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Paper Laid
By leader of majority Party
Hon. Aden Duale, MP
On 21/3/2018



OFFICE OF THE AUDITOR-GENERAL



REPORT
OF
THE AUDITOR-GENERAL
ON
THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
- ROYSAMBU CONSTITUENCY
FOR THE YEAR ENDED
30 JUNE 2016



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
ROYSAMBU 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)

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – ROYSAMBU
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

(b) Key Management

The *ROYSAMBU 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	Mary Wanyika
3.	Accountant	C.O. Oyaro

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NG-CDF Board provide overall fiduciary oversight on the activities of ROYSAMBU Constituency. The reports and recommendation of ARMC when adopted by the NG-CDF Board are forwarded to the NATIONAL GOVERNMENT 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) ROYSAMBU NG-CDF

P.O. Box 65068-00618
RUARAKA, KENYA

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

(f) ROYSAMBU NG-CDF CONTACTS

Telephone: (254)713 546646
E-Mail: roysambu cdf@.go.ke
Website: www. cdf.go.ke

(g) ROYSAMBU NG-CDF Bankers

1. Bank Name: Equity bank
Branch: GITHURAI
Account Name: ROYSAMBU NG-CDF
Account Number: 0710261637282
Address: 65068-00618
Nairobi

(h) Independent Auditors

Auditor General
Office of the Auditor General
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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- ROYSAMBU
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)**

Total disbursement by ROYSAMBU NG-CDF for financial year 2015/2016 was Kshs 98,637,794 up from Kshs 93,192, 688 disbursed financial 2014/2015. This was caused by the by elections which were held in between the financial year.

Our key focus during F/Y 2015/16 implementation was on education (schools infrastructural development and issuance of bursaries to needy students) which ranks the constituency's priority number one. However we equally performed well in the following sectors:-

- a) General infrastructural development (modern markets & social halls)
- b) Environmental activities (planting of trees and clean-up in Roysambu constituency)
- c) Sports for the youth (we run successful sports tournament for our youth) the sporting activities included football for men, women, volleyball for men and women and netball.

Key achievements

1. Installation of high mast floodlights in market centres i.e. Githurai, Zimmerman, & Njathaini.
2. Education bursary was disbursed to over 3,200 needy students both in the Secondary Schools and Tertiary Institutions.
3. Opening of new Secondary Schools to cater for enrolment increase in the constituency,
4. Construction of new classrooms and renovating the existing ones in the existing public educational institutions.

Emerging issues:-

1. Arising from the impact so far created at the grass roots and the high expectation from the local community there is need to enhance NG-CDF kitty from the current 2.5% to at least 7.5%.
2. Due heavy responsibility bestowed on the chairman's position, the national NG-CDF board should enhance the chairperson's allowance to be commensurate to the duties and this should cascade to other NG-CDF members.

Implementation challenges.

1. Delay in disbursement of NG-CDF funds. The board should strive to release funds to the NG-CDFC in the first quarter of each financial year. It will also be helpful if the funds are released in at least two trances in a year.
2. The NG-CDF relies fully on ministerial technical departments for support in areas like construction of bridges, building and other technical work. This includes the production of BQs, technical design and drawing for such technical projects, delays normally occur as the personnel involved are not under direct control of NG-CDFC. The national NG-CDF board should have own technical experts within her structures.
3. Some projects may require long span of implementation creating a big variance between initial budget and actual cost during implementation. The national NG-CDF board needs to be flexible on financing of such projects.

We humbly look forward to working very closely with the national NG-CDF board with a view to enhancing accountability and efficiency in project management

Signed:.....

**DAVID MWANGI
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 by the Public Sector Accounting Standards Board of Kenya from time to time.

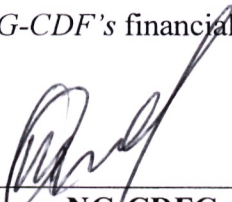
The Accounting Officer in charge of ROYSAMBU *NG-CDF* is responsible for the preparation and presentation of the *NG-CDF's* financial statements, which give a true and fair view of the state of affairs of the *NG-CDF* for and as at the end of the financial year ended on June 30, 2016. This responsibility 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 ROYSAMBU *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 in charge of the ROYSAMBU *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 ROYSAMBU *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



Chairman NG-CDFC



Funds Accounts Manager

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
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 - ROYSAMBU 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 - Roysambu Constituency set out on pages 5 to 21, which comprise the statement of assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. 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 the 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 the 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

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

assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluation of 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 adverse audit opinion.

