

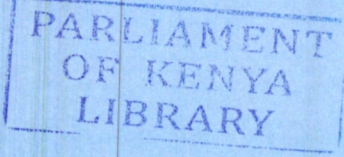
REPUBLIC OF KENYA



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OFFICE OF THE AUDITOR-GENERAL



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF**  
**NATIONAL GOVERNMENT**  
**CONSTITUENCIES DEVELOPMENT FUND-**  
**KIAMBAA CONSTITUENCY**

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



OFFICE OF THE AUDITOR GENERAL  
CENTRAL HUB  
03 MAY 2017  
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**RECEIVED**  
P. O. Box 267 - 10100, NYERI



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- KIAMBAA  
CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

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

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

	<b>PAGE</b>
<b>TABLE OF CONTENTS</b>	
I. Key Constituency Information And Management.....	1
II. Forward By The Chairman National Government Constituency Development Fund Committee (NGCDFC).....	3
III. Statement Of NGCDF Management Responsibilities.....	4
IV. Statement Of Receipts And Payments .....	5
V. Statement Of Assets .....	7
VI. Statement Of Cashflow .....	8
VII. Summary Statement Of Appropriation: Recurrent And Development Combined .....	9
VIII. Significant Accounting Policies.....	25
IX. Notes to the Financial Statements.....	26

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituencies Development Fund Committee (NGCDFC)

**(c) Fiduciary Management**

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

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E Holder	<b>Alex .M.Kioko</b>
3.	Accountant	<b>Lawrence Warui</b>

**(d) Fiduciary Oversight Arrangements**

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

P.O. Box 86 KARURI 00219  
CDF BUILDING BANANA  
BEHIND DO OFFICE KARURI  
KIAMBU, KENYA



**(f) KIAMBAA CDF Contacts**

Telephone: (254) 02045227287  
E-mail: kiambaacdf@gmail.com  
Website: www.kiambaacdf.go.ke

**(g) KIAMBAA CDF Bankers**

1. Cooperative Bank of Kenya  
Ruaka branch  
P.O. Box  
Village market 00200  
Nairobi, Kenya

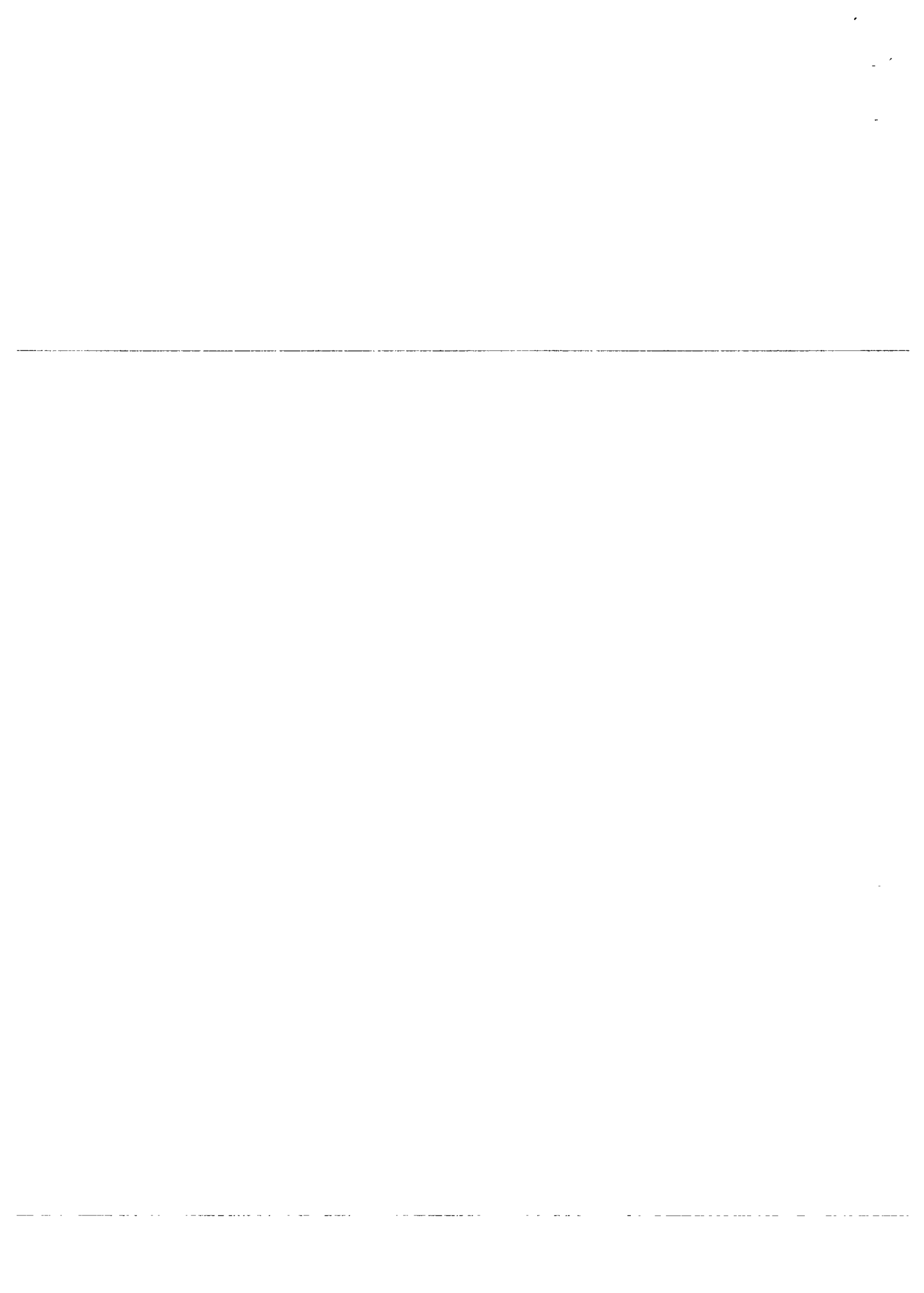
**(h) Independent Auditors**

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)**

The NGCDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF have improved the Education and Security infrastructures of KIAMBAA.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations

I therefore appeal to the CDF board to engage concerned ministries especially public works to harmonise implementation of projects

  
**Sign.....  
CHAIRPERSON 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 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.

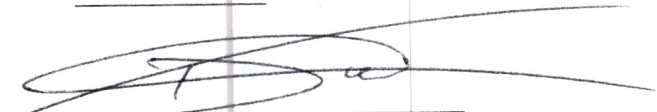
The Accounting Officer in charge of the KIAMBAA NGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility 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.

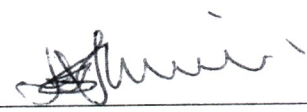
The Accounting Officer in charge of the KIAMBAA NGCDF accepts responsibility for the NGCDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). 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 KIAMBAA 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.

