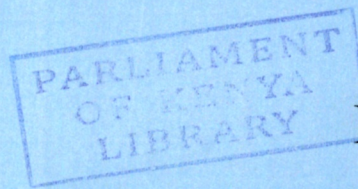


REPUBLIC OF KENYA



*Paper laid  
Thursday  
30/11/17  
AG*

OFFICE OF THE AUDITOR-GENERAL



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
TURKANA WEST CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE 2016**





---

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- TURKANA WEST  
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)

**WIG-CONSTITUENCY DEVELOPMENT FUND – TURKANA WEST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

---

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT .....	1
II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (CDFC) .	3
III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES.....	4
IV. STATEMENT OF RECEIPTS AND PAYMENTS .....	5
V. STATEMENT OF ASSETS.....	6
VI. STATEMENT OF CASHFLOW .....	7
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED .....	8
VIII. SIGNIFICANT ACCOUNTING POLICIES .....	9
IX. NOTES TO THE FINANCIAL STATEMENTS.....	12

**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

The Constituencies Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new Act was enacted in 2015, being the National Government Constituencies Development Fund Act, NG-CDF Act, 2015. The National Government Constituencies Development Fund (NG-CDFA) is under the Ministry of Devolution and Planning. The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

**(b) Key Management**

The *TURKANA WEST Constituency's* day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2016 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	Accounting Officer/AIE holder	Locheria Nyikal Basil
2.	District Accountant	Joel Waweru Kamurutu
3.	District Accountant	Stephen Marigi

**(d) Fiduciary Oversight Arrangements**

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

**(e) TURKANA WEST NG-CDF Headquarters**

P.O. Box 14-30501  
Kakuma  
NGCDF Office Building  
Kakuma

**(f) TURKANA WEST NG-CDF Contacts**

Telephone:0724028813  
E-mail: cdfturkanawest.go.ke  
Website: www.ngcdf.go.ke

**(g) TURKANA WEST CDF Bankers**

1. Kenya Commercial bank  
Lodwar Branch  
P.O. Box 135  
Lodwar 30500  
Lodwar, Kenya

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

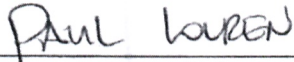
The Attorney General  
State Law Office  
Harambee Avenue  
P.O. Box 40112  
City Square 00200  
Nairobi, Kenya

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

The Turkana West NGCDFs 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 Turkana West.

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

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



---

**Paul Louren**  
**Chairman - NGCDFC**

**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 CDF shall prepare financial statements in respect of that NG-CDF. 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.

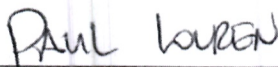
The Accounting Officer in charge of the *Turkana WEST NG-CDF* is responsible for the preparation and presentation of the NG-*CDF's* financial statements, which give a true and fair view of the state of affairs of the NG-*CDF* for and as at the end of the financial year 2014/15 ended on June 30, 2016. 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 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 *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 *Turkana WEST 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, 2016, and of the *CDF's* financial position as at that date. The Accounting Officer in charge of the *Turkana WEST 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 *Turkana WEST 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 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 \_\_\_\_\_ 2016.



**Paul Louren**  
**Chairman - NGCDFC**



**Locheria Nyikal Basil**  
**Fund Account Manager**



# REPUBLIC OF KENYA

Telephone: +254-20-342330  
Fax: +254-20-311482  
E-mail: oag@oagkenya.go.ke  
Website: www.oagkenya.go.ke



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

### REPORT OF THE AUDITOR-GENERAL ON CONSTITUENCIES DEVELOPMENT FUND – TURKANA WEST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2016

---

#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Turkana West Constituency set out on pages 5 to 24, 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 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.

#### 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 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 misstatements.

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 the 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 entity's internal control. An audit also includes evaluating the appropriateness of

---

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

accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statement.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I am not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## **Basis for Disclaimer of Opinion**

### **1.0 Trial Balance**

The management of Constituency Development Fund -Turkana West, did not avail a trial balance for audit review. Under the circumstances, it was not possible to confirm the validity, accuracy and completeness of the figures in the financial statements submitted for audit.

### **2.0 Inaccuracies in the Financial Statements**

#### **2.1 Variances between Statement of Receipts and Payments and the Supporting Schedules**

The statement of receipts and payments reflects various balances which were at variance with figures in the payment vouchers provided to support the expenditure items as detailed below.

<b>Item</b>	<b>Statement of Receipts and Payments (Kshs)</b>	<b>Supporting Schedules (Kshs)</b>	<b>Variance (Kshs)</b>
Compensation of Employees	3,329,754	3,207,296	122,458
Transfer to other government entities			
- Primary Schools	24,256,715	23,456,715	800,000
- Tertiary institutions	17,157,350	16,143,375	1,013,975
Other Grants and Payments		4,164,000	
- Sports	5,464,000		1,300,000
- Environment	2,367,351	1,217,351	1,150,000
<b>Total</b>	<b>52,575,170</b>	<b>48,188,737</b>	<b>4,386,433</b>

In the circumstances, the accuracy and completeness of these financial statements for the year ended 30 June 2016 could not be confirmed.

### **3.0 Transfers to Other Government Entities**

#### **3.1 Transfer to Primary Schools**

Included in transfers to other government entities is an amount of Kshs.71,204,005 under Note 7 to the financial statements is transfer to primary schools figure of Kshs.24,256,715 which included Kshs.21,429,200 disbursed to various primary schools

to undertake projects in the Constituency. Although the management has indicated that the projects were completed and the contractors fully paid, the expenditure returns, completion certificates from the ministry of works and handing over reports were not availed for audit verification.

Consequently, the propriety of Kshs.21,429,200 spent on these projects for the year ended 30 June 2016 could not be confirmed.

