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OFFICE OF THE AUDITOR-GENERAL



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE 2017**



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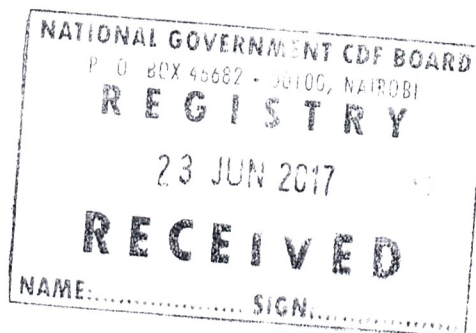
**CONSTITUENCY DEVELOPMENT FUND-NG CDF TETU CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2017**

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



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

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## I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

### (a) Background information

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

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

### (c) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Peter Kamau Wagereka</b>
3.	Accountant	<b>Fredrick Muriithi</b>

### (d) Fiduciary Oversight Arrangements

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

### (e) TETU NG CDF Headquarters

P.O. Box 12132-100  
Nyeri.

**CONSTITUENCY DEVELOPMENT FUND-NG CDF TETU CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2017**

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**(f) TETU NG CDF Contacts**

Telephone: (254) 0716047883  
E-mail: [ngcdftetu@ngcdf.go.ke](mailto:ngcdftetu@ngcdf.go.ke)  
Website: [www.ngcdftetu.go.ke](http://www.ngcdftetu.go.ke)

**(g) TETU NG CDF Bankers**

1. Co-operative Bank –Nyeri Branch A/C NO:01141032528500

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**CONSTITUENCY DEVELOPMENT FUND-NG CDF TETU CONSTITUENCY**  
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**II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG CDFC)**

*[Put the forward note by the Chairman NG CDFC]*

The NG-NG CDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NG CDF has improved the Education and Security infrastructures of Tetu.

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

The NG CDFCs wish that the issues of having the project on going for more than 2years be stopped and the NG CDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.

Sign.....  
CHAIRMAN NG CDFC

### III. STATEMENT OF NG CDF MANAGEMENT RESPONSIBILITIES

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

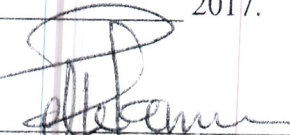
The Accounting Officer in charge of the TETU Constituency Development Fund is responsible for the preparation and presentation of the TETU NG CDF financial statements, which give a true and fair view of the state of affairs of the TETU NG CDF for and as at the end of the financial year (period) ended on June 30, 2017. 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 NG CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NG CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Accounting Officer in charge of the TETU NG CDF accepts responsibility for the NG CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG CDF's financial statements give a true and fair view of the state of NG CDF's transactions during the financial year ended June 30, 2017, and of the NG CDF's financial position as at that date. The Accounting Officer charge of the TETU NG CDF further confirms the completeness of the accounting records maintained for the NG CDF, which have been relied upon in the preparation of the NG CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the TETU NG CDF confirms that the NG CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG CDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

#### Approval of the financial statements

The NG CDF's financial statements were approved and signed by the Accounting Officer on 2017.

  
Fund Account Manager

  
Chairman NG CDFC

# REPUBLIC OF KENYA

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NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

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

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Tetu Constituency set out on pages 5 to 28, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation: recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

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

#### Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund–Tetu Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key Audit matters

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no Key Audit Matters to report in the year under review.

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*Report of Auditor-General on the Financial Statements of National Government Constituencies Development Fund Tetu Constituency for the year ended 2017*



## **Other Matter**

### **Projects implementation**

Attention is drawn to note 6 and note 7 to the financial statements on transfers to other government entities and other grants and transfers payments of Kshs.42,640,956 and Kshs.39,371,381 respectively. The expenditure relates to 2015/2016 rollover projects implemented in 2016/2017 period. A review of project implementation status report as at 30 June 2017 revealed that the NG-CDF management had identified projects and allocated funds to 2016/2017 period amounting to Kshs.74,525,833. However, none of the projects appear to have been implemented during the period under review. The management attributes non implementation of the projects mainly to delay in disbursements of funds by the National Government Constituencies Development Fund Board among other reasons.

