

REPUBLIC OF KENYA



Paper laid
By the LOM
the Hon. Aden
Duale, MP on
Tuesday, 23rd
Oct, 2018

OFFICE OF THE AUDITOR-GENERAL



PARLIAMENT
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REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2016**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LUGARI CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Alex Lwamba
3.	Accountant	Peter Makanyanga
4.		

(d) Fiduciary Oversight Arrangements

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

(e) LUGARINGCDF Headquarters

NGCDF Office Building.
P.O Box 700
30106
TARBO.

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

(f) LUGARINGCDF Contacts

Telephone: (254) 0720 320 263
E-mail: lugari@NGCDF.go.ke

(g) LUGARINGCDF Bankers

1. Cooperative Bank of Kenya
P.O Box 2948-
Webuye
...
...

(h) Independent Auditors

Auditor General
Office of the Auditor General
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 NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**

It is my pleasure to present to you LUGARINGCDF's annual report and financial statements for the financial year 2015/2016. In the year under review, we are pleased with our overall performance which aligns very well with our vision and also our proven track record of consistent delivery and value for money.

The actual amounts utilised by the constituency in its various expense items were more than 50% of its budget performance, however the target should be 100% if funds are availed in time during the financial year.

Key achievements for the CDF

- By providing funds directly to each constituency for fighting poverty, CDF assists in ironing out regional imbalances due to patronage.
- CDF has been able to open rural access roads (feeder roads) thus contributing to economic growth.
- Through the Health Sector CDF has made it possible for the public to easily access health facilities
- In the education sector, CDF funding of schools has assisted in increasing student enrolment, the CDF bursary has helped retain in schools students from low income families.
- The security sector has boosted the security in the constituency through construction of police posts in all the wards.

Emerging issues related to the CDF

Entrenching CDF Act in the new constitutional dispensation, since it is facing a lot of legal challenges, hence Members of Parliament should enact legislations which do not contravene the constitution in order to protect the CDF.

Implementation challenges and recommended way forward

- Late disbursement of funds, lead to rise in project costs due to factors like inflation due to time value for money and also the public do not get the value of the funds in time, a good case is in late bursary awards, to remedy this, funds should be released by CDF Board in time.

Sign.....
CHAIRMAN NGCDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- LUGARI
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For the year ended June 30, 2016

III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government NGCDF shall prepare financial statements in respect of that NGCDF. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the LugariNGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NGCDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NGCDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the LugariNGCDF 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, 2016, and of the NGCDF's financial position as at that date. The Accounting Officer charge of the LugariNGCDF 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 LugariNGCDF 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 _____ 2016.

Fund Account Manager

Chairman

REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Lugari Constituency set out on pages 6 to 25, which comprise the statement of assets and liabilities as at 30 June 2016, and the statement receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the

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

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

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

Basis for Adverse Opinion

1. Prior Year Issues

According to the International Public Sector Accounting Standards (Cash basis) financial statements presentation format prescribed by the National Treasury requires the management to include the action taken on the previous year auditors recommendation. In the year 2014/2015, Lugari CDF had a qualified opinion. However, no report on the progress of follow up of the audit issues raised was included in the financial statements for the year under review.

In the circumstances, the presentation of the financial statements were not in conformity with Public Sector Accounting Standard (Cash basis) as prescribed by the National Treasury and in accordance with the Public Management Act, 2012.

2. Failure to Adhere to Memorandum of Understanding (MoU)

The Lugari CDFC entered into an agreement with National Youth Service (NYS) through Memorandum of Understanding which stipulated that NYS was to provide operators and machinery for road maintenance works and Lugari CDFC was to provide marrum by leasing gravel pits/marrum sites. Joint report was to be provided after completion of a specific road indicating actual cost incurred by each party. However, it was noted that the Lugari CDFC went against this agreement and hired trucks from five (5) contractors to transport marrum at a total cost of Kshs.22,422,718

3. Cash and Cash Equivalentents

The statement of financial assets reflects long outstanding imprests of Kshs.91,000. It is not clear why it had taken too long to clear these long outstanding imprests.

Adverse Opinion

In my opinion, because of the significance of the matters described in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund - Lugari Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year then

ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

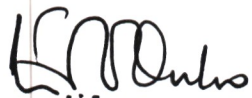
1. Budget Performance

The Fund budgeted receipts was Kshs.189,048,378 but received an amount of Kshs.178,348,375 leading to an underfunding of Kshs.10,700,004. Consequently, projects amounting to Kshs.10,700,004 may not have been implemented as planned.

2. Project Implementation

During the year under review, the Fund planned to implement 353 projects. However, it failed to implement 29 projects with a total value of Kshs.19,684,503 that were to be undertaken within the financial year although 272 projects were on going.

In the circumstances it is not clear and the Fund management has not explained how the backlog of the projects will be completed for the benefit of the constituents.