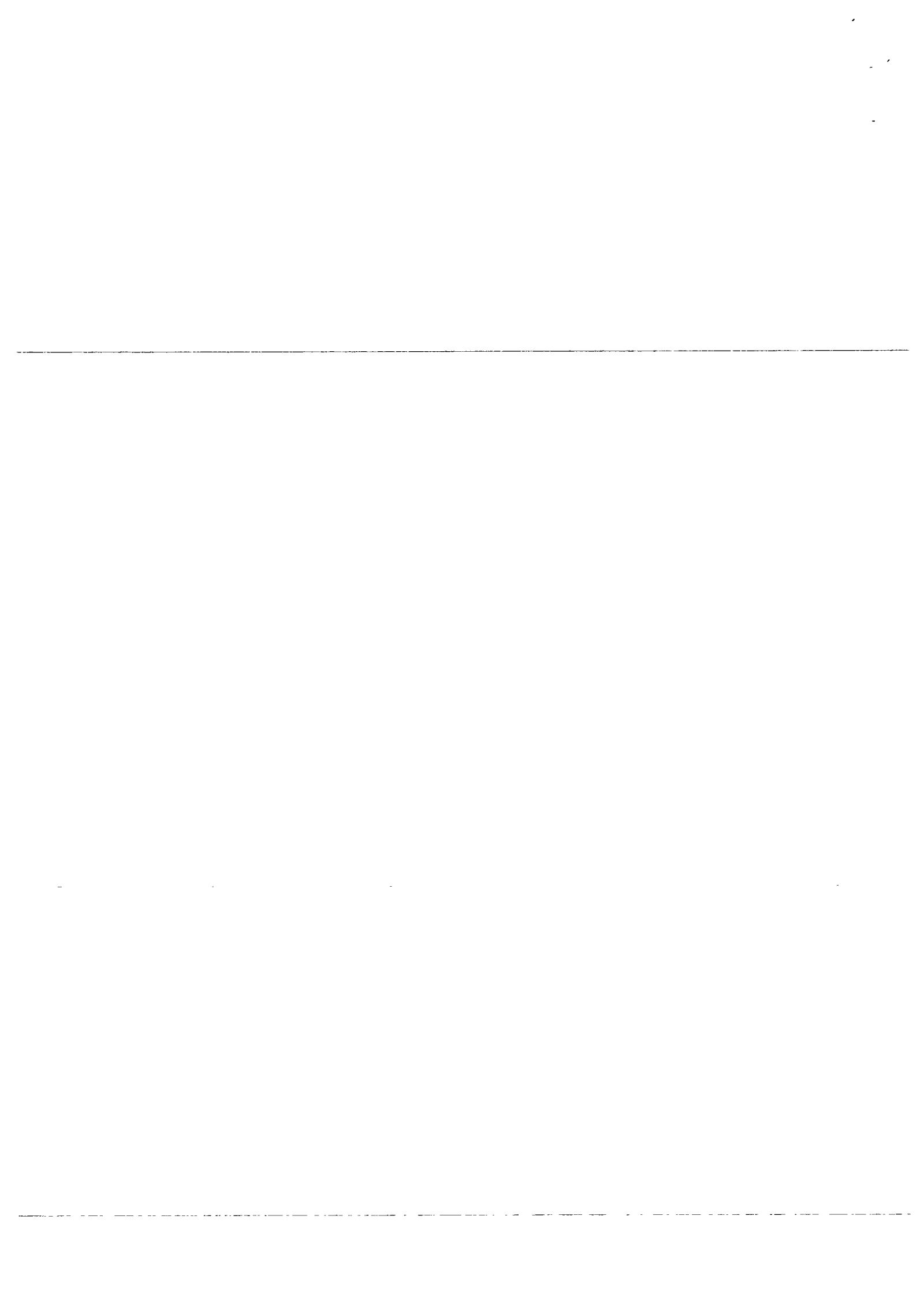
The Accounting Officer in charge of the KIAMBAA NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF's funds received during the year under audit were used for the eligible purposes 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

  
Chairperson





## OFFICE OF THE AUDITOR-GENERAL

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

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Kiambaa Constituency set out on pages 5 to 27, which comprise the statement of financial 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**

### **1.0 Cash and Cash Equivalents**

The statement of financial assets as at 30 June 2016 reflects cash and cash equivalents balance of Kshs.15,841,422. However, the cash book reflected a balance of Kshs.18,500,341 as at the same date resulting in unexplained and unreconciled variance of Kshs.2,658,919.

In the circumstance, it has not been possible to confirm the accuracy and completeness of cash and cash equivalents balance of Kshs.15,841,422 as at 30 June 2016.

### **2.0 Procurement**

#### **2.1 Construction of Kiambaa CDF Office**

Examination of records maintained at Kiambaa CDF office revealed that Kshs.9,800,000 was allocated for the construction of CDF offices at Karuri-Banana made up of Kshs.5,000,000 and Kshs.4,800,000 approved in the financial years 2014/2015 and 2015/2016 budgets respectively. Records further indicate that a local contractor was awarded the contract for the construction of the offices at a contract sum of Kshs.8,835,570. Although the CDF management awarded the contract to the lowest responsive bidder among three other bids which were sourced through request for quotation contrary to national open tendering as required by Public Procurement and Disposal Regulations 2006, Section 26 (3) (b). The contract price of Kshs.8,835,570 exceed the maximum threshold limit of Kshs.4,000,000 for use of request for quotations. No explanation was given for the irregularity. Further, the contract sum included provisional sums totaling Kshs.1,600,000 for various items and works which were not competitively procured.

As a result, of these irregularities, the propriety of the expenditure incurred on the project during the year ended 30 June 2016, could not be confirmed.

#### **2.2. Use of Inappropriate Procurement Method**

The statement of receipts and payments reflects transfers to Other Government Units expenditure of Kshs.60,700,040 which includes Kshs.12,000,000 for murraming of roads in various schools under three zones namely Karuri, Ndenderu and Kihara zones

each at Kshs.4,000,000. However, a review of records for the projects showed that the CDFC used request for quotations method and awarded contract sums of Kshs.5,065,600 for Karuri, Kshs.4,303,200 for Ndenderu and Kshs.7,163,200 for Kihara zone. The estimated value of works to be done on each of the three projects was above the set threshold of Kshs.4,000,000 hence the works were to be advertised in national process as required by the Public Procurement and Disposal Act, 2005. Further, engineer's estimates, inspection reports from the Ministry of works, expenditure returns, payment certificates and other relevant records for these projects were not presented for audit review.

Consequently, the propriety of the expenditure of Kshs.12,000,000 incurred 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-Kiambaa 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 National Government Constituencies Development Fund Act, 2015.

### Other Matter

#### 1. Overall Budget Execution

During the financial year under review, Kiambaa NG-CDF received a total of Kshs.101,274,040 from the National Government Constituencies Development Fund Board against budgeted amount of Kshs.124,739,029 or 81% of the budget. Further, the total expenditure for the year total Kshs.108,897,607 representing absorption rate of 87 % as analyzed below:

Item	Budget-Kshs	Actual - Kshs.	Budget utilization Difference-Kshs	Actual as % of Budget
Receipts	124,739,029	101,274,040	23,464,989	81
<b>Expenditure</b>				
Compensation of employees	1,400,000	1,300,000	100,000	93
Use of goods and services	7,223,389	4,254,357	2,969,032	59
Transfers to other government units	64,343,281	60,700,040	3,643,241	94
Other grants and transfers	39,608,359	31,643,210	7,965,149	80



Acquisition of assets	10,864,000	9,700,000	1,164,000	89
Other payments	1,300,000	1,300,000	-	100
<b>Total</b>	<b>124,739,029</b>	<b>108,897,607</b>	<b>15,841,422</b>	<b>87</b>

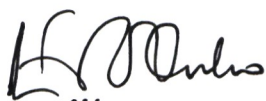
The CDF management attributed the low utilization of the budget to delay in disbursement of funds by the CDF Board.

## 2. Project Implementation

During the period under review, the Kiambaa CDF spent Kshs.87,931,640 on implementation of twenty six (26) projects against approved project allocation of Kshs.91,039,789 earmarked for thirty five (35) projects including nine projects rolled over from 2014/2015 financial year. Analysis of project implementation is given below:

Sector	No of budgeted project	Budget-Kshs.	Actual Disbursed -Kshs.	No. of projects completed	No. of projects not implemented	%level of implementation
Transfers to primary and secondary schools	25	64,343,289	60,700,040	21	4	84%
Construction of CDF office	1	10,864,000	9,700,000	1	0	100%
Sports	2	2,025,450	0	0	2	0%
Environment	1	2,025,450	1,913,210	0	1	0%
Roads	1	4,300,000	4,300,000	1	0	100%
Security	4	3,900,000	2,700,000	2	2	50%
Kiambaa playing field	1	1,300,000	1,300,000	1	0	100%
<b>Total</b>	<b>35</b>	<b>91,039,789</b>	<b>87,931,640</b>	<b>26</b>	<b>9</b>	<b>74%</b>

Failure to implement projects on time denies the community the benefits and expected services to the residents of Kiambaa.



