

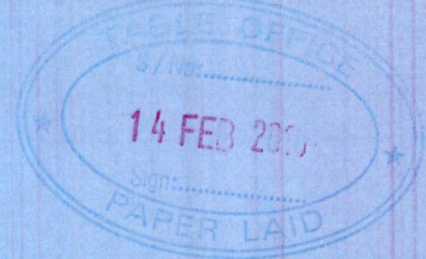
REPUBLIC OF KENYA

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*Paper laid  
Wednesday  
14/2/2018  
Afternoon sitting  
A.S.*

OFFICE OF THE AUDITOR-GENERAL



**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE 2016**



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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-  
EMBAKASI EAST CONSTITUENCY**

**REPORTS AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2016**

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

**CONSTITUENCY DEVELOPMENT FUND – EMBAKASI EAST 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The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The *Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *Constituencies Development Fund*. The objective of the fund to ensure that specific portion of the national annual budget is devoted to the constituencies for purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

**(b) Key Management**

The *EMBAKASI EAST Constituency's* day-to-day management is under the following key organs:

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

**(c) Fiduciary Management**

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Susan Nthiiri
3.	Accountant	Cleophas Oyaro
4.		

**(d) Fiduciary Oversight Arrangements**

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

**(e) EMBAKASI EAST CDF Headquarters**

P.O. Box 2360-00515  
Greenspan mall  
Along old Donholm Road  
Nairobi, KENYA

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

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**(f) EMBAKASI EAST CDF Contacts**

Telephone: (254)  
E-mail: XXXXXXXX.go.ke  
Website: www.go.ke

**(g) EMBAKASI EAST CDF Bankers**

1. Equity Bank  
Embakasi  
P.O. Box 5328-20100  
Nairobi, Kenya

Equity Bank...  
Donholm  
P.o Box 5328-20100  
Nairobi Kenya

**(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 NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (CDFC)**

*[Put the forward note by the Chairman CDFC]*

The people of Embakasi east constituency are determined to participate effectively in domesticating objectives of vision 2030 in our development planning. The constituents now have power to implement the formulation and implementation of development programmes in the constituency for the works within the aspiration of the constitution of Kenya which makes public participation mandatory. The utilization of the NG-CDF has always been carried out with fairness, transparency, openness and accountability.

**Financial year budget**

In the financial year 2015/16 the NG-CDF Embakasi east was allocated Ksh. 93,717,850.00 in which the office has since only got the first disbursement of ksh. 46,000,000.00. The utilization has went well in which 70% of the funds allocated to projects has been utilized effectively as bellow.

*Table 1.0 summary of budget perfomance*

<b>PROJECT</b>	<b>STATUS IN%</b>
Utawala Secondary	90%
Donholm Primary Library	100%
Edelvale Primary Classrooms	70%
Mihango Primary Multipurpose Hall	40%
Embakasi Garrison Primary School Classrooms	90%
Embakasi Garrison Secondary-completion of Administration block	40%
Embakasi primary toilet block	70%
Bursary for the needy	90%

**Key achievements**

We have therefore completed our allocations in time, and achieved the results as stipulated in the summary table above.

**Challenges and emerging issues**

There is a great challenge which is the in availability of land which forces the constituency to re-allocate most of its projects which requires land.

There is also a challenge in the education sector this is because there are many needy students who are in need of support through the bursary fund which is never enough; this is due to lower middle income economy status within the constituency.

We therefore recommend that if the community and the National Government could join hand and avail land for CDF to realize the said projects which require land efficiently.

Sign.....

**CHAIRMAN NG-CDFC**

**III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES**

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government agency shall prepare financial statements in respect of that agency. 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 EMBAKASI EAST Constituency Development Fund is responsible for the preparation and presentation of the EMBAKASI EAST CDF financial statements, which give a true and fair view of the state of affairs of the EMBAKASI EAST 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 CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.


