

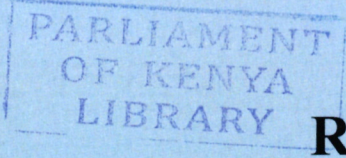
REPUBLIC OF KENYA



*Paper laid by
LOM
Wednesday 11/10/17
Afternoon
Sitting
AK*



OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2016**



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

KI HARU 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)

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	2
II. FORWARD BY THE NGCDFC CHAIRMAN	4
III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES.....	5
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	6
V. STATEMENT OF ASSETS	7
VI. STATEMENT OF CASHFLOW	8
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED	9
VIII. SIGNIFICANT ACCOUNTING POLICIES.....	11
IX. NOTES TO THE FINANCIAL STATEMENTS.....	13

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT ,
KIHARU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

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Development Fund (CDF) was established under the constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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 the new Act was enacted in 2015, 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 Kiharu 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 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Kennedy Kamau
3.	Accountant	Simon Komu

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Kiharu 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) KIHARUNGCDF Headquarters

AFC Building Murang'a
P.O Bo 899 - 10200
Murang'a

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

(f) KIHARUNGCDF Contacts

Telephone: (254) 0720 207810

E-mail: cdfkiharu@cdf.go.ke

Website: www.cdf.go.ke

(g) KIHARUNGCDF Bankers

Family Bank,
Murang'a Branch

(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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

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

In summary, the budget performance against actual amounts over the financial year was fairly good based on economic classification and programmes. Despite a slowdown in operation from February to June 2016 following the lapse of CDF Act 2013 and coming into force of NGCDF Act 2015 which resulted in dissolution of CDFCs and constitution of new NGCDFCs, the NGCDF has had major achievements in implementation of Education and Security projects over the year.

However, there has been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Projects. Other issues affecting projects implementation have been late disbursement of funds and late approval of proposals.

The NGCDFC wish that the issues of having projects ongoing for more than 3 years be stopped and the NGCDF Board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.



.....
CHAIRMAN, KIHARUNGCDFC

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES

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

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

The Accounting Officer in charge of the Kiharu NGCDF accepts responsibility for the NGCDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NGCDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2015, and of the NGCDF's financial position as at that date. The Accounting Officer charge of the Kiharu 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 Kiharu 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 _____ 2016.



FUND ACCOUNT MANAGER



CHAIRMAN



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KIHARU 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-Kiharu Constituency set out on pages 6 to 20, which comprise the statement of assets as at 30 June 2016, 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.

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

judgement, including the assessment of 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 evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

1. Transfers from NG-CDF Board

The statement of receipts and payments for the year ended 30 June 2016 reflects receipts from NG-CDF Board of Kshs.160,243,514. However, the summary statement of appropriation; recurrent and development combined indicate actual receipts of Kshs.174,376,060 during the year under review resulting in unreconciled and unexplained variance of Kshs.14,132,546. Consequently, the accuracy and completeness of transfers from NG-CDF Board of Kshs.160,243,514 for the year ended 30 June 2016 could not be confirmed.

2. Unaccounted for Cash Withdrawals

A review of CDF cash book and bank statements for the period under review indicate that on 28 January 2016 and 29 April 2016, cash withdrawals amounting to Kshs.49,000 and Kshs.199,000 respectively were made by the Fund account manager allegedly on behalf of Gitire-Kihithe road project management committee. However, the cash withdrawals were not supported with any documentary evidence hence it remain unaccounted for. As a result, the propriety of funds totaling Kshs.248,000 withdrawn during the year ended 30 June 2016 could not be confirmed.

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 National Government Constituencies Development Fund-Kiharu Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

1. Budget Performance

During the year under review, the Kiharu CDF approved expenditure allocation total Kshs.184,876,060, against actual total expenditure of Kshs.134,618,588.25 (73%),

resulting in under expenditure of Kshs.50,257,472.75. No explanation was provided for the underperformance on the budget. Further, records indicate that an amount Kshs.2 million was disbursed to project management committee bank account on 12 February 2016 for the implementation of Ndutumi Water project. However, records showed that this project was not implemented in the year. In addition, no bank statements and project records were provided for audit verification to confirm that the cash for this project was still held in the Project Management Committee (PMC) bank account.