Basis for Adverse Opinion

1. Presentation and Disclosures of Financial Statements

1.1. Comparative Balances

The following differences have been noted between comparative figures (2014/2015) reflected in the financial statements for the year ended 30 June 2016 and the balances shown in the audited financial statements for 2014/2015:

Item	2014/2015 Comparative Figures Kshs	2014/2015 Audited Balance Kshs	Variance Kshs
• Use of goods and Services	8,748,236	5,048,986	3,699,250
• Committee Expenses	-	3,699,250	(3,699,250)
• Social Security	-	22,000	(22,000)

However, contrary to the requirements of paragraphs 1.4.19 and 1.5 of the IPSAS Cash Basis reporting framework, no disclosures have been made in the notes to the financial statements to indicate that comparative information relating to the above specific items is restated. In addition, the nature of the error and the respective amounts of the corrections for these items have not been disclosed.

1.2 Other Inaccuracies

The following differences have been noted between the figures reflected in the financial statements and the supporting schedules:

Difference	Balance In the Financial Statements	Balance in the supporting Schedule	
	Kshs	Kshs	Kshs
Compensation of employees	1,233,042	1,358,035	(124,993)
Use of goods & services	6,901,283	8,701,283	(1,800,000)
Acquisition of assets	2,300,000	500,000	1,800,000

Consequently, the accuracy of the financial statements for the year ended 30 June 2016 cannot be confirmed.

2. Cash and Cash Equivalents

The financial statement reflects cash and cash equivalents balance of Kshs.34,090,484. Examination of the bank reconciliation statement for June 2016 revealed un-presented cheques amounting to Kshs.2,289,915.80 out of which cheques totalling Kshs.181,915 were stale and had not been reversed in the cashbook as at 30 June 2016. Consequently, the accuracy and completeness of cash and cash equivalents balance of Kshs.34,090,484 as at 30 June 2016 cannot be confirmed.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund – Roysambu Constituency 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 do not comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

Budget and Budgetary Control

During the year under review, Roysambu Constituency Fund incurred expenditure totalling Kshs.81,640,396 against an approved budget of Kshs.165,321,440 and thus recorded approximately 49%, budget absorption rate and under-expenditure of Kshs.83,681,044 as shown below:

Receipt/Expense Item	Final Budget Kshs.	Actual on Comparable Basis Kshs.	Budget Utilization Difference Kshs.	% of Utilization
RECEIPTS				
Transfers from CDF Board	165,301,440	115,710,880	49,590,560	70

Other receipts	20,000	20,000	0	0
TOTAL	165,321,440	115,730,880	49,590,560	70
PAYMENTS				
Compensation of employees	1,554,600	1,233,042	321,558	79
Use of goods and services	7,822,801	6,901,283	921,518	88
Transfers to other Government Units	80,200,000	16,571,111	63,628,889	21
Other grants and transfers	75,744,039	54,634,960	21,109,079	72
Acquisition of assets	-	2,300,000	(2,300,000)	0
TOTAL	165,321,440	81,640,396	83,681,044	49

The under expenditure was mainly on the following projects which were not implemented:

Project	Year	Budgeted Amount Kshs	Actual Expenditure Kshs	Over/ Under Expenditure Kshs
Kamiti Secondary school	2015/2016	6,500,000	0	6,500,000
Kiwanja Secondary School *Phase 11*	2015/2016	5,000,000	0	5,000,000
Kiwanja Secondary School	2015/2016	4,500,000	0	4,500,000
Garden Estate Sec School	2015/2016	3,500,000	0	3,500,000
Kiwanja Secondary School *Phase 1*	2015/2016	4,700,000	0	4,700,000
Garden Estate Sec School (Phase 3)	2015/2016	5,000,000	0	5,000,000
Garden Estate Sec School	2015/2016	2,000,000	0	2,000,000
Githurai Primary School	2015/2016	5,000,000	0	5,000,000
Kahawa Primary school	2015/2016	4,000,000	0	4,000,000
Mahiga Primary School	2015/2016	6,500,000	0	6,500,000
Muthaiga Primary School	2015/2016	3,000,000	0	3,000,000
Garden Estate Sec School	2014/2015	3,431,841	0	3,431,841
Kiwanja Polytechnic	2014/2015	4,908,765	0	4,908,765
Njathaini Primary School	2014/2015	500,000	0	500,000
TOTAL		<u>58,540,606</u>	<u>0</u>	<u>58,540,606</u>

The under-expenditure is an indication of failure to utilize funds fully and approved programs not implemented. The budget did not, therefore, fully meet the objectives of improving delivery of services to the residents of Roysambu Constituency.



