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REPORT

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KIPIPIRI CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
KIPIPIRI 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)



CONSTITUENCY DEVELOPMENT FUND – KIPIPIRI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 amended in 2007 and repealed by the CDF Act of 2013.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 *KIPIPIRI Constituency's* day-to-day management is under the following key organs:

- i. National Government 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 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Caroline Kariuki
3.	Accountant	Patrick Wamunyu
4.		

(d) Fiduciary Oversight Arrangements

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

(e) KIPIPIRI NGCDF Headquarters

NG CDF Office Building.
P.O. Box 25
Miharati
Kenya

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

(f) KIPIPIRI NG CDF Contacts

Telephone: (254) 722 532 682
E-mail: kipipiri@ngcdf.go.ke
Website: www.kipipiri.go.ke

(g) KIPIPIRI NG CDF Bankers

1. Equity Bank (Kenya) Limited
Ol kalou Branch
P.O. Box 215
Ol kalou, 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 (NGCDFC)

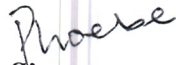
Kipipiri NG-CDFC has ensured that most projects initiated this year have been completed or the intended phase is complete.

KEY ACHIEVEMENTS:

- a) All projects have been built upto standard with consultation with relevant government ministries.
- b) One of the biggest achievements for Kipipiri NG CDF is the completion of Kipipiri Technical and vocational Institute where students have started using the facility.
- c) Bursary applications are so many beyond what we can afford but in 2017/18 we have increased bursary allocation.

IMPLEMENTATION CHALLENGES

The major challenge has been delay by the government to release funds and therefore delay in implementation of projects.


Sign

CHAIRMAN NGCDFC

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 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.

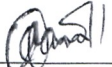
The Accounting Officer in charge of the Kipipiri National Government Constituency Development Fund is responsible for the preparation and presentation of the Kipipiri NGCDF financial statements, which give a true and fair view of the state of affairs of the Kipipiri NGCDF for and as at the end of the 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 KIPIPIRI 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, 2017, and of the *NGCDF*'s financial position as at that date. The Accounting Officer charge of the KIPIPIRI 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 KIPIPIRI 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 _____ 2017.



Fund Account Manager



Chairman NG CDFC

REPUBLIC OF KENYA

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E-mail: oag@oagkenya.go.ke
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NAIROBI



OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Kipipiri Constituency set out on pages 5 to 26, which comprise the statement of assets as at 30 June 2017, and the statement of 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.

In my opinion, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kipipiri Constituency as at 30 June, 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, except for the matter described in the Other Matter section of my report, based on the procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

Basis of Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Kipipiri 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. There were no Key Audit Matters to communicate in my report.

Report of the Auditor-General on the financial statements of NG-CDF Kipipiri Constituency for the year ended 30 June 2017

Other Matter

1. Mikeu Chief's camp

The statement of receipts and payments for the year ended 30 June 2017 reflects amount of Kshs.75,677,939 in respect of other grants and transfers out of which Kshs.750,000 was paid to Mikeu Chief's camp for the completion of the project. The CDF initiated project in 2013 and funds amounting to Kshs.3,000,000 has been released to the project. Records indicated that the contract was awarded in 2013 to M/s Sonic Construction Company at a contract sum of Kshs.2,993,785. However, physical verification revealed that over one year since the disbursement of the last tranche of Kshs.750,000, the project had not been completed. The money had not been utilized and was held at the PMC bank account as at the time of this audit in June 2018. The CDF management has not provided satisfactory explanation for the failure to complete the project which has taken over five years to construct.

2. Geta DO's Office

Included in the other grants and transfers figure of Kshs.75,677,939 as disclosed in note 7 to the financial statements is an amount of Kshs.500,000 paid for the construction of an armory at Geta District Officer's office. However, physical verification revealed that, over one year since the disbursement of the funds, construction of the project had not commenced. No explanation was provided for the delay hence denying the community the benefits that would accrue from the project.

3. Stalled Project - Kipipiri Milk Collection Centre

Note 7 to the financial statements on other grants and transfers reflects a figure of Kshs.75,677,939, out of which Kshs.400,000 was in respect of Kipipiri milk collection centre classified under agriculture projects. Examination of records shows that the CDF had initially allocated Kshs.1,400,000 in the financial year 2015/2016 for purchasing a milk cooler, generator and water boiling system. However, the purchase of milk cooler was later funded a donor and the CDF office re-allocated Kshs.1,000,000 out of the initial amount of Kshs.1,400,000 to unspecified project without Board's approval thus reducing the funding to Kshs.400,000 for the construction of milk collection Centre. Although the milk cooler has been installed, it was not operational as at the time of audit in June 2018. Further, expenditure returns for the disbursement of Kshs.400,000 was not given for audit review.

