

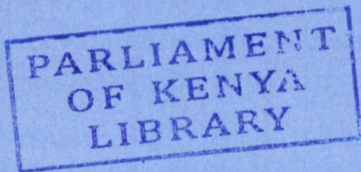
REPUBLIC OF KENYA



*Paper laid by
LDM on 2/3/2017
Haring*



OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND
WESTLANDS CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2015**



Constituencies 2017

Thursday, 2nd March, 2017

The House met at 2.30 p.m.

The Report of the Auditor-General on the Financial Statements in respect of

← Westlands Constituency Development Fund for the year ended 30th June, 2015 and the certificate therein;

Thursday, 16th March, 2017

The House met at 2.30 p.m.

- ✓ (i) Mandera South Constituency;
- ✓ (ii) Saku Constituency; and,





CONSTITUENCIES DEVELOPMENT FUND – WESTLANDS

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2015**

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	3
II. FORWARD BY THE CDFC CHAIRPERSON	6
III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES.....	7
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	8
V. STATEMENT OF ASSETS.....	9
VI. SIGNIFICANT ACCOUNTING POLICIES	11
VII. NOTES TO THE FINANCIAL STATEMENTS.....	13

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The *Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *Constituencies Development Fund*.

(b) Key Management

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

- i. Constituencies Development Fund Board (CDFB)
- ii. Constituency Development Fund Committee (CDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Peter Ngugi
3.	Accountant	Mr. Oyaró
4.		

(d) Fiduciary Oversight Arrangements

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

P.O. Box 14903-00800
Kenya Freedom from Hunger Council
Prefab house,
Off Raphtha Road, Westlands
Nairobi, KENYA

(f) Westlands CDF Contacts

Telephone: (254) 724 870038
E-mail: cdfwestlands@cdf.go.ke
Website: www.cdf.go.ke

(g) Westlands CDF Bankers

- Equity Bank, Kangemi Branch
- P.O. Box 75104,
- Nairobi, Kenya.

(h) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

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

Westlands CDF had an allocation of kshs.92, 531,090.00 in the financial year 2014/2015. We have been able to implement most of the projects. The constituency has so far received Kshs. 82,531,090.00 from the CDF Board and disbursed the same to the beneficiaries.

During the financial year, 2014/2015, a considerable number of projects have been completed. These includes, Highridge Secondary school (Dormitory), Mji Wa Huruma (Dispensary), Vet Lab. Primary School rehabilitation of classes.

CDF being the backbone of development in the Constituency is an integral part in any development agenda. The Constitutional crisis arising on CDF should be taken as a critical decision for the survival of CDF.

CDF as a development wheel is faced with numerous challenges. The society is yet to embrace it as a non-political fund. Separation here becomes an uphill task. A negative attitude towards the fund is also another big challenge to the implementers.

A lot of sensitization is necessary to change the community's' mind set.



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

The Accounting Officer in charge of the *Westlands CDF* is responsible for the preparation and presentation of the *CDF's* financial statements, which give a true and fair view of the state of affairs of the *CDF* for and as at the end of the financial year (period) ended on June 30, 2015. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *CDF*; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the *CDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the *Westlands 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, 2015, and of the *CDF's* financial position as at that date. The Accounting Officer charge of the *Westlands 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 *Westlands 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 8/9 2015



Pamela Lusaka
Chairperson - CDFC



Peter Ngugi
Fund Account Manager

REPUBLIC OF KENYA

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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 CONSTITUENCIES DEVELOPMENT FUND- WESTLANDS CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2015

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund- Westlands Constituency set out of pages 8 to 26, which comprise the statement of financial assets and liabilities as at 30 June 2015, and the statement of receipts and payments, summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 8 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 7 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003 and submit the report in compliance with Article 229 (7) of the constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISAAs). 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 misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the

Constituencies Development Fund-Westlands Constituency – Reports and Financial Statements for the year ended 30 June 2015

auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the 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 evaluation of 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. Differences Between the Summary Statement of Appropriation and the Project Proposal Document Approved by the CDF Board

The summary statement of appropriation reflects an amount of Kshs.83,714,816 on total budget, while the project proposal document reflects an amount of Kshs.91,134,504 as detailed below:-