### 3.1.2 Payments for Goods Not Received

Included in transfers to other government entities amount of Kshs.71,204,005 under Note 7 to the financial statement is transfer to primary schools figure of Kshs.24,256,715 out of which Kshs.2,967,515 was paid to various firms to supply eighty (80) desks and two hundred and sixty five (265) beds. Available information, however, revealed that only sixty five (65) desks and one hundred and eighty (180) beds were supplied whose cost was Kshs.1,929,840 hence resulting in an overpayment of Kshs.1,037,675 for goods not delivered as detailed below:

Date	PV No	Payee	Activity	Item	Quantity Tendered	Quantity Supplied	Quantity Not supplied	Unit Cost Kshs	Amount Kshs
14/10/2015	874	Kakuma Mixed PMC	Rehabilitation of the school	Bed	145	120	25	5,707	142,675
27/6/2016	1300	St. John Lokichoggi o Primary School PMC	Supply of beds and desks	Bed	80	40	40	12,000	480,000
				Desks	80	65	15	7,000	105,000
16/2/2016	1297	St. Luke Nakururum Primary School	Purchase of beds	Beds	40	20	20	15,500	310,000
<b>Total</b>									<b>1,037,675</b>

Consequently, the propriety of Kshs.1,037,675 paid for goods not received could not be confirmed for the year ended 30 June 2016.

### 3.1.3 Unsupported Prime and Provisional Costs

Included in the transfer to primary schools expenditure of Kshs.24,256,715 as disclosed in Note 6 to the financial statements is Kshs.3,295,000 relating to provisional and prime cost for projects which were undertaken during the year under review. However, no documentary evidence was provided in support of this expenditure to indicate how the provisional and prime costs amount of Kshs.3,295,000 was utilized.

Under the circumstances, the propriety of prime and provisional costs figure of Kshs.3,295,000 could not be confirmed for the year ended 30 June 2016.

### 3.1.4 Payment for Services Not Rendered

Included also in the transfer to primary schools expenditure of Kshs.24,256,715 is Kshs.1,000,000 paid to a contractor for construction of one (1) toilet and one (1) bathroom at St Luke Nakururum Primary School. However, the bill of quantities were not provided for audit review to show the cost estimate of the project. Further information available indicate that the contractor was fully paid vide Payment Voucher No. 1007 dated 27 June 2016. However, physical verification on April 2017 revealed that only the toilet had been constructed but the bathroom had not been constructed. No reason has been provided for making full payment before the project was completed. Consequently, the propriety of Kshs.1,000,000 incurred on the construction of a toilet and bathroom for the year ended 30 June 2016 could not be confirmed.

## 3.2 Transfers to Secondary Schools

### 3.2.1 Irregular Procurement and Implementation of Civil Works

Included in the transfers to other government entities expenditure of Kshs.71,204,005 under note 6 to the financial statements is transfer to secondary school figure of Kshs.27,789,940 which include an amount of Kshs.13,789,940 paid to two (2) secondary schools as detailed below:

School	Contractor	Contract Sum (Kshs)	Details
AIC Songot Secondary School	Nicho Timu construction company	3,439,940	Construction of dining hall
Lokichoggio Secondary School	Nakodoe Construction Company Ltd	10,350,000	Surveying, fencing and construction of 2 classrooms, 4 toilets and purchase of 80 desks
<b>Total</b>		<b>13,789,940</b>	

The following observations were, however, made;

### 3.2.2 Surveying, Fencing and Construction of Classrooms, Toilets and Purchase of Desks at Lokichoggio Secondary School

Included in the transfers to Secondary schools expenditure of Kshs.27,789,940 as disclosed in Note 6 to the financial statements is payment of Kshs.8,350,000 to a construction company in respect of land surveying, fencing, construction of four (4) toilet, two (2) classrooms and supply of eighty (80) desks at Lokichoggio secondary school. Available information, however, revealed that the tender opening committee opened, evaluated and awarded the tender at a contract sum of Kshs.8,350,000 and not all committee members present signed the minutes prepared contrary to Section 78(l) (II) and Section 80 (7) of the Public Procurement and Disposal Act, 2015. A contract agreement was signed on 16 August 2015 and full payment effected through cheque No. 1057 of Kshs.7,850,000 dated 22 September 2015 and Kshs.500,000 vide cheque No. 1360 dated 22 January 2016. Available records further revealed that on 16 December 2015, the project management committee of the school entered into another contract

with the contractor to perform the fencing of the same school at a contract sum of Kshs.2,000,000 and full payment of Kshs.2,000,000 effected through payment voucher number 03 dated 15 February 2016 vide cheque No.s 1500 and 1514. The fencing work of the school was therefore contracted twice. Further, included in the contract for fencing of Kshs.2,000,000 was cost of steel gate and gate house at a cost of Kshs.225,000. However, a physical verification of the project in April 2017 revealed that although the steel gate was installed, the gate house had not been constructed. In addition, project management committee reports, bank statements and completion certificates for the project were not availed for audit review.

Consequently, the validity and propriety of the amount of Kshs.10,350,000 spent on this project for the year ended 30 June 2016 could not be confirmed.

### **3.2.3 AIC Songot Secondary School- Construction of Dining Hall**

Included also in the transfers to Secondary schools expenditure of Ksh.27,789,940 as disclosed in Note 6 to the financial statements is payment of Kshs.3,439,940 to a construction company in respect of construction of a dining hall at a contract sum of Kshs.3,439,940. Available information revealed that the tender opening committee opened, evaluated and awarded the tender and not all committee members present signed the minutes prepared contrary to Section 78(I) (II) and Section 80 (7) of the Public Procurement and Disposal Act, 2015. Further, project management committee reports, bank statements and completion certificate for the project were not availed for audit review.

Consequently, the validity and propriety of the amount of Kshs.3,439,940 spent on this project could not be confirmed for the year ended 30 June 2016.

