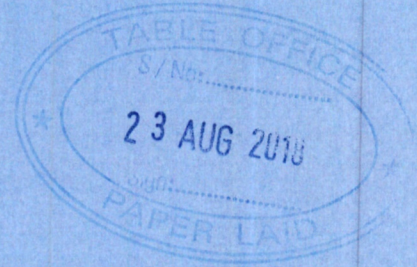
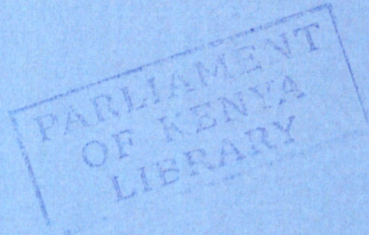


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

*Paper laid*  
*By Hon. Aden Duale, MP (hon)*  
*on Thurs. 23.08.2018 (pm)*  
*AD*



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
NAKURU TOWN EAST CONSTITUENCY**

**FOR THE YEAR ENDED  
30 JUNE 2017**





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**NATIONAL GOVERNMENT**  
**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

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

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



**CONSTITUENCY DEVELOPMENT FUND – NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The *Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *Constituencies Development Fund*.

**(b) Key Management**

The *Nakuru Town East Constituency's* day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

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

<b>No.</b>	<b>Designation</b>	<b>Name</b>
1.	Accounting Officer	<b>Yusuf Mbuno</b>
2.	A.I.E holder	<b>Peter M. Gichira</b>
3.	Accountant	Mr. Nyabuto
4.		

**(d) Fiduciary Oversight Arrangements**

The Audit and Risk Management Committee (ARMC) of CDF Board provide overall fiduciary oversight on the activities of Nakuru town east 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



***CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY***  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

**(e) NAKURU TOWN EAST NGCDF Headquarters**

P.O. Box 1746,  
NAKURU.

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**(f) NAKURU TOWN EAST NGCDF Contacts**

Telephone: (254) 715515817  
E-mail: pgichira@cdf.go.ke  
Website

**(a) Entity Bankers**

Constituency CDF main banker (provide the bank, branch, account number and address)

1. Family Bank, Nakuru Finance, A/C No. 18000049926. P.o.box 519 Nakuru

**(g) Independent Auditors**

Auditor General

Kenya National Audit Office

Anniversary Towers, University Way

P.O. Box 30084

GOP 00100

Nairobi, Kenya

**(h) Principal Legal Adviser**

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

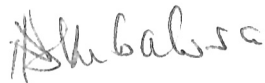
Nairobi, Kenya



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

NICODEMUS AKIBA

CHAIRMAN NG-CDFC



## **II. STATEMENT OF 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 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 NAKURU TOWN EAST 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 CDF for and as at the end of the financial year (period) ended on June 30, 2017. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NG-CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NG- CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NAKURU TOWN EAST CDF accepts responsibility for the NG- CDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NG-CDF's financial statements give a true and fair view of the state of NG- CDF's transactions during the financial year ended June 30, 2017, and of the NG-CDF's financial position as at that date. The Accounting Officer charge of the NAKURU TOWN EAST 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 NAKURU TOWN EAST NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG-CDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

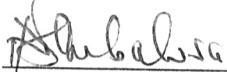


**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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**Approval of the financial statements**

The NG-CDF's financial statements were approved and signed by the Accounting Officer on 10/7/20 2017.



**NICODEMUS AKIBA**

**Chairman NGCDFC**



**PETER M. GICHIRA**

**Fund Account Manager**



# REPUBLIC OF KENYA

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Website: [www.kenao.go.ke](http://www.kenao.go.ke)



P.O. Box 30084-00100  
NAIROBI

## OFFICE OF THE AUDITOR-GENERAL

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

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#### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Nakuru Town East Constituency set out on pages 7 to 21, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Nakuru Town East Constituency as at June 30, 2017 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act 2015.