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

Nairobi

13 December 2017

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- ROYSAMBU
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 CDF board-AIEs' Received	1	95,643,578.00	79,317,314.50
Proceeds from Sale of Assets	2		-
Other Receipts	3	20,000.00	12,000.00
TOTAL RECEIPTS		95,663,578.00	79,329,314.50
PAYMENTS			
Compensation of employees	4	1,233,042.25	1,129,141.45
Use of goods and services	5	6,901,283.00	8,748,236.00
Transfers to Other Government Units	6	16,571,111.40	27,593,948.80
Other grants and transfers	7	54,634,959.80	27,154,279.08
Acquisition of Assets	8	2,300,000.00	998,000.00
Other Payments	9		-
TOTAL PAYMENTS		81,640,396.45	65,623,605.33
SURPLUS/DEFICIT		14,023,181.55	13,705,709.17

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The ROYSAMBUNG-CDF financial statements were approved on 30TH JUNE 2016 and signed by:


DAVID MWANGI
Chairman - NG-CDFC


Mary Wanyika
Fund Account Manager

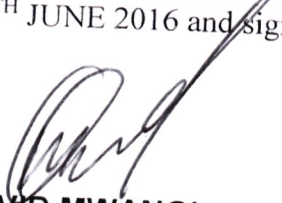
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- ROYSAMBU
CONSTITUENCY**


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

V. STATEMENT OF ASSETS AND LIABILITIES

	Note	2015-2016	2014-2015
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	34,090,483.72	20,067,302.17
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		34,090,483.72	20,067,302.17
REPRESENTED BY			
Retention			
Fund balance b/ fwd 1st July...2015	12	-	-
Surplus/Deficit for the year	13	20,067,302.17	6,361,593.00
		14,023,181.55	13,705,709.17
Prior year adjustments			
NET LIABILITIES	14		-
		34,090,483.72	20,067,302.17

The accounting policies and explanatory notes to these financial statements form an integral part of The financial statements, The ROYSAMBUNG-CDF financial statements were approved on 30TH JUNE 2016 and signed by:


DAVID MWANGI
Chairman - NG-CDFC


Mary Wanyika
Fund Account Manager


**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- ROYSAMBU
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 CDF Board	1	95,643,578.00	79,317,314.50
Other Receipts	3	20,000.00	12,000.00
		95,663,578.00	79,329,314.50
Payments for operating expenses			
Compensation of Employees	4	1,233,042.25	1,129,141.45
Use of goods and services	5	6,901,283.00	8,748,236.00
Transfers to Other Government Units	7	16,571,111.40	27,593,948.80
Other grants and transfers	8	54,634,959.80	27,154,279.08
Other Payments	11	-	-
Adjusted for:			
Adjustments during the year			-
		79,340,396.45	64,625,605.33
Net cash flow from operating activities		16,323,181.55	14,703,709.17
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	2,300,000.00	998,000.00
Net cash flows from Investing Activities		(2,300,000.00)	(998,000.00)
NET INCREASE IN CASH AND CASH EQUIVALENT		14,023,181.55	13,705,709.17
Cash and cash equivalent at BEGINNING of the year	15	20,067,302.17	6,361,593.00
Cash and cash equivalent at END of the year	16	34,090,483.72	20,067,302.17

The financial statements. The ROYSAMBU NG-CDF financial statements were approved on 30TH JUNE 2016 and signed by:

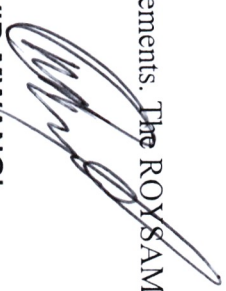

DAVID MWANGI
Chairman - NG-CDFC


Mary Wanyika
Fund Account Manager

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilization Difference e=c-d	% of Utilization f=d/c %
RECEIPTS	98,637,794.00	66,663,646.17	165,301,440.17	115,710,880.17	49,590,560.00	70.00%
Transfers from CDF Board						
Proceeds from Sale of Assets						
Other Receipts	-	20,000.00	20,000.00	20,000.00	-	0
PAYMENTS						
Compensation of Employees	1,054,600.00	500,000.00	1,554,600.00	1,233,042.25	321,557.75	79.00%
Use of goods and services	7,822,801.40	-	7,822,801.40	6,901,283.00	921,518.40	88.00%
Transfers to Other Government Units	50,200,000.00	30,000,000.00	80,200,000.00	16,571,111.40	63,628,888.60	21.00%
Other grants and transfers	39,560,392.60	36,183,646.17	75,744,038.77	54,634,959.80	21,109,078.97	72.00%
Acquisition of Assets	-	-	-	2,300,000	-2,300,000	0.00%
Other Payments						
TOTALS	98,637,794.00	66,683,646.17	165,321,440.17	81,640,396.45	83,681,043.72	48.00%

The financial statements. The ROY SAMBUNG-CDF financial statements were approved on 30th June 2016 and signed by:


DAVID MWANGI
Chairman - CNG-CDFC


Mary Wanyika
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.

