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OFFICE OF THE AUDITOR-GENERAL

20 FEB 2018

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REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2016**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
SEME 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 –
SEME CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2016

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CONSTITUENCY DEVELOPMENT FUND- SEME CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (CDF) was established under the CDF Act 2003, amended in 2007 and repealed by the CDF Act, 2013.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

(b) Key Management

The Seme 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 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Tom Wasike
3.	Accountant	George Okongo

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Seme Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) SEME NGCDF Headquarters

NGCDF Office Building
P.O Bo 209-40100
KOMBEWA.

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
CONSTITUENCY**

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

(f) SEME NGCDF Contacts

Telephone: (254) 0722 359230
E-mail: seme@NGCDF.go.ke

(g) SEME NGCDF Bankers

Equity Bank Angawa Avenue
P.O Box
KISUMU

(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

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
CONSTITUENCY**

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

II. FORWARD BY THE CHAIRPERSON SEME NGCDFC

Seme NGCDFC wish to state, in its summary, the budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF has improved the Education and Security infrastructures of Seme constituency.

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

The NGCDFC wish that the issues of having projects on going status for more than 2 years be stopped and the NGCDF board to reduce the rate of staff turnovers in Constituencies, that is, FAM transfers.

Sign..........

CHAIRPERSON NGCDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
CONSTITUENCY**

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

III. STATEMENT OF NGCDF 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 NGCDF shall prepare financial statements in respect of that NGCDF. 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 Seme NGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF 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 NGCDF; (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 NGCDF; (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 Seme NGCDF accepts responsibility for the NGCDF'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 NGCDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2016, and of the NGCDF's financial position as at that date. The Accounting Officer charge of the Seme NGCDF further confirms the completeness of the accounting records maintained for the NGCDF, which have been relied upon in the preparation of the NGCDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Seme NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF'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 NGCDF'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.

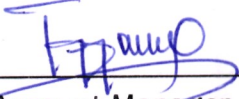
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
CONSTITUENCY**

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

Approval of the financial statements

The NGCDF's financial statements were approved and signed by the Accounting Officer on

September 1 2016.



Fund Account Manager

REPUBLIC OF KENYA

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Website: www.kenao.go.ke



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OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SEME 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-Seme Constituency set out on pages 6 to 39, which comprise the statement of receipts and payments for the year ended 30 June 2016, and the statement of assets, statement of cash flows, 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that

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

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 opinion.

Basis for Qualified Opinion

1. Revenue

Note 1 to the financial statements reflects Kshs.105,068,263 as total receipts. However, records from National Government Constituencies Development Fund (NGCDF) Board indicates that a total of Kshs.108,190,093 was disbursed to the Constituency Fund resulting to an unreconciled variance of Kshs.3,121,830.

Consequently, the understatement of the NGCDF receipts by Kshs.3,121,830 cannot be ascertained.

2. Summary Statement of Appropriation

Included in the summary statement of appropriation recurrent and development of the final receipt budget of Kshs.165,350,193 is an adjustment of Kshs.57,160,100 which is however not supported by any documentary evidence.

Consequently, the accuracy and validity of the financial statements could not be ascertained.

3. Cash and Cash Equivalents

The bank reconciliation statement as at 30 June 2016 reflects unrepresented cheques of Kshs.1,560,842 which include Kshs.525,346 in respect of stale cheques that have not been reversed in the cashbook.

Consequently, it has not been possible to confirm that the cash and cash equivalents balance of Kshs.28,613,362 as at 30 June 2016 is fairly stated.

4. Procurement of School Buses

Included in the the transfers to other government entities balance of Kshs.59,958,666 is Kshs. 24,834,868 reportedly paid to secondary schools for the purchase of four buses through quotations contrary to Section 88(b) of the Public Procurement and Disposal Act, 2005 which states that a procuring entity may use a request for quotations for a procurement if the estimated value of goods being procured is less than or equal to the prescribed maximum value for using requests for quotations. The purchase of the buses was not competitive as stipulated by the Act.

Consequently, the management breached the tender procurement laws by purchasing the buses without advertising.