Failure to implement approved projects jeopardize service delivery to the residents of Kiharu constituency.

2. Upgrading of Mbari Ya Hiti Gitiri Kahithe Road

The statement of receipts and payments for the year ended 30 June 2016 reflects other grants and transfers of Kshs.97,229,101 as detailed in note 7 to the financial statements. Included in this figure is expenditure on roads totaling Kshs.32,700,000 out of which Kshs.5,000,000 was in respect of graveling, grading, bush clearing and ditch cleaning of Mbari Ya Hiti Gitiri-Kahithe road. Records made available for audit indicates that contract for the road was procured by CDF committee through restricted tendering method and a local Contractor M/s Limargo Limited was awarded the tender at a sum of Kshs.4,107,080 being the lowest evaluated bidder. According to tender award notification letter dated 19 February 2016, the tender period was set to be six (6) weeks after signing of the contract agreement. However, a review of payment records indicate that the contractor was paid a total of Kshs.5,000,000 in two instalments of Kshs.4,000,000 and Kshs.1,000,000 dated 10 February 2016 and 26 June 2016 respectively, resulting to unexplained overpayment of Kshs.892,920 in excess of contract sum.

In the circumstances, the propriety of the excess payment of Kshs.892,920 on the project could not be confirmed

3. Sports Projects

Included in note 7 to the financial statements on other grants and payments is an amount of Kshs.3,500,000 spent on sports projects. However, schedules of expenditure presented for audit review indicate that the amount spent on sports during the year total Kshs.4,700,000. The resultant difference of Kshs.1,200,000 was not explained or reconciled. Records further indicate that the amount of Kshs.4,700,000 was paid to Kiharu Sports Advisory Committee towards purchase of sports items such as boots, T-shirts and track suits among others to facilitate sports activities in the constituency.

However, no details of the beneficiaries, detailed sporting activities or stores records on utilization of the funds were presented for audit review. It was also noted that most of the payments were made in form of cash instead of cheques. No justification was given for this anomaly.

As a result, the propriety and accuracy of sports project expenditure during the year ended 30 June 2016 could not be confirmed.

4. Acquisition of Assets

The statement of receipts and payments for the year ended 30 June 2016, reflects acquisition of assets balance of Kshs.890,990. A review of records indicate that the

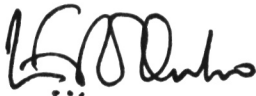
amount was in respect of purchase of office furniture including 1 executive table, 3 executive chairs, 10 visitors' chairs, 3 cabinets and boardroom table for the CDF office. Although three (3) request for quotations were floated by the CDF committee and the lowest evaluated bidder awarded the tender, delivery of the furniture and invoice from the supplier were issued on 13 June 2015, while quotations opening and evaluation minutes were done on 13 June 2015 and 2 July 2015 respectively, coincidentally dates after delivery of the items. No justification was provided for the apparent irregular procurement. In the circumstances, it has not been possible to confirm that the payment of Kshs.890,990 during the year was a proper charge to public funds.

5. Unaccounted for Fuel

Included in note 5 to the financial statements for the year ended 30 June 2016 on use of goods and services balance of Kshs.8,540,217.25 is an amount of Kshs.408,400 in respect of fuel, oil and lubricants. However, the expenditure was not supported with fuel register and fuel purchased was not recorded in motor vehicle work tickets. Consequently, the propriety of the expenditure of Kshs.408,400 during the financial year under review, could not be confirmed.

6. Unsupported Committee Allowances

Note 5 to the financial statements for the period under review reflects use of goods and services balance of Kshs.8,540,217.25 which includes an amount of Kshs.1,936,000 in respect of committee allowances, out of which Kshs.1,734,500 was spent by constituency development fund committee on monitoring and evaluation of ongoing projects during the year under review. However, payment vouchers did not include a list of projects visited and progress reports arising from the visits. In the circumstances, it has not been possible to confirm propriety of the allowances of Kshs.1,734,500 incurred by CDF committee during the year ended 30 June 2016 on monitoring and evaluation.



