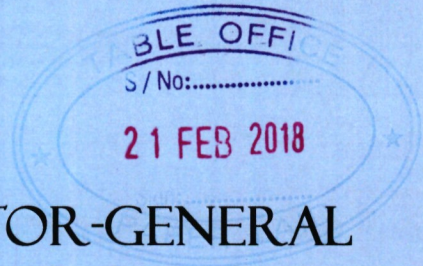


REPUBLIC OF KENYA

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OFFICE OF THE AUDITOR-GENERAL

*Paper laid by the
Leader of the Majority
Party, Hon. Aden Duab, MP
on 21.2.2018
IBM.*

REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2016**



CONSTITUENCY DEVELOPMENT FUND- URIRI 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)

CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (NG-CDF)* was set up under the NG-CDF Act, 2003 now repealed by the NG-CDF Act, 2013.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 *URIRI Constituency's* day-to-day management is under the following key organs:

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Charles Omosa
3.	Accountant	Zachariah Nyapara
4.		

(d) Fiduciary Oversight Arrangements

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

(e) URIRI NG-CDF Headquarters

P.O. Box 8,
RAPOGI
Off RAPOGI-AWENDO ROAD

(f) URIRI NG-CDF Contacts

Telephone: (254) 0729495375

E-mail: comosa@cdf.go.ke

Website: www.go.ke

(g) URIRI NG-CDF Bankers

1. Kenya Commercial Bank
MIGORI BRANCH

...

...

(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

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

I have the pleasure of representing to you the final Accounts for the financial year 2015/2016 for Uriri NG-CDF. The Constituency was allocated a total of Ksh. 141,038,861.80. During the financial year 2015/2016 to be utilised for Administration and Recurrent, Monitoring and Evaluation, Capacity Building, Bursary and projects in various sectors such as Education, Security, Sports, Emergency and Environmental activities. The constituency was able to implement most of these activities successfully. The detailed figures and comparisons with the previous financial year are contained in the financial statements I am presenting to you.

The Uriri NG-CDF has been working tirelessly to bring Development to communities and to transform their lives through provision of improved infrastructure, Bursaries to bright but needy students as well as erecting Solar Security Lights to foster Business Activities across the constituency. Most of the PMC have been sensitized and they have good understanding of what they ought to be doing as far project management is concern.

Sign


CHAIRMAN NG-CDFC

III. STATEMENT OF NG-CDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government 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 (*URIRI 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 (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *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.

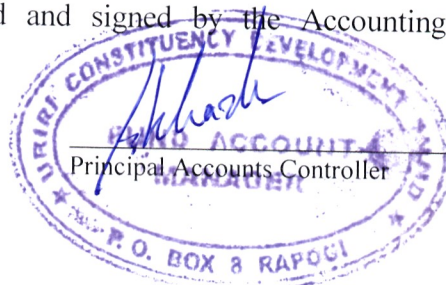
The Accounting Officer in charge of the (*URIRI NG-CDF*) accepts responsibility for the *NG-CDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (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 *NG-CDF's* financial position as at that date. The Accounting Officer charge of the (*URIRI 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.