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

Nairobi

12 July 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- LUGARI
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
RECEIPTS			
Transfers from CDF board-AIE	1	148,865,497.50	91,306,864.50
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	88,065
TOTAL RECEIPTS		148,865,497.50	91,394,929.50
PAYMENTS			
Compensation of employees	4	855,689.00	1,332,372.00
Use of goods and services	5	8,204,930.00	9,353,518.80
Transfers to Other Government Units	6	39,274,661.20	45,244,188.50
Other grants and transfers	7	83,915,763.85	49,009,846.05
Acquisition of Assets	8	3,024,000.00	1,295,260.00
Other Payments	9		
TOTAL PAYMENTS		135,275,044.05	106,244,784.35
SURPLUS/DEFICIT		13,590,452.45	(14,849,855.85)

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

Chairman - NGCDFC

Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- LUGARI
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For the year ended June 30, 2016**

V. STATEMENT OF ASSETS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	42,959,601.80	29,391,878.35
Cash Balances (cash at hand)	10B	22,729.00	
Outstanding Imprests	11	91,000.00	91,000.00
TOTAL FINANCIAL ASSETS		43,073,330.80	29,482,878.35
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July...	13	29,482,878.35	44,332,734.20
Surplus/Defict for the year		13,590,452.45	(14,849,855.85)
Prior year adjustments	14	-	-
NET LIABILITIES		43,073,330.80	29,482,878.35

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The LugariNGCDF financial statements were approved on _____ 2016 and signed by:

Chairman - NGCDFC

Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- LUGARI
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VI. STATEMENT OF CASHFLOW

		2015 - 2016	2014 - 2015
Receipts for operating income			
Transfers from CDF Board	1	148,865,496.50	91,306,864
Other Receipts	3	-	88,065
		148,865,497.50	91,394,928.5
Payments for operating expenses			
Compensation of Employees	4	(855,689)	(1,341,972)
Use of goods and services	5	(8,204,930)	(9,353,517.80)
Transfers to Other Government Units	6	(39,274,661.2)	(45,244,188.50)
Other grants and transfers	7	(83,915,763.85)	(49,009,846.05)
Other Payments	9	-	-
		(132,225,044.05)	(104,949,524.35)
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		16,614,452.45	(13,554,595.85)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	3,024,000	(1,295,260)
Net cash flows from Investing Activities		(3,024,000)	(1,295,260)
NET INCREASE IN CASH AND CASH EQUIVALENT		13,590,452.45	(14,859,455.85)
Cash and cash equivalent at BEGINNING of the year	13	29,482,878.35	44,332,734.20
Cash and cash equivalent at END of the year		43,073,330.80	29,482,878.35

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The LugariNGCDF financial statements were approved on _____ 2016 and signed by:

Chairman NGCDFC

Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND LUGARI CONSTITUENCY

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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	129,129,878	59,918,500	189,048,378	178,348,374.85	10,700,004	94.3%
Proceeds from Sale of Assets				-	-	
Other Receipts	-			-	-	
TOTAL	129,129,878	59,827,500	189,048,378	178,348,374.85	10,700,004	94.3%
PAYMENTS						
Compensation of Employees	1,200,000	-	1,200,000	855,689	344,311	71.3%
Use of goods and services	9,172,792	-	9,172,792	8,204,930	967,862	89.4%
Transfers to Other Government Units	89,455,868	-	89,455,868	39,274,661.20	50,181,207	43.9%
Other grants and transfers	29,301,218	59,918,500	89,219,718	83,915,763.85	5,303,954	94.1%
Acquisition of Assets	-	-	-	3,024,000	(3,024,000)	#DIV/0!
Other Payments					-	
TOTAL	129,129,878	59,918,500	189,048,378	135,275,044	53,773,334,	71.6%

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LUGARI
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Reports and Financial Statements

For the year ended June 30, 2016

- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the “AIA” alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]
- i. Compensation of Employees 29.0% Due to late disbursement
 - ii. Transfers to Other Government Units 24.2% Due to late disbursement

The LUGARINGCDF financial statements were approved on _____ 2016 and signed by:

Chairman NGCDF

Fund Account Manager

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

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LUGARI
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For the year ended June 30, 2016

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, 2016.

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

Reports and Financial Statements

For the year ended June 30, 2016

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 - 2015
		Kshs	Kshs
Normal allocation			
	AIE NO.....A790793	28,885,618.50	30,435,621.25
	AIE NO.....A820600	10,000,000.00	30,435,621.00
	AIE NO.....A796317	10,000,000.00	30,435,621.25
	AIE NO.....A724119	10,000,000.00	-
	AIE NO.....A820837	20,000,000.00	
	AIE NO.....A820862	1,550,000.00	
	AIE NO.....A825535	14,000,000.00	
	AIE NO.....A825772	54,429,878.00	
TOTAL		148,865,497.50	91,306,864.50

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 – LUGARI
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Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2015 - 2016 Kshs	2014 - 2015 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2015 - 2016 Kshs	2014 - 2015 Kshs
Basic wages of contractual employees	811,097.00	846,084.00
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 gratuity	44,592.00	486,288.00
Total	855,689.00	1,332,372