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

#### Basis for Qualified Opinion

##### 1. Cash and Cash Equivalents

The statement of assets reflects cash and cash equivalents balance of Kshs.248,135.70, which is the amount held in the cashbook for Family Bank Account No. 18000049926 as at 30 June 2017. The bank reconciliation statement for the account as at that date reflected unpresented cheques totaling to Kshs.4,876,566.20. However, out of this amount, Kshs.2,547,193.80 were stale cheques, some dating as far back as January 2014. It was observed that approximately 95% of the stale cheques were bursary cheques. A perusal of the outwards cheques register/delivery book revealed that the cheques were not recorded in the register nor in the delivery book. It is not clear why these anomalies have not been addressed as required by the Public Finance Management (National Government) Regulations, 2015. Therefore, the cash and cash equivalents balance of Kshs.248,135.70 in the statement of assets is not fairly stated.

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund  
– Nakuru Town East Constituency for the year ended 30 June 2017*



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

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. Except for the matter described in the Basis for Qualified Opinion section, I have determined that there are no other Key Audit Matters to communicate in my report.

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

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

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

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

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

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

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

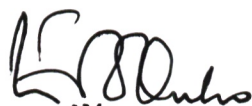
As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:



- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to sustain services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

**Nairobi**

**09 August 2018**

Reports and Financial Statements

For the year ended June 30, 2017

III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017	2015-2016
		Kshs	Kshs
<b>RECEIPTS</b>			
Transfers from CDF Board (A.I.E)	1	81,896,551.70	95,287,883.00
Proceeds from Sale of Assets	2		
Other Receipts	3		
<b>TOTAL RECEIPTS</b>		<b>81,896,551.70</b>	<b>95,287,883.00</b>
<b>PAYMENTS</b>			
Compensation of Employees	4	866,104.90	1,728,000.00
Use of goods and services	5	5,389,048.00	5,144,600.00
Transfers to Other Government Units	6	27,441,380.00	43,562,647.00
Other grants and transfers	7	45,438,786.00	56,261,645.00
Acquisition of Assets	8	4,100,000	5,500,000.00
Service Gratuity	9	2,904,025.70	
<b>TOTAL PAYMENTS</b>		<b>86,139,344.60</b>	<b>112,208,892</b>
<b>SURPLUS/DEFICIT</b>		<b>(4,242,793.00)</b>	<b>(16,921,009.00)</b>

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





Chairman - NGCDFC



Fund Account Manager

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**

**Reports and Financial Statements**

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

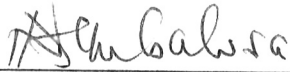
**IV. STATEMENT OF ASSETS**

	Note	2016-2017	2015-2016
		Kshs	Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances (as per cash book)	10A	248,135.70	4,490,928.70
Cash Balances (cash at hand)	10B		
Outstanding Imprests	11		
<b>TOTAL FINANCIAL ASSETS</b>		<u>248,135.70</u>	<u>4,490,928.70</u>
			-
			-
			-
<b>REPRESENTED BY</b>			
Retention	12		
Fund balance b/fwd	13	4,490,928.70	21,411,937.70
Surplus/Deficit for the year		<b>(4,242,793.00)</b>	<b>(16,921,009.00)</b>
Prior year adjustments	14		
<b>NET FINANCIAL POSITION</b>		<u>248,135.70</u>	<u>4,490,928.70</u>
<b>PMC account balances(SEE ANNEX 2)</b>	15	<b>298,194.00</b>	<b>21,328.00</b>

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NAKURU TOWN EAST NGCDF financial statements were approved on 10/7/2017 2017 and signed by:



**Chairman - CDFC**



**Fund Account Manager**



**Reports and Financial Statements**

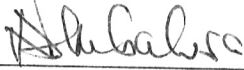
**For the year ended June 30, 2017**

**V. STATEMENT OF CASHFLOW**

Transfers from CDF Board	1	81,896,551.70	95,287,883.00
<b>Payments for operating expenses</b>			
Compensation of Employees	4	3,770,130.60	1,740,000.00
Use of goods and services	5	5,398,048.00	5,144,600.00
Transfers to Other Government Units	6	27,441,380.00	43,562,647.00
Other grants and transfers	7	45,438,786.00	56,261,645.00
		<b>SUB-TOTAL</b>	<b>82,048,344.60</b>
			<b>106,708,892.70</b>
<b>Adjusted for:</b>			
Adjustments during the year			<b>11,421,009.70</b>
<b>Net cash flow from operating activities</b>		<b>142,793.00</b>	
<b>CASHFLOW FROM INVESTING</b>			<b>(5,500,000.00)</b>
<b>ACTIVITIES</b>			<b>( 5,500,000.00)</b>
Acquisition of Assets	8	(4,100,000)	(16,921,009)
<b>Net cash flows from Investing Activities</b>		<b>(4,100,000)</b>	<b>21,411,937.70</b>
<b>NET INCREASE IN CASH AND CASH</b>		<b>(4,242,793.00)</b>	
<b>EQUIVALENT</b>			
Cash and cash equivalent at <b>BEGINNING</b>			4,490,928.70
of the year		4,490,928.70	
Cash and cash equivalent at <b>END of the</b>			
year		248,135.70	