The Accounting Officer in charge of the EMBAKASI EAST CDF accepts responsibility for the 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 CDF's financial statements give a true and fair view of the state of CDF's transactions during the financial year ended June 30, 2015, and of the CDF's financial position as at that date. The Accounting Officer charge of the EMBAKASI EAST CDF further confirms the completeness of the accounting records maintained for the CDF, which have been relied upon in the preparation of the CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the EMBAKASI EAST CDF confirms that the CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the 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 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 CDF's financial statements were approved and signed by the Accounting Officer on AUGUST 2016.

FUND ACCOUNT MANAGER  
EMBAKASI EAST CDF  
P.O. BOX 2360  
DATE:



Fund Account Manager



Chairman CDFC

# REPUBLIC OF KENYA

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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 – EMBAKASI EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2016

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#### REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Embakasi East Constituency set out on pages 5 to 25, 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 International Public Sector Accounting Standard (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 with a view to obtain reasonable assurance about whether the financial statements are free from material misstatements.

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

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Embakasi East 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 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. Presentation and Disclosures of the Financial Statements**

The statement of compliance and basis of preparation of the financial statements indicates that all values are rounded off to the nearest shilling. However, balances in the financial statements have not been rounded off to the nearest shilling. The financial statements are, therefore, not consistent with the basis of preparation and do not conform to the format prescribed by the Public Sector Accounting Standards Board.

#### **2. Bank Balance**

The statement of assets reflects bank balance of Kshs.14,102,938.28 as at 30 June 2016. A review of the bank reconciliation statement for June 2016, however, revealed unpresented cheques totalling to Kshs.16,889,225 out of which cheques totalling Kshs.454,155 were stale and had not been reversed in the cashbook as at 30 June 2016. Consequently, the accuracy and completeness of the bank balance of Kshs.14,102,938.28 as at 30 June 2016 cannot be confirmed.

### **Qualified Opinion**

In my opinion, except for the effect of 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 – Embakasi East Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year ended, in accordance with International Public Sector Accounting Standard (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

### **Other Matter**

#### **1. Budget and Budgetary Controls**

During the year under review, Embakasi East Constituency Fund incurred expenditure totalling Kshs.107,907,464 against an approved budget of Kshs.166,669,588 resulting in under-expenditure of Kshs.58,762,124 as shown below:

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

Item	Budgeted Amount (Kshs)	Actual Expenditure (Kshs)	Under/ Over Expenditure (Kshs)
Compensation of Employees	1,515,168	1,274,388	240,780
Use of goods and services	6,919,438	3,201,067	3,718,372
Transfers to Other Government Units	96,224,317	80,534,727	15,689,590
Other grants and transfers	57,582,598	22,897,283	34,685,315
Acquisition of Assets	4,428,067	-	4,428,067
<b>Total</b>	<b>166,669,589</b>	<b>107,907,464</b>	<b>58,762,124</b>

The under-expenditure indicates allocated funds were not utilized fully and all approved programs were not implemented. The budget did not, therefore, fully meet the objective of improving delivery of services to the residents of Embakasi East Constituency.

## 2. Bursaries to Students

As disclosed in Note 8 to the financial statements, other grants and transfers expenditure of Kshs.22,897,282 include, bursary to secondary schools of Kshs.3,324,500. However, bursary cheques totalling Kshs.536,194 had not been presented to the intended beneficiaries as at 30 June 2016. No explanation has been provided for failure to present the cheques to the beneficiaries.

## 3. Revenue

The Constituency budgeted to receive Kshs.120,480,869 but only received Kshs.90,293,067 in 2015/2016 financial year, resulting in underfunding of Kshs.30,187,802, from the Constituency Development Fund Board. No satisfactory explanation has been provided for the underfunding.