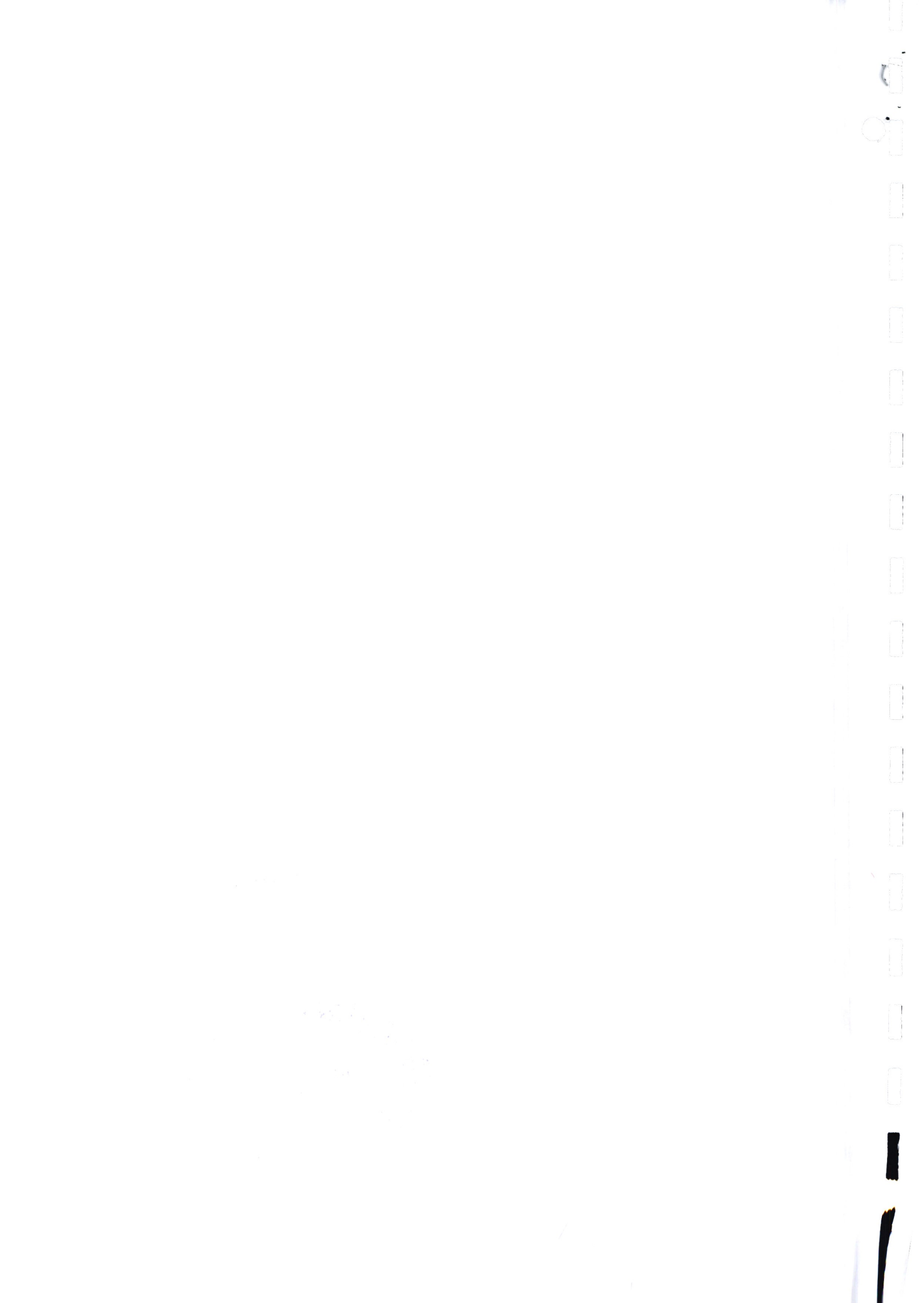
The Accounting Officer in charge of the (*URIRI NG-CDF*) confirms that the *NG-CDF* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the *NG-CDF's* funds received during the year under audit were used for the eligible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

Approval of the financial statements

The *NG-CDF's* financial statements were approved and signed by the Accounting Officer on _____ 2016.

Principal Secretary





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 (URIRI NG-CDF) is responsible for the preparation and representation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs that the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring (iii) these continue to be effective throughout the reporting period; (ii) maintaining proper accounting presentations, which disclose with reasonable accuracy at any time the financial position of the NG-CDF; whether signing, implementing and maintaining internal controls relevant to the preparation and fair appropriation of the financial statements, and ensuring that they are free from material misstatements, circumstandue to error or fraud; (iv) safeguarding the assets of the NG-CDF; (v) selecting and applying the accounting policies; and (vi) making accounting estimates that are reasonable in the

The Accounting

financial stat

appropriate Accounting Officer in charge of the (URIRI NG-CDF) accepts responsibility for the NG-CDF's (IPSAS). The ements, which have been prepared on the Cash Basis Method of Financial Reporting, using and fair view accounting policies in accordance with International Public Sector Accounting Standards of the NG-CDF Accounting Officer is of the opinion that the NG-CDF's financial statements give a true CDF) further confirm the state of NG-CDF's transactions during the financial year ended June 30, 2016, and have been relied upon for the financial position as at that date. The Accounting Officer charge of the (URIRI NG-CDF) confirms the completeness of the accounting records maintained for the NG-CDF, which upon in the preparation of the NG-CDF's financial statements as well as the adequacy

The Accounting Officer in charge of the (URIRI NG-CDF) confirms that the NG-CDF has complied with applicable internal financial control.