### **3.2.4 Procurement of 51 Seater Semi-Luxury School Buses**

In addition, included in the transfers to Secondary schools expenditure of Kshs.27,789,940 as disclosed in Note 6 to the financial statements is an amount of Kshs.14,000,000 transferred to two (2) secondary schools for the purchase of two Isuzu 51 seater semi-luxury school buses for Tarach Secondary School and AIC Songot Secondary School at cost of Kshs.7,000,000 each. A Local Purchase Order (LPO) No.2088208 dated 27 January 2016 of Kshs.14,000,000 was issued to Kenya Coach Industries and the supplier was paid a total of Kshs.14,000,000 in full settlement of the contract sum vide cheque No.s 1412, 1413 and 1415. However, tender documents such as copy of the advertisement, tender opening, tender evaluation and tender award committee minutes and report of the inspection and acceptance committee were not availed for audit review. Although the two school buses were received in the schools, it was not possible to confirm that they were competitively procured and met the specification of the buses ordered and paid for in accordance with section 9(1) of Public Procurement and Disposal Act, 2015 which states that for each procurement the procuring entity shall use open tender or an alternative procurement procedure specified by the Act.

Consequently, the propriety of expenditure of Kshs.14,000,000 on the purchase of two buses could not be confirmed for the year ended 30 June 2016.

### **3.3 Transfer to Health Institutions**

#### **3.3.1 Irregular Procurement Civil Works at Kakuma Sub-District Hospital**

Included in the transfers to other government entities amount of Kshs.71,204,005 under note 6 to the financial statements is transfers to health institutions figure of Kshs.2,000,000 transferred to Kakuma Sub-District Hospital. Available information indicate that Kakuma sub-district hospital project management committee awarded a contract to a construction company to connect water to the hospital at contract sum of Kshs.2,000,000. However, examination of the tender opening, tender evaluation and tender award minutes revealed that the opening committee opened, evaluated and awarded the tenders and not all committee members present signed the committee minutes prepared contrary to Section 78(I) (II) and Section 80 (7) of the Public Procurement and Disposal Act, 2015. Further, the project management committee reports, bank statement and completion certificate for the project were not availed for audit verification.

Consequently, the propriety of expenditure of Kshs.2,000,000 for the year ended 30 June 2016 could not be confirmed.

### **4.0 Other Grants and Transfers**

#### **4.1 Water Projects-Irregular Procurement of Civil Works**

Included in other grants and transfers expenditure of Kshs.69,912,218 under Note 7 to the financial statement is water projects figure of Kshs.21,500,000 which was transferred to six (6) water projects for drilling of bore hole in Kikeunae villages Lokichoggio, water piping project, Hydrological survey, drilling and installing a bore hole at Lomeritak and digging and construction of a water pan. However, examination of the tender opening, tender evaluation and tender award minutes revealed that the opening committee opened, evaluated and awarded the tenders and not all committee members present signed the minutes prepared contrary to Section 78(I) (II) and Section 80 (7) of the Public Procurement and Disposal Act, 2015. Further, the project management committee reports and completion certificates were also not availed for audit review. In addition, the following specific findings were made:

##### **4.1.1 Kakuma Town Water Piping- Water Piping Project**

The letter of notification to the winning tenderer was dated 20 January 2016 and contract agreement between the project management committee and the contractor was signed on 27 January 2016 before fourteen days had elapsed contrary to section 135 (3) of Public Procurement and Assets Disposal Act 2015 which states that the written contract shall not be entered into until at least fourteen days have elapsed after the notification.

##### **4.1.2 Loremiet Community Water Project- Hydrological Survey, Drilling and Installing a Bore Hole at Lomeritak**

A contractor was awarded the contract at a cost of Kshs.2,247,000 which is at variance with the construction sum of Kshs.2,500,000 indicated in the contract agreement resulting in unexplained variance of Kshs.253,000 contrary to Section 82 of Public Procurement and Assets Disposal Act, 2015 which state that the tender sum as

submitted and read out during the tender opening shall be absolute and final and shall not be the subject of correction, adjustment or amendment in any way by any person or entity.

#### **4.1.3 Natamakaruo Water Pan- Water Project in Lokangkae**

Documents available indicated that the letter of notification to the winning tenderer was dated 20 January 2016 and contract agreement between the water project management committee (PMC) and the contractor signed on 28 January 2016 before fourteen days had elapsed contrary to section 135 (3) of Public Procurement and Assets Disposal Act 2015 which states that the written contract shall not be entered into until at least fourteen days have elapsed after the notification.

Consequently, the validity and propriety of Kshs.21,500,000 could not be confirmed for the year ended 30 June 2016.

#### **4.2 Bursary to Secondary Schools**

##### **4.2.1 Irregular Expenditure on Consultancy Services on Bursary**

Included in other grants and transfers figure of Kshs.69,912,218 reflected in the statement of receipts and payments is bursary to Secondary School expenditure of Kshs.13,983,500 out of which a sum of Kshs.570,000 was payment made to a Construction Company vide cheque number 005 dated 8 October 2015 for undertaking consultancy services on bursary survey without a budget. It was however, not clear how a construction company was identified for the consultancy service.

Consequently, the validity and propriety of the amount of Kshs.570,000 spent on undertaking consultancy services on bursary could not be confirmed for the year ended 30 June 2016.

#### **4.3 Bursary to Tertiary Institutions**

##### **4.3.1 Irregular Payments of Bursaries**

Included in other grants and transfers figure of Kshs.69,912,218 reflected in the statement of receipts and payments is bursary to Tertiary Institutions expenditure of Kshs.16,143,375 out of which a sum of Kshs.2,740,640 was paid out in the year under audit review. However, the criteria for identifying the beneficiaries of the bursaries was not availed for audit review.

Consequently, the propriety of the bursary disbursement of Kshs.2,740,640 for the year ended 30 June 2016 could not be confirmed.