The delay in completion of the project denies the residents benefits due from the project and increases project cost.

4. Unspent Funds for projects

The NG-CDF allocated funds amounting to Kshs.300,000 each to Kamahia Primary School, Bondeni Primary School, Kabati Primary School and Kahiga Primay School for Purchase and installation of water pipes totaling to Kshs.1,200,000. Records further indicates that, Mwangaza Primary School and Gathiriga Primary School were allocated Kshs.550,000 and Kshs.850,000 respectively for purchase of land. However, a review of project implementation status report revealed that the all the six projects had not been implemented

as at June 2018 despite release of funds to the project management committees. No explanation was provided for the delay in implementing the projects.

The delayed completion of the facilities hinders the community from realizing the benefits that would accrue from the projects.

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

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

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

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

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

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

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

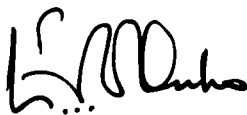
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to 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 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.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

12 October 2018

CONSTITUENCY DEVELOPMENT FUND- KIPIPIRI CONSTITUENCY

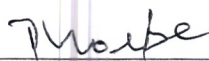
Reports and Financial Statements

For the year ended June 30, 2017

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016 - 2017	2015 - 2016
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board-AIEs' Received	1	132,927,792	54,000,000
Proceeds from Sale of Assets	2		-
Other Receipts	3		73,000
TOTAL RECEIPTS		132,927,792	54,073,000
PAYMENTS			
Compensation of employees	4	2,185,762	1,250,648
Use of goods and services	5	8,874,297	9,307,683
Transfers to Other Government Units	6	44,388,238	30,128,160
Other grants and transfers	7	75,677,939	36,174,443
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		131,126,236	76,860,934
SURPLUS/DEFICIT		1,801,555	(22,787,934)

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



Chairman - NGCDFC




Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- KIPIPIRI CONSTITUENCY
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V. STATEMENT OF ASSETS

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	9,168,428	7,366,874
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		9,168,428	7,366,874
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July...	13	7,366,874	30,154,807
Surplus/Deficit for the year		1,801,555	(22,787,934)
Prior year adjustments	14	-	-
NET LIABILITIES		9,168,429	7,366,874

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



 Chairman - NGCDFC



 Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- KIPIPIRI CONSTITUENCY

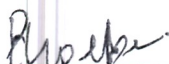
Reports and Financial Statements

For the year ended June 30, 2017

VI. STATEMENT OF CASHFLOW

	2016 - 2017	2015 - 2016
Receipts for operating income		
Transfers from NGCDF Board	1 132,927,792	54,000,000
Other Receipts	3 -	73,000
	132,927,792	54,073,000
Payments for operating expenses		
Compensation of Employees	4 2,185,762	1,250,648
Use of goods and services	5 8,874,297	9,307,683
Transfers to Other Government Units	6 44,388,238	30,128,160
Other grants and transfers	7 75,677,939	36,174,443
Other Payments	9 -	-
	131,126,236	76,860,934
Adjusted for:		
Adjustments during the year	14 -	-
Net cash flow from operating activities	1,801,554	(22,787,934)
CASHFLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Assets	2 -	-
Acquisition of Assets	8 -	-
Net cash flows from Investing Activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENT	1,801,554	(22,787,934)
Cash and cash equivalent at BEGINNING of the year	13 7,366,874	30,154,807
Cash and cash equivalent at END of the year	9,168,428	7,366,874

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



Chairman NGCDFC



Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND KIPPIRI CONSTITUENCY

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For the year ended June 30, 2017

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,552	61,448,114	143,344,665	132,927,792	10,416,874	92.7%
Proceeds from Sale of Assets						
Other Receipts						
TOTAL	81,896,552	61,448,114	143,344,665	132,927,792	10,416,874	92.7%
PAYMENTS						
Compensation of Employees	2,000,000	1,185,762	3,185,762	2,185,762	1,000,000	68.6%
Use of goods and services	6,370,689	3,037,529	9,408,218	8,874,297	533,921	94.3%
Transfers to Other Government Units	30,000,000	16,888,238	46,888,238	44,388,238	2,500,000	94.7%
Other grants and transfers	43,525,863	40,336,585	83,862,448	75,677,939	8,184,509	90.2%
Acquisition of Assets						
Other Payments						
TOTAL	81,896,552	61,448,114	143,344,666	131,126,236	12,218,430	91.5%

For the year ended June 30, 2017

The KIPPIRI NGCDF financial statements were approved on _____ 2017 and signed by:



Chairman NGCDF



Fund Account Manager

For the year ended June 30, 2017

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
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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 – KIIPIPIRI
CONSTITUENCY**

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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 *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, 2017.

**REGIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
CONSTITUENCY**
Reports and Financial Statements
for the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
NGCDF Board			
AIE NO	A724106		10,000,000.00
AIE NO	A724249		10,000,000.00
AIE NO	A796477		10,000,000.00
AIE NO	A820583		10,000,000.00
AIE NO	A825528		14,000,000.00
AIE NO	A825863	54,081,240.00	
AIE NO	A829612	4,094,827.60	
AIE NO	A855040	36,853,449.00	
AIE NO	A855548	34,898,275.10	
AIE NO	A839708	3,000,000.00	
AIE NO			
AIE NO			
TOTAL		132,927,791.70	54,000,000

2. PROCEEDS FROM SALE OF ASSETS

	2015 – 2016	2014 – 2015
	Kshs	Kshs
Receipts from sale of Buildings	-	-
Receipts from the Sale of Vehicles and Transport Equipment	-	-
Receipts from sale of office and general equipment	-	-
Receipts from the Sale Plant Machinery and Equipment	-	-
Total	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
CONSTITUENCY

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2016- 2017 Kshs	2015 - 2016 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	73,000
Other Receipts Not Classified Elsewhere	-	-
Total	-	73,000

4. COMPENSATION OF EMPLOYEES

Description	2016 - 2017 Kshs	2015 - 2016 Kshs
Basic wages of contractual employees	1,528,318.20	1,206,008.00
Basic wages of casual labour	-	-
Personal allowances paid as part of salary	-	-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	114,000.00	44,640.00
gratuity	543,444.00	-
Total	2,185,762.20	1,250,648.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2016 - 2017 Kshs	2015 - 2016 Kshs
Utilities, supplies and services	1,198,250.00	832,850.00
Office rent	129,000.00	-
Communication, supplies and services	450,460.00	96,500.00
Domestic travel and subsistence	400,000.00	585,800.00
Printing, advertising and information supplies & services	896,122.00	1,400,000.00
Rentals of produced assets		-
Training expenses	920,000.00	800,000.00
Hospitality supplies and services	535,000.00	1,000,000.00
Other committee expenses	1,289,500.00	1,733,632.50
Committee allowance	1,606,785.00	1,300,000.00
Insurance costs		-
Specialised materials and services		-
Office and general supplies and services	556,770.00	708,900.00
Fuel ,oil & lubricants	700,000.00	500,000.00
Other operating expenses		
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets	192,410.00	350,000.00
Total	8,874,297.00	9,307,682.50

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIIPIPIRI
CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016– 2017 Kshs	2015 – 2016 Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	23,138,238.00	8,738,160.00
Transfers to secondary schools (see attached list)	17,750,000.00	19,840,000.00
Transfers to tertiary institutions (see attached list)	2,500,000.00	-
Transfers to health institutions (see attached list)	1,000,000.00	1,550,000.00
-TOTAL	44,388,238.00	30,128,160.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2016 -2017 Kshs	2015 – 2016 Kshs
Bursary – secondary schools (see attached list)	17,547,228.00	9,321,377.00
Bursary – tertiary institutions (see attached list)	6,082,530.00	2,775,655.00
Bursary – special schools (see attached list)	3,213,996.00	-
Mock & CAT (see attached list)	-	-
Water projects (see attached list)	26,700,000.00	15,800,000.00
Agriculture projects (see attached list)	400,000.00	-
Electricity projects (see attached list)	-	-
Security projects (see attached list)	3,556,025.00	2,310,000.00
Roads projects (see attached list)	8,479,050.00	-
Sports projects (see attached list)	1,637,931.00	2,508,980.00
Environment projects (see attached list)	2,231,179.00	3,128,431.00
Other Projects (see attached list)boda boda sheds	500,000.00	330,000.00
Emergency Projects (specify)	5,330,000	-
Total	75,677,939.00	36,174,443.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIIPIPIRI
CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2016 - 2017 Kshs	2015 – 2016 Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
 CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

Specify	2016– 2017 Kshs	2015 – 2016 Kshs
	-	-

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017 Kshs	2015 – 2016 Kshs
EQUITY OLKALOU BRANCH 620296398093	9,168,428.00	7,366,873.75
	-	-
	-	-
	-	-
	9,168,428.00	7,366,873.75
10B: CASH IN HAND		
	2016– 2017	2015 – 2016
	Kshs	Kshs
Treasury	-	-
Location 2	-	-
Location 3	-	-
Other Locations (specify)	-	-
Total		
[Provide cash count certificates for each]		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
 CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs