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2015 - 2016 Kshs	2014 - 2015 Kshs
Utilities, supplies and services	31,499	16,500.00
Office rent	-	251,260.00
Communication, supplies and services	342,500.00	22,560.00
Domestic travel and subsistence		471,392.00
Printing, advertising and information supplies & services	145,859.00	-
Rentals of produced assets	-	-
Training expenses	45,350	3,043,950.00
Hospitality supplies and services	-	214,709.80
Other committee expenses		-
Committee allowance	1,128,000.00	3,528,083
Insurance costs	-	
Specialised materials and services	-	
Office and general supplies and services	1,706,856.00	267,485.00
Fuel ,oil & lubricants	-	
Other operating expenses	4,171,666.00	34,418.00
Routine maintenance – vehicles and other transport equipment	633,200.00	303,160.00
Routine maintenance – other assets	-	
Total	8,204,930.00	9,353,517.80

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LUGARI
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Reports and Financial Statements

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	14,959,432.00	11,320,790.00
Transfers to secondary schools (see attached list)	8,342,647.00	13,850,790.50
Transfers to tertiary institutions (see attached list)	15,772,582.20	13,109,849.00
Transfers to health institutions (see attached list)	200,000.00	6,962,759.00
-TOTAL	39,274,661.20	45,244,188.50

7. OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,392,060.00	5,740,632.00
Bursary – tertiary institutions (see attached list)	10,212,702.00	7,945,604.00
Bursary – special schools (see attached list)	-	9,600.00
Mock & CAT (see attached list)		450,003.00
Water projects (see attached list)	675,000.00	150,000.00
Agriculture projects (see attached list)	2,325,000.00	-
Electricity projects (see attached list)	-	1,200,000.00
Security projects (see attached list)	1,314,400.20	4,664,136.05
Roads projects (see attached list)	52,184,560.00	20,421,298.00
Sports projects (see attached list)	2,282,597.00	755,817.00
Environment projects (see attached list)	1,382,597.00	931,746.00
Other Projects (see attached list)		6,750,610.00
Emergency Projects (specify)	5,146,847.65	
Total	83,915,763.85	49,019,446.05

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

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2015 - 2016 Kshs	2014 - 2015 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	3,024,000.00	-
Acquisition of Intangible Assets	-	1,295,260.00
Total	3,024,000.00	1,295,260.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LUGARI
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Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

Specify	2015 - 2016 Kshs	2014 - 2015 Kshs
---------	---------------------	---------------------

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016 Kshs	2014 - 2015 Kshs
Coop Bank Webuye Branch A/c 1120086153600	42,959,601.80	29,391,878.30
	-	-
	-	-
	42,959,601.80	29,391,878.30

10B: CASH IN HAND

	2015 - 2016 Kshs (30/6/2016)	2014 - 2015 Kshs
Cashoffice.	22,729.00	
Location 2		
Location 3		
Other Locations (specify)		
Total	22,729.00	
[Provide cash count certificates for each]		

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

Reports and Financial Statements

For the year ended June 30, 2016

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
Peter Miyenda	23/04/2014	70,000	-	70,000
Tom Wafula	23/04/2014	21,000	-	21,000
		-	-	
		-	-	-
		-	-	-
		91,000		91,000

0

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

12 Retention			
Supplier/Contractor	PV no	2015 - 2016	2014 - 2015
		Kshs	Kshs
TOTAL			

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

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2015 - 2016 Kshs	2014 - 2015 Kshs
Bank accounts	29,391,878.35	44,332,734.20
Cash in hand	-	-
Imprest	91,000.00	-
Total	29,482,878.35	44,332,734.20

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2014 - 2015 Kshs	2013 - 2014 Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

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

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015- 2016	2014 - 2015
	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)

	Kshs	Kshs
Senior management	xxx	xxx
Middle management	xxx	xxx
Unionisable employees	xxx	xxx
Others (specify)	xxx	xxx
	xxx	xxx

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	xxx	xxx
Amounts due to other grants and other transfers (see attached list)	xxx	xxx
Others (specify)	xxx	xxx
	xxx	xxx

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

Reports and Financial Statements

For the year ended June 30, 2016

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	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 - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (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 2015	Outstanding Balance 2014	Comments
		A	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
	Sub-Total						
Middle Management							
4.							
5.							
6.							
	Sub-Total						
Unionisable Employees							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	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						

NATIONAL GOVERNMENT ENTITY - (LUGARI NG Constituency Development Fund)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs:12,584,749.00)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Land	3,024,000	00
Buildings and structures	00	00
Transport equipment	3,700,000	3,700,000
Office equipment, furniture and fittings	1,295,000	1,295,000
ICT Equipment, Software and Other ICT Assets	4,565,749	4,565,749
Other Machinery and Equipment	00	00
Heritage and cultural assets	00	00
Intangible assets	00	00
Total	12,584,749	9,560,749

Prepared by:

ALEX LWAMBA
Fund Account Manager
LUGARI