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

**Nairobi**


**16 January 2018**

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

**IV. STATEMENT OF RECEIPTS AND PAYMENTS**

	Note	2015-2016 Kshs	2014 - 2015 Kshs
<b>RECEIPTS</b>			
Transfers from Other Government Entities	1	90,293,067.00	81,733,886.40
Proceeds from Sale of Assets	2	-	-
Other Receipts	3		
<b>TOTAL RECEIPTS</b>		<b>90,293,067.00</b>	<b>81,733,886.40</b>
<b>PAYMENTS</b>			
Compensation of Employees	4	1,274,388.00	1,084,148.00
Use of goods and services	5	3,201,066.56	4,289,541.05
Committee Expenses	6		1,635,000.00
Transfers to Other Government Units	7	80,534,727.10	21,460,000.00
Other grants and transfers	8	22,897,282.55	23,479,989.00
Social Security Benefits	9	-	-
Acquisition of Assets	10	-	2,995,068.95
Other Payments	11		
<b>TOTAL PAYMENTS</b>		<b>107,907,464.21</b>	<b>54,970,866.80</b>
<b>SURPLUS/DEFICIT</b>		<b>(17,614,397.21)</b>	<b>26,763,019.60</b>

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

  
 Chairman - CDFC

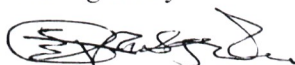
  
 Fund Account Manager

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

**V. STATEMENT OF ASSETS**

	Note	2015-2016 Kshs	2014 - 2015 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances (as per cash book)	12A	14,102,938.28	31,717,335.64
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>14,102,938.28</b>	<b>31,717,335.64</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	13	31,717,335.64	
Surplus/Deficit for the year		(17,614,397.21)	31,717,335.64
Prior year adjustments	14	-	-
<b>NET LIABILITIES</b>		<b>14,102,938.28</b>	<b>31,717,335.64</b>

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



Chairman - CDFC



Fund Account Manager

**CONSTITUENCY DEVELOPMENT FUND- EMBAKASI EAST CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2016**

**VI. STATEMENT OF CASHFLOW**

<b>Receipts for operating income</b>		<b>2015 - 2016</b>	<b>2014 - 2015</b>
Transfers from CDF Board	1	90,293,067.00	81,733,886.40
Other Receipts	3		
		<b>90,293,067.00</b>	<b>81,733,886.40</b>
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,274,388.00	1,084,148.00
Use of goods and services	5	3,201,066.56	4,289,541.05
Committee Expenses	6		1,635,000.00
Transfers to Other Government Units	7	80,534,727.10	21,460,000.00
Other grants and transfers	8	22,897,282.55	23,479,989.00
Social Security Benefits	9	-	
Other Payments	11		27,119.80
		<b>107,907,464.21</b>	<b>51,975,797.85</b>
<b>Adjusted for:</b>			
Adjustments during the year		-	-
<b>Net cash flow from operating activities</b>		<b>(17,614,397.21)</b>	<b>29,758,058.60</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	10		(2,995,068.00)
<b>Net cash flows from Investing Activities</b>		<b>(17,614,397.21)</b>	<b>26,763,019.60</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>28,658,671.10</b>	
<b>Cash and cash equivalent at BEGINNING of the year</b>	15	<b>3,058,664.39</b>	<b>4,954,316.04</b>
<b>Cash and cash equivalent at END of the year</b>	16	<b>14,102,938.28</b>	<b>31,717,335.61</b>

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

  
\_\_\_\_\_  
Chairman CDFC

  
\_\_\_\_\_  
Fund Account Manager

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST 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 a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisati on f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	93,717,850.00	26,763,019.60	<b>120,480,869.60</b>	90,293,067.00	30,187,802.60	71
Proceeds from Sale of Assets						
Other Receipts						
	<b>93,717,850.00</b>	<b>26,763,019.60</b>	<b>120,480,869.60</b>	<b>90,293,067.00</b>	<b>30,187,802.60</b>	<b>75</b>
					0.00	
<b>PAYMENTS</b>						
Compensation of Employees	1,515,168.10		1,515,168.10	1,274,388.00	240,780.10	84
Use of goods and services	6,919,438.40		6,919,438.40	3,201,066.56	3,718,371.84	46
Transfers to Other Government Units	51,224,317.00	45,000,000.00	96,224,317.00	80,534,727	15,689,589.90	81
Other grants and transfers	29,630,859.50	27,951,738.10	57,582,597.90	22,897,282.55	34,685,315.35	39.76
Acquisition of Assets	4,428,067.00		4,428,067.00		4,428,067.00	0.00
Other Payments						
<b>TOTALS</b>	<b>93,717,850.00</b>	<b>72,951,738.10</b>	<b>166,669,588.60</b>	<b>107,907,464.21</b>	<b>58,762,124.39</b>	<b>63</b>

(a) [For the revenue items, indicate whether they form part of the AIA by inserting the "AIA" alongside the revenue category.]

