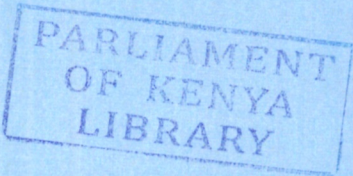




OFFICE OF THE AUDITOR-GENERAL



Paper laid on the Table of the House by the Leader of the Majority Party on Thursday 14th December 2017



REPORT

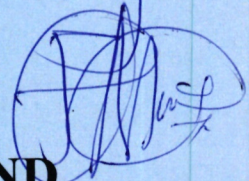
OF

THE AUDITOR-GENERAL

ON

during the Special Morning Sitting.

THE FINANCIAL STATEMENTS OF NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - ELDAMA RAVINE CONSTITUENCY



FOR THE YEAR ENDED 30 JUNE 2016



OFFICE OF THE AUDITOR
P. O. Box 30084 - 00100, NAIROBI
04 JUL 2017
RECEIVED

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
ELDAMA RAVINE 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)

22 JUN 2017

FUND ACCOUNTS MANAGER
ELDAMA RAVINE CONSTITUENCY
P.O. BOX 30084
ELDAMA RAVINE
NAIROBI

[Handwritten Signature] 19/6/2017

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

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II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NGCDFC)	3
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FUND ACCOUNT NUMBER
ELDAMA RAVINE CONSTITUENCY
P.O. Box 767-2007
Date.....
ELDAMA RAVINE
Sign

[Handwritten Signature]
19/6/2017

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – ELDAMA RAVINE CONSTITUENCY

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new Act was enacted, 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 *Eldama Ravine Constituency's* day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Geoffrey Koech
3.	Accountant	Walter Avihama
4.		

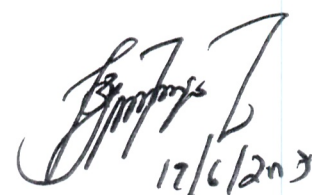
(d) Fiduciary Oversight Arrangements

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

(e) Eldama Ravine NG-CDF Headquarters

Eldama Ravine NG-CDF Office
Baringo Teachers SACCO Building
Eldama Ravine-Eldoret Road
P.O. Box 161-20103

Eldama Ravine



12/6/2016

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- ELDAMA
RAVINE CONSTITUENCY**

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

(f) Eldama Ravine NG-CDF Contacts

Telephone: (254) 712 990 222
E-mail: cdfeldamaravine@cdf.go.ke
gkoech@cdf.go.ke

(g) Eldama Ravine NG-CDF Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Equity Bank
Eldama Ravine Branch
P.O Box 75104-00200
Nairobi, Kenya
NG-CDFC Account Number: 1310299403791

(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

FUND ACCOUNT MANAGER
ELDAMA RAVINE CONSTITUENCY
P.O. Box 75104-00200
ELDAMA RAVINE
Date
Signature
19/6/2017

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- ELDAMA
RAVINE CONSTITUENCY**

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

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

Allocations and Funding

I am pleased to present the unaudited financial statements for Eldama Ravine Constituency for the year ended 30th June 2016. During the year, the constituency was allocated Kshs 102,287,280 pursuant to the provisions of the NGCDF Act 2015. Subsequently, the Eldama Ravine Constituency Development Fund Committee, in compliance with the stipulates of the Act, engaged the community members in open forum public meetings to prioritize projects for the year which saw an allocation of Kshs 44,100,000 towards primary schools, secondary schools, tertiary institutions, health centres and dispensaries as well as Early Childhood Development centres compared to an allocation of Kshs 43,014,577 during the FY 2014/2015. The Committee also allocated Kshs 32,481,426 towards other grants and transfers which encompass bursary, mocks and CATs, water, sports, environment, emergency, roads amongst others. In the FY 2014/2015, the allocation to other grants and transfers stood at 33,900,259 of the total Constituency allocation. Other allocations during the FY 2015/2016 include Kshs 15,000,000 towards the NG-CDF library and offices and a total of Kshs 9,205,854 allocated towards administrative costs as well as the NGCDFC monitoring and evaluation programmes.