Item	Budget as per the summary statement of appropriation Kshs	Budget as per the documents with the CDF Board Kshs	Difference Kshs
Compensation of Employees	968,114	2,290,800	(1,322,686)
Use of goods and services	3,192,494	1,700,000	1,492,494
Committee Expenses	1,476,000	4,169,304	(2,693,304)
Transfers to other Govt Units	44,409,556	17,243,690	27,165,866
Other grants and transfers	32,529,804	61,988,710	(29,458,906)
Social Security Benefits	5,800	42,000	(36,200)
Acquisition of Assets	<u>1,133,048</u>	<u>3,700,000</u>	<u>(2,566,952)</u>
	83,714,816 =====	91,134,504 =====	(7,419,688) =====

The difference of Kshs.7,419,688 between the two sets of records has not been reconciled. Consequently, the accuracy of the budget figures reflected in the financial statements could not be confirmed.

2. Unsupported Imprests Expenditure

The statement of receipts and payments under other grants and transfers reflect an expenditure of Kshs.32,529,804, which includes three payments relating to emergency items and CDF allowances, performance contracting seminar and bursary payment and distribution exercise amounting to Kshs.785,000, Kshs.120,000 and Kshs.912,000 respectively. These amounts were issued as imprest during the year and had not been surrendered or accounted for. In view of the foregoing, the propriety of expenditure totaling Kshs.1,817,000 expenditure could not be confirmed.

3. Retention Register

Other Grants and Transfers balance of Kshs.32,529,804, includes expenditure totalling Kshs.18,600,805 for projects on roads, security, environment and others. Information available indicates that the CDF does not retain 10% of the payment on these projects from the contractors as required by law.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Constituencies Development Fund-Westlands Constituency as at 30 June 2015, and of its financial Performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Constituencies Development Fund Act, 2013.

Other Matter

1. Budget and Budgetary Controls

The summary statement of appropriation reflects a budget of Kshs.83,714,817, which differs with project proposal documents held by the CDF Board budget of Kshs.91,134,504 by unexplained difference Kshs.7,419,687. During the year under review, CDF received an amount of Kshs.82,531,090, with the opening balance of Kshs.21,896,093. The total Funds available amounted to Kshs.104,427,183 which was more than the budgeted and approved figure by Kshs.13,292,679.

(i) Budget expenditure differences

The budget figures as per the financial statements differs with the budget amounts reflected by the CDF Board as follows:-

Item	Budget as per the summary statement of appropriation Kshs	Budget as per the documents with the CDF Board Kshs	Difference Kshs
Compensation of Employees	968,114	2,290,800	(1,322,686)
Use of goods and services	3,192,494	1,700,000	1,492,494
Committee Expenses	1,476,000	4,169,304	(2,693,304)
Transfers to other Govt Units	44,409,556	17,243,690	27,165,866
Other grants and transfers	32,529,804	61,988,710	(29,458,906)
Social Security Benefits	5,800	42,000	(36,200)
Acquisition of Assets	<u>1,133,048</u>	<u>3,700,000</u>	<u>(2,566,952)</u>
	83,714,816 =====	91,134,504 =====	(7,419,688) =====

Information and records available indicate that the approved budget expenditure figure was Kshs.91,134,504. No explanation was provided for the variance between the approved budget and the budget reflected in the financial statements.

(ii) Transfers to Other Government Units

The summary statement of appropriation reflects a budget of Kshs.51,746,092 under Transfers to Other Government Units and actual expenditure of Kshs.44,409,556, resulting to under-expenditure of Kshs.7,336,536 as shown below:-

Project	Budgeted Amount Kshs	Actual Expenditure Kshs	Under/Over Expenditure Kshs	Remarks
Githogoro water project	1,500,000.	-	1,500,000.	Reallocated to purchase of desks.
Kangemi Do's camp	4,000,000.	-	4,000,000.	At procurement stage
cdf office	644,303	-	644,303	
Furnishing of CDF office	2,101,789.	912,000.	1,189,789.	Tents & chairs yet to be purchased
Stage sheds	2,500,000.	2,997,556	(497,556)	Reallocated from purchase of desks.
Kihumbuini Primary Schools	3,500,000.	3,500,000.	-	Handed over and in use
Loresho primary schools	2,000,000.	2,000,000.	-	Handed over and in use