fully with applicab

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

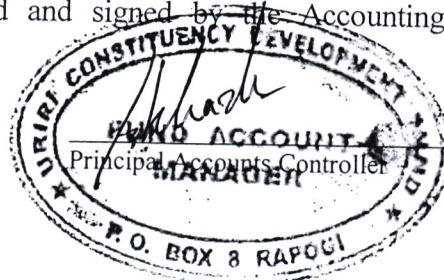
Approval of the financial statements

The NG-CDF's financial statements for the year ended June 30, 2016.

ial statements

ial statements were approved and signed by the Accounting Officer on

Principal Secretary



REPUBLIC OF KENYA

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Website: 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 - URIRI 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 - Uriri Constituency set out on pages 5 to 23, which comprise statement of assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation: recurrent and development for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229 (7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

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

considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

1. Other Grants and Transfers

Included in other grants and transfers figure of Kshs.79,278,083 are payments of Kshs.46,000,000 for road projects. Out of this amount there were payments totalling Kshs.9,100,000 for road projects undertaken after 19 February 2016 when the National Government Constituencies Development Fund Act, 2015 came into operation and which prohibited funding of roads placed under the devolved governments.

Consequently the use of Kshs.9,100,000 for the construction of roads contravened the provisions of the Act.

2. Acquisition of Assets

The acquisition of assets of Kshs.2,100,000 comprised of payments amounting to Kshs.1,686,000 which were not accounted for with relevant support documentation.

Consequently, the propriety of Kshs.1,686,000 in relation to acquisition of assets could not be confirmed.

3. Cash and Cash Equivalent

3.1 Bank Balances

The bank balance of Kshs.4,714,948 as at 30 June 2016 includes cheques amounting to Kshs.609,993 that had not been presented for payments for a period of more than six months and therefore stale yet they had not been reversed in the cashbook. Further, there was an unexplained variance of Kshs.77,000 in the cash book.

Consequently, it has not been possible to confirm that bank balances figure of Kshs.4,714,948 as at 30 June 2016 is fairly stated.

3.2 Outstanding Imprests

Note 12 (c) to the financial statements reflects a balance of Kshs.1,830,393 being outstanding imprests as at 30 June 2016 which had not been surrendered or accounted

for as at the end of the year contrary to the provisions of Section 93 (5) of the Public Finance Management Act (National Government Regulations), 2015.

Consequently, the management was in breach of the law and regulations governing issuance and accounting of imprest.

Qualified Opinion

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Uriri Constituency Development Fund as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

1. Budgetary Control and Performance

1.1. Budget Performance

The CDF Board approved budget for 2015/2016 amounted to Kshs.173,093,911 comprising of 2015/2016 allocation of Kshs.113,453,445, AIE for 2014/2015 of Kshs.27,585,416 received in 2015/2016 and unspent balance brought forward from 2014/2015 of Kshs.32,055,050. During the same period, the fund made payments totalling Kshs.166,548,569 or 96% of the approved budget resulting to under-expenditure of Kshs.6,545,341 or 4% of the final budget as detailed below;

Receipt/Expense Item	Approved Budget (Kshs)	Actual Expenditure (Kshs)	Under Expenditure (Kshs)	% of Utilisation
Transfers from CDF Board	173,093,911	173,093,911	-	
Total Receipts	173,093,911	173,093,911	-	
Payments				
Compensation of Employees	2,520,000	1,769,100	750,900	70%
Use of goods and services	3,437,187	2,178,211	1,258,976	63%
Committee Expenses	2,756,007	2,756,007	0	100%
Transfers to Other Government Units	46,320,920	46,320,920	0	100%
Other grants and transfers	83,313,548	79,278,083	4,035,465	95%
Social Security Benefits	91,200	91,200	0	100%

Acquisition of Assets	2,100,000	2,100,000	0	100%
Other Payments	32,555,050	32,055,050	500,000	98%
Total	173,093,912	166,548,569	6,545,341	96%

1.2. Project Verification

During the year under review, thirteen (13) projects valued at Kshs.46,100,000 were verified during the audit in May 2016 and their status is as shown below:

S/No	Project	Activity	Disbursement 2015/2016 (Kshs)	Cumulative Achievement %	Status
1	Uriri Youth empowerment	Roofing , Painting and general finishing works	2,000,000	100%	Complete
2	Koigo- Murrum- Nyabera Rd	Construction of a new Road 7 Km	8,500,000	80%	Ongoing. There was no sign post
3	Dago-Milimani Road	Construction of a new Road 7 Km	8,000,000	80%	Ongoing. There was no sign post
4	Ayego-Aluru road	Construction of a new Road 7 Km	8,000,000	80%	Ongoing. There was no sign post
5	Oruba girls secondary school	construction of a Dining Hall	4,000,000	70%	On going
6	Manyonge secondary school	Purchase of Desks and Chairs	1,600,000	100%	Complete
7	Kamsaki secondary school	Construction of a dormitory	1,500,000	100%	Complete and in Use
8	Mori secondary school	Construction of Four Class Rooms	3,400,000	70%	On going
9	Piny wacho secondary school	Leveling Playing Field	5,000,000	100%	Complete but sign of poor work man ship visible
10	Koringo Dispensary	Construction of OPD room	1,200,000	5%	The project has stalled

11	North Kanyamkago Rapogi Market	Construction of Solar Security Lighting	1,000,000	75%	Ongoing
12	Mifwadhi water Dam	Fencing	700,000	100%	Complete and in Use
13	Uriri Division Police office	Construction and Renovation of Police offices	1,200,000	100%	Complete and in Use
	Total		46,100,000		

2. Previous Year Matters

The Constituency did not indicate the status and follow up of audit issues reported in the previous year in the financial statements as required by Public Sector Accounting Standards Board Reporting Template.



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

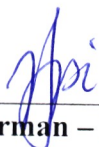
Nairobi

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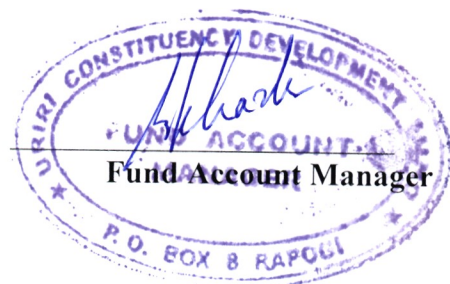
CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2016****IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2015-2016	2014-2015
		Kshs	Kshs
RECEIPTS			
Transfers from Other Government Entities	1	141,038,861	87,756,254.10
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		141,038,861.80	87,756,254.10
PAYMENTS			
Compensation of Employees	4	1,769,100.00	1,378,500.00
Use of goods and services	5	2,178,210.55	3,824,590.00
Committee Expenses	6	2,756,006.70	3,909,898.62
Transfers to Other Government Units	7	46,320,919.90	38,700,000.00
Other grants and transfers	8	79,278,083.15	40,212,072.64
Social Security Benefits	9	91,200.00	-
Acquisition of Assets	10	2,100,000.00	-
Other Payments	11	32,055,050.61	-
TOTAL PAYMENTS		166,548,569.94	88,025,061.26
SURPLUS/DEFICIT		(25,509,708.14)	(268,807.16)

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



Chairman – NG-CDFC



CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY

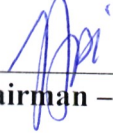
Reports and Financial Statements

For the year ended June 30, 2016

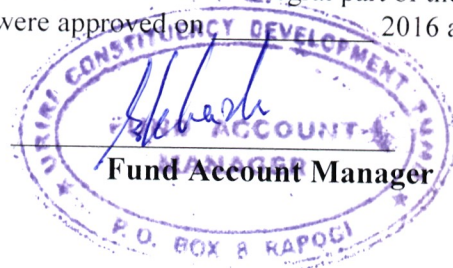
V. STATEMENT OF ASSETS

	Note	2015-2016 Kshs	2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	12A	4,714,948.65	32,055,050.64
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	1,830,393.00	-
TOTAL FINANCIAL ASSETS		6,545,341.65	32,055,050.64
REPRESENTED BY			
Fund balance b/fwd	13	32,055,050.64	32,323,857.80
Surplus/Deficit for the year		(25,509,709.00)	(268,807.16)
Prior year adjustments	14	=	=
NET FINANCIAL POSITION		6,545,341.64	32,055,050.64

