	Arokyet Girls Sec School	4,000.00
011252	15.02.17	Siwot High School	4,000.00
011275	15.02.17	Eldoret College Of Business	4,500.00
011290	15.02.17	Kamwenja TTC	11,300.00

011395	15.02.17	Vihiga Medical College	4,000.00
011456	16.02.17	KMTC Siaya	6,000.00
011479	16.02.17	Moi University West Campus	8,000.00
011512	17.02.17	Sironga High School	6,000.00
011545	28.02.17	VAT	2,165.00
011559	22.03.17	Kisi National Polytechnic	8,000.00
011561	22.03.17	Kabete TTI	5,000.00
011563	22.03.17	Principal Ministry Of Lands & P. Planning	6,000.00
011572	22.03.17	Kenyatta University	18,600.00
011615	21.05.17	Ndanai Boys' Sec School	15,000.00
011618	21.05.17	Sosit Girls' Sec School	8,000.00
011639	21.05.17	Kaboson Sec School	5,000.00
011640	21.05.17	Cheptangulgei Sec School	4,100.00
011647	21.05.17	VAT	2,248.00
011648	21.05.17	Karinga Girls' High School	10,000.00
011649	21.05.17	Sameta High School	5,000.00
011652	21.05.17	Kabete TTI	10,000.00
011654	21.05.17	Kenya Methodist University	15,000.00
011657	21.05.17	Tendere Sec School	5,000.00
011664	02.06.17	Kisii University	20,000.00
011666	02.06.17	Sotik Sec School	22,000.00
011667	02.06.17	Nyangoros Sec School	25,000.00
011669	02.06.17	Automobile	15,000.00
011671	02.06.17	Ndanai Boys' Sec School	15,000.00
011672	02.06.17	University of Eldoret	10,000.00
011673	02.06.17	Rift Valley	15,000.00
011674	02.06.17	Siomo Sec	7,000.00
011677	02.06.17	St. Marks Kigari TTC	5,000.00
011678	02.06.17	Kisii School	5,000.00
011680	23.06.17	KCB	104,699.00
011681	23.06.17	NHIF	3,400.00
011682	23.06.17	NSSF	10,080.00
011683	23.06.17	Income Tax	7,221.00
011684	23.06.17	Maurice Achero	16,700.00
011685	23.06.17	Moses Terer	4,000.00
011686	23.06.17	M/S Transaric Investment Ltd	100,000.00
011687	23.06.17	Chebirbelek Sec School	500,000.00
011688	23.06.17	Andrew Sigei	56,000.00
011689	30.06.17	Kenya Power	10,000.00
011690	30.06.17	Postal Corporation Of Ltd	10,960.00
011691	30.06.17	Kericho Toyota Cads	112,036.00
011682	30.06.17	VAT	6,112.00
TOTALS			2,245,595.00