Sectoral Comparison

From the above allocations, the leading sector that benefitted from the funding during the year 2015/2016 was education at 58 percent compared to 61 percent during the FY 2014-2015. This consist of funds allocated to primary, secondary and tertiary institutions as well as bursary, mocks and CATs. During the financial year, the Committee undertook to expedite the disbursement of funds to earmarked projects to enable the commencement of approved activities and the funds due to projects as at the close of business on 30th June 2016 was Kshs 33,617,976. The overall funds utilization and absorption rate stands at 74 percent. This is an impressive performance realized by the Committee during the year despite the delayed disbursement of funds by the NG-CDFB.

Major Projects and Achievements

Some of the major projects undertaken during the year includes the Eldama Ravine NG-CDF Office that comprise of modern Constituency library and other related offices. The first phase of the project which was commissioned on 25th May 2015 is 90% completed whereas the second phase of the project is currently under way. The Eldama Ravine Technical Training Institute project is another major project which was approved and co-funded by the Ministry of Education Science and Technology and NG-CDF. NGCDF allocated a total of Kshs 10,000,000 towards the Technical Institute and the project is approximately 95% complete and expected to be officially opened by January 2017. The Committee also disbursed a total of Kshs 15,440,000 as bursary for secondary, tertiary and special institutions which benefitted 1,589 students in 390 institutions across the country and saw their retention in schools as well as increased the transition rate from primary schools to secondary schools in line with the government policy.

FUND ACCOUNTS
ELDAMA RAVINE CONSTITUENCY
P.O. BOX 16
ELDAMA RAVINE
Date: 12/6/2016
Signature: [Handwritten Signature]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- ELDAMA
RAVINE CONSTITUENCY**

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

Budgetary Appropriations

During the year, the overall budget utilization stood at 74% which is satisfactory performance. The deficit from planned absorption target was occasioned by delayed receipt of funds from the NG-CDF Board. The FY 2015/2016 also saw a budget utilization of 100% in acquisition of assets due to disbursement of funds totaling Kshs 10,000,000 that related to the FY 2014/2015. The funds were received and disbursed within the FY 2015/2016. During the same year, there was low utilization of 37% in other payments occasioned by the requirement for a resubmission of another project for approval by the NGCDF Board to benefit from the funds totaling Kshs 500,000 earlier earmarked for audit fees but latter declined. The overall budget utilization in most of the sectors is above 85% which is satisfactory given the delayed receipt of funding which subsequently affected disbursements.

Development Plan

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee is in the process of finalizing its strategic plan which shall be a formalized road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the Kenya Vision 2030 and related County Integrated Development Plans. The CDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

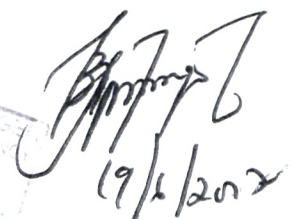
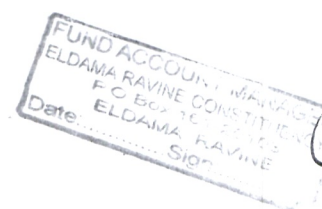
Major Challenges

Despite the above impressive performance and plans, the Committee has noted various challenges that could impede immediate realization of its vision and objectives. These encompass, poor record keeping by project management committees, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed. Another notable challenge is the limited numbers of technical officers needed to provide the requisite technical advice in project implementation and management. To mitigate the above, the committee during the year 2015/2016 scaled up its capacity building programmes on procurement and accounting for NG-CDF. This programmes greatly helped in minimizing the challenges and improving overall performance by Project Management Committees. The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the FY 2016/2017.

I wish to sincerely thank the -NGCDF Committee, NG-CDFC staff and other stakeholders for the cooperation and support that saw the achievement of the above milestones. Going forward, the Committee envisions to even perform better and attain better assessments in its performance targets for FY 2016/2017.



**Joseph Ayabei
Chairman NG-CDFC**



19/6/2017

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- ELDAMA
RAVINE CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

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 NG-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.

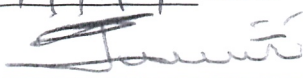
The Accounting Officer in charge of the Eldama Ravine is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2015. This responsibility 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 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 Eldama Ravine 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, 2015, and of the NG-CDF's financial position as at that date. The Accounting Officer in charge of the Eldama Ravine 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.