Kangemi primary schools	2,000,000.	2,000,000.	-	Handed over and in use
Aghakan primary schools	2,000,000.	2,000,000.	-	Handed over and in use
Hospital Hill primary schools	5,500,000.	5,000,000.	500,000.	Ongoing
Vet lab Primary school	4,000,000.	4,000,000.	-	Renovations completed and handed over
Highridge Secondary school	12,000,000.	12,000,000.	-	Internal Finishes painting
Kangemi polytechnique	10,000,000.	10,000,000.	-	At procurement stage
	51,746,092.	44,409,556	7,336,536.	

The over expenditure of Kshs.497,556 relating to stage shed was incurred without the authority of the CDF Board. In addition, the reallocation of the expenditure of Kshs.1,500,000 on Githogoro water project was reallocated without authority of the Board. No explanation was provided for the failure by the CDF management to comply with approved budget.

(iii) Other Grants and Transfers

The summary statement of appropriation reflects a budget of Kshs.32,529,805 on Other Grants and Transfers and an actual expenditure of a similar amount as detailed below:-

Project	Budgeted Amount Kshs	Actual Expenditure Kshs	Records as per CDF Board Kshs	Remarks
Emergency	9,484,183	9,484,183	5,400,259	To cater for emergencies
Sports Tournament	695,000	695,000	1,822,676	Sports activities payment
Constituency Environmental	1,850,622	1,850,622	1,822,690	Cleaned the environment
Bursary Secondary Schools	4,500,000	4,500,000	5,670,175	Fund paid to the beneficiaries through the respective institutions
Bursary Tertiary/ Universities	4,000,000	4,000,000	7,000,000	Funds paid to the beneficiaries through the respective institutions

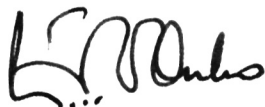
Mocks/CAT's	1,500,000	1,500,000	1,000,000	Fund paid exams for the students
Vet lab primary school	8,000,000	8,000,000		Renovations completed and handed over
Kangemi Health Centre	2,500,000	2,500,000		Drainage handed over and in use
Total	32,529,805	32,529,805		

Review of records held by the CDF Board indicate different figures as shown above. The validity of the budgetary figures provided therefore could not be confirmed.

2. Bursaries Allocation and Disbursements

The statement of receipts and payments reflect an amount of Kshs.32,529,805 under Other Grants and Other Transfers, which includes an amount of Kshs.12,670,175.00. Review of bank reconciliation statements revealed that cheques relating to bursaries amounting to Kshs.2,688,000 had not been presented as at 30 June 2014. No reason was given for the failure by the bursary beneficiaries not to present the cheques.

My opinion is not qualified in respect of these matters.



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

Nairobi

07 September 2016


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

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015	2013-2014
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	82,531,089.50	98,616,303.00
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		82,531,089.50	98,616,303.00
PAYMENTS			
Compensation of employees	4	1,041,221.91	767,503.00
Use of goods and services	5	4,129,839.30	4,036,361.90
Committee Expenses	6	1,476,000.00	2,266,000.00
Transfers to Other Government Units	7	44,409,555.98	36,234,080.91
Other grants and transfers	8	32,529,804.88	32,344,561.05
Social Security Benefits	9	7,200.00	5,800.00
Acquisition of Assets	10	195,702.84	715,903.60
Other Payments	11	-	350,000.00
TOTAL PAYMENTS		83,789,325.31	76,720,210.46
SURPLUS/DEFICIT		(1,258,235.81)	21,896,092.54

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WESTLANDS CDF

financial statements were approved on 8/9 2015 and signed by:


Pamela Lusaka
Chairperson - CDFC


Peter Ngugi
Fund Account Manager

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

V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2014-2015 Kshs	2013-2014 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	1,179,383.00	21,896,092.54
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	-	-
TOTAL FINANCIAL ASSETS		<u>1,179,383.00</u>	<u>21,896,092.54</u>
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	21,896,092.54	-
Surplus/Defict for the year		(1,258,235.81)	21,893,092.54
Prior year adjustments	14	(19,458,473.73)	-
NET LIABILITIES		<u>1,179,383.00</u>	<u>21,893,092.54</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WESTLANDS CDF