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


Chairman – NG-CDFC


Fund Account Manager



CONSTITUENCY DEVELOPMENT FUND- URIRI CONSTITUENCY

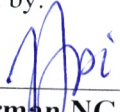
Reports and Financial Statements

For the year ended June 30, 2016

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2015-2016	2014-2015
Transfers from NG-CDF Board	1	141,038,861.80	87,756,254.10
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	1,769,100.00	1,378,500.00
Use of goods and services	5	2,178,210.55	3,824,590.00
Committee Expenses	6	2,756,006.70	3,909,898.62
Transfers to Other Government Units	7	46,320,919.90	38,700,000.00
Other grants and transfers	8	79,278,083.15	40,212,072.64
Social Security Benefits	9	91,200.00	-
Other Payments	11	32,055,050.00	-
Adjusted for:			
Adjustments during the year		164,448,570.30	88,025,061.26
Net cash flow from operating activities		-23,409,708.50	-268,807.16
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	2,100,000.00	-
Net cash flows from Investing Activities		2,100,000.00	-
NET INCREASE IN CASH AND CASH EQUIVALENT		-25,509,708.50	-268,807.16
Cash and cash equivalent at BEGINNING of the year	15	32,055,050.00	32,323,857.80
Cash and cash equivalent at END of the year	16	6,545,341.50	32,055,050.00

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



Chairman NG-CDFC



Fund Account Manager



Reports and Financial Statements

For the year ended June 30, 2016

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS	113,453,445.00	60,194,463.95	173,647,908.95	141,038,861.00	32,609,047.95	81.22%
Transfers from NG-CDF Board						
Other Receipts						
TOTAL RECEIPTS	113,453,445.00	60,194,463.95	173,647,908.95	141,038,861.00	32,609,047.95	81%
PAYMENTS						
Compensation of Employees	2,520,000.00	-	2,520,000.00	1,769,100.00	750,900.00	70.20%
Use of goods and services	3,437,186.81	26,999.15	3,464,185.81	2,178,210.55	1,285,975.26	62.88%
Committee Expenses	2,756,006.70	-	2,756,006.70	2,756,006.70	0.00	100.00%
Transfers to Other Government Units	35,220,919.94	11,100,000.00	46,320,919.94	46,320,919.94	0.00	100.00%
Other grants and transfers	66,828,131.55	16,485,416.80	83,313,548.35	79,278,083.15	4,035,465.20	95.16%
Social Security Benefits	91,200.00	-	91,200.00	91,200.00	0.00	100.00%
Acquisition of Assets	2,100,000.00	-	2,100,000.00	2,100,000.00	0.00	100.00%
Other Payments	500,000.00	32,582,048.00	33,082,048.00	32,055,050.61	1,026,997.39	
TOTALS	113,453,445.00	60,194,463.95	173,647,908.80	166,548,570.95	7,099,337.85	95.91%

The URRI NG-CDF financial statements were approved on _____ 2016 and signed by:

Agnes
Chairman NG-CDF



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.

5. Pending bills

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

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *NG-CDF*'s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *NG-CDF*'s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

7. Comparative figures

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

8. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2016.

IX. NOTES TO THE FINANCIAL STATEMENTS**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description	2015-2016	2014-2015
	Kshs	Kshs
NG-CDF Board		
AIE NO	27,585,416.80	7,300,000.00
AIE NO A-759716	10,000,000.00	20,285,417.00
AIE NO A-796391	10,000,000.00	14,551,250.20
AIE NO A-820663	10,000,000.00	13,034,169.90
AIE NO A-820554	28,000,000.00	5,000,000.00
AIE NO A-825613	29,000,000.00	27,585,417.00
AIE NO A-825687	26,453,445.00	
TOTAL	141,038,861.80	87,756,254.10

2. PROCEEDS FROM SALE OF ASSETS

	2015-2016	2014-2015
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment		
Receipts from sale of office and general equipment		
Receipts from the Sale Plant Machinery and Equipment		
Total		

CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEIPTS**

	2015-2016	2014-2015
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

	2015-2016	2014-2015
	Kshs	Kshs
Basic wages of contractual employees	1,769,100.00	1,378,500.00
Total	1,769,100.00	1,378,500.00

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2015-2016	2014-2015
	Kshs	Kshs
Utilities, supplies and services	133,607.00	325,190.00
Communication, supplies and services	445,000.00	-
Domestic travel and subsistence	400,000.00	-
Printing, advertising and information supplies & services	208,603.35	651,900.00
Rentals of produced assets	-	-
Training expenses	237,000.00	500,000.00
Hospitality supplies and services	200,000.00	165,000.00
Insurance costs	-	-
Specialized materials and services	500,000.00	-
Office and general supplies and services	53,999.20	616,000.00
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	-	1,024,000.00
Routine maintenance – other assets	-	542,500.00
Total	2,178,210.55	3,824,590.00

6. COMMITTEE EXPENSES

	2015-2016	2014-2015
	Kshs	Kshs
Committee allowances	1,650,000.00	1,918,898.62
Other committee expenses	1,106,006.70	1,991,000.00
Total	2,756,006.70	3,909,898.62

CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)***7. TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2015-2016	2014-2015
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	16,300,000.00	4,300,000.00
Transfers to secondary schools (see attached list)	26,820,919.94	26,000,000.00
Transfers to tertiary institutions (see attached list)	2,000,000.00	7,000,000.00
Transfers to health institutions (see attached list)	1,200,000.00	1,400,000.00
TOTAL	46,320,919.94	38,700,000.00

8. OTHER GRANTS AND OTHER PAYMENTS

	2015-2016	2014-2015
	Kshs	Kshs
Bursary – secondary schools (see attached list)	5,383,602.80	3,000,000.00
Bursary – tertiary institutions (see attached list)	5,270,000.00	6,607,988.00
Bursary – special schools (see attached list)	3,000,000.00	-
Mock & CAT (see attached list)	1,000,000.00	996,992.28
Water projects (see attached list)	400,000.00	4,000,000.00
Agriculture projects (see attached list)	-	-
Electricity projects (see attached list)	8,750,000.00	5,000,000.00
Security projects (see attached list)	1,500,000.00	-
Roads projects (see attached list)	46,000,000.00	13,000,000.00
Sports projects (see attached list)	-	2,206,833.36
Environment projects (see attached list)	2,206,833.35	-
Emergency projects (see attached list)	5,767,647.00	5,400,259.00
Total	79,278,083.15	40,212,072.64

9. SOCIAL SECURITY BENEFITS

	2015-2016	2014-2015
	Kshs	Kshs
Employer contribution to NSSF	91,200.00	-
Total	91,200.00	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. ACQUISITION OF ASSETS

Non Financial Assets	2015-2016	2014-2015
	Kshs	Kshs
Purchase of Buildings		
Construction of Buildings		
Refurbishment of Buildings		
Purchase of Vehicles and Other Transport Equipment		
Overhaul of Vehicles and Other Transport Equipment		
Purchase of Household Furniture and Institutional Equipment		
Purchase of Office Furniture and General Equipment	1,300,000.00	
Purchase of ICT Equipment, Software and Other ICT Assets	800,000.00	
Purchase of Specialised Plant, Equipment and Machinery		
Rehabilitation and Renovation of Plant, Machinery and Equip.		
Acquisition of Land		
Acquisition of Intangible Assets		
Total	2,100,000.00	xx

CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OTHER PAYMENTS (Pending Bills)

	2015-2016	2014-2015
	Kshs	Kshs
Amount Due to Other Government Entities	19,400,000.00	
Amount Due To Other Grants and Transfers	5,185,417.00	
Others (Specify)	7,469,633.64	
	32,055,050.64	xxx

12A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015-2016	2014-2015
	Kshs (30/06/2016)	Kshs (30/06/2015)
<i>KENYA COMMERCIAL BANK MIGORI BRANCH A/C NO. 1106553454.</i>	4,714,948.65	32,055,050.64
Total	4,714,948.65	32,055,050.64

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B: CASH IN HAND

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

12C: 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>
CHARLES OMOSA		309,393.00		309,393.00
CHARLES OMOSA		200,000.00		200,000.00
CHARLES OMOSA		120,000.00		120,000.00
CHARLES OMOSA		450,000.00		450,000.00
CHARLES OMOSA		473,000.00		473,000.00
CHARLES OMOSA		278,000.00		278,000.00
Total				1,830,393.00

CONSTITUENCIES DEVELOPMENT FUND – URIRI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2015-2016	2014-2015
	Kshs	Kshs
Bank accounts	32,055,050.64	-
Cash in hand	xxx	-
Imprest	xxx	-
Total	<u>32,055,050.64</u>	<u>-</u>

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

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100

100

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100



ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/2016	Historical Cost (Kshs) 2014/2015
Land		
Buildings and structures		
Transport equipment	3,581,270.00	3,581,270.00
Office equipment, furniture and fittings	1,300,000.00	
ICT Equipment, Software and Other ICT Assets	800,000.00	
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total	5,681,270.00	3,581,270.00

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs)

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities							
1.							
2.							
3.							
	Sub-Total						
Amounts due to other grants and other transfers							
4.							
5.							
6.							
	Sub-Total						
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total						

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NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		a	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
	Sub-Total						
Middle Management							
4.							
5.							
6.							
	Sub-Total						
Unionisable Employees							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

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NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						



15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015	2014-2015 Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: OTHER PENDING PAYABLES (See Annex 3)

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