#### **4.4 Emergency Projects**

##### **4.4.1 Irregular Expenditure of Emergency Funds**

Included in other grants and transfers figure of Kshs.69,912,218 reflected in the statement of receipts and payments is emergency project expenditure of Kshs.1,802,281 which is at variance with a figure of Kshs.3,264,561 in the schedule provided for audit review resulting in a variance of Kshs.1,462,280 which the management has not

explained or reconciled. Further examination of the payment vouchers and supporting records revealed that payments amounting to Kshs.3,264,561 were made with no evidence of Constituency Development Funds Committee (CDFC) approvals.

Consequently, the propriety of the amount of Kshs.3,264,561 for the year ended 30 June 2016 could not be confirmed.

#### **4.5 Roads Projects**

##### **4.5.1 Construction of Roads**

Included in other grants and transfers figure of Kshs.69,912,218 reflected in the statement of receipts and payments is road expenditure of Kshs.7,232,911. Turkana West CDFC incurred expenditure of Kshs.7,232,911 on construction of four (4) road projects. The expenditure was, however, not within the mandate of Constituency Development Funds Committee of Turkana West given that such road projects had been devolved to the County Government. Included also in the road expenditure amount of Kshs.7,232,911 was an amount of Kshs.800,000 relating to provisional sum for which no supporting documents were provided for audit review.

Consequently, the propriety of roads expenditure figure of Kshs.7,232,911 could not be confirmed for the year ended 30 June 2016.

#### **4.6 Agriculture Project - Food Security**

##### **4.6.1 Fencing works -Akitare Ekai Akiyar Settlement Scheme**

Included in other grants and transfers figure of Kshs.69, 912,218 reflected in the statement of receipts and payments is agriculture (food security) expenditure of Kshs.1,418,800. Available information indicate that the Project Management Committee awarded a contract to a Construction Company at a cost of Kshs.1,418,800.00 to fence and install a metal gate for the settlement scheme. However, physical verification on April 2017 revealed that although the fencing of the settlement scheme had been completed it had started to collapse while the metal gate was not in place.

Consequently, the propriety of expenditure of Kshs.1,418,800 spent on the fencing and installation of metal gate at the settlement scheme could not be confirmed for the year ended 30 June 2016.

#### **5.0 Bank Balance**

The statement of financial assets reflects bank balance of Kshs.19,496,928. Audit examination of the bank reconciliation statements for the month of June 2016 availed for audit review reflected payments in cash book not yet recorded in bank statement in respect of un-presented cheques amounting to Kshs.24,545,807 out of which cheques totalling Kshs. 1,420,046 were stale and no reason or explanation was provided for not reversing the stale cheques in the cash book or replace the same as required by the Government Financial regulations and Procedures. In addition, no information was availed for audit review showing the dates when the un presented cheques totalling Kshs.23,125,761 were subsequently cleared in the bank.



Under the circumstance, the accuracy and completeness of the bank balance of Kshs.19,496,928 as at 30 June 2016 could not be confirmed

## 6.0 Outstanding Imprest

The statement of financial assets reflects outstanding imprest of Kshs.2,749,500 and which is at variance with Kshs.2,697,100 in note 11 to the financial statements resulting in a variance of Kshs.52,400 which the management has not reconciled or explained. Further, the respective imprest register was not availed for audit verification.

Consequently, the propriety, validity accuracy and existence of the outstanding imprest balance of Kshs.2,749,500 as at 30 June 2016 could not be confirmed.

## 7.0 Acquisition of Assets

The statement of receipts and payments reflects acquisition of assets figure of Kshs.873,169. However, review of the assets ledger revealed that the CDF - Turkana West management had spent Kshs.9,000,000 on the construction of CDF - Turkana West Office but erroneously debited transfers to tertiary institutions.

Consequently, the accuracy of acquisition of assets figure of Kshs.873,169 reflected in the statement of receipts and payments for the year ended 30 June 2016 could not be confirmed.

## 8.0 Budgetary Control and Performance

### 8.1 Budget Performance

The approved budget for Turkana West Constituency Development Fund amounted to Kshs.193, 420,590 out of which only Kshs.161,022,966 or 83.25% was spent on various expenditure items. The total budget reflected overall under-absorption of Kshs.32, 397,624 or 16.74% as summarized below:

Item	Approved budget for 2015/2016 (Kshs)	Actual Expenditure for 2015/2016 (Kshs)	(Under) /Over Absorption (Kshs)	Under Absorption (%)
<b>Receipts</b>				
Transfer from CDF Board	193,420,590	170,447,863.50	-22,972,726.50	88
<b>Total</b>	<b>193,420,590</b>	<b>170,447,863.50</b>	<b>-22,972,726.50</b>	
<b>Payments</b>				
Compensation of employees	4,076,420.48	3,329,754.50	-746,665.98	82
Use of goods and services	16,575,845.82	15,703,818.80	-872,027.02	95
Transfer to other government units	89,982,936	71,204,005	18,778,931	79
Other grants and transfer	81,912,218	69,912,218	12,000,000	85

Acquisition of assets	873,169.70	873,169.70	-	100
Other payments				
<b>Total</b>	<b>193,420,590</b>	<b>161,022,966</b>	<b>32,397,624</b>	<b>83.25</b>

Failure to utilize all the funds as budgeted is an indication that programs or activities are not being implemented as planned thus not achieving the intended objective of improving delivery of goods and services to the people of Turkana West Constituency. It may also be an indication that the budget was not properly estimated and thus there may be need for the management to relook at the budgeting process to ensure that only priority areas are allocated funds.