Financial statements were approved on 8/9 2015 and signed by:



Pamela Lusaka
Chairperson- CDFC



Peter Ngugi
Fund Account Manager

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

VI. CASH FLOW STATEMENT

Receipts for operating income		2014 - 2015	2013 - 2014
Transfers from CDF Board	1	82,531,089.00	98,616,303.00
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	1,041,221.91	767,503.00
Use of goods and services	5	4,129,839.70	4,036,361.90
Committee Expenses	6	1,476,000.00	2,266,000.00
Transfers to Other Government Units	7	44,409,555.98	36,234,080.91
Other grants and transfers	8	32,529,804.88	32,344,561.05
Social Security Benefits	9	7,200.00	5,800.00
Other Payments	11		350,000.00
		83,593,622.47	76,004,306.86
Adjusted for:			
Adjustments during the year		74,508.27	-
Net cash flow from operating activities			7,069,864.90
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	195,702.84	(715,903.60)
Net cash flows from Investing Activities			(715,903.60)

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

NET INCREASE IN CASH AND CASH EQUIVALENT		-1,258,235.81	6,353,961.30
Cash and cash equivalent at BEGINNING of the year	15	21,896,092.54	-
Cash and cash equivalent at END of the year	16	20,712,365.00	21,896,092.54

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WESTLANDS

CDF financial statements were approved on 2/9 2015 and signed by:

Pamela Lusaka
Chairperson- CDFC


Peter Ngugi
Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015****VII: SUMMARY STATEMENT OF APPROPRIATION**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisati
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board				82,531,089.50	(82,531,089.50)	
Proceeds from Sale of Assets						
Other Receipts						
PAYMENTS						
Compensation of Employees	968,113.91	0	968,113.91	1,041,221.91	(73,108.00)	100.00%
Use of goods and services	3,192,494.3	0	3,192,494.30	4,129,839.70	(937,345.40)	100.00%
Committee Expenses	1,476,000	0	1,476,000.00	1,476,000.00	-	100.00%
Transfers to Other Government Units	44,409,555.98	0	44,409,555.98	44,409,555.98	-	100.00%
Other grants and transfers	32,529,804.00	0	32,529,804.00	32,529,804.88	0	100.00%
Social Security Benefits	5,800.00	0	5,800.00	7,200.00	(1,400.00)	100.00%
Acquisition of Assets	1,133,048.24	0	1,133,048.24	195,702.84	937,345.40	100.00%
Other Payments	0	0	0	0	-	100.00%
TOTALS	83,714,817.31	-	83,714,817.31	83,789,325.31	(82,605,597.50)	100.00%

The WESTLANDS CDF financial statements were approved on 8/9 2015 and signed by:



Pamela Lusaka
Chairperson - CDFC



Peter Ngugi
Fund Account Manager

VII. SIGNIFICANT ACCOUNTING POLICIES

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

a) Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Constituency and all values are rounded to the nearest thousand (Kshs'000). The accounting policies adopted have been consistently applied to all the years presented.

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

b) Recognition of revenue and expenses

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

c) In-kind contributions

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

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also 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 - WESTLANDS CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Receivables and payables

Receivables are funds due to the Constituency at the end of the financial year from the CDF Board and other sources but not yet received while payables are funds due to other parties at the end of the financial year but not yet paid. As receivables and payables do not involve the receipt or payment of cash in the reporting period, they are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the Constituency at the end of the year. When the receivables or payables are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

f) Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The Constituency's budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the Constituency's actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

g) Comparative figures

This is the second year the Constituency is preparing financial statements and hence we do have comparative figures.

h) Subsequent events

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

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS					
GFS CODES					
	1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES				
	Description		2014 - 2015	2013 - 2014	
			Kshs	Kshs	
1330407	Normal Allocation	AIE NO...	23,132,772.00	33,611,053.00	
		AIE NO...	13,879,664.00	2,000,000.00	
		AIE NO.....	9,253,109.00	24,002,100.00	
		AIE NO...	23,132,772.00	19,501,575.00	
		AIE NO...	13,132,772.50	19,501,575.00	
			-		
			-		
	TOTAL		82,531,089.50	98,616,303.00	