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

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

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

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

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

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

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

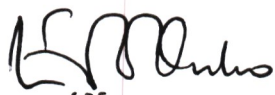
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

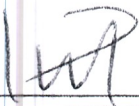
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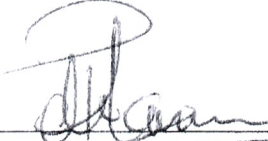
**CONSTITUENCY DEVELOPMENT FUND-NG CDF TETU CONSTITUENCY**  
**Reports and Financial Statements**  
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**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2017 - 2016 Kshs	2015 - 2016 Kshs
<b>RECEIPTS</b>			
Transfers from NG CDF board-AIEs' Received	1	53,308,705.00	94,163,812.00
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	28,000 .00
<b>TOTAL RECEIPTS</b>		<b>53,308,705.00</b>	<b>94,191,812.00</b>
<b>PAYMENTS</b>			
Compensation of employees	4	252,948.00	174,214.00
Use of goods and services	5	9,369,740.00	2,983,750.00
Transfers to Other Government Units	6	42,640,956.00	27,487,931.00
Other grants and transfers	7	39,371,381.00	57,476,790.00
Acquisition of Assets	8	433,600.00	-
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>92,068,625.00</b>	<b>88,122,675.00</b>
<b>SURPLUS/DEFICIT</b>		<b>(38,759,920.00)</b>	<b>6,069,127.00</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TETU NG CDF financial statements were approved on \_\_\_\_\_ 2017 and signed by:

  
 \_\_\_\_\_  
**Chairman - NG CDFC**

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

**CONSTITUENCY DEVELOPMENT FUND-NG CDF TETU CONSTITUENCY**

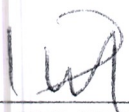
**Reports and Financial Statements**

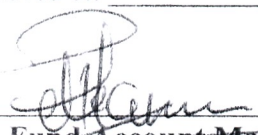
For the year ended June 30, 2017

**V. STATEMENT OF ASSETS**

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	24,064,318.00	62,806,238.00
Cash Balances (cash at hand)	10B		
Outstanding Imprests	11		
<b>TOTAL FINANCIAL ASSETS</b>		<u>24,064,318.00</u>	<u>62,806,238.00</u>
<b>REPRESENTED BY</b>			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	62,806,238.00	56,011,221.00
Surplus/Defict for the year		(38,759,920.00)	6,069,127.00
Prior year adjustments		-	725,890.000
<b>NET LIABILITIES</b>	14	<u>24,064,318.00</u>	<u>62,806,238.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TETU NG CDF financial statements were approved on \_\_\_\_\_ 2017 and signed by:

  
 \_\_\_\_\_  
**Chairman - NG CDFC**


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

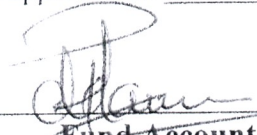
**CONSTITUENCY DEVELOPMENT FUND-NG CDF TETU CONSTITUENCY**  
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**VI. STATEMENT OF CASHFLOW**

		2016 - 2017	2016 - 2015
<b>Receipts for operating income</b>			
Transfers from NG CDF Board	1	53,308,705.00	94,163,812.00
Other Receipts	3		28,000.00
		<b>53,308,705.00</b>	<b>94,191,812.00</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	252,948.00	174,214.00
Use of goods and services	5	9,369,740.00	2,983,750.00
Transfers to Other Government Units	6	42,640,956.00	27,487,931.00
Other grants and transfers	7	39,371,381.00	57,476,790.00
Other Payments	9	-	-
<b>Adjusted for:</b>			
Adjustments during the year	14	-	725,890.00
<b>Net cash flow from operating activities</b>			
		<b>(38,326,320.00)</b>	<b>6,795,017.00</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(433,600.00)	-
		<b>(433,600.00)</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>			
		<b>(38,759,920.00)</b>	<b>6,795,017.00</b>
Cash and cash equivalent at BEGINNING of the year	13	62,806,238.00	56,011,22.00
Cash and cash equivalent at END of the year		24,046,318.00	62,806,238.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TETU NG CDF financial statements were approved on \_\_\_\_\_ 2017 and signed by:

  
 \_\_\_\_\_  
**Chairman NG CDFC**

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

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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
<b>RECEIPTS</b>						
Transfers from NG CDF Board	81,896,552.00	112,020,115.00	193,916,667.00	116,114,943.00	77,801,724.00	59.9%
Proceeds from Sale of Assets	-	-	-	-	-	
Other Receipts	-	-	-	-	-	
<b>TOTAL</b>	<b>81,896,552.00</b>	<b>112,020,115.00</b>	<b>193,916,667.00</b>	<b>116,114,943.00</b>	<b>77,801,724.00</b>	<b>59.9%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,055,000.00	2,889,786.00	3,944,786.00	252,948.00	3,691,838.00	6.4%
Use of goods and services	6,315,690.00	8,354,615.00	14,670,305.00	9,369,740.00	5,300,565.00	63.9%
Transfers to Other Government Units	37,991,379.00	80,513,804.00	118,505,183.00	42,640,956.00	75,864,227.00	36.0%
Other grants and transfers	37,991,379.00	12,594,077.00	49,128,560.00	39,371,381.00	9,757,179.00	80.1%
Acquisition of Assets	-	7,667,833.00	7,667,833.00	433,600.00	7,234,233.00	5.7%
Other Payments	-	-	-	-	-	
<b>TOTALS</b>	<b>81,896,522.00</b>	<b>112,020,115.00</b>	<b>193,916,667.00</b>	<b>92,068,625.00</b>	<b>101,848,042.00</b>	<b>47.5%</b>

(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]

(c)

(d) The underutilization below 50% is due to delay of funds disbursement from the board and delay with the ministry of public works in preparation of bills of quantity to enhance release of funds from sub- country district treasury to PMC accounts.

The TETU NG CDF financial statements were approved on \_\_\_\_\_ 2017 and signed by:



Chairman NG CDFC



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 *NG CDF* 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 *NG CDF*.

### **2. Recognition of revenue and expenses**

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

### **3. In-kind contributions**

In-kind contributions are donations that are made to the *NG CDF* 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 *NG CDF* 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 *NG CDF* 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 *NG CDF*'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 *NG CDF*'s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

**7. Comparative figures**

Where necessary comparative figures for the previous financial year have been amended or reconfigured to conform to the required changes in presentation.

**8. Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2017.



CONSTITUENCIES DEVELOPMENT FUND – NG CDF TETU CONSTITUENCY  
 Reports and Financial Statements  
 For the year ended June 30, 2017

IX. NOTES TO THE FINANCIAL STATEMENTS

1.1.1.1.1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
NG CDF Board		
AIE NO...A839512	4,094,828.00	45,363,812.00
AIE NO...A855184	49,213,877.00	48,000,000.00
AIE NO...A825712		800,000.00
(other constituency e.g. parent constituency)	-	-
<b>TOTAL</b>	<b>53,308,705.00</b>	<b>94,163,812.00</b>

1.1.1.1.1.1.2 PROCEEDS FROM SALE OF ASSETS

	2016 - 2017	2015 - 201
	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>	<b>-</b>	<b>-</b>

CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.3 OTHER RECEIPTS

	2016- 2017 Kshs	2015 - 2016 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	-	-

1.1.1.1.1.1.4 COMPENSATION OF EMPLOYEES

	2016 - 2017 Kshs	2015 - 2016 Kshs
Basic wages of contractual employees	203,000.00	165,574.00
Basic wages of casual labour	-	-
<b>Personal allowances paid as part of salary</b>		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	49,938.00	8,640.00
<b>Total</b>	<b>252,948.00</b>	<b>174,214.00</b>

CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY

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For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.5 USE OF GOODS AND SERVICES

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Committee Expenses	2,628,000.00	1,163,100.00
Utilities, supplies and services	575,329.00	73,650.00
Communication, supplies and services	-	20,000.00
Domestic travel and subsistence	114,000.00	75,000.00
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	3,901,250.00	1,245,000.00
Hospitality supplies and services	1,721,510.000	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	401,411.00	400,000.00
Other operating expenses	-	25,000.00
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
<b>Total</b>	<b>9,369,740.00</b>	<b>2,983,750.00</b>

**CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY**

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**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**1.1.1.1.1.1.6 TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	15,350,000.00	10,087,931.00
Transfers to secondary schools (see attached list)	26,290,956.00	6,000,000.00
Transfers to tertiary institutions (see attached list)	1,000,000.00	11,400,000.00
Transfers to health institutions (see attached list)	-	-
<b>TOTAL</b>	<b>42,640,956.00</b>	<b>27,487,931.00</b>