Reports and Financial Statements

For the year ended June 30, 2016

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

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

6. Budget

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

7. Comparative figures

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

8. Subsequent events

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- ROYSAMBU
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

IX. NOTES TO THE FINANCIAL STATEMENTS

GFS CODES					
1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES					
Description			2015-2016	2014 - 2015	
			Kshs	Kshs	
1330407	Normal Allocation	709923	46,596,344.00	32,720,970.50	
		735836	19,047,234.00	23,298,172.00	
		735836	30,000,000.00	23,298,172.00	
1330408	Conditional grants	AIE NO...		-	
		AIE NO...		-	
1330409	Receipt from other Constituency			-	
	TOTAL		95,643,578.00	79,317,314.50	
2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS					
Description			2015-2016	2014 - 2015	
			Kshs	Kshs	
3510202	Receipts from the Sale of Buildings				
3510601	Receipts from the Sale of Vehicles and Transport Equipment				
3510801	Receipts from the Sale Plant Machinery and Equipment				
3510803	Receipts from the Sale of office and general equipment				
	Total			-	
3 OTHER RECEIPTS					
Description			2015-2016	2014 - 2015	
			Kshs	Kshs	
1410107	Interest Received			-	

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1410405	Rents			-
120601	Sale of tender documents		20,000.00	12,000.00
1450207	Other Receipts Not Classified Elsewhere (specify)			-
	Total		20,000.00	12,000.00
2110000	4 COMPENSATION OF EMPLOYEES			
	Description		2015-2016	2014 - 2015
			Kshs	Kshs
2110201	Basic wages of contractual employees		1,215,442.25	1,107,141.45
2110202	Basic wages of casual labour			-
	Personal allowances paid as part of salary			
2110301	House allowance			-
2110314	Transport allowance			-
2110320	Leave allowance			
2120101	Employer contribution to NSSF		17,600.00	22,000.00
2110326	Other personnel payments			-
2710120	gratuity			
	Total		1,233,042.25	1,129,141.45
2200000	5 USE OF GOODS AND SERVICES			
	Description		2015-2016	2014 - 2015
			Kshs	Kshs
2210100	Utilities, supplies and services		200,000.00	235,016.00
2210104	Office rent		381,000.00	481,000.00
2210200	Communication, supplies and services		150,000.00	450,000.00
2210300	Domestic travel and subsistence		100,000.00	600,000.00
2210500	Printing, advertising and information supplies & services		500,000.00	300,000.00

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2210600	Rentals of produced assets				
2210700	Training expenses		2,484,000.00	1,500,000.00	
2210802	Other committee expenses		806,000.00	1,500,000.00	
2210809	Committee allowance		1,368,740.00	2,199,250.00	
2210800	Hospitality supplies and services				
2210900	Insurance costs				
2211000	Specialised materials and services				
2211100	Office and general supplies and services		685,753.00	852,360.00	
2211200	Fuel ,oil & lubricants				
2211300	Other operating expenses/b charges/KENAO		225,790.00	630,610.00	
2220100	Routine maintenance – vehicles and other transport equipment				
2220200	Routine maintenance – other assets				
	Total		6,901,283.00	8,748,236.00	
2630200	6 TRANSFER TO OTHER GOVERNMENT ENTITIES				
	Description		2015-2016	2014 - 2015	
			Kshs	Kshs	
2630204	Transfers to primary schools		6,162,346.50	729,916.00	
2630205	Transfers to secondary schools		10,408,764.90	26,864,032.80	
2630206	Transfers to Tertiary institutions				
2630207	Transfers to Health institutions				
	TOTAL		16,571,111.40	27,593,948.80	
2640000	7 OTHER GRANTS AND OTHER PAYMENTS				
	Description		2015-2016	2014 - 2015	
			Kshs	Kshs	
2640101	Bursary -Secondary		19,542,834.00	23,175,000.00	