### 9.0 Project Implementation Status

During the financial year 2015/2016, Turkana West Constituency Development Fund budgeted to disburse Kshs.159,832,009 to finance forty three (43) projects out of which an amount of Kshs.138,658,538 or 86% was disbursed to forty three (43) projects as detailed below:

	Project name	Details of the Project	Allocation amount	Disbursement (Kshs)	Expenditure (Kshs)	Status as at 30.06.2016	%Certified / Completed
1	Emergency	To cater for any unforeseen occurrences in the constituency during the FY	5,767,647	2,500,000	2,500,000	Completed	100%
2	Sports	Community/Divisional, cross border/sports for peace and schools sports competition.	3,495,824	1,500,000	1,500,000	Completed	100%
3	CDF Office	Completion of Office - 1M, Purchase of Furniture - 2M	3,000,000	3,000,000	3,000,000	Completed	100%
4	CDF Office	District Staffing Office Turkana West - Purchase of Furniture	800,000	800,000	800,000	Completed	100%
5	Bursary - Secondary Schools	Payment for bursary to needy students	10,000,000	10,000,000	10,000,000	Completed	100%
6	Bursary - Tertiary	Payment for bursary to needy students	13,000,000	13,000,000	13,000,000	Completed	100%
7	MOCKS/CATs	Printing and distribution of Mocks and CATs, Bursary Committee meetings	3,000,000	3,000,000	3,000,000	Completed	100%

8	Kakuma Girls Pry	Fencing of the school compound (2M), Purchase of 20 beds (0.5M)	2,500,000	2,500,000	2,500,000	Completed	100%
9	Kawarnapar an Pry	Construction of 2 classrooms and desks	2,700,000	2,700,000	2,700,000	Completed	100%
10	Letea Pry	Renovation of 8 classrooms – Ongoing	2,000,000	2,000,000	2,000,000	Completed	100%
11	Lokipoto Pry	Construction of 3 classrooms, Fence and Latrine	6,000,000	6,000,000	6,000,000	Completed	100%
12	AIC Lopur pry	Construction of 1 girls dormitory	3,000,000	3,000,000	3,000,000	Completed	100%
13	Lochoer edome Pry	Construction of 2 classrooms and desks	2,100,000	2,100,000	2,100,000	Completed	100%
14	Lokangae Pry	Purchase of beds (0.6M) and construction of bathrooms and toilets (1M)	1,600,000	1,600,000	1,600,000	Completed	100%
15	AIC Songot Pry School	Purchase of school bus	7,000,000	7,000,000	7,000,000	Completed	100%
16	Tarach Secondary School	Purchase of school bus	7,000,000	7,000,000	7,000,000	Completed	100%
17	Kakuma Water Supply	Water piping and Kiosks – ongoing	3,210,000	3,000,000	3,000,000	Completed	100%
18	Natamakarwo Water Pan	Completion of water pan construction	5,000,000	5,000,000	5,000,000	Completed	100%
19	Loukomor Security Structures	Construction and Fencing of NPR Camps	4,000,000	4,000,000	4,000,000	Completed	100%
20	Nalemsekon - Adapal Anatiira Road	Heavy bush clearing for AP and patrol access to insecure areas in Lopur	2,500,000	2,500,000	2,500,000	Completed	100%
21	Namon Chief's Office	Construction of Chief's office	2,500,000	2,500,000	2,500,000	Completed	100%
22	Lomidat Security Structures for Police	Construction of office block - 1.5M, Quarters - 2M, Latrines	3,750,000	3,750,000	3,750,000	Completed	100%
23	Lodwat - Moruchorog -Loukomor - Ejokopi Road	Heavy bush clearance for security patrol and pastoralists access to insecure areas in Lokichoggio ward	3,000,000	3,000,000	3,000,000	Completed	100%

24	AP Camp Lokichoggio	Construction of AP Quarters	3,500,000	3,500,000	3,500,000	Completed	100%
25	Nanam DO's Office	Fencing of Compound - 1.5M, Construction of Latrine 0.5M	2,000,000	2,000,000	2,000,000	Completed	100%
26	Kakuma Police Station	Construction of Officer's and Inmates latrines	2,000,000	2,000,000	2,000,000	Completed	100%
27	Loritit Community Project	Purchase of Furniture	1,000,000	1,000,000	1,000,000	Completed	100%
28	Teremkus - Lokaburu - Lopwerin - Nanam Road	Heavy bush clearance for security patrol and access to insecure areas in songot ward	2,500,000	2,500,000	2,500,000	Completed	100%
29	Lochoerangi erengo Pry	Construction of 2 classrooms and desks	3,000,000	3,000,000	3,000,000	Completed	100%
	<b>Total</b>		<b>110,923,471</b>	<b>105,450,000</b>	<b>105,450,000</b>		
30	Namon Pry	Construction of 2 classrooms	2,700,000	2,700,000	2,700,000	Ongoing	80%
31	Oropoi Primary	Construction of 1 Dormitory-Girls (3M), Fence - (1M)	4,000,000	1,000,000	1,000,000	Ongoing	70%
32	Lokwanya Primary	Construction of 2 classroom and desks	3,000,000	3,000,000	3,000,000	Ongoing	70%
33	Komudei Primary	Construction of 2 Classrooms - (2.7M) and Fence (0.5M)	3,200,000	3,200,000	3,200,000	Ongoing	70%
34	Towkayeni Primary	Construction of 2 Classrooms - (2.7M) and Toilet (0.5M)	3,200,000	3,200,000	3,200,000	Ongoing	70%
35	Emilait Primary	Construction of 1 dormitory	3,000,000	3,000,000	3,000,000	Ongoing	70%
36	Nakururum Pry	Purchase of beds (0.6M) and construction of bathrooms and toilets (1M)	1,600,000	600,000	600,000	Ongoing	70%
37	St. Theresa Nakwamor Primary	Construction of 2 classrooms and purchase of desks (2.7M) and renovation of 1 classroom (0.6M)	3,300,000	3,300,000	3,300,000	Ongoing	70%