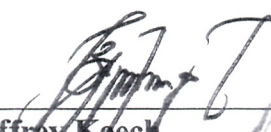
The Accounting Officer in charge of the Eldama Ravine confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible purposes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

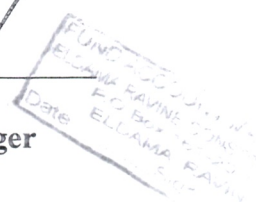
The NG-CDF's financial statements were approved and signed by the Accounting Officer on 19/9/2016 2016.



Joseph Ayabei
Chairman NGCDFC



Geoffrey Koech
Fund Account Manager





OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Eldama Ravine set out on pages 6 to 17, which comprise the statement of financial assets and liabilities as at 30 June 2016, and the statement of receipts and payments, 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 representation 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 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 the financial statements based on the audit and report in accordance with provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229 of the Constitution. The audit was conducted in accordance with International Standards for Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of 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

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

expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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. Summary Statement of Appropriation-Recurrent and Development Combined

The summary statement of appropriation recurrent and development combined for the year under review reflects actual expenditure on comparable basis of Kshs.128,322,822. This figure differs with what is reflected in the statement of receipts and payments of Kshs.116,787,280. The resultant difference of Kshs.11,535,542 has not been explained and reconciled. In the circumstance, the accuracy of the summary statement of appropriation cannot be confirmed.

2. Acquisition of Assets

The statement of receipts and payments for the year under review reflects acquisition of assets of Kshs.25,000,000. However, no disclosure has been made to confirm the type and category of assets purchased and therefore physical verification of the purchases was not possible. In addition, no records were presented for audit to confirm whether procurement of the assets complied with the public procurement law. In the circumstance, expenditure of Kshs.25,000,000 incurred on acquisition of assets cannot be confirmed to have constituted a proper charge on public funds.

3. Other payments

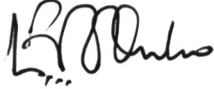
The statement of receipts and payments for the year under review reflects other payments of Kshs.852,800. However, this expenditure is not supported with schedules or any relevant records to confirm what it entails. In the circumstance, the other payments expenditure of Kshs.852,800 cannot be confirmed to have constituted a proper charge on public funds.

4. Unaccounted for Fuel

The statement of receipts and payments for the year ended 30 June 2016 reflects use of goods and services expenditure of Kshs.7,056,223. Included in this balance is a sum of Kshs.600,000 paid cumulatively to a supplier for delivery of 6,688 litres of petrol. However, the detail orders, fuel register showing quantities of fuel receipts and issues and work tickets for vehicles that drew the fuel were not presented for audit verification. As a result, the propriety of the expenditure amounting Kshs.600,000 cannot be confirmed.

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 for an audit opinion. Accordingly, I do not express an opinion on the financial statements.



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

Nairobi

20 November 2017

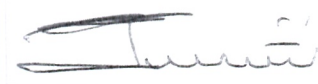
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- ELDAMA
RAVINE CONSTITUENCY**

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


IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015-2016	2014-2015
			Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	116,787,280	81,609,709
Other Receipts	3	12,000	181,000
TOTAL RECEIPTS		116,799,280	81,790,709
PAYMENTS			
Compensation of Employees	4	1,753,394	1,652,234
Use of Goods and Services	5	7,056,223	7,046,836
Transfers to Other Government Units	6	22,459,407	51,036,414
Other Grants and Transfers	7	37,595,022	29,491,026
Acquisition of Assets	8	25,000,000	5,108,500
Other Payments	9	852,800	1,557,500
TOTAL PAYMENTS		94,716,846	95,892,510
SURPLUS/DEFICIT		22,082,434	(14,101,801)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Eldama Ravine NG-CDF financial statements were approved on 19/9/ 2016 and signed by:



Chairman - NGCDFC



Fund Account Manager

FUND ACCOUNTING OFFICER
ELDAMA RAVINE CONSTITUENCY
P.O. Box 78-2017
ELDAMA RAVINE
Date Sign

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

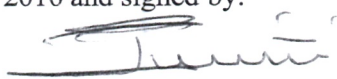
V. STATEMENT OF ASSETS

	Note	2015-2016 Kshs	2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	33,367,976	11,535,542
Outstanding Imprests	11	250,000	-
TOTAL FINANCIAL ASSETS		<u>33,617,976</u>	<u>11,535,542</u>