0

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

12 Retention			
Supplier/Contractor	PV no	2015 - 2016	2016 - 2017
		Kshs	Kshs
TOTAL			

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
 CONSTITUENCY

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2016 - 2017 Kshs	2015 – 2016 Kshs
Bank accounts	7,366,873.75	30,154,807.25
Cash in hand	-	-
Imprest		
Totals	7,366,873.75	<u>30,154,807.25</u>

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2016 - 2017 Kshs	2016– 2015 Kshs
Bank accounts	-	-
Cash in hand	0-	-
Imprest	-	-
Total	-	<u>-</u>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIPIPIRI
CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

3,050,000.00

-

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 2016	Outstanding Balance 2017	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						

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
		A	B	c	d=a-c		
Senior Management							
1.							
2.							
3.							
	Sub-Total						
Middle Management							
4.							
5.							
6.							
	Sub-Total						
Unionisable Employees							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

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 2016	Outstanding Balance 2017	Comments
		A	B	c	d=a-c		
Amounts due to other Government entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	N/A	N/A
Buildings and structures	N/A	N/A
Transport equipment	643,050	643,050
Office equipment, furniture and fittings	667,250	667,250
ICT Equipment, Software and Other ICT Assets	698,380	698,380
Other Machinery and Equipment	348,763	348,763
Heritage and cultural assets	N/A	N/A
Intangible assets	N/A	N/A
Total	2,357,443	2,357,443

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

ANNEX 5 –PMC BANK BALANCES AS AT 30TH JUNE 2017

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Bondeni Primary School	Equity Bank	0620298140504	607,090.00	9,722.00
Child Welfare Society Of Kenya (Cwsk)	Equity Bank	0620271405216	4,010.00	0
Forest One Primary School	Equity Bank	0620295927888	99,272.25	58,724
Gachuha Primary School	Equity Bank	0200164067153	54,793.55	1,293.55
Gathiriga Primary School	Equity Bank	0200191256210	857,615.35	6,790.35
Gathuthi Primary School	Equity Bank	0620271572881	725.00	0
Gatondo Bore Hole	Equity Bank	0620270254847	6,437.00	0
Gatondo Chiefs Office	Equity Bank	0620299508436	59,723.50	34,998.50
Geta Education Office	Equity Bank	0620294721478	505,316.00	803,756.00
Geta Secondary School	Equity Bank	0620293549527	25,780.10	1,000.10
Geta Water Project	Equity Bank	0770195187268	1,575.00	0
Gichigirira Primary School	Equity Bank	0620260563509	10,643.50	1,028.50
Gitei Water Project	Equity Bank	0620264025954	298,401.00	680,338.00
Githioro Secondary School	Equity Bank	0620263303667	65,110.00	427,600.00
Huhirio Primary School	Equity Bank	0620299738245	14,867.50	142.50
Kabati Primary School	Equity Bank	0620268462237	319,670.00	500,000
Kagongo Primary School	Equity Bank	0620296221389	28,780.00	
Kahiga Primary School	Equity Bank	0160291101883	300,275	0
Kamagoko Primary School	Equity Bank	0620294388592	200,301.00	301.00

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Kamahia Primary School	Equity Bank	0770172285962	300,280.00	0
Kangurunga Sub Location Chief's Office	Equity Bank	0620272048663	400,000.00	0
Kanyua Primary School	Equity Bank	0160190139852	1,913.15	1,913.15
Kariani Primary School	Equity Bank	0620272474208	14,538	0
Kiambogo Primary School	Equity Bank	0620262415232	3,505.00	6,255.00
Kianjogu Primary School	Equity Bank	0620272385256	200,000.00	0
Kianjogu Secondary School	Equity Bank	0620264348046	54,805.00	786,205.00
Kimbo Primary School	Equity Bank	0770193005009	5,886.80	55.90
Kipipiri Cdf Environment Sub Committee	Equity Bank	0620299885797	26,627.50	2,777,823.50
Kipipiri Milk Collection Centre	Equity Bank	0620263787875	26,627.50	566,630.00
Kipipiri Technical And Vocational College	Equity Bank	0620271458530	361,244.00	0
Lereshwa Ap Post	Equity Bank	0160101249636	511,867.25	232,337.25
Kipipiri Cdf Roads	Equity Bank	0620270576995	62,561	0
Machinery Primary School	Equity Bank	0770197600829	200,757.75	232,337.25
Mahigaini Water Project	Equity Bank	0620266759581	45.00	83460
Mahindu Primary School	Equity Bank	0620261975079	213,289.50	1,199.50
Makumbi Chiefs Office	Equity Bank	0620299559356	71,346.75	71,676.75
Marimu Primary School	Equity Bank	0160190828052	649,615.20	34,550.20
Migaa Primary School	Equity Bank	0620268397070	253,765.50	500,000.00
Mihato Primary School	Equity Bank	0620299724697	865.00	275
Mikeu Chiefs Office	Equity Bank	0620299586288	750,162.50	162.5