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

**Nairobi**

**11 September 2017**

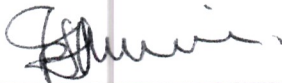
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- KIAMBAA  
CONSTITUENCY**

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

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	101,274,040.00	148,842,593.00
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
<b>TOTAL RECEIPTS</b>		<b>101,274,040.00</b>	<b>148,842,593.00</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,300,000.00	1,459,960.00
Use of goods and services	5	4,254,357.00	3,999,687.00
Transfers to Other Government Units	6	60,700,040.00	87,930,558.00
Other grants and transfers	7	31,643,210.00	32,769,075.00
Acquisition of Assets	8	9,700,000.00	2,136,000.00
Other Payments	9	1,300,000.00	2,881,600.00
<b>TOTAL PAYMENTS</b>		<b>108,897,607.00</b>	<b>131,176,880.00</b>
<b>SURPLUS/DEFICIT</b>		<b>(7,623,567.00)</b>	<b>17,665,713.00</b>

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

  
\_\_\_\_\_  
**Chairperson - NGCDFC**

  
\_\_\_\_\_  
**Fund Account Manager**

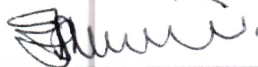


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- KIAMBAA  
 CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2016


V. STATEMENT OF ASSETS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	15,841,422	23,464,989.00
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	
<b>TOTAL FINANCIAL ASSETS</b>		<b>15,841,422</b>	<b>23,464,989.00</b>
<b>REPRESENTED BY</b>			
Retention	12	-	
Fund balance b/fwd 1st July...	13	23,464,989.00	5,799,276.00
Surplus/Deficit for the year		(7,623,567.00)	17,665,713.00
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b>15,841,422</b>	<b>23,464,989.00</b>

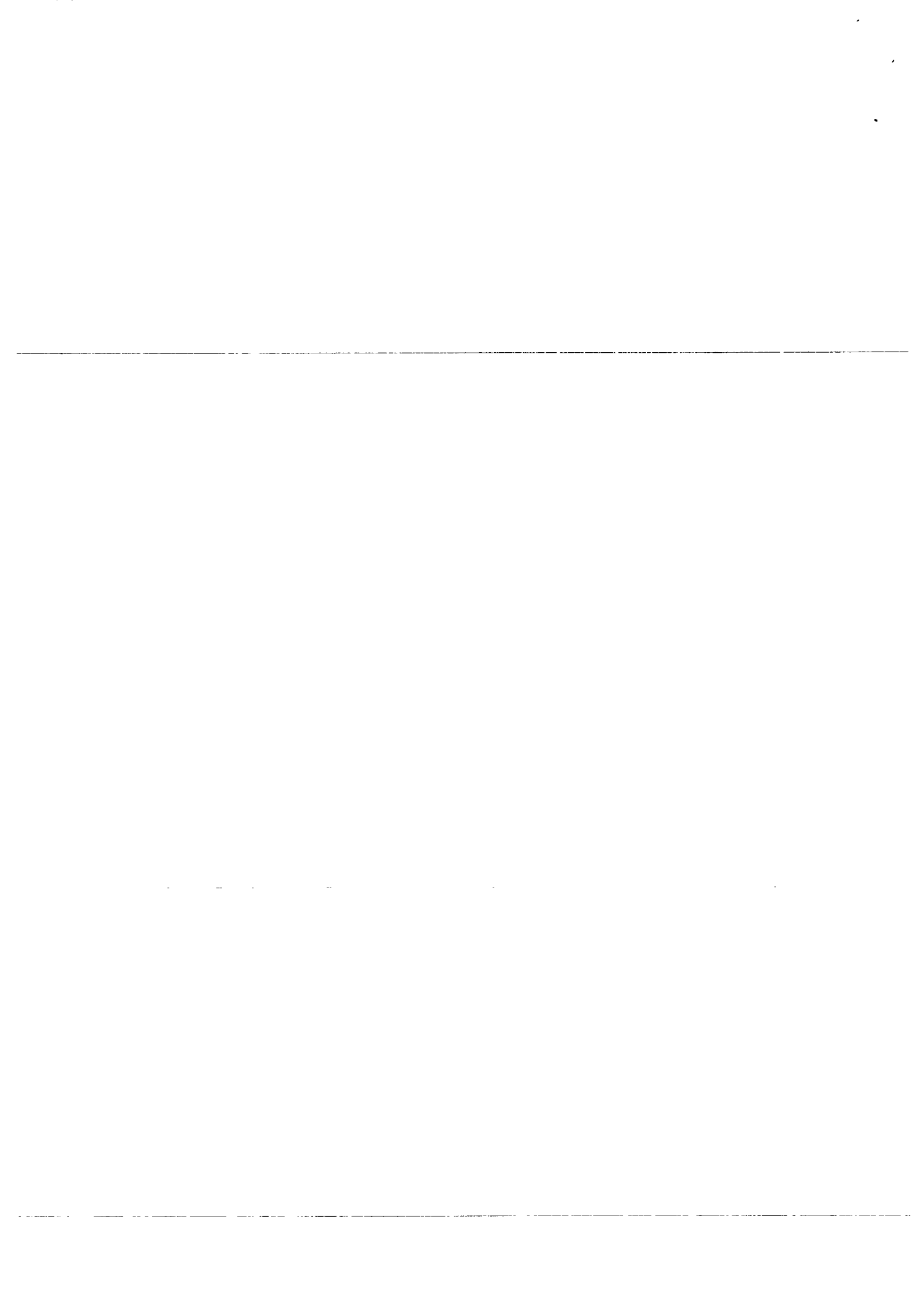
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Chairperson - NGCDFC



Fund Account Manager

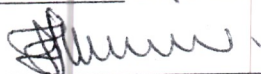


Reports and Financial Statements  
 For the year ended June 30, 2016


VI. STATEMENT OF CASHFLOW

		2015 - 2016	2014 - 2015
<b>Receipts for operating income</b>			
Transfers from CDF Board	1	101,274,040.00	148,842,593.00
Other Receipts	3	-	-
		<b>101,274,040.00</b>	<b>148,842,593.00</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,300,000.00	1,459,960.00
Use of goods and services	5	4,254,357.00	3,999,687.00
Transfers to Other Government Units	6	60,700,040.00	87,930,558.00
Other grants and transfers	7	31,643,210.00	32,769,075.00
Other Payments	9	1,300,000.00	2,881,600.00
		<b>99,197,605.00</b>	<b>129,040,880.00</b>
<b>Adjusted for:</b>			
Adjustments during the year	14	-	-
<b>Net cash flow from operating activities</b>		<b>2,076,435.00</b>	<b>19,801,713.00</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>		<b>(9,700,000.00)</b>	<b>(2,136,000.00)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(9,700,000.00)</b>	<b>(2,136,000.00)</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	13		
<b>Cash and cash equivalent at END of the year</b>		<b>(7,623,567.00)</b>	<b>17,665,713.00</b>
		<b><u>23,464,989.00</u></b>	<b><u>5,799,276.00</u></b>
		<b>15,841,422.00</b>	<b>23,464,989.00</b>

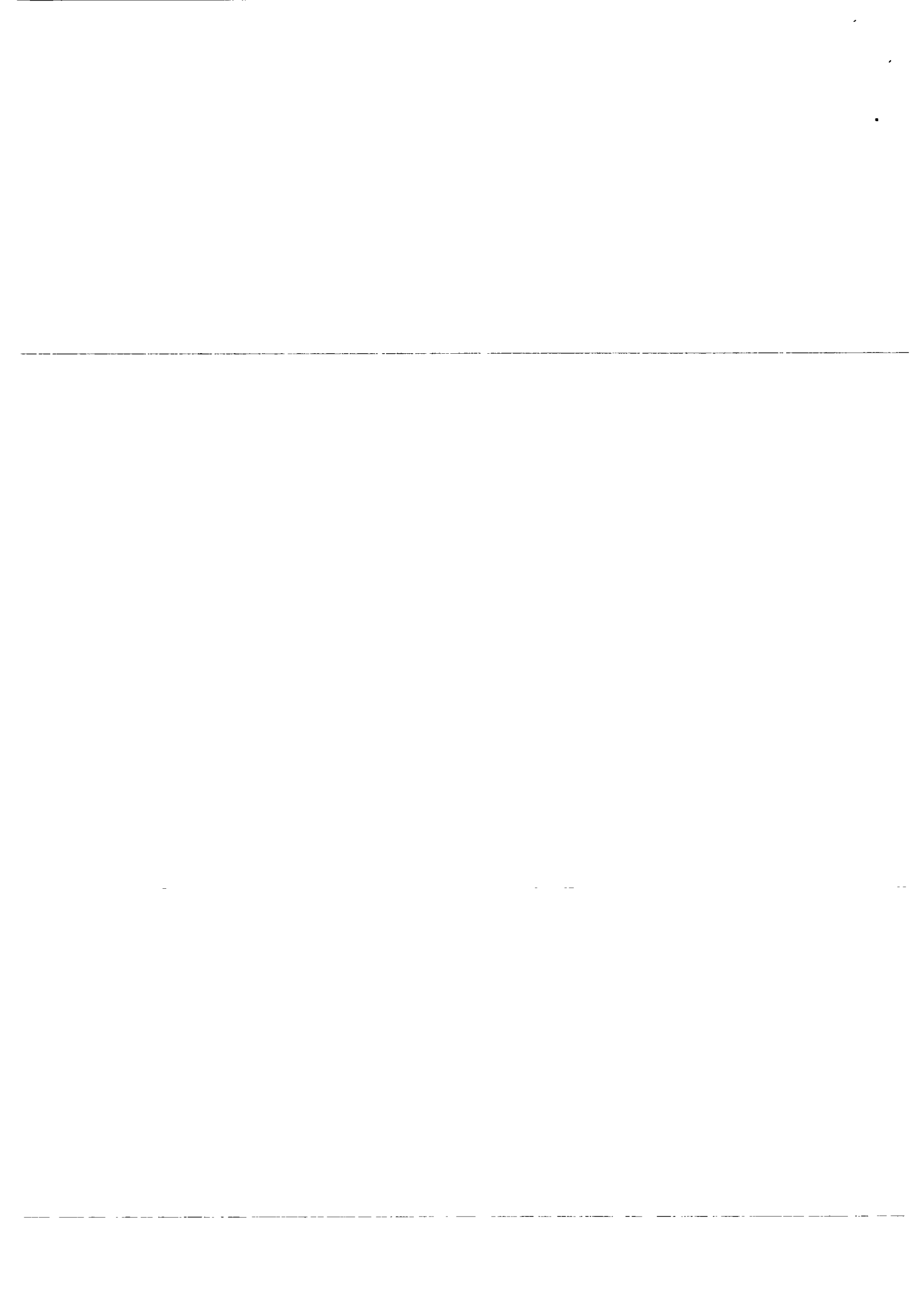
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KIAMBAA NGCDF financial statements were approved on \_\_\_\_\_ 2016 and signed by:



Chairperson NGCDFC



Fund Account Manager

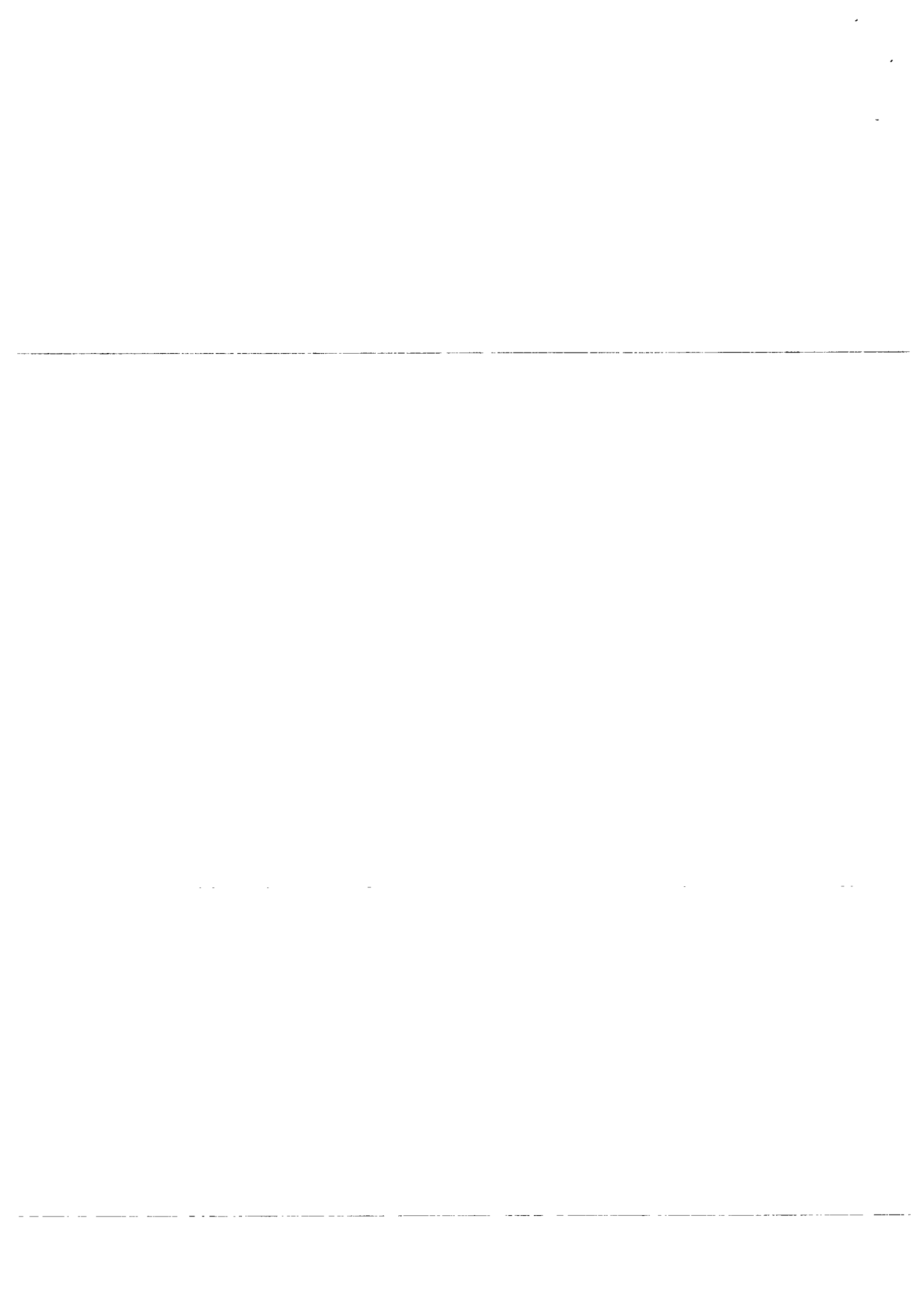


Reports and Financial Statements  
For the year ended June 30, 2016

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 %
<b>RECEIPTS</b>						
Transfers from CDF Board	101,274,040.00	23,464,989.00	124,739,029.00	101,274,040.00	-	71%
Proceeds from Sale of Assets			-	-	-	
Other Receipts			-	-	-	
<b>TOTAL</b>	<b>101,274,040.00</b>	<b>23,464,989.00</b>	<b>124,739,029.00</b>	<b>101,274,040.00</b>	<b>-</b>	<b>71%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,400,000.00	-	1,400,000.00	1,300,000.00	100,000.00	93%
Use of goods and services	5,355,493.00	1,867,896.00	7,223,389.00	4,254,357.00	2,969,032	59%
Transfers to Other Government Units	57,500,000.00	6,843,281.00	64,343,289.00	60,700,040.00	3,643,241	94%
Other grants and transfers	30,918,547.00	8,689,812.00	39,608,359.00	31,643,210.00	7,965,149	80%
Acquisition of Assets	4,800,000.00	6,064,000.00	10,864,000.00	9,700,000.00	1,164,000.00	89%
Other Payments	1,300,000		1,300,000	1,300,000	-	100%
<b>TOTAL</b>	<b>101,274,040.00</b>	<b>23,464,989.00</b>	<b>124,739,029.00</b>	<b>108,897,607.00</b>	<b>15,841,422.00</b>	<b>87%</b>





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

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- (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. XXXX
  - ii. XXXX
  - iii. XXXX
  - iv. XXXX
  - v. XXXX

The KIAMBAA NGCDF financial statements were approved on \_\_\_\_\_ 2016 and signed by:

\_\_\_\_\_  
Chairperson 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

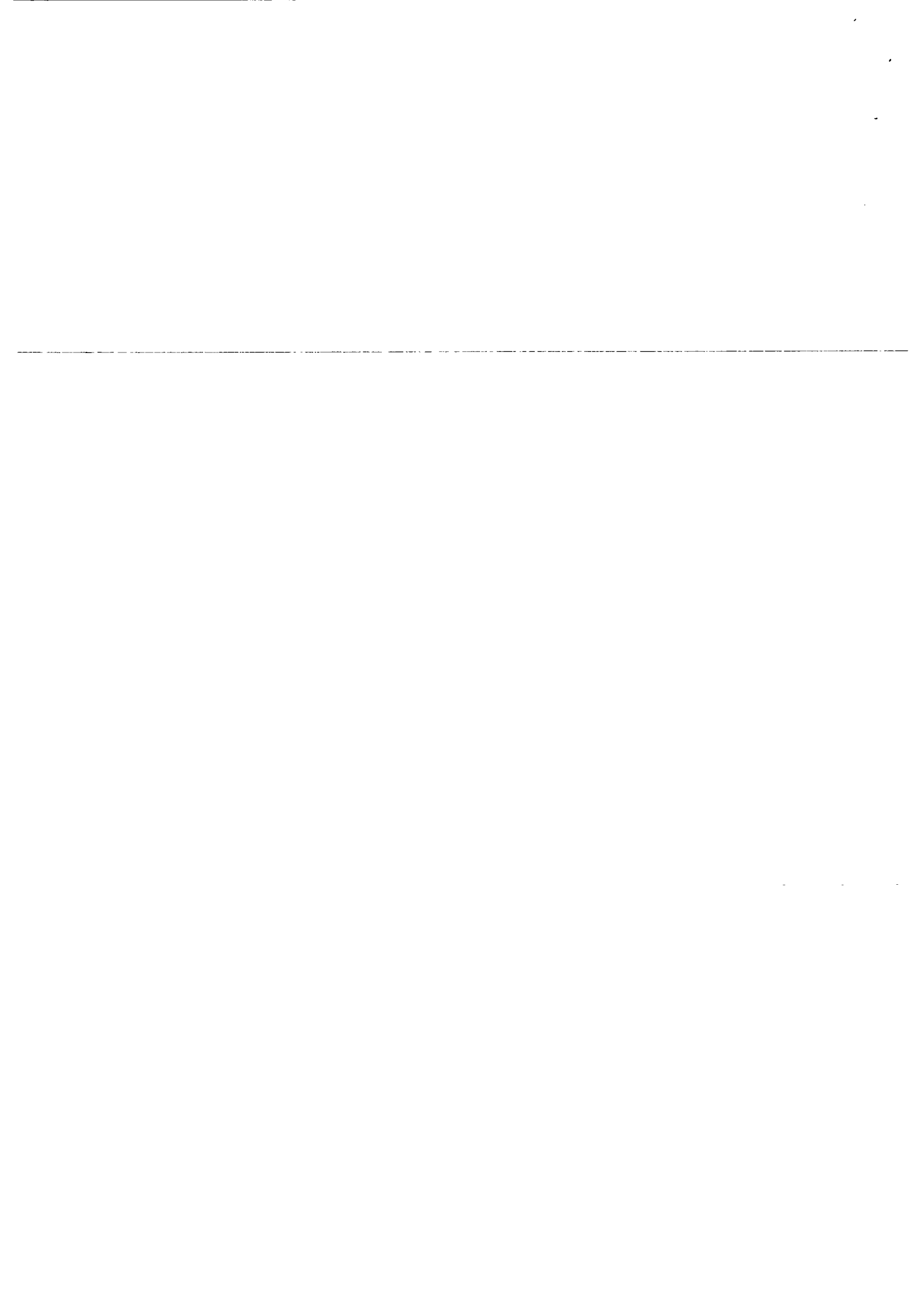
The NGCDF recognises all revenues from the various sources when the event occurs and the related cash has actually been received by the NGCDF. In addition, the NGCDF recognises all expenses when the event occurs and the related cash has actually been paid out by the NGCDF.

### 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.



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**

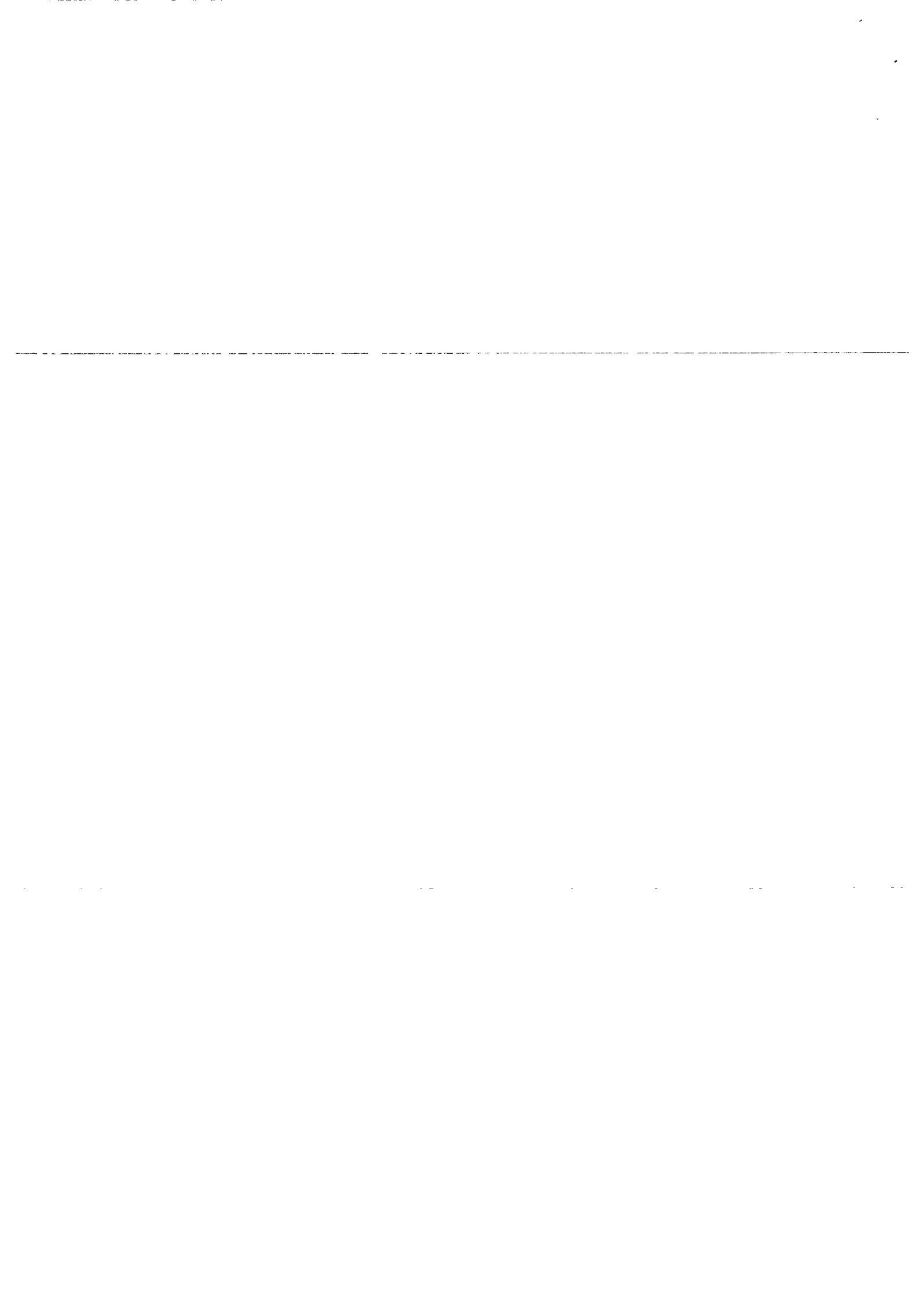
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The NGCDF’s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment 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.



IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 - 2015
Normal Allocation	A796276	10,000,000.0	22,646,000.00
	A724240	10,000,000.0	33,535,584.00
	A820573	10,000,000.0	23,915,252.50
	A820808	20,000,000.0	14,349,151.50
	A825729	51,274,040.0	9,566,101.00
			20,915,252.00
			23,915,252.00
Conditional grants			-
Receipt from other Constituency	AIE NO...	-	
	AIE NO...	-	
<b>TOTAL</b>		<b>101,274,040.0</b>	<b>148,842,593.0</b>