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NAKURU TOWN EAST CDF financial statements were approved on 10/7/2017 2017 and signed by:



**Chairman NGCDF**



**Fund Account Manager**



**VI. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
<b>CDF Board</b>			<b>95,287,883.00</b>
AIE NO	<b>A829953</b>	<b>4,094,828.60</b>	
AIE NO	<b>A839645</b>	<b>36,853,449</b>	
AIE NO	<b>A855246</b>	<b>31,448,275.10</b>	
AIE NO	<b>A839713</b>	<b>9,500,000.00</b>	
AIE NO			
AIE NO			
<b>TOTAL</b>		<b>81,896,551.70</b>	<b>95,287,883.00</b>

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

4. COMPENSATION OF EMPLOYEES	2016 - 2017	2015 - 2016
	Kshs	Kshs
Basic wages of contractual employees	854,104.90	1,728,000.00
Basic wages of casual labour		-
<b>Personal allowances paid as part of salary</b>		
House allowance	12,000.00	12,000.00
Employer deductions to NSSF		
Transport allowance		-
Leave allowance		-
Gratuity	2,904,025.70	-
Other personnel payments		
<b>Total</b>	<b>3,770,130.60</b>	<b>1,740,000.00</b>

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**5. USE OF GOODS AND SERVICES**

	<b>2016 - 2017</b>	<b>2015 – 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Utilities, supplies and services		
Communication, supplies and services		
Domestic travel and subsistence		
Printing, advertising and information supplies & services		
Rentals of produced assets		
Training expenses		
Hospitality supplies and services		
Committee allowances	2,778,496.00	3,299,479.00
Insurance costs		
Specialized materials and services		
Office and general supplies and services	845,121.00	845,121.00
Fuel ,oil & lubricants	1,000,000.00	1,000,000.00
Other operating expenses	765,431.00	
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		
<b>Total</b>	<b>5,389,048.00</b>	<b>5,144,600.00</b>



**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**6. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016 - 2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities	27,441,380.00	43,562,647.00
Transfers to primary schools		
Transfers to secondary schools		
Transfers to tertiary institutions		
Transfers to health institutions		
<b>TOTAL</b>	<b>27,441,380.00</b>	<b>43,562,647.00</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Bursary – secondary schools	29,162,924.00	31,648,290.00
Bursary – special schools		
Mock & CAT		
Water projects		
Agriculture projects		
Electricity projects		
Security projects	4,000,000.00	6,400,000.00
SME projects	9,000,000.00	15,500,000.00
Sports projects	1,637,931.03	1,600,405.04

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

Environment projects	1,637,931.03	1,112,950.00
Emergency projects	4,094,827.59	
<b>Total</b>	<b>49,533,613.65</b>	<b>56,261,645.04</b>

**SOCIAL SECURITY BENEFITS**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Employer contribution to NSSF		12,000.00
	12,000.00	
<b>Total</b>	<b>12,000.00</b>	<b>12,000.00</b>

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

<u>Non Financial Assets</u>	<b>2016 - 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Purchase of Buildings	0	0
Construction of Buildings	4,100,000	5,500,000.00
<b>TOTAL</b>	<b>4,100,000</b>	<b>5,500,000</b>



**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2017**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10A. UNUTILISED CASHBOOK BALANCE BREAKDOWN**

	2016 - 2017	2015 - 2016
	Kshs	Kshs
Tekira primary school	0	536,485
Service gratuity	0	2,904,025.70
Committee expenses	248,135.70	550,418
<b>Emergency</b>	0	500,000
<b>TOTAL</b>	<b>248,135.70</b>	<b>4,490,928.70</b>