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
 Reports and Financial Statements
 For the year ended June 30, 2017 (Kshs'000)

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Mikeu Secondary School	Equity Bank	0620297788066	376,154.50	555,769.50
Mikeu Primary School	Equity Bank	0620293004764	3,072.00	2,812.00
Mumui Primary School	Equity Bank	0620272086904	-	209
Munyuini Primary School	Equity Bank	0620294184942	302,370.50	2,370.50
Muthangira Water Project	Equity Bank	0620270009969	421,620.00	0
Mwangaza Primary School	Equity Bank	0620296398093	980,795.85	0
Ngarua Rironi Primary School	Equity Bank	0620299611811	299,919.85	139.85
Ngatho Primary School	Equity Bank	0620297047406	1,428.50	978.50
Njomo Primary School	Equity Bank	0620266838984	33,165.00	194,947.00
Rotuba Primary School	Equity Bank	0620297863915	939,593.00	363.00
Rumwe Primary School	Equity Bank	0620297905601	200,395.00	395.00
Satima Primary School	Equity Bank	0160190882585	123.05	123.05
Kipipiri Sports Development	Equity Bank	0620261939000	110,550.50	2,304.50
Turasha Chiefs Office	Equity Bank	0200199527462	1,094.60	447.10
Turasha Secondary School	Equity Bank	0200294691922	214,123.20	141,918.20
Wanjeri Secondary School	Equity Bank	0620262048382	871,816.50	72,036.50
Wanjohi Girls Secondary School	Equity Bank	0620292529560	456,337.25	585,097.25
Wanjohi Mixed Secondary School	Equity Bank	0620293156670	5,425.60	5,920.60
Wendani Primary School	Equity Bank	0620298015279	253,853.00	3,853.00
Murera Njau Primary School	Equity Bank	0620264467948	4,310.00	100,000.00
Kiburuti Primary School	Equity Bank	0620294224450	391.00	441.00

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Malewa Primary School	Equity Bank	0620294141630	116,437.50	2,427.50
Manunga Health Centre	Equity Bank	0620299736375	30,342.50	342.50
	TOTALS		21,305,173.90	6,922,976.40



NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame: (Put a date when you expect the issue to be resolved)
2.0	Statement of comparison on budget and actual amounts	Due to delay of release of funds from the board.	Cdf Board	Resolved	
3.0	Difference in receipts and payments	Difference due to balance bf from the previous year.	Caroline Kariuki FAM	Resolved	
4.0	Budget performance analysis	Due to delay of release of funds from the board.	Cdf Board	Resolved	
5.0	Cash and Cash equivalents (Unpresented Cheques)	Cheques already reversed.	Patrick Wamunyu DA	Resolved	
6.0	Construction of Two Classrooms and a Dormitory at Wanjohi Girls High School	Funds available in pmc account and not in school's account.	Caroline Kariuki FAM	Resolved	
7.0	Low funding Towards Construction of a Multipurpose Dining Hall and a Kitchen at Mikeu Secondary School Phase 1- Kshs. 5,497,660	More funds to be allocated in FY 2017/18	Kipipiri NG-CDF	Not yet resolved	By 30 th Oct 2017
8.0	Construction of a Multipurpose Hall at Kiambogo Secondary School- Kshs.4,908,008	More funds to be allocated in FY 2017/18	Kipipiri NG-CDF	Not yet resolved	By 30 th Oct 2017
9.0	Completion of Complex Administration Block with Laboratory and Staffroom at Mahindu Secondary School- Kshs-2,003,188.00	More funds to be allocated in FY 2017/18	Kipipiri NG-CDF	Not yet resolved	By 30 th Oct 2017
10.0	Construction of two classrooms at Mahindu Primary School- Kshs- 1,526,180.	More funds were allocated and the project is now complete and in use	Kipipiri NG-CDF	Resolved	

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time taken: (Put date when you expect the issue to be resolved)

Prepared by:



Caroline Kariuki
Fund Account Manager
Kipipiri

NATIONAL GOVERNMENT ENTITY - *(indicate actual name of the entity)*
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