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

Nairobi

7 September 2017

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	160,243,514.00	109,517,831.80
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	10,021.00	500.00
TOTAL RECEIPTS		160,253,535.00	109,518,331.80
PAYMENTS			
Compensation of employees	4	1,528,280.00	1,407,998.20
Use of goods and services	5	8,540,217.25	13,817,812.00
Transfers to Other Government Units	6	26,450,000.00	30,713,738.00
Other grants and transfers	7	97,229,101.00	84,984,166.00
Acquisition of Assets	8	870,990.00	-
Other Payments	9	-	-
TOTAL PAYMENTS		134,618,588.25	130,923,714.20
SURPLUS/DEFICIT		25,634,946.75	(21,405,382.40)

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



Chairman - NGCDFC



Fund Account Manager

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

V. STATEMENT OF ASSETS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	39,755,493.65	14,132,546.90
Cash Balances (cash at hand)	10B	-	
		<u>39,755,493.65</u>	
Outstanding Imprests	11	-	
TOTAL FINANCIAL ASSETS		39,755,493.65	14,132,546.90
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July 2015	13	14,132,546.90	35,537,929.30
Surplus/Deficit for the year		25,634,946.75	(21,405,382.40)
Prior year adjustments	14	(12,000.00)	-
NET LIABILITIES		39,755,493.65	14,132,546.90

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



Chairman - NGCDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

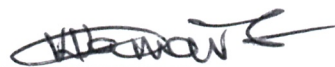
VI. STATEMENT OF CASHFLOW

		2015 - 2016	2014 - 2015
Receipts for operating income			
Transfers from CDF Board	1	160,243,514.00	109,517,831.80
Other Receipts	3	10,021.00	0
		160,253,535.00	109,517,831.80
Payments for operating expenses			
Compensation of Employees	4	1,528,280.00	1,407,998.20
Use of goods and services	5	8,540,217.25	13,817,812.00
Transfers to Other Government Units	6	26,450,000.00	30,713,738.00
Other grants and transfers	7	97,229,101.00	84,984,166.00
Other Payments	9	-	-
		133,747,598.25	130,923,714.20
Adjusted for:			
Adjustments during the year	14	-12,000.00	-
Net cash flow from operating activities		26,493,936.75	(21,405,382.40)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	0.00
Acquisition of Assets	9	870,990.00	0.00
Net cash flows from Investing Activities		(870,990.00)	
NET INCREASE IN CASH AND CASH EQUIVALENT		25,622,946.75	(21,405,382.40)
Cash and cash equivalent at BEGINNING of the year	13	14,132,546.90	35,537,929.30
Cash and cash equivalent at END of the year		39,755,493.65	14,132,546.90

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



Chairman NGCDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 KIHARU 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	116,012,966.00	68,863,094.90	184,876,060.90	174,376,060.90	10,500,000.00	94%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts		10,021.00	10,021.00	10,021.00	-	100%
TOTAL	116,012,966.00	68,873,115.90	184,886,081.90	174,386,081.90	10,500,000.00	94%
PAYMENTS						
Compensation of Employees	1,422,000.00	1,440,963.87	2,862,963.87	1,528,280.00	1,334,683.87	53%
Use of goods and services	6,017,059.80	5,561,154.03	11,578,213.83	8,540,217.25	3,037,996.58	74%
Transfers to Other Government Units	26,400,000.00	17,161,487.00	43,561,487.00	26,450,000.00	17,111,487.00	61%
Other grants and transfers	82,173,906.20	43,828,500.00	126,002,406.20	97,229,101.00	28,773,305.20	77%
Acquisition of Assets	0.00	870,990.00	870,990.00	870,990.00	-	100%
Other Payments				-	-	
TOTAL	116,012,966.00	68,863,094.90	184,876,060.90	134,618,588.25	50,257,472.65	73%

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

- (a) The item indicated as other receipts is money deposited directly to CDF account by Murang'a University.
- (b) Compensation of employees was not utilized to the maximum due to a reserve for payment of gratuity for staff whose contracts were to expire towards end of August 2016.

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



Chairman NGCDF



Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

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

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

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

4. Cash and cash equivalents

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

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, 2016.