**1.1.1.1.1.1.7 OTHER GRANTS AND OTHER PAYMENTS**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	17,682,000.00	12,707,000.00
Bursary – tertiary institutions (see attached list)	6,466,100.00	5,323,000
Bursary – special schools (see attached list)	150,000.00	120,000.00
Mock & CAT (see attached list)	-	-
Water projects (see attached list)	-	-
Agriculture projects (see attached list)	-	-
Electricity projects (see attached list)	-	-
Security projects (see attached list)	5,600,000.00	15,600,000.00
Roads projects (see attached list)	-	10,675,448.00
Sports projects (see attached list)	1,954,278.00	1,721,789.00
Environment projects (see attached list)	1,954,278.00	1,721,789.00
Emergency projects (see attached list)	5,564,725.00	9,607,764.00
<b>Total</b>	<b>39,371,381.00</b>	<b>57,476,790.00</b>

**CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**1.1.1.1.1.1.8 ACQUISITION OF ASSETS**

**Non Financial Assets**

	2016 - 2017	2015 - 2016
	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	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	433,600.00	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total</b>	433,600.00	-

**CONSTITUENCIES DEVELOPMENT FUND – NG CDF TETU CONSTITUENCY**

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**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

1.1.1.1.1.1.9 OTHER PAYMENTS

	2016 - 2017	2015 - 2016
Specify	Kshs	Kshs

-	-
---	---

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

Name of Bank, Account No. & currency	2016 - 2017	2015 - 2016
	Kshs	Kshs
<i>Tetu NG CDF Co-operative bank Nyeri 01141032528500</i>	24,046,318.00	62,806,238.00
<b>Total</b>	<b>24,046,318.00</b>	<b>62,806,238.00</b>

**CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY**  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10B: CASH IN HAND**

	2016 - 2017 Kshs	2015 – 2016 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations ( <i>specify</i> )	-	-
<b>Total</b>	<hr/> <hr/>	<hr/> <hr/>

*[Provide cash count certificates for each]*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>				
<i>Name of Officer or Institution</i>				
<i>Name of Officer or Institution</i>				
<i>Name of Officer or Institution</i>				
<i>Name of Officer or Institution</i>				
<i>Name of Officer or Institution</i>		-	-	-
<b>Total</b>		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12. RETENTION

	2016 - 2017 Kshs	2015 - 2015 Kshs
Supplier 1	-	-
Supplier 2	-	-
Supplier 3		
<b>Total</b>	<b>-</b>	<b>-</b>

13. BALANCES BROUGHT FORWARD

	2015 - 2017 Kshs	2016 - 2015 Kshs
Bank accounts	24,046,318.00	62,806,238.00
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>24,046,318.00</b>	<b>62,806,238.00</b>

*[Provide short appropriate explanations as necessary]*

14. PRIOR YEAR ADJUSTMENTS

	2016- 2017 Kshs	2015 - 2016 Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



CONSTITUENCIES DEVELOPMENT FUND – NG CDF/TETU CONSTITUENCY  
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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016- 2017 Kshs	2015 - 2016 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	-	-
	-	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others ( <i>specify</i> )	-	-
	-	-
	-	-

15.3: OTHER PENDING PAYABLES (See Annex 3)

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

15.4: PMC account balances (See Annex 5)

	Kshs	Kshs
PMC account Balances	18,933,664.72	61,110.40
	<b>18,933,664.72</b>	<b>61,110.40</b>

15.5: Amount Due From the Board

	Kshs	Kshs
	77,801,742.00	49,213,877.00



**NATIONAL GOVERNMENT ENTITY** (Indicate actual name of the entity)  
**Reports and Financial Statements**  
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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount a	Date Contracted B	Amount Paid To-Date c	Outstanding Balance 2017 d=a-c	Outstanding Balance 2016	Comments
<b>Construction of buildings</b>						
1.						
2.						
3.						
<b>Sub-Total</b>						
<b>Construction of civil works</b>						
4.						
5.						
6.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
7.						
8.						
9.						
<b>Sub-Total</b>						
<b>Supply of services</b>						
10.						
11.						
12.						
<b>Sub-Total</b>						
<b>Grand Total</b>						