REPRESENTED BY;

Fund Balance b/fwd 1st July 2015	13	11,535,542	25,637,343
Surplus/Deficit for the year		22,082,434	(14,101,801)
NET FINANCIAL POSITION		<u>33,617,976</u>	<u>11,535,542</u>

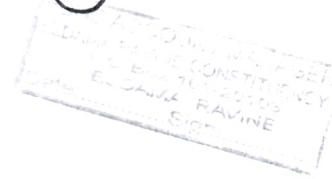
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Eldama Ravine NG-CDF financial statements were approved on 19/9/ 2016 and signed by:



Chairman NG-CDFC



Fund Account Manager



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND- ELDAMA RAVINE CONSTITUENCY


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

VI. STATEMENT OF CASHFLOW

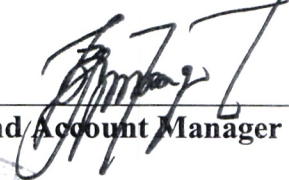
CASHFLOW FROM OPERATING ACTIVITIES

		2015-2016	2014 - 2015
Receipts for Operating Income			
Transfers from CDF Board	1	116,787,280	81,609,709
Other Receipts	3	12,000	181,000
Total		116,799,280	81,790,709
Payments for Operating Expenses			
Compensation of Employees	4	1,753,394	1,652,234
Use of Goods and Services	5	7,056,223	7,046,836
Transfers to Other Government Units	6	22,459,407	51,036,414
Other Grants and Transfers	7	37,595,022	29,491,026
Other Payments	8	852,800	1,557,500
Total		69,716,846	90,784,010
Adjusted for:			
Adjustments during the year (Outstanding Imprests)	14	250,000	
Net Cash flow from Operating Activities		46,832,434	(8,993,301)
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of Assets	10	25,000,000	5,108,500
Net cash flows from Investing Activities		25,000,000	(5,108,500)
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	15	11,535,542	25,637,343
Cash and cash equivalent at END of the year	16	33,367,976	11,535,542

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Eldama Ravine NG-CDF financial statements were approved on 19/9/16 2016 and signed by:



Chairman NG-CDFC



Fund Account Manager

FUND ACCOUNT MANAGER
ELDAMA RAVINE CONSTITUENCY
P.O. BOX 16123 ADDIS ABABA
Date:
ELDAMA RAVINE
SIGN

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS			-			
Transfers from CDF Board	102,287,280	26,535,542	128,822,822	128,322,822	500,000	100
Other Receipts	12,000		12,000	12,000	-	
PAYMENTS						
Compensation of Employees	2,053,377		2,053,377	1,753,394	299,983	85
Use of goods and services	7,152,477		7,152,477	7,056,223	96,254	99
Transfers to Other Government Units	44,100,000	7,500,000	51,600,000	22,459,407	29,140,593	44
Other grants and transfers	32,481,426	9,035,542	41,516,968	37,595,022	3,921,946	91
Acquisition of Assets	15,000,000	10,000,000	25,000,000	25,000,000	-	100
Other Payments	1,500,000		1,500,000	852,800	647,200	57
TOTAL	102,287,280	26,535,542	128,822,822	94,716,846	34,105,976	74

FUND ACCOUNT: MAIN
 ELDAMA RAVINE CONSTITUENCY
 P.O. Box 761-230
 ELDAMA RAVINE
 Date: _____
 Signature: _____

Signature: _____
 Date: 12/2/2017

Notes on Appropriation

1. The overall budget utilization during the financial year 2015/2016 stood at 74%. This was occasioned by delayed receipt of funds for the year to enable achievement of the performance target of 100% in utilization.
2. The noted 100% utilization in acquisition of assets occurred due to disbursement of funds totaling Kshs 10,000,000 that related to the FY 2014/2015. The funds were received and disbursed within the FY 2015/2016.
3. The overall budget utilization in most of the sectors is above 85% which is satisfactory though below target of 100%.
4. The budget utilization of 44 % in the transfers to other government units was as a result of delayed receipt of funds for primary schools


CONSTITUENCIES DEVELOPMENT FUND – ELDAMA RAVINE CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

which had been allocated Kshs 17,900,000 during the financial year.