38	Nanam Pry	Construction of staff quarters - (2.5M) and construction of 1 dormitory (3M)	5,500,000	5,500,000	5,500,000	Ongoing	70%
39	teremkus Pry	Construction of 2 classrooms (2.5M), Desks (0.2M)	2,700,000			Ongoing	70%
40	Lopiding Girls Secondary school	Construction of 1 dormitory (3M), and purchase of 20 double decker beds (0.5M)	3,500,000	3,500,000	3,500,000	Ongoing	60%
41	Lokipoto Dispensary	Renovation works of dispensary - roofing and painting – Ongoing	2,008,538	1,008,538	1,008,538	Ongoing	60%
42	Lokichoggio Secondary School	Construction of 2 dormitories (6M), 2 Classrooms (2.6M), Fence (2M)- Ongoing	10,600,000	2,600,000	2,600,000	Ongoing	50%
43	CDF OFFICE	Purchase of 1 Yamaha Motorbike 175cc for Office Use	600,000	600,000	600,000	At the Call for Quotations stage	0%
<b>Totals</b>			<b>48,908,538</b>	<b>7,708,538</b>	<b>7,708,538</b>		
<b>grand totals</b>			<b>159,832,009</b>	<b>113,158,538</b>	<b>113,158,538</b>		

Out of the above 43 projects, twenty nine (29) project with a budget of 110,923,471 were completed. Thirteen (13) projects with a budget of Kshs.48,308,538 were at various stages of completion while only one project with a budget of Kshs.600,000 did not start during the year under review yet it was funded. The residents of Turkana West Constituency did not benefit from the projects that were not fully implemented during the year ended 30 June 2016.

### 10.0 Project Verification

During the year under review, eleven (11) projects costing Kshs.37,816,255 were verified in April 2017 and the following observations were made:

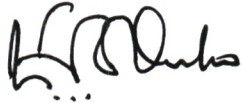
No	Projects Beneficiary	Project Name	Contract Cost (Kshs)	Project Status (%)	Audit Remarks
1	Lokichoggio Secondary School	Fencing, gate and gate house at Lokichoggio secondary	2,000,000.00	90	Incomplete- Gatehouse was not done
2	Kakuma Mixed PMC	Rehabilitation of the school- Purchase of 145	827,515.00	80	Incomplete- only 120 beds were delivered

		beds.			
3	St. Luke Nakururum Primary School	purchase of beds and construction of bathrooms	1,000,000.00	50	Incomplete—bathrooms not constructed
4	St. John Lokichoggio Primary School PMC	Supply of 80 beds and 80 desks	1,700,000.00	50	Incomplete – only 40 beds and 40 desks were delivered and in use
5	St. Luke Nakururum Primary School	Purchase of 40 beds	600,000.00	50	Incomplete- 20 Beds out of 40 were delivered
6.	Akitare Ekai Akiyar Settlement scheme.	Fencing of the scheme and erection of metal gate.	1,418,800	90	Erected fence had collapsed and there was no gate and project not in use.
7.	Lokichoggio Secondary School PMC	construction of 2 classrooms, fencing, 4 toilets and purchase of 80 desks	7,850,000.00	100	Completed but not in use
	<b>SUB TOTAL (INCOMPLETE OR NOT IN USE)</b>		<b>15,395,315</b>		
8.	AIC Songot Secondary School PMC	construction of dining hall	3,439,940.00	100	Complete, but not in use
9.	Kenya Coach Industries	Purchase of two 51 seater semi - Luxury school bus.	14,000,000.00	100	Complete, but not in use
10.	Kakuma Sub-District Hospital PMC	Domsameru construction company	2,000,000.00	100	Complete, but not in use
11.	Lopiding Primary School	Erection and completion of dormitory	2,980,000.00	100	Complete, but not in use
	<b>GRAND TOTAL</b>		<b>37,816,255</b>		

Due to non-completion of the six (6) projects and completion of five (5) but not in use, the residents of Turkana West Constituency failed to receive the benefits accruing from planned programs and activities for the year ended 30 June 2016. There is need for the management to relook at its budgeting mechanisms with paying attention to priority areas and strategies to fast track budget implementation.

## **Disclaimer of Opinion**

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.



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

**Nairobi**

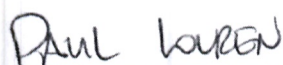
**18 September 2017**

**NG-CONSTITUENCY DEVELOPMENT FUND- TURKANA WEST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

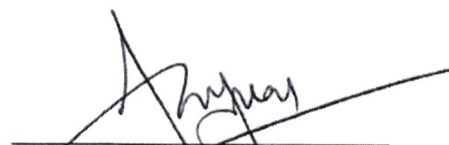
**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2015-2016 Kshs	2014-2015 Kshs
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	170,447,863.50	154,589,943.90
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>170,447,863.50</b>	<b>154,589,943.90</b>
<b>PAYMENTS</b>			
Compensation of employees	4	3,329,754.50	3,466,250.00
Use of goods and services	5	15,703,818.80	12,711,974.30
Transfers to Other Government Units	7	71,204,005.00	76,081,956.50
Other grants and transfers	8	69,912,218.00	53,931,065.00
Acquisition of Assets	10	873,169.70	185,000.00
Other Payments	11	-	-
<b>TOTAL PAYMENTS</b>		<b>161,022,966.00</b>	<b>146,376,245.80</b>
<b>SURPLUS/DEFICIT</b>		<b>9,424,897.50</b>	<b>8,213,698.10</b>