**12A: Bank Accounts (cash book bank balance)**

Name of Bank, Account No. & currency	2016-2017	2015 - 2016
		Kshs
<i>Family bank, Nakuru finance A/C NO. 18000049926</i>	<b>248,135.70</b>	<b>4,490,928.70</b>
<b>Total</b>	<b>248,135.70</b>	<b>4,490,928.70</b>

**CONSTITUENCY DEVELOPMENT FUND- NAKURU TOWN EAST CONSTITUENCY**  
**Reports and Financial Statements**  
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**13. BALANCES BROUGHT FORWARD**

	<b>2016-2017</b>	<b>2015 - 2016</b>
		<b>Kshs</b>
Bank accounts	<b>248,135.70</b>	<b>4,490,928.70</b>
Cash in hand		0
Imprest		0
<b>Total</b>	<b>248,135.70</b>	<b>4,490,928.70</b>

*[Provide short appropriate explanations as necessary]*

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	81,896,551.70	4,490,928.70	<b>86,387,480.40</b>	<b>86,139,344.70</b>	248,135.70	99.71%
Proceeds from Sale of Assets						
Other Receipts						
<b>PAYMENTS</b>						
Compensation of Employees	842,104.90	-	842,104.90	842,104.90	-	100%
Service Gratuity	-	2,904,025.70	2,904,025.70	2,904,025.70	-	100%
Use of goods and services	1,610,552.00	-	1,610,552.00	1,610,552.00	-	100%
Committee Expenses	3,778,496.00	550,418.00	4,328,914.00	4,080,778.00	248,135.70	93.88%
Transfers to Other Government Units	26,904,895.00	536,485.00	27,441,380.00	27,441,380.00	-	100%
Other grants and transfers	41,149,918.00	500,000.00	41,649,918.00	41,649,918.00	-	100%
Social Security Benefits	24,000.00	-	12,000	12,000	-	100%



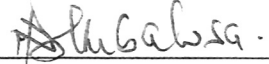
**CONSTITUENCIES DEVELOPMENT FUND – NAKURU TOWN EAST CONSTITUENCY**

**Reports and Financial Statements**

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

Acquisition of Assets	4,100,000.00	-	4,100,000.00	4,100,000.00	-	100%
<b>TOTALS</b>	<b>81,648,416.00</b>	<b>4,490,928.70</b>	<b>86,387,480.40</b>	<b>86,139,344.60</b>	<b>248,135.70</b>	<b>99.24%</b>

The NAKURU TOWN EAST CDF financial statements were approved on 10/7 2017 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 *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 *CDF*.

### 2. Recognition of revenue and expenses

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

### 3. In-kind contributions

In-kind contributions are donations that are made to the *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 *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.



**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 *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 *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, 2017.

ANNEX 1 – SUMMARY OF FIXED ASSET REGISTER

FIXED ASSET SCHEDULE UNDER CDFC								
ASSET A/C	ASSET CODE	DESCRIPTION	SERIAL NO.	LOCATION / County	SEGMENT Constituency	CLASS	SUB-CLASS	COST
	CDF/136/001	SHELVES AND FITTINGS		NAKURU	136	TANGIBLE	FURNITURE	150,000.00
	CDF/136/002	LAPTOP-TOSHIBA	76191270K	NAKURU	136	TANGIBLE	EQUIPMENT	80,000.00
	CDF/136/003	PRINTER HP LASERJET P2055d	CN69BGJ2VY	NAKURU	136	TANGIBLE	EQUIPMENT	4,600.00
	CDF/136/004	PHONEHEADSET-WIRELESS	KX-T53282BX6	NAKURU	136	TANGIBLE	EQUIPMENT	14,100.00
	CDF/136/005	KITCHEN EQUIPMENT		NAKURU	136	TANGIBLE	EQUIPMENT	23,700.00
	CDF/136/006	OFFICE TABLE		NAKURU	136	TANGIBLE	FURNITURE	9,500.00
	CDF/136/007	OFFICE TABLE		NAKURU	136	TANGIBLE	FURNITURE	9,500.00
	CDF/136/008	ASHUT 4 CABINET DRAWER		NAKURU	136	TANGIBLE	FURNITURE	14,500.00
	CDF/136/009	PLASTIC CHAIR		NAKURU	136	TANGIBLE	FURNITURE	800
	CDF/136/010	PLASTIC CHAIR		NAKURU	136	TANGIBLE	FURNITURE	800
	CDF/136/011	PLASTIC CHAIR		NAKURU	136	TANGIBLE	FURNITURE	800
	CDF/136/012	PLASTIC CHAIR		NAKURU	136	TANGIBLE	FURNITURE	800
	CDF/136/013	PLASTIC CHAIR		NAKURU	136	TANGIBLE	FURNITURE	800
	CDF/136/014	PLASTIC CHAIR		NAKURU	136	TANGIBLE	FURNITURE	800