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

3510000 2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS					
Description		2014 - 2015		2013 - 2014	
		Kshs		Kshs	
3510202	Receipts from the Sale of Buildings				
3510601	Receipts from the Sale of Vehicles and Transport Equipment			-	
3510801	Receipts from the Sale Plant Machinery and Equipment				
3510803	Receipts from the Sale of office and general equipment				
		Total	-	-	
1400000 3 OTHER RECEIPTS					
Description		2014 - 2015		2013 - 2014	
		Kshs		Kshs	
1410107	Interest Received		-	-	
1410405	Rents		-	-	
1420601	Sale of tender documents		-	-	
1450207	Other Receipts Not Classified Elsewhere (specify)		-	-	
	Total		-	-	

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015**

2110000 4 COMPENSATION OF EMPLOYEES					
Description		2014 - 2015		2013 - 2014	
		Kshs		Kshs	
2110201	Basic wages of contractual employees		883,377.00		758,223.00
2110202	Basic wages of casual labour		-		
Personal allowances paid as part of salary					
2110301	House allowance		-		-
2110314	Transport allowance		-		-
2110320	Leave allowance		-		-
2110326	Other personnel payments		84,736.91		9,280.00
2710120	gratuity				
Total			1,041,222		767,503.00
2200000 5 USE OF GOODS AND SERVICES					
Description		2014 - 2015		2013 - 2014	
		Kshs		Kshs	
2210100	Utilities, supplies and services		702,000.00		978,331.30
2210104	Office rent		786,494.30		658,030.60

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

2210200	Communication, supplies and services		-	450,000.00	
2210300	Domestic travel and subsistence				
2210500	Printing, advertising and information supplies & services		450,000.00		
2210600	Rentals of produced assets		-		
2210700	Training expenses		542,000.00	1,500,000.00	
2210800	Hospitality supplies and services		214,000.00		
2210900	Insurance costs		-		
2211000	Specialised materials and services		-		
2211100	Office and general supplies and services		498,000.00	450,000.00	
2211200	Fuel ,oil & lubricants		-		
2211300	Other operating expenses		-		
2220100	Routine maintenance – vehicles and other transport equipment		-		
2220200	Routine maintenance – other assets		-		
			-		
	Total		4,129,840.00	4,036,361.90	
2210800	6 COMMITTEE EXPENSES				
	Description		2014 - 2015	2013 - 2014	
			Kshs	Kshs	
2210802	Other committee expenses		228,000.00	1,018,000.00	

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

2210809	Committee allowance		1,248,000.00	1,248,000.00	
	TOTAL		1,476,000.00	2,266,000.00	
2630200	7 TRANSFER TO OTHER GOVERNMENT ENTITIES				
	Description		2014 - 2015	2013 - 2014	
			Kshs	Kshs	
2630204	Transfers to primary schools		18,924,433.81	18,871,966.91	
2630205	Transfers to secondary schools		15,585,840.12	16,993,011.57	
2630206	Transfers to Tertiary institutions		3,653,752.05	-	
2630207	Transfers to Health institutions		6,245,530.00	369,102.43	
	TOTAL		44,409,555.98	36,234,080.91	
2640000	8 OTHER GRANTS AND OTHER PAYMENTS				
	Description		2014 - 2015	2013 - 2014	
			Kshs	Kshs	
2640101	Bursary -Secondary		8,000,000.00	12,918,000.00	
2640102	Bursary -Tertiary		4,000,000.00	3,319,000.00	