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	-	-
	-	-
<b>Total</b>		



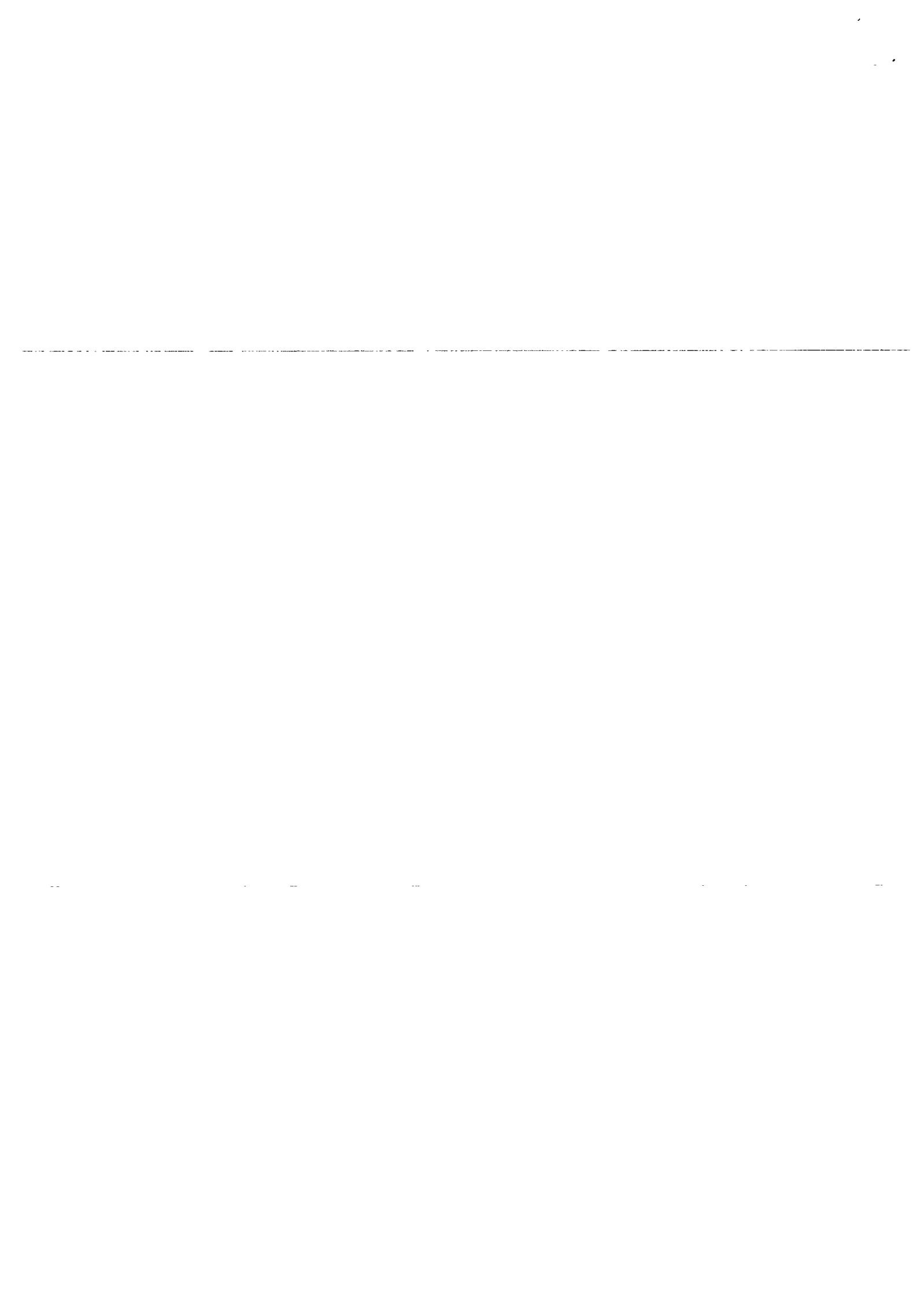


**3. OTHER RECEIPTS**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Interest Received	-	-
Dividends	-	-
Interest Received	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	-	-

**4. COMPENSATION OF EMPLOYEES**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	1,300,000.00	1,459,960.00
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	-	-
<b>Total</b>	<b>1,300,000.00</b>	<b>1,459,960.00</b>



NOTES TO THE FINANCIAL STATEMENTS (Continued)

**5. USE OF GOODS AND SERVICES**

<b>Description</b>	<b>2015 - 2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services	171,981.00	149,987.00
Office rent	-	495,000.00
Communication, supplies and services	-	-
Domestic travel and subsistence	120,000.00	337,000.00
Printing, advertising and information supplies & services	93,438.00	
Rentals of produced assets		
Training expenses	200,000.00	209,700.00
Hospitality supplies and services		
Other committee expenses	2,113,938.00	879,000.00
Committee allowance	1,376,000.00	1,529,000.00
Insurance costs		
Specialised materials and services		
Office and general supplies and services	179,000.00	400,000.00
Fuel ,oil & lubricants		
Other operating expenses		
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		
<b>Total</b>	<b>4,254,357.00</b>	<b>3,999,687.00</b>

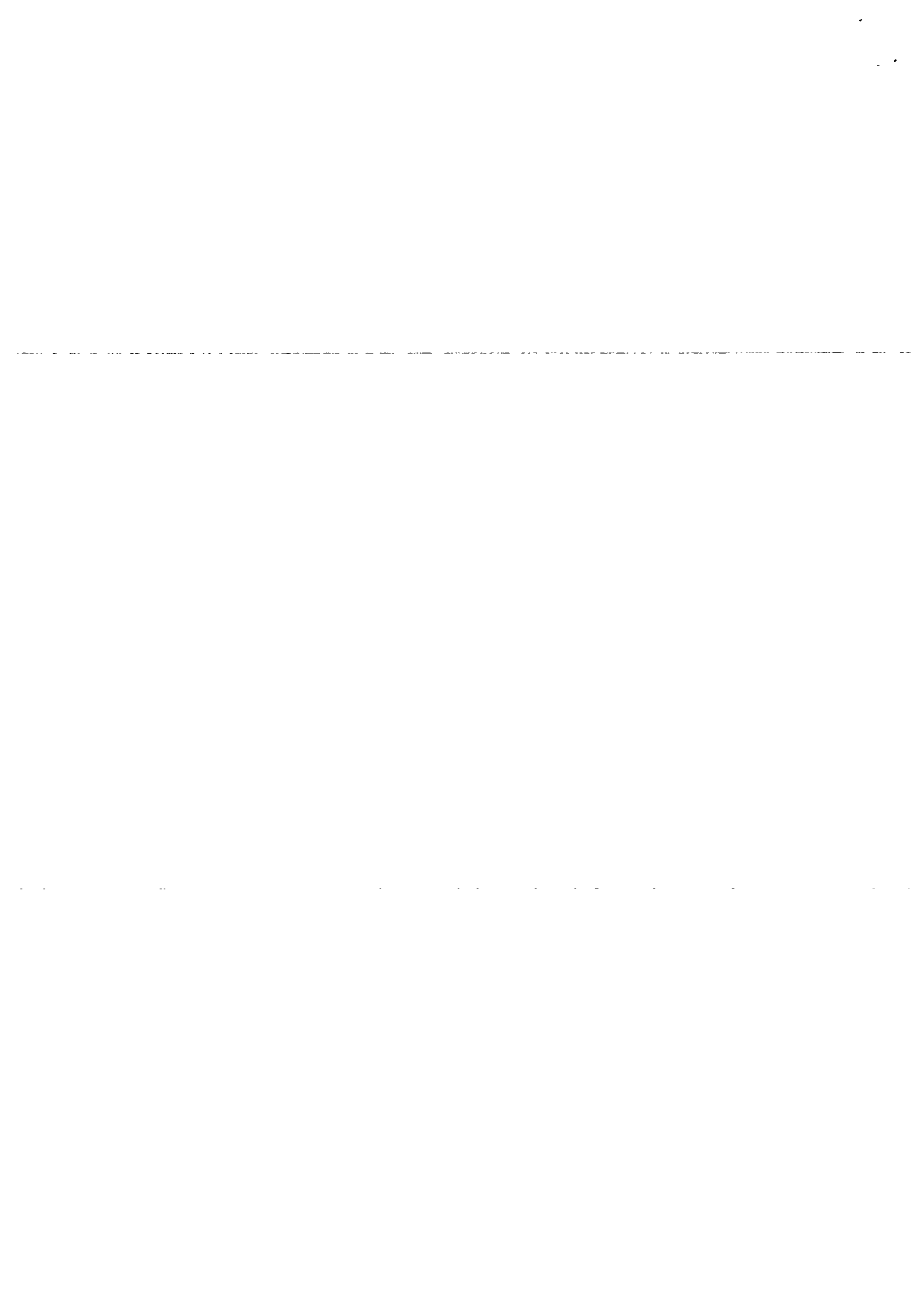


**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers To Primary Schools	43,800,040.00	50,927,799.00
Transfers To Secondary Schools	16,900,000.00	26,320,000.00
Transfers To Tertiary Institutions	-	6,200,000.00
Transfers To Health Institutions	-	4,482,759.00
<b>TOTAL</b>	<b>60,700,040.00</b>	<b>87,930,558.00</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary -Secondary	7,000,000.00	6,323,000.00
Bursary -Tertiary	3,320,000.00	2,707,000.00
Bursary-Special schools	-	-
Mocks & CAT	5,000,000.00	400,000.00
water		4,610,006.00
Agriculture (food security)		-
Electricity projects		
Security	2700,000.00	4,929,421.00
Roads	4,300,000.00	3,000,000.00
Sports		3,164,988.00
Environment	1,913,210.00	-
Emergency Projects	7,410,000.00	7,634,660.00
<b>Total</b>	<b>31,643,210.00</b>	<b>32,769,075.00</b>