NATIONAL GOVERNMENT ENTITY - (NAKURU TOWN EAST Constituency)

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

	CDF/136/015	PLASTIC CHAIR		NAKURU	136	TANGIBL E	FURNITURE	800
	CDF/136/016	PLASTIC CHAIR		NAKURU	136	TANGIBL E	FURNITURE	800
	CDF/136/017	PLASTIC CHAIR		NAKURU	136	TANGIBL E	FURNITURE	800
	CDF/136/018	PLASTIC CHAIR		NAKURU	136	TANGIBL E	FURNITURE	800
	CDF/136/019	SECRETARIAL HEADSET PHONE		NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/020	SECRETARIAL HEADSET PHONE		NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/021	OFFICE EXTENSION PHONE		NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/022	OFFICE EXTENSION PHONE		NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/023	FIRE EXTINGUISHER 5KGS	SSA233BC CE1370EN 3.7 00139	NAKURU	136	TANGIBL E	EQUIPMEN T	17,000.00
	CDF/136/024	FIRE EXTINGUISHER 5KGS	SSA233BC CE1370EN 3.7 00353	NAKURU	136	TANGIBL E	EQUIPMEN T	17,000.00
	CDF/136/025	FIRE EXTINGUISHER 9 LTRS	2A CE1370ENV3.70062	NAKURU	136	TANGIBL E	EQUIPMEN T	14,800.00
	CDF/136/026	FIRE EXTINGUISHER 9 LTRS	2A CE1370ENV3.70040	NAKURU	136	TANGIBL E	EQUIPMEN T	14,800.00
	CDF/136/027	FIRE EXTINGUISHER 9 KGS	TP 250 BAR V7.5 W11.5 0079	NAKURU	136	TANGIBL E	EQUIPMEN T	11,050.00
	CDF/136/028	FIRE EXTINGUISHER 9 KGS	TP 250 BAR V7.5 W11.5 0082	NAKURU	136	TANGIBL E	EQUIPMEN T	11,050.00
	CDF/136/029	FIRE BLANKET		NAKURU	136	TANGIBL E	EQUIPMEN T	11,300.00
	CDF/136/030	TENDER BOX		NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/031	PHOTOCOPIER	QLMO111527	NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/033	OFFICE TABLE		NAKURU	136	TANGIBL E	FURNITURE	
	CDF/136/034	OFFICE TABLE		NAKURU	136	TANGIBL E	FURNITURE	
	CDF/136/035	PAPER SHREWDER	0000053	NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/036	LAPTOP DELL	08225	NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/037	LAPTOP DELL	08226	NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/039	DESKTOP DELL	CZC0052ZBO	NAKURU	136	TANGIBL E	EQUIPMEN T	
	CDF/136/041	HP DESKJET D2360	TH68N170RM	NAKURU	136	TANGIBL E	EQUIPMEN T	



**ATIONAL GOVERNMENT ENTITY - (NAKURU TOWN EAST Constituency)**

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	CDF/136/043	EXECUTIVE SEAT		NAKURU	136	TANGIBL E	EQUIPMEN T	22,000.00
	CDF/136/044	EXECUTIVE SEAT		NAKURU	136	TANGIBL E	EQUIPMEN T	22,000.00
	CDF/136/045	EXECUTIVE SEAT		NAKURU	136	TANGIBL E	EQUIPMEN T	22,000.00
	CDF/136/046	DIGITAL STILL CAMERA DSC-W610	8691740	NAKURU	136	TANGIBL E	EQUIPMEN T	36,000.00