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 National Government Constituencies Development Fund-Seme 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 comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

1. Budget Analysis

During the year under review, the Constituency budgeted to spend Kshs.165,350,193 on various transfers and projects while actual expenditure totalled Kshs.81,512,737 as detailed below:

Expenditure Item	Budget Kshs.	Actual Kshs.	Under Expenditure Kshs.	Absorption %
Employees' Salaries	2,200,000	1,508,190	691,810	67
Use of Goods and Services	14,282,008	6,283,156	7,998,852	44
Transfers to Other Government Units	118,877,410	59,958,666	58,918,744	50
Other grants and Transfers	25,790,775	9,589,225	16,201,550	37
Acquisition of Assets	4,200,000	4,173,500	26,500	99
Total	165,350,193	81,512,737	83,837,456	

It was noted that the management underspent a total of Kshs.83,837,456 on five expenditure items and as a result achieved budget absorption 49%.

Failure to absorb the whole of the approved budget resulted in residents of the Constituency failing to receive essential public services planned for delivery during the year.

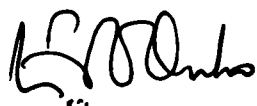
2. Projects Verification

Four out of eight (8) projects costing Kshs.14,868,060 verified in May 2017 were found to be complete and in use. The remainder few were on-going as detailed below:

	Project Name	Activity	Budget (Kshs)	Project status	Observation
1	Adminstration Block-Ridore	Construction of block	800,000	On-going	Building at lintal stage. construction had stopped
2	KMTC-Kombewa	Hostels, fencing and gate	6,500,000	On-going	Work in progress
3	Omuya Secondary School	Laboratory construction	1,168,060	On-going	Construction upto foundation
4	Miranga Primary School	Construction of two classrooms	1,600,000	On-going	Plastering in progress
	Total		10,068,060		

3. Pending Bills

Note 15.1 and 15.2 to the financial statements indicates that the Constituency had accumulated pending bills totalling Kshs.9,974,885 as at 30 June 2016. However, the management failed to provide an explanation why the bills were not paid in the year under review. Further, failure to pay pending bills in the year they relate to distorts the financial statement for the year and also affects service delivery in the subsequent year.



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

Nairobi

11 December 2017

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
CONSTITUENCY**


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

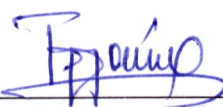
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	105,068,263	51,068,261
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		105,068,263	51,068,261
PAYMENTS			
Compensation of employees	4	1,508,190	1,694,664
Use of goods and services	5	6,293,156	7,237,343
Transfers to Other Government Units	6	59,958,666	42,700,000
Other grants and transfers	7	9,589,225	33,299,610
Acquisition of Assets	8	4,173,500	8,087,998
Other Payments	9	-	-
TOTAL PAYMENTS		81,522,737	93,019,615
SURPLUS/DEFICIT		23,545,525	(41,951,354)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Seme NGCDF financial statements were approved on

September 1 2016 and signed by:


Chairperson- NGCDFC


Fund Account Manager

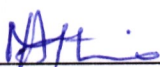
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
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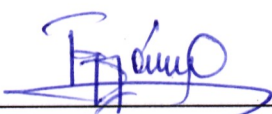
Reports and Financial Statements For the year ended June 30, 2016

V. STATEMENT OF ASSETS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	28,603,362	6,091,837.00
Cash Balances (cash at hand)	10B	-	-
Total Cash and Cash Equivalents		28,603,362	
Outstanding Imprests	11	1,034,000	
TOTAL FINANCIAL ASSETS		29,637,362	6,091,837.00
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July 2015	13	6,091,837	48,043,191.00
Surplus/Deficit for the year		23,545,525	(41,951,354.00)
Prior year adjustments	14	-	
NET LIABILITIES		29,637,362	6,091,837.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Seme NGCDF financial statements were approved on September 1 2016 and signed by:


Chairperson - NGCDFC


Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND SEME
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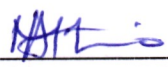
Reports and Financial Statements For the year ended June 30, 2016