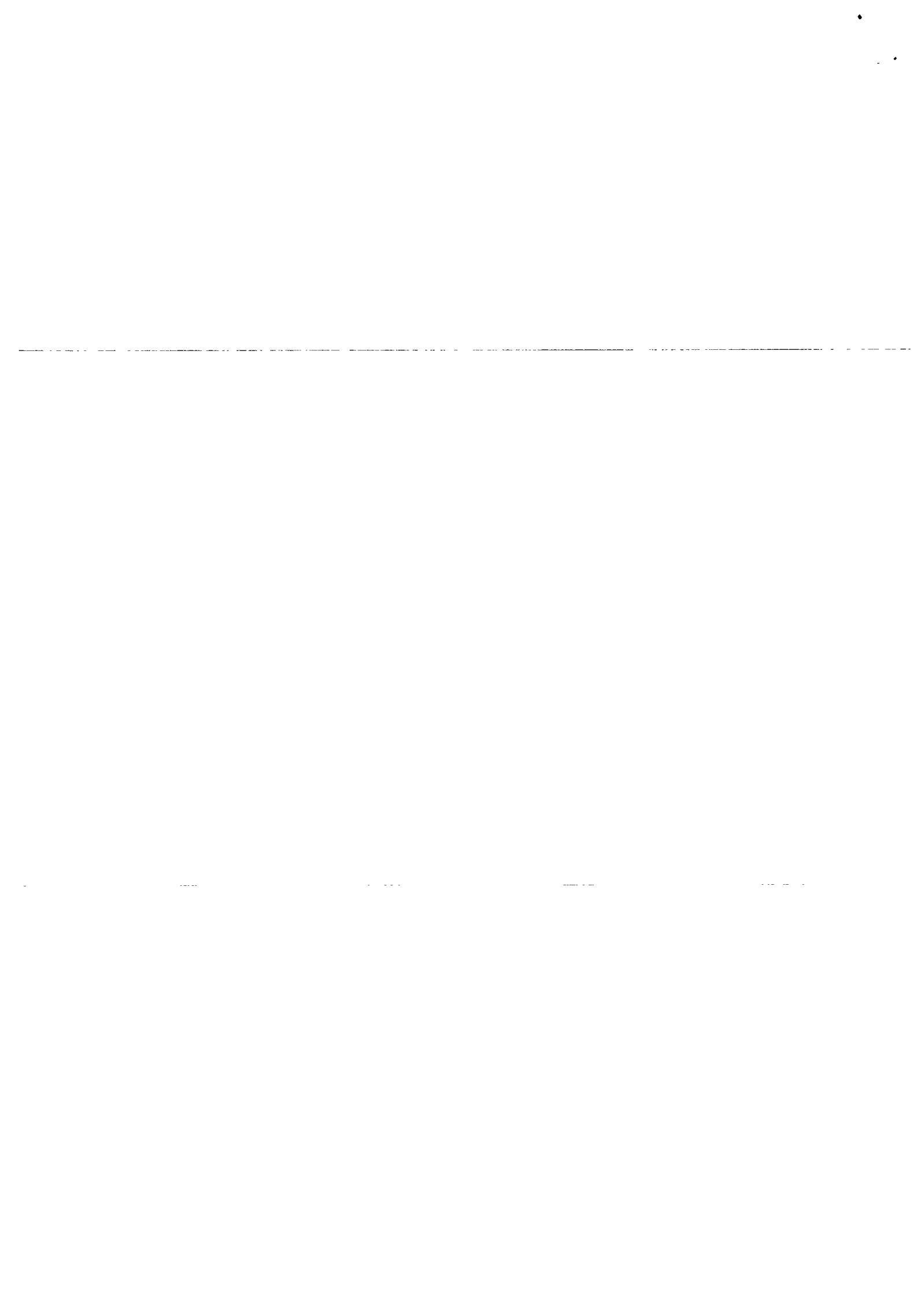
Reports and Financial Statements  
 For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	9,700,000.0	2,000,000.0
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of Office furniture and fittings	-	-
Purchase of computers ,printers and other IT equipment	-	136,000.0
Purchase of photocopier	-	-
Purchase of other office equipment	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
<b>Total</b>	<b>9,700,000.0</b>	<b>2,136,000.0</b>





CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**9. OTHER PAYMENTS**

<b>9 Other Payments</b>			
Muchatha market			2,281,600.0
Muchatha boda boda sheds			600,000.0
Kiambaa playing field		1,300,000.0	
<b>TOTAL</b>		<b>1,300,000.0</b>	<b>2,881,600.0</b>

**10A: Bank Accounts (cash book bank balance)**

Name of Bank, Account No. & currency	Kshs	
	2015 - 2016	2014 - 2015
	Kshs (30/6/2016)	Kshs (30/6/2015)
Cooperative Bank, Ruaka Branch A/C No.01141475527500	15,841,422.00	23,464,989.00
	-	-
<b>Total</b>	<b>15,841,422.00</b>	<b>23,464,989.00</b>
<b>10B: CASH IN HAND)</b>		
	2015 - 2016	2014 - 2015
	Kshs (30/6/2015)	Kshs (30/6/2015)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
	<i>[Provide cash count certificates for each]</i>	



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

TO THE FINANCIAL STATEMENTS (Continued)

**11: OUTSTANDING IMPRESTS**

<b>Name of Officer or Institution</b>	<b>Date Imprest Taken</b>	<b>Amount Taken</b>	<b>Amount Surrendered</b>	<b>Balance</b>
		<b>Kshs</b>	<b>Kshs</b>	<b>Kshs</b>
N/A				

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

<b>12 Retention</b>			
<b>Supplier/Contractor</b>	<b>PV no</b>	<b>2015 - 2016</b>	<b>2014 - 2015</b>
		<b>Kshs</b>	<b>Kshs</b>
N/A			
<b>TOTAL</b>			