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 KIHARU 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		
A790836	42,219,061.00	
A724002	12,511,487.00	
A724103	10,000,000.00	
A724243	10,000,000.00	
A820575	10,000,000.00	
A820887	28,000,000.00	
A825657	29,000,000.00	
A825758	18,512,966.00	
AIE NO - 750266		23,313,274.60
AIE NO - 750402		10,508,434.40
AIE NO - 759652		19,044,994.40
AIE NO -		1,920,580.40
AIE NO - 759691		24,365,274.00
AIE NO - 796770		16,419,164.00
AIE NO - 797174		13,946,110.00
TOTAL	160,243,514.00	109,517,831.80

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
 KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	500.00
Other Receipts Not Classified Elsewhere	10,021.00	-
	-	-
Total	10,021.00	500.00

4. COMPENSATION OF EMPLOYEES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	1,450,480.00	1,381,698.20
Basic wages of casual labour	66,400.00	
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSF	11,400.00	26,300.00
gratuity		
Total	1,528,280.00	1,407,998.20

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services	214,392.00	-
Office rent	695,820.00	373,079.00
Communication, supplies and services	52,500.00	700,000.00
Domestic travel and subsistence	180,000.00	460,081.00
Printing, advertising and information supplies & services	-	900,000.00
Rentals of produced assets	-	-
Training expenses	2,308,000.00	2,500,000.00
Hospitality supplies and services	152,000.00	-
Other committee expenses	804,000.00	3,000,000.00
Committee allowance	1,936,000.00	3,828,000.00
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	1,646,050.00	1,000,000.00
Fuel ,oil & lubricants	408,400.00	390,000.00
Other operating expenses	-	166,652.00
Routine maintenance – vehicles and other transport equipment	121,555.25	-
Routine maintenance – other assets	21,500.00	500,000.00
Total	8,540,217.25	13,817,812.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

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)	13,800,000.00	18,614,909.00
Transfers to secondary schools (see attached list)	5,050,000.00	2,500,000.00
Transfers to tertiary institutions (see attached list)		
Transfers to health institutions (see attached list)	7,600,000.00	9,598,829.00
TOTAL	26,450,000.00	30,713,738.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016	2014 -2015
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,194,500.00	7,942,000.00
Bursary – tertiary institutions (see attached list)	8,488,000.00	7,942,000.00
Bursary – special schools (see attached list)	1,462,000.00	
Mock & CAT (see attached list)	1,564,485.00	
Water projects (see attached list)	26,420,116.00	32,400,000.00
Agriculture projects (see attached list)	-	
Electricity projects (see attached list)	-	5,500,000.00
Security projects (see attached list)	14,900,000.00	9,200,000.00
Roads projects (see attached list)	32,700,000.00	17,127,000.00
Sports projects (see attached list)	3,500,000.00	3,483,944.00
Environment projects (see attached list)		-
Other Projects (see attached list)		-
Emergency Projects (specify)		1,389,222.00
Total	97,229,101.00	84,984,166.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non-Financial Assets	2015 - 2016	2014 - 2015
	Kshs	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	870,990.00	
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	870,990.00	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Specify		

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs	Kshs
Family Bank Murang'a, A/c 006000020013	39,755,493.65	14,132,546.90
	-	
	-	
	-	
	39,755,493.65	14,132,546.90
10B: CASH IN HAND		
	2015 - 2016	2014 - 2015
	Kshs	Kshs
Location 1	-	
Location 2	-	
Location 3	-	
Other Locations (specify)	-	
	-	
	-	
Total	-	
[Provide cash count certificates for each]	-	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
 KIHARU 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
			-	
			-	
			-	
			-	
			-	
			-	
			-	

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[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
 KIHARU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	14,132,546.90	34,427,929.30
Cash in hand		-
Imprest	-	1,110,000.00
Total	14,132,546.90	35,537,929.30

[The outstanding imprest as at close of 2014/15 f/y has since been surrendered]

14. PRIOR YEAR ADJUSTMENTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bank accounts (Cash Book adjustment – 12/2/2016)	(12,000.00)	
Cash in hand	-	
Imprest	-	
Total	(12,000.00)	