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

2640104	Bursary-Special schools		-	-	
2640105	Mocks & CAT				
2640504	Strategic Plan		1,000,000.00	-	
2640505	water projects		929,000.00	113,350.00	
2640506	Electricity projects		-	-	
2640507	Security		264,082.00	-	
2640508	Roads		9,294,462.88	6,626,313.00	
2640509	Sports		474,260.00	-	
2640510	Environment		2,303,000.00	112,000.00	
2640200	Emergency Projects		718,000.00	1,022,038.05	
	Total		5,547,000.00	8,233,860.00	
			32,529,804.88	32,344,561.05	
2120000	9 SOCIAL SECURITY BENEFITS				
			2014 - 2015	2013 - 2014	
			Kshs	Kshs	
2120101	Employer contribution to NSSF		7,200.00	5,800.00	
	Total		7,200.00	5,800.00	

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

3100000	10 ACQUISITION OF ASSETS			
	<u>Non-Financial Assets</u>		2014- 2015	2013 - 2014
			Kshs	Kshs
3110102	Purchase of Buildings			-
3110202	Construction of Buildings		-	-
3110302	Refurbishment of Buildings		-	-
3110701	Purchase of Vehicles		-	-
3110704	Purchase of Bicycles & Motorcycles		-	-
3110801	Overhaul of Vehicles		-	-
3111001	Purchase of office furniture and fittings		-	318,300.00
3111002	Purchase of computers ,printers and other IT equipments		195,703	397,603.60
3111005	Purchase of photocopier		-	-
3111009	Purchase of other office equipments		-	-
3111112	Purchase of soft ware		-	-
3130101	Acquisition of Land		-	-
				-
	Total		195,703	715,903.60
11	Other Payments			

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

	specify		-	-	
	specify		-	-	
	specify		-	-	
	TOTAL		-	-	
				-	
	12A: Bank Balances (cash book bank balance)				
	Name of Bank, Account No. & currency	Account Number	2014 - 2015	2013 - 2014	
			Kshs (30/6/2015)	Kshs (30/6/2014)	
	<i>Equity bank , Kangemi Branch a/c no. 1370261760659</i>		20,712,365.03	-	
			-	-	
			-	-	
				-	
	Total		20,712,365.03	-	
	12B: CASH IN HAND)				
			2014 - 2015	2013 - 2014	
			Kshs (30/6/2015)	Kshs (30/6/2014)	

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

	Location 1		-	-	
	Location 2		-	-	
	Location 3		-	-	
	Other receipts (specify)		-	-	
	Total		-	-	
			<i>[Provide cash count certificates for each]</i>		
	12C: OUTSTANDING IMPRESTS				
	<i>Name of Officer</i>	Date imprest taken	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2015)</i>
			<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
	<i>Name of Officer</i>	dd/mm/yy	-	-	-
	<i>Name of Officer</i>	dd/mm/yy	-	-	-
	<i>Name of Officer</i>	dd/mm/yy	-	-	-
	<i>Name of Officer</i>	dd/mm/yy	-	-	-
	<i>Name of Officer</i>	dd/mm/yy	-	-	-
	<i>Name of Officer</i>	dd/mm/yy	-	-	-
	Total			-	-
					-

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

	13	BALANCES BROUGHT FORWARD		
			2014 - 2015	2013 - 2014
			Kshs (1/7/2014)	Kshs (1/7/2013)
		Bank accounts	-	-
		Cash in hand	-	-
		Imprest	-	-
		Total	-	-
		<i>[Provide short appropriate explanations as necessary]</i>		
	14	PRIOR YEAR ADJUSTMENTS		
			2014 - 2015	2012 - 2013
			Kshs	Kshs
		Bank accounts	-	-
		Cash in hand	-	-
		Imprest	-	-
			-	-
		Total	-	-
	15	OTHER IMPORTANT DISCLOSURES		

CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)				
			2014 - 2015	2013 - 2014
			Kshs	Kshs
	Construction of buildings		-	-
	Construction of civil works		-	-
	Supply of goods		-	-
	Supply of services		-	-
	TOTAL		-	-
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)		-	-

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

	Amounts due to other grants and other transfers (see attached list)		-	-	
	Others (<i>specify</i>)		-	-	
			-	-	

SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2014/15	Historical Cost (Kshs) 2013/14
Land		
Buildings and structures		
Office equipment, furniture and fittings	2,133,487.00	1,000,339
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment	15,688.00	15,688.00
Heritage and cultural assets		
Intangible assets		
Total	2,149,175.00	1,016,027.00