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



**Paul Louren**  
**Chairman - NGCDFC**

  
**Locheria Nyikal Basil**  
**Fund Account Manager**




**NG-CONSTITUENCY DEVELOPMENT FUND- TURKANA WEST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

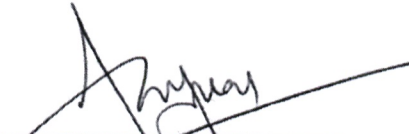
---

**V. STATEMENT OF ASSETS**

	Note	2015-2016 Kshs	2014-2015 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	19,496,928.50	12,821,531.00
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	2,749,500.00	2,309,500.00
<b>TOTAL FINANCIAL ASSETS</b>		<b>22,246,428.50</b>	<b>15,131,031.00</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd 1st July...	13	12,821,531.00	6,917,332.90
Surplus/Defict for the year		9,424,897.50	8,213,698.10
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b>22,246,428.50</b>	<b>15,131,031.00</b>

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

  
 \_\_\_\_\_  
**Paul Louren**  
 Chairman - NGCDFC

  
 \_\_\_\_\_  
**Locheria Nyikal Basil**  
 Fund Account Manager

**NG-CONSTITUENCY DEVELOPMENT FUND- TURKANA WEST CONSTITUENCY**

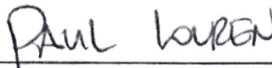
**Reports and Financial Statements**

**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	170,447,863.50	154,589,943.90
Other Receipts	3	-	0
<b>Payments for operating expenses</b>			
Compensation of Employees	4	3,329,754.50	3,466,250.00
Use of goods and services	5	15,703,818.80	8,020,574.30
Transfers to Other Government Units	7	71,204,005.00	76,773,356.50
Other grants and transfers	8	69,912,218.00	57,931,065.00
Other Payments	11	-	0
		<b>160,149,796.30</b>	<b>146,191,245.80</b>
<b>Adjusted for:</b>			
Adjustments during the year			-
<b>Net cash flow from operating activities</b>		<b>10,298,067.20</b>	<b>8,398,698.10</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			<b>0</b>
Proceeds from Sale of Assets	2	-	0
Acquisition of Assets	10	873,169.70	185,000.00
<b>Net cash flows from Investing Activities</b>		<b>873,169.70</b>	<b>185,000.00</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>9,424,897.50</b>	<b>8,213,698.10</b>
Cash and cash equivalent at BEGINNING of the year	15	12,821,531.00	6,917,332.00
Cash and cash equivalent at END of the year	16	<b>22,246,428.50</b>	<b>15,131,030.10</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The TURKANA WEST NG-CDF financial statements were approved on \_\_\_\_\_ 2016 and signed by:

  
\_\_\_\_\_  
**Paul Louren**  
**Chairman - NGCDFC**

**CONSTITUENCIES DEVELOPMENT FUND – TURKANA WEST 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 %
<b>RECEIPTS</b>						
Transfers from CDF Board	180,599,059.00	12,821,531.00	193,420,590.00	170,447,863.50	22,972,726.50	88
	180,599,059.00	12,821,531.00	193,420,590.00	170,447,863.50	22,972,726.50	88
<b>PAYMENTS</b>						
Compensation of Employees	3,405,847.50	670,572.98	4,076,420.48	3,329,754.50	746,665.98	82
Use of goods and services	16,203,818.80	372,027.02	16,575,845.82	15,703,818.80	872,027.02	95
Transfers to Other Government Units	80,204,005.00	9,778,931.00	89,982,936.00	71,204,005.00	18,778,931.00	79
Other grants and transfers	79,912,218.00	2,000,000.00	81,912,218.00	69,912,218.00	12,000,000.00	85
Acquisition of Assets	873,169.70	-	873,169.70	873,169.70	-	100
Other Payments	-			-	-	
<b>TOTALS</b>	<b>180,599,059.00</b>	<b>12,821,531.00</b>	<b>193,420,590.00</b>	<b>161,022,966.00</b>	<b>32,397,624.00</b>	<b>83.25</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]

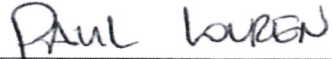
**CONSTITUENCIES DEVELOPMENT FUND – TURKANA WEST CONSTITUENCY**

**Reports and Financial Statements**

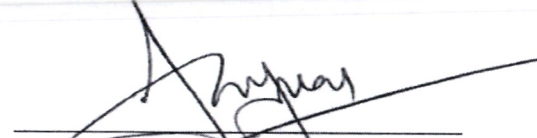
**For the year ended June 30, 2016**

---

The TURKANA WEST CDF financial statements were approved on \_\_\_\_\_ 2016 and signed by:



**Paul Louren**  
**Chairman - NGCDFC**

  
**Locheria Nyikal Basil**  
**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.

## CONSTITUENCY

### Reports and Financial Statements

For the year ended June 30, 2016

---

#### 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 *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, 2016.

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

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2015 - 2016	2014 - 2015
		Kshs	Kshs
A 750254	27/8/2015	67,936,376.50	69,642,080.00
Normal Allocation	28/10/2015	12,511,487.00	42,473,932.00
	9/11/2015	10,000,000.00	42,473,931.50
	16/11/2015	10,000,000.00	
	23/11/2015	20,000,000.00	
	4/12/2015	20,000,000.00	
	5/5/2016	30,000,000.00	
Receipt from other Constituency		-	
<b>TOTAL</b>		<b>170,447,863.50</b>	<b>154,589,943.50</b>

**NOTE 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	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**NOTE 3 .OTHER RECEIPTS**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	00.00	0.00
<b>Total</b>	<b>00.00</b>	<b>0.00</b>

**NOTE 4.COMPENSATION OF EMPLOYEES**

Description	2015 - 2016	2014- 2015
	Kshs	Kshs
Basic wages of contractual employees	3,277,354.50	1,593,950.00
Basic wages of casual labour		
<b>Personal allowances paid as part of salary</b>		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		1,843,100.00
gratuity		
Employer contribution to NSSF	52,400.00	29,200.00
<b>Total</b>	<b>3,329,754.50</b>	<b>3,466,250.00</b>



**CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)***NOTE 5 :USE OF GOODS AND SERVICES**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services	-	-
Office rent	-	-
Communication, supplies and services	839,740.00	191,500.00
Domestic travel and subsistence	268,760.00	970,760.00
Printing, advertising and information supplies & services	-	272,302.00
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	1,203,100.00	10,000.00
Insurance costs	-	-
Specialised materials and services	271,250.00	248,930.00
Office and general supplies and services	668,100.00	518,895.00
Fuel ,oil & lubricants	2,081,659.00	3,241,486.30
Other operating expenses	794,900.00	742,270.00
Routine maintenance – vehicles and other transport equipment	1,649,880.00	1,252,271.00
Routine maintenance – other assets	-	-
Other committee expenses	-	-
Committee allowance	7,926,429.80	4,691,400.00
<b>Total</b>	<b>15,703,818.80</b>	<b>8,020,574.30</b>

**CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2016***TO THE FINANCIAL STATEMENTS (Continued)***NOTE 6: TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to primary schools	24,256,715.00	52,900,000.00
Transfers to secondary schools	27,789,940.00	15,791,400.00
Transfers to Tertiary institutions	17,157,350.00	3,000,000.00
Transfers to Health institutions	2,000,000.00	5,081,956.50
<b>TOTAL</b>	<b>71,204,005.00</b>	<b>76,773,356.50</b>

**NOTE 7: OTHER GRANTS AND OTHER PAYMENTS**

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary -Secondary	13,983,500.00	6,785,668.00
Bursary -Tertiary	16,143,375.00	13,670,700.00
Bursary-Special schools	-	-
Mocks & CAT	-	464,000.00
Water	21,500,000.00	19,950,000.00
Agriculture (food security)	1,418,800.00	
Electricity projects	-	
Security	-	
Roads	7,232,911.00	1,500,000.00
Sports	5,464,000.00	4,260,183.20
Environment	2,367,351.00	3,805,991.80
Emergency Projects (specify)	1,802,281.00	7,494,522.00
<b>Total</b>	<b>69,912,218.00</b>	<b>57,931,065.00</b>

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

---

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**NOTE 8:ACQUISITION OF ASSETS**

<b>Non Financial Assets</b>	<b>2014- 2015</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	-	-
Construction of Buildings	-	
Refurbishment of Buildings	-	
Purchase of Vehicles	-	
Purchase of Bicycles & Motorcycles	-	
Overhaul of Vehicles	-	
Purchase of Office furniture and fittings	98,290.00	
Purchase of computers ,printers and other IT equipments	298,700.00	185,000.00
Purchase of photocopier	-	
Purchase of other office equipments	476,179.70	
Purchase of soft ware	-	
Acquisition of Land	-	
		-
<b>Total</b>	<b>873,169.70</b>	<b>185,000.00</b>

**CONSTITUENCY****Reports and Financial Statements  
For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)*

## Note 9. OTHER PAYMENTS

Specify	2015 - 2016 Kshs	2014 - 2015 Kshs
	0.00	0.00
	0.00	0.00

## NOTE 10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs (30/6/2016)	Kshs (30/6/2015)
<i>Turkana West Constituency, Equity Bank, Lodwar Branch, A/C no: 0990261750094</i>	19,496,928.50	12,821,531.00
<b>Total</b>	<b>19,496,928.50</b>	<b>12,821,531.00</b>

**CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)***NOTE 12B: CASH IN HAND**

	2015 - 2016 Kshs	2014 - 2015 Kshs
Location 1	0.00	0.00
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**NOTE 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>Locheria Nyikal Basil</i>		2,697,100.00	-	2,697,100.00
<i>Total</i>				<b>2,697,100.00</b>

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

---

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**13. BALANCES BROUGHT FORWARD**

	2015 - 2016 Kshs (1/7/2015)	2014 - 2015 Kshs (1/7/2015)
Bank accounts	12,821,531.00	6,917,332.90
Cash in hand	0.00	0.00
Imprest	0.00	0.00
<b>Total</b>	<u>12,821,531.00</u>	<u>6,917,332.90</u>

**14. PRIOR YEAR ADJUSTMENTS**

	2015 - 2016 Kshs	2014 - 2015 Kshs
Bank accounts	0.00	-
Cash in hand	0.00	-
Imprest	0.00	-
<b>Total</b>	<u>0.00</u>	<u>-</u>

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

---

**15. OTHER IMPORTANT DISCLOSURES****15.1: PENDING ACCOUNTS PAYABLE**

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.00
Supply of services	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

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

	Kshs	Kshs
Senior management	0.00	0.00
Middle management	0.00	0.00
Unionisable employees	0.00	0.00
Others ( <i>specify</i> )	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

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

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	0.00	0.00
Amounts due to other grants and other transfers (see attached list)	0.00	0.00
Others ( <i>specify</i> )	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

**NATIONAL GOVERNMENT ENTITY – TURKANA WEST CDF**  
**Reports and Financial Statements**  
**For the year ended June 30, 2014 (Kshs'000)**

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	A	b	c	d=a-c		
<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 – TURKANA WEST CDF**  
**Reports and Financial Statements**  
**For the year ended June 30, 2014 (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 2016	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 ENTITY – TURKANA WEST CDF**  
**Reports and Financial Statements**  
**For the year ended June 30, 2014 (Kshs'000)**

**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	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 (<i>specify</i>)</b>							
7.							
8.							
9.							
	<b>Sub-Total</b>						
	<b>Grand Total</b>						

**NATIONAL GOVERNMENT ENTITY – TURKANA WEST CDF**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016 (Kshs'000)**

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

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Land		
Buildings and structures		
Transport equipment	7429603	7429603
Office equipment, furniture and fittings	574469.70	0.00
ICT Equipment, Software and Other ICT Assets	483,700.00	185,000.00
Other Machinery and Equipment		0
Heritage and cultural assets		0
Intangible assets		0.00
<b>Total</b>	<b>8,487,772.70</b>	<b>7,614,603</b>