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2640102	Bursary -Tertiary				
2640104	Bursary-Special schools				
340105	Mocks & CAT				
2640504	water/Sewers				
2640505	Agriculture (food security)				
2640506	Electricity projects		3,316,246.20	3,629,779.08	
2640507	Security		3,298,172.00		
2640508	Roads		21,000,000.00		
2640509	Sports		1,863,853.80		
2640510	Environment		1,863,853.80		
2640200	Emergency Projects (specify)		3,750,000.00	349,500.00	
2640511	Development - factories/stadiums				
	Total		54,634,959.80	27,154,279.08	
3100000	9 ACQUISITION OF ASSETS				
	Non-Financial Assets		2015-2016	2014- 2015	
			Kshs	Kshs	
3110102	Purchase of Buildings				
3110202	Construction of Buildings				
3110302	Refurbishment of Buildings				
3110701	Purchase of Vehicles				
3110704	Purchase of Bicycles & Motorcycles				
3110801	Overhaul of Vehicles				
3111001	Purchase of Office furniture and fittings			998,000.00	
3111002	Purchase of computers ,printers and other IT equipments/strategic plan		1,800,000.00		
3111005	Purchase of photocopier				
3111009	Purchase of other office equipments				
3111112	Purchase of soft ware		500,000.00		
3130101	Acquisition of Land				
	Total		2,300,000.00	998,000.00	

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10 OTHER PAYMENTS				
		2015-2016	2014- 2015	
		Kshs	Kshs	
specify			-	
specify			-	
TOTAL			-	
11A: Bank Balances (cash book bank balance)				
Name of Bank	Account Number	2015-2016	2014 - 2015	
		Kshs	Kshs (30/6/2015)	
Equity bank -		34,090,483.72	20,067,302.17	
			-	
			-	
Total		34,090,483.72	20,067,302.17	
11B: CASH IN HAND				
		2015-2016	2014 - 2015	
		Kshs	Kshs (30/6/2015)	
Location 1		-	-	
Location 2		-	-	
Location 3		-	-	
Other receipts (specify)		-	-	
		-	-	
Total		-	-	
			[Provide cash count certificates for each]	
11C: OUTSTANDING IMPRESTS				

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	Name of Officer	Date imprest taken	Amount Taken Kshs	Amount Taken Kshs	Balance (30/6/2016) Kshs
	Name of Officer	dd/mm/yy		-	
	Name of Officer	dd/mm/yy		-	
	Name of Officer	dd/mm/yy		-	
	Name of Officer	dd/mm/yy		-	
	Name of Officer	dd/mm/yy		-	
	Name of Officer	dd/mm/yy		-	
	Name of Officer	dd/mm/yy		-	
	Total				
12 Retention					
	Supplier/Contractor	PV no	2015 - 2016	2014 - 2015	
			-	-	
			-	-	
			-	-	
	Total		-	-	
13 BALANCES BROUGHT FORWARD					
			2015 - 2016	2014 - 2015	
			Kshs (1/7/2015)	Kshs (1/7/2014)	
	Bank accounts		20,067,302.17	6,361,593.00	
	Cash in hand			-	
	Imprest			-	
	Total		20,067,302.17	6,361,593.00	
	<i>[Provide short appropriate explanations as necessary]</i>				
14 PRIOR YEAR ADJUSTMENTS					
				2014 - 2015	
	Bank accounts			Kshs	
	Cash in hand			-	
	Imprest			-	

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Total

15 OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

2014 - 2015

Kshs

Construction of buildings

Construction of civil works

Supply of goods

Supply of services

TOTAL

15.2: PENDING STAFF PAYABLES (See Annex 2)

2014 - 2015

Kshs

Senior management

Middle management

Unionisable employees

Others (*specify*)

15.3: OTHER PENDING PAYABLES (See Annex 3)

2014 - 2015

Kshs

Amounts due to other Government entities (see attached list)

Amounts due to other grants and other transfers (see attached list)

Others (*specify*)

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ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount a	Date Contracted b	Amount Paid To-Date c	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
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						

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
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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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount a	Date Payable Contracted b	Amount Paid To-Date c	Outstanding Balance 2016 d=a-c	Outstanding Balance 2014	Comments
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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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	(Kshs) 2015/16	(Kshs) 2014/15
Land	-	
Buildings and structures	-	
Transport equipment	-	
Office equipment, furniture and fittings	998,000	998,000.00
ICT Equipment, Software and Other ICT Assets	1,800,000	
Other Machinery and Equipment	-	
Heritage and cultural assets		
Intangible assets	500,0000	
Total	3,298,000	998,000.00