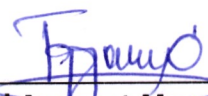
VI. STATEMENT OF CASHFLOW

		2015 - 2016	2014 - 2015
Receipts for operating income			
Transfers from CDF Board	1	105,068,263	51,068,261
Other Receipts	3	-	-
		105,068,263	51,068,261
Payments for operating expenses			
Compensation of Employees	4	1,508,190	1,668,644
Use of goods and services	5	6,293,156	7,237,343
Transfers to Other Government Units	6	59,958,666	42,700,000
Other grants and transfers	7	9,589,225	33,299,610
Other Payments	9	-	26,020
		77,349,237	84,931,617
Adjusted for:			
Adjustments during the year	14	-	-
Changes in Accounts Receivables		(1,034,000)	
Net cash flow from operating activities		26,685,025	(33,863,356)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(4,173,500)	(8,087,998)
Net cash flows from Investing Activities		(4,173,500)	(8,087,998)
NET INCREASE IN CASH AND CASH EQUIVALENT		22,511,525	(41,951,354)
Cash and cash equivalent at BEGINNING of the year	13	6,091,837	48,043,191
Cash and cash equivalent at END of the year		28,603,362	6,091,837

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Seme NGCDF financial statements were approved on

September 1 2016 and signed by:


Chairperson NGCDF


Fund Account Manager


CONSTITUENCIES DEVELOPMENT FUND SEME CONSTITUENCY

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

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	108,190,093	57,160,100	165,350,193	111,160,100	54,190,093	67.2%
Proceeds from Sale of Assets						
Other Receipts	-					
TOTAL	108,190,093	57,160,100	165,350,193	111,160,100	54,190,093	67.2%
PAYMENTS						
Compensation of Employees	2,200,000		2,200,000	1,508,190	691,810	68.6%
Use of goods and services	13,821,542	460,466	14,282,008	6,283,156	7,998,852	44.0%
Transfers to Other Government Units	69,873,302	49,004,108	118,877,410	59,958,666	58,918,744	50.4%
Other grants and transfers	18,095,249	7,695,526	25,790,775	9,589,225	16,201,550	37.2%
Acquisition of Assets	4,200,000		4,200,000	4,173,500	26,500	99.4%
Other Payments						
TOTAL	108,190,093	57,160,100	165,350,193	81,512,737	83,837,456	49.3%

Some constituency was able to attain 46.9% absorption rate of its budget during the financial year under review. The achievement could have been much higher were it not for the 3 month hiatus when CDF committee was not in place. The Same NGCDF financial statements were approved on September 1 2016 and signed by:


Chairperson 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 NGCDF 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 NGCDF.

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SEME
CONSTITUENCY**

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

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.

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 NGCDF at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The NGCDF'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 NGCDF'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 CONSTITUENCIES DEVELOPMENT FUND – SEME
CONSTITUENCY**

**Reports and 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
Normal Allocation	A820999	17,000,000.00	25,534,131
	A820928	27,000,000.00	14,320,478
	A820693	10,000,000.00	11,213,652
	A790766	25,534,131.25	0
	A796231	25,534,131.25	0
Total		105,068,262.5	51,068,261

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		

3. OTHER RECEIPTS

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

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	1,433,990	1,642,624
Basic wages of casual labour		
Personal allowances paid as part of salary		
House allowance		
Transport allowance		
Leave allowance		
Other personnel payments		
Employer contribution to NSSF gratuity	74,200	26,020
Total	1,508,190	1,668,644

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services	16,301	100,965
Office rent		
Communication, supplies and services		135,466
Domestic travel and subsistence	249,500	
Printing, advertising and information supplies & services	549,104	
Rentals of produced assets		
Training expenses	1,518,704	120,000
Hospitality supplies and services	642,750	
Other committee expenses		3,362,070
Committee allowance	2,417,060	2,504,984
Insurance costs		
Specialized materials and services		
Office and general supplies and services		
Fuel ,oil & lubricants	500,000	800,000
Other operating expenses		
Routine maintenance – vehicles and other transport equipment	389,737	213,858
Routine maintenance – other assets		
	6,283,156	7,237,343

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to primary schools	12,394,000	21,887,931
Transfers to secondary schools	40,264,666	14,300,000
Transfers to Health institutions	0	4,712,070
Transfers to Tertiary institutions	7,300,000	1,799,999
TOTAL	59,958,666	42,700,000