The ELDAMA RAVINE NG-CDF financial statements were approved on 19/9/ 2016 and signed by:



Chairman NGCDF



Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. **Statement of compliance and basis of preparation**

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *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

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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.

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the *NGCDF* at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

6. Budget

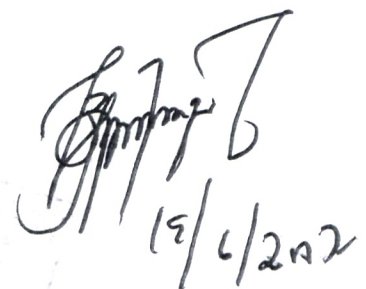
The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *NG-CDF's* budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment 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, 2016.


19/6/2022

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IX. NOTES TO THE FINANCIAL STATEMENTS

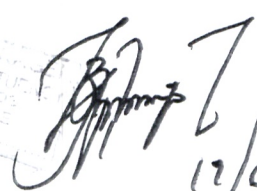
GFS CODES				
	1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES			
	Description		2015-2016	2014 - 2015
				Kshs
1330407	Normal Allocation	AIE No A790817 dated 28/07/2015	14,500,000	
		AIE No A724021 dated 02/11/2015	500,000	
		AIE No A724178 dated 13/11/2015	30,000,000	
		AIE No A724209 dated 23/11/2015	20,000,000	
		AIE No A825721 dated 16/06/2016	51,787,280	
		AIE No A750331 dated 23/10/2014		7,300,000
		AIE No A750434 dated 13/11/2014		41,004,855
		AIE No A796973 dated 14/04/2015		33,304,855
		AIE No A711777 Dated 15/7/2013		
		AIE No A709945 Dated 17/12/2013		
		AIE No A735546 Dated 15/01/2014		
		AIE No A735906 Dated 25/04/2014		
	Total		116,787,280	81,609,709
1400000	3 OTHER RECEIPTS			
	Description			2014 - 2015
				Kshs
1420601	Sale of tender documents		12,000	181,000
	Total		12,000	181,000
2110000	4 COMPENSATION OF EMPLOYEES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2110201	Basic wages of contractual employees		1,657,994	1,577,834

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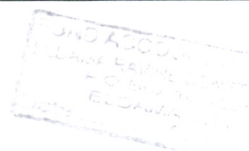
For the year ended June 30, 2016 (Kshs)

2110202	Basic wages of casual labor		85,000	65,600
2120101	Employer contribution to NSSF		10,400	8,800
	Total		1,753,394	1,652,234
2200000	5 USE OF GOODS AND SERVICES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2210100	Utilities, supplies and services		37,920	30,960
2210104	Office rent		180,000	180,000
2210200	Communication, supplies and services		54,480	82,500
2210300	Domestic travel and subsistence		117,500	67,200
2210700	Training expenses		597,500	129,600
2210800	Hospitality supplies and services		248,980	178,970
2210802	Other committee expenses		1,371,586	598,872
2210809	Committee allowance		2,530,000	2,862,550
2211100	Office and general supplies and services		346,307	765,581
2211200	Fuel ,oil & lubricants		600,000	1,100,000
2211300	Other operating expenses		901,950	1,050,603
2220200	Routine maintenance – other assets		70,000	-
	Total		7,056,223	7,046,836
2630200	6 TRANSFER TO OTHER GOVERNMENT ENTITIES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2630204	Transfers to Primary Schools		4,300,000	22,234,577
2630205	Transfers to Secondary Schools		6,000,000	24,078,485
2630206	Transfers to Tertiary institutions		10,000,000	1,000,000
2630207	Transfers to Health institutions		2,159,407	3,323,352
2630208	Transfers to ECDs		-	400,000
	Total		22,459,407	51,036,414
2640000	7 OTHER GRANTS AND OTHER PAYMENTS			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2640101	Bursary -Secondary		5,935,000	4,902,500
2640102	Bursary -Tertiary		8,766,000	10,410,000
2640104	Bursary-Special schools		739,000	287,500
2640105	Mocks and CATs		-	400,000