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

**Reports and Financial Statements**

**For the year ended June 30, 2017 (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 2017	Outstanding Balance 2016	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>						

1  
2  
3  
4  
5



**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
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**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2017	Outstanding Balance 2016	Comments
		a	B	c	d=a-c		
<b>Amounts due to other Government entities</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Amounts due to other grants and other transfers</b>							
4.							
5.							
6.							
	<b>Sub-Total</b>						
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						

**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost (Kshs) 2016/15	Historical Cost (Kshs) 2013/14
Land		
Buildings and structures	2,500,000.00	1,400,000.00
Transport equipment	-	-
Office equipment, furniture and fittings	244,603.00	277,979.00
ICT Equipment, Software and Other ICT Assets	685,651.00	252,051.00
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	-	-
<b>Total</b>	<b>3,430,254.00</b>	<b>1,930,030.00</b>

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
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**ANNEX 4 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2017**

PMC	Bank	Account number	Bank Balance 2017/17	Bank Balance 2015/16
Gathuthi Primary School	Family bank	055000010156	500,007.00	-
Kiawaitanji Primary School	Family bank	055000042014	40,046.20	-
Huhu-ini Primary School	Family bank	055000012400	16,516.80	-
Ihithe Primary School	Family bank	055000032842	507,945.00	-
Muhoya Chief's office	Family bank	055000023282	444,345.00	-
Karo Primary school	Family bank	055000013746	500,026.00	-
Ngooru secondary school	Family bank	055000032524	5,000,327.20	-
Kaigonde Primary School	Family bank	055000034425	40,795.80	-
Kiriti Primary School	Family bank	055000031508	1,602.40	-
Gondo Primary School	Family bank	055000010895	24,706.00	-
Mutathi-ini primary sch	Family bank	055000035345	37,626.80	-
Hubui-ini primary school	Family bank	055000034502	40,515.40	-
Kigwadi Primary school	Family bank	055000032353	1,000,393.80	-
Mbaa-ini Primary School	Family bank	055000013719	931,812.00	-



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

**Reports and Financial Statements**

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

PMC	Bank	Account number	Bank Balance 2017/17	Bank Balance 2015/16
Karigu-ini primary School	Family bank	055000034411	2,212.50	-
Kigogo-ini Primary School	Family bank	055000033723	79,073.20	-
Gaaki Secondary School	Family bank	055000036578	22,491.65	-
Gichira Secondary School	Family bank	055000012903	11,949.00	-
Mutathi-ini Secondary School	Family bank	055000022450	52,020.00	-
Gititu secondary School	Family bank	055000010599	3,696.57	-
Kiwaithanji Secondary School	Family bank	055000010716	49,785.00	-
Dr Kamundia Girls	Family bank	055000022436	1,056,423.00	56,432
Mathakwa-ini secondary school	Family bank	055000012843	238,853.00	-
Ithekahuno Secondary School	Family bank	055000018065	6,412.00	-
Njogu-ini Secondary School	Family bank	055000023535	417,352.00	-
Ihithe Secondary School	Family bank	055000017664	1,675.00	-
Aguthi secondary School	Family bank	055000029836	4,004,678.40	4,678.40
Kanjora Secondary School	Family bank	055000031279	549,044.000	-
Gathathi-ini Secondary School	Family bank	055000010683	500,525.00	-
Ihithe Ass Chief Office	Family bank	055000029922	300,115.00	-
Karunaini Ass Chief Office	Family bank	05500002896	500,668.00	-
Kigogoini DO'S Office	Family bank	055000033455	49,019.00	-

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

PMC	Bank	Account number	Bank Balance 2017/17	Bank Balance 2015/16
Kianjogu Ass Chiefs Office	Family bank	055000042368	2,001,000.00	-
<b>Total</b>			<b>18,933,664.00</b>	<b>61,110.40</b>

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

**Reports and Financial Statements**

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

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
CEN.HUB /NYERI.C /TETU NG CDF/28/12	Transfers from the board have been delayed causing delayed project implementation and also rollover of the budget.	The committee will do its best to ensure that funds are utilized within the shortest time when released from the board.	NG CDF Board	Not Resolved	As soon as possible

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