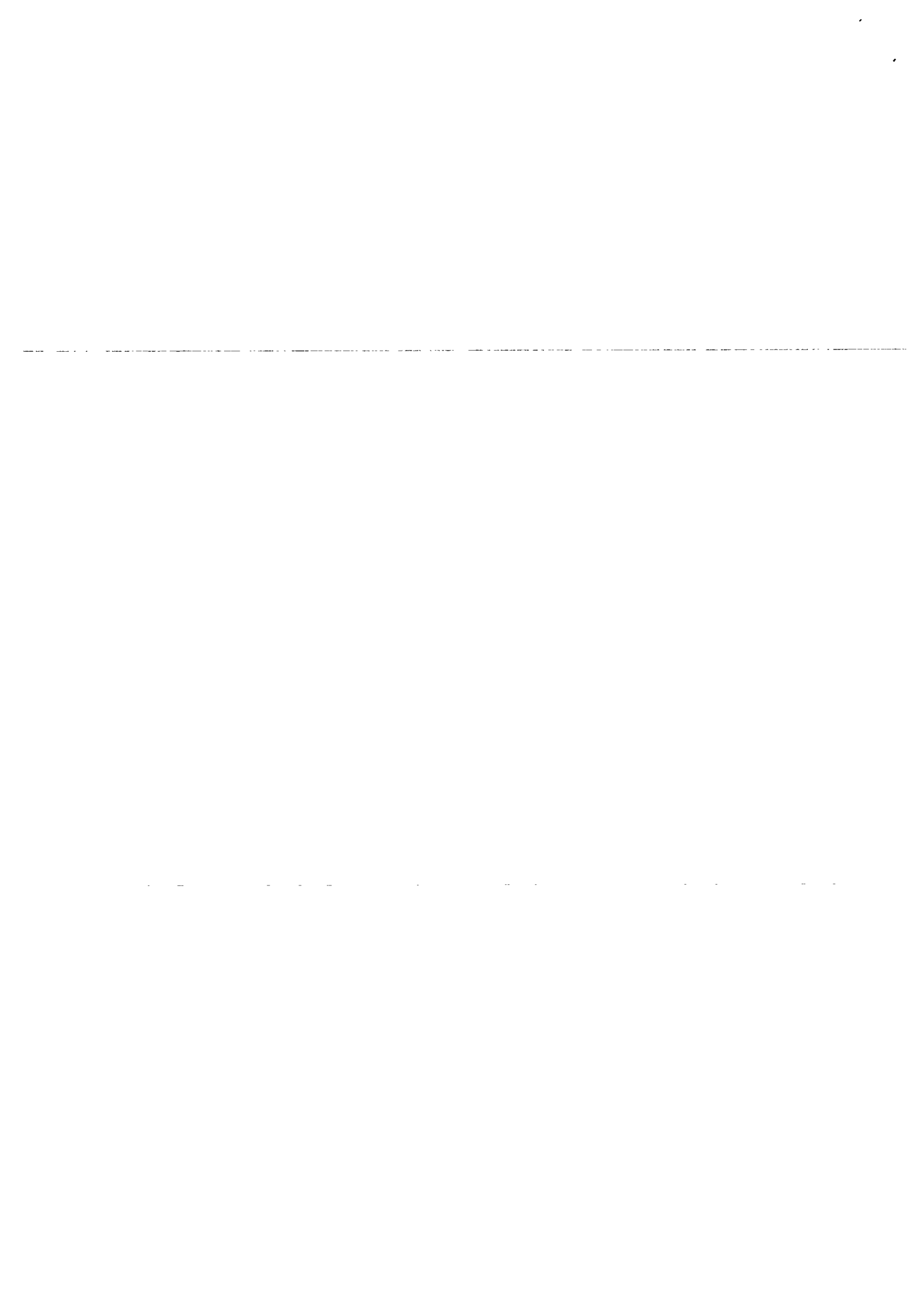
**13. BALANCES BROUGHT FORWARD**

	2015 - 2016	2014 - 2015
	Kshs (1/7/2015)	Kshs (1/7/2014)
Bank accounts	15,841,422.00	23,464,989.00
Cash in hand	-	-
Imprest		-
<b>Total</b>	<b>15,841,422.00</b>	<b>23,464,989.00</b>

[Provide short appropriate explanations as necessary]

**14. PRIOR YEAR ADJUSTMENTS**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
<b>TOTAL</b>	-	-

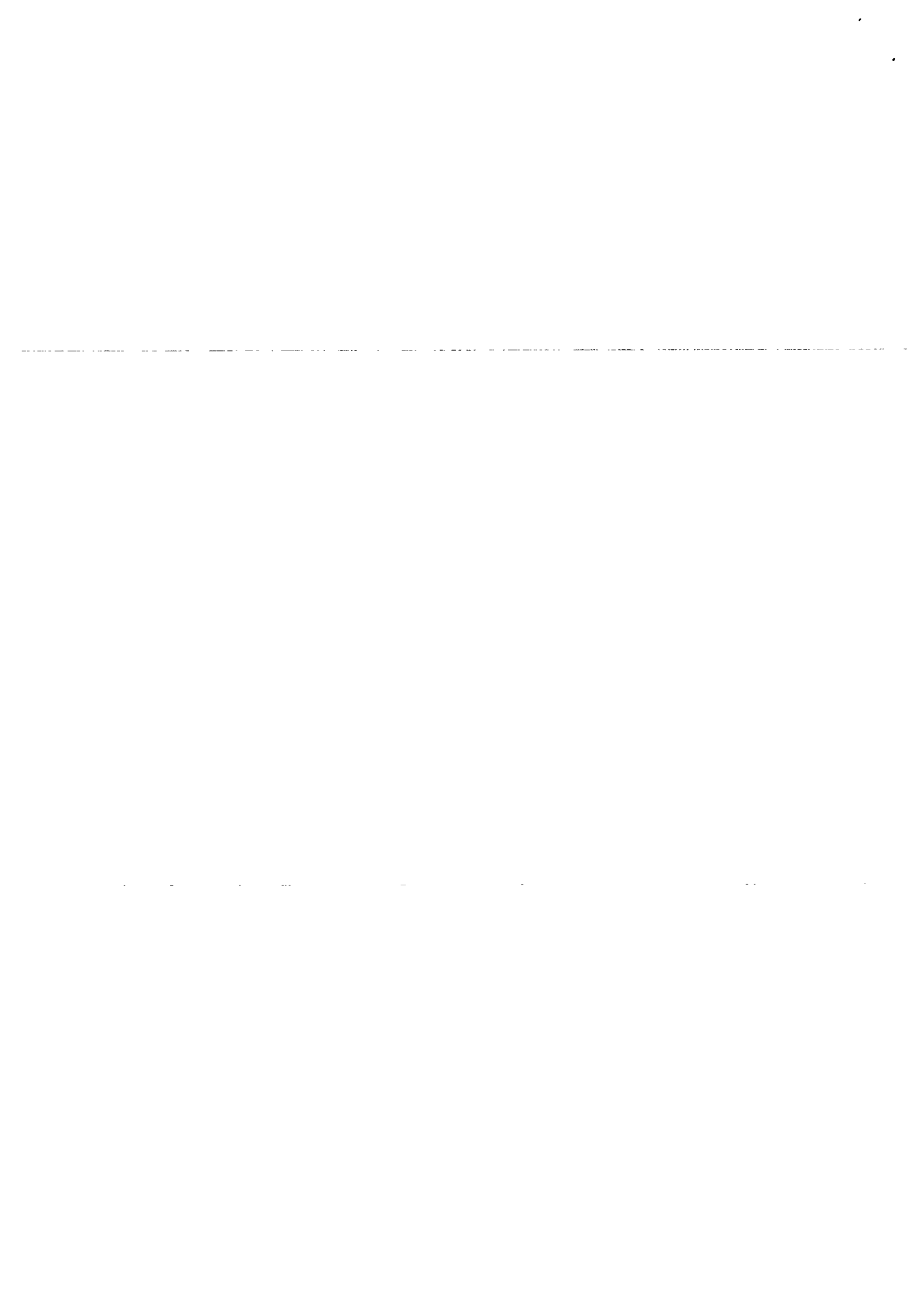
**15.2: PENDING STAFF PAYABLES (See Annex 2)**

Senior management		-
Middle management		-
Unionisable employees		-
Others (specify)		-
		-

**15.3: OTHER PENDING PAYABLES (See Annex 3)**

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





**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIAMBAA CONSTITUENCY**  
**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	Outstanding Balance	Comments
	a	b	c	2,016 d=a-c	2,015	
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7	-		-	-	0.00	
8.						
9.						
Sub-Total	-		-	-	0.00	
Supply of services						

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

**Reports and Financial Statements**

**For the year ended June 30, 2014 (Kshs'000)**

10.							
11.							
12.							
<b>Sub-Total</b>							
<b>Grand Total</b>	-	-	-	-	-		

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIAMBAA CONSTITUENCY**  
**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		
<b>Senior Management</b>							
1.							
2.							
3.							
<b>Sub-Total</b>							
<b>Middle Management</b>							
4.							
5.							
6.							
<b>Sub-Total</b>							
<b>Unionisable Employees</b>							
7.							
8.							
9.							
<b>Sub-Total</b>							
<b>Others (specify)</b>							
10.							
11.							
12.							
<b>Sub-Total</b>							
<b>Grand Total</b>							

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

**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	Outstanding Balance	Comments
					2,016	2,015	
		a	b	c	d=a-c		
Amounts due to other Government entities							
1.		-		-	-		
2.		-		-	-		
3.		-		-	-		
<b>Sub-Total</b>		-		-	-	-	-
Amounts due to other grants and other transfers							
4.				-	-		
5.					-		
6.				-	-		
7.				-	-		
8.					-		
9.					-		

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

**Reports and Financial Statements**

**For the year ended June 30, 2016 (Kshs'000)**

Sub-Total		-	-	-	-	-	-	-
Others (specify)								
8.		-						
9.								
Sub-Total		-	-	-	-	-	-	-
Grand Total		-	-	-	-	-	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KIAMBAA CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016 (Kshs'000)**

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost (Kshs) 2015-2016</b>	<b>Historical Cost (Kshs) 2014-2015</b>
Land	-	-
Buildings and structures	18,576,000.00	8,876,000.00
Transport equipment	-	-
Office equipment, furniture and fittings	1,912,000.00	1,912,000.00
ICT Equipment, Software and Other ICT Assets	738,000.00	738,000.00
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
<b>Total</b>	<b>21,226,000.00</b>	<b>11,526,000.00</b>

  
**Alex Kioko**

**Fund Account Manager**  
**KIAMBAA NGCDF**