FUND ACCOUNTING OFFICER
ELDAMA RAVINE CONSTITUENCY
P.O. BOX 161-20103
Date:
Signature: 
12/1/2016

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2640504	Water		14,400,000	8,600,000
2640505	Agriculture (food security)		-	50,000
2640506	Electricity projects		-	82,516
2640507	Security		-	-
2640508	Roads		-	-
2640509	Sports		100,000	650,000
2640510	Environment		532,116	289,044
2640200	Emergency Projects (specify)		7,122,906	3,819,466
	Total		37,595,022	29,491,026
3100000	8 ACQUISITION OF ASSETS			
	Non Financial Assets		2015- 2016	2014- 2015
			Kshs	Kshs
3110202	Construction of Buildings		25,000,000	5,000,000
3111001	Purchase of office furniture and fittings		-	-
3111002	Purchase of computers ,printers and other IT equipments		-	108,500
	Total		25,000,000	5,108,500
	9 OTHER PAYMENTS			
	Strategic Plan		852,800	957,500
	Projects Technical Input		-	50,000
	Capacity Building		-	550,000
	Audit Fee		-	-
	TOTAL		852,800	1,557,500
	10A: Bank Balances (Cash book Bank Balance)			
	Name of Bank, Account No. & currency	Account Number	2015-2016	2014 - 2015
			Kshs	Kshs
			(30/6/2015)	(30/6/2014)
	<i>Equity Bank, Eldama Ravine Account No 1310299403791</i>		33,617,976	11,535,542
	Total		33,617,976	11,535,542
	11. OUTSTANDING IMPRESTS			
	Name of Officer	Date Imprest Taken	Amount Taken	Amount Surrendered
			Kshs	Kshs
	Geoffrey Koech	29th June 2016	250,000	-
	Total		250,000	



[Handwritten Signature]
 19/6/2016

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-ELDAMA
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	Actual Cash Book Bank Balance		33,367,976	
13 BALANCES BROUGHT FORWARD				
			2015-2016	2014 - 2015
			Kshs	Kshs
			(1/7/2015)	(1/7/2014)
	Bank accounts		11,535,542	25,637,343
	Cash in hand		-	-
	Imprest		-	-
	Total		11,535,542	25,637,343
<i>The above funds brought forward related to approved projects in FY 2014/2015 that were yet to provide the requisite documentations to enable funds disbursements. Of the above funds totaling Kshs 11,535,542, Kshs 2,500,000 are transfers to other government units and Kshs 9,035,542 pertains to other grants and transfers.</i>				
14 PRIOR YEAR ADJUSTMENTS				
			2015-2016	2014 - 2015
	Outstanding Imprests		250,000	-
	Total		250,000	-
ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER				
	Asset class	Historical Cost	Historical Cost	Historical Cost
		(Kshs)	(Kshs)	(Kshs)
		2015/16	2014/15	2013/14
	Buildings and structures	30,000,000	5,000,000	-
	Transport equipment	150,000	150,000	150,000
	Office equipment, furniture and fittings	491,400	491,400	491,400
	ICT Equipment, Software and Other ICT Assets	247,800	247,800	139,300
	Total	30,889,200	5,889,200	780,700


FUND ACCOUNTANT
 ELDAMA RAVINE CONSTITUENCY
 P.O. Box 16145
 ELDAMA RAVINE
 Date:

[Handwritten Signature]
 12/6/2017

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-ELDAMA
 RAVINE CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2016 (Kshs)

X. TRIAL BALANCE

TRIAL BALANCE AS AT 30TH JUNE 2016			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	33,617,976	
	Outstanding Imprests	250,000	
Payments			
	Compensation of Employees	1,753,394	
	Use of goods and services	7,056,223	
	Transfers to Other Government Units	22,459,407	
	Other grants and transfers	37,595,022	
	Acquisition of Assets	25,000,000	
	Other Payments	852,800	
Receipts			
	Transfers from the Board		116,787,280
	Others receipts		12,000
	Prior Year Adjustments		250,000
	Fund Balance b/f		11,535,542
	TOTAL	128,584,822	128,584,822



 11/6/2016