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016 Kshs	2014 -2015 Kshs
Bursary – tertiary institutions (see attached list)	4,084,000	11,150,648
Bursary – special schools (see attached list)	1,691,000	
Mock & CAT (see attached list)		
Water projects (see attached list)		
Agriculture projects (see attached list)		
Electricity projects (see attached list)		
Security projects (see attached list)	500,000	
Roads projects (see attached list)		
Sports projects (see attached list)	898,253	
Environment projects (see attached list)	1,615,972	
Other Projects (see attached list)		15,874,795
Emergency Projects (specify)	800,000	6,274,167
Total	9,589,225	33,299,610

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8. ACQUISITION OF ASSETS

Non Financial Assets	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	4,000,000	7,905,998
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	-
Purchase of Bicycles & Motorcycles	-	182,000
Overhaul of Vehicles	-	-
Purchase of office furniture and fittings	-	-
Purchase of computers ,printers and other IT equipments	173,500	-
Purchase of photocopier	-	-
Purchase of other office equipments	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
Total	4,173,500	8,087,998

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10A: Bank Accounts (cash book bank balance)

Description			
Name of Bank, Account No. & currency		2015 - 2016	2014 - 2015
	Account Number	Kshs (30/6/2016)	Kshs (30/6/2015)
Equity Ang'awa Branch Kisumu	1260261899624	28,603,362	6,091,837
Total		28,603,362	6,091,837

10B : CASH IN HAND

	2015 – 2016	2014– 2015
	Kshs	Kshs
Location 1		
Location 2		
Other Locations (specify)		
Total		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Tom Wasike		6,061,118	5,027,118	1,034,000

13. BALANCES BROUGHT FORWARD

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	6,091,837	48,043,192
Cash in hand	-	-
Total	6,091,837	48,043,192

14. PRIOR YEAR ADJUSTMENTS

	Kshs	Kshs
	0	0
	0	0
	00	00

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015- 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	8,828,330.00	3,628,014.00
Construction of civil works	0	0
Supply of goods	292,059.50	0
Supply of services	612,506.35	345,542.00
	<u>9,732,895.85</u>	<u>3,973,556.00</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	0	0
Middle management	0	0
Unionisable employees	0	0
Others (specify) GRATUITY	241,990.00	0
	<u>241,990.00</u>	<u>0</u>

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	0	0
Amounts due to other grants and other transfers (see attached list)	0	0
Others (specify)	0	0
	<u>00</u>	<u>00</u>

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SEME CONSTITUENCY
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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 2015 d=a-c	Outstanding Balance 2014	Comments
Construction of buildings						
1. Transfer to schools	69873302				3628014	The outstanding amount arising due to variations to different projects
2. Office construction	1520000				5200316	
3.	0				0	
Sub-Total	71393302				8828330	
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7. Desnol Investments					292059.50	
8. Ounga Commercial Agencies					0	
9.					0	
Sub-Total					292059.5	
Supply of services						
10. CMC					265606.35	Outstanding amount on repairs of GK A647 T
11. Kogero Motors					166900	Outstanding amount on repairs of GK A647 T
12. Ounga Commercial Agencies					180000	Outstanding amount on rent
Sub-Total					612506.85	
Grand Total					9732896.85	

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ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	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. Staff Gratuity					241990		
11.					0		
12.					0		
Sub-Total							
Grand Total					241990		
					241990		

NATIONAL GOVERNMENT ENTITY - SEME CONSTITUENCY
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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
		A	b	c	d=a-c		
Amounts due to other Government entities							
1.	Transfer to Schools				47069904		
2.					0		
3.					0		
	Sub-Total				47069904		
Amounts due to other grants and other transfers							
4.	Transfer to other GoK institutions (Emergency)				4102081		
5.	Seme NG CDF				2937108		
6.					0		
	Sub-Total				7039189		
	Sub-Total						
Others (specify)							
7.							
8.							
9.							
	Sub-Total						
	Grand Total				54109093		

NATIONAL GOVERNMENT ENTITY - SEME CONSTITUENCY
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Land	N/A	N/A
Buildings and structures	19031280	15005999
Transport equipment	5152000	5152000
Office equipment, furniture and fittings	293000	293000
ICT Equipment, Software and Other ICT Assets	834000	660500
Other Machinery and Equipment	0	0
Heritage and cultural assets	0	0
Intangible assets	0	0
Total	25310280	21111499

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – SEME
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**Tom Wasike
Fund Account Manager
SEME CONSTITUENCY**