(b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

- i. Xxxx
- ii. Xxxx
- iii. Xxxx
- iv. Xxxx
- v. Xxxx

The EMBAKASI EAST CDF financial statements were approved on August 2016 and signed by:

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**



Chairman CDF

FUND ACCOUNT MANAGER

EMBAKASI EAST NG - CDF

P.O. BOX 2360 - 00519

DATE: ..... SIGN: 

Fund Account Manager

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

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## **VIII. SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *CDF* and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *CDF*.

### **2. Recognition of revenue and expenses**

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

### **3. In-kind contributions**

In-kind contributions are donations that are made to the *CDF* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *CDF* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

### **4. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

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

**6. Budget**

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

**7. Comparative figures**

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

**8. Subsequent events**

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

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1.1.1.1.1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description	2015-2016	2014 - 2015
	Kshs	Kshs
CDF Board		
AIE NO 759729	44,293,067.000	37,440,818.40
AIE NO 820923	23,000,000.00	22,146,534.00
AIE NO 825519	23,000,000.00	22,146,534.00
(other constituency e.g, parent constituency)	-	-
<b>TOTAL</b>	<b>90,293,067.00</b>	<b>81,733,886.40</b>

**1.1.1.1.1.1.2 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	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**1.1.1.1.1.1.3 OTHER RECEIPTS**

	<b>2015-2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

**1.1.1.1.1.1.4 COMPENSATION OF EMPLOYEES**

	<b>2015-2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic wages of contractual employees	1,274,388.00	1,084,148.10
Basic wages of casual labour	-	-
<b>Personal allowances paid as part of salary</b>		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	-	-
<b>Total</b>	<b>1,274,388.00</b>	<b>1,084,148.00</b>

1.1.1.1.1.1.5 USE OF GOODS AND SERVICES

	2015-2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services	250,000.00	330,000.00
Communication, supplies and services	210,000.00	150,000.00
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	190,000.00	470,000.00
Rentals of produced assets	-	-
Training expenses	580,000.00	2,554,402.00
Hospitality supplies and services		150,160.00
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	602,066.56	334,979.05
Other operating expenses	500,000.00	300,000.00
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
<b>Total</b>	<b>2,332,066.56</b>	<b>4,289,541.05</b>

1.1.1.1.1.1.1.6 COMMITTEE EXPENSES

	2015-2016	2014 - 2015
	Kshs	Kshs
Committee allowances	869,000.00	265,000.00
Other committee expenses		1,370,000.00
<b>Total</b>	<b>869,000.00</b>	<b>1,635,000.00</b>
<b>TOTAL</b>	<b>3,201,066.56</b>	<b>5,924,541.05</b>

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016**

**1.1.1.1.1.1.7 TRANSFER TO OTHER GOVERNMENT ENTITIES**

<b>Description</b>	<b>2015-2016</b>	<b>2014-2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Transfers to primary schools	46,372,093.31	9,500,000.00
Transfers to secondary schools	28,563,969.40	6,000,000.00
Transfers to Tertiary institutions		-
Transfers to Health institutions	5,598,664.39	5,960,000.00
<b>TOTAL</b>	<b>80,534,727.10</b>	<b>21,460,000.00</b>

**1.1.1.1.1.1.8 OTHER GRANTS AND OTHER PAYMENTS**

<b>Description</b>	<b>2015-2016</b>	<b>2014-2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Bursary –Secondary	3,324,500.00	19,591,500.00
Bursary –Tertiary		-
Bursary-Special schools		-
Mocks & CAT		-
water/Sewers	1,063,853.75	-
Agriculture (Markets)		-
Electricity projects		-
Security	10,425,000.00	-
Roads	1,370,928.80	-
Sports	782,000.00	884,441.00
Environment	931,000.00	826,000.00
Emergency Projects (specify)	5,000,000.00	2,178,048.00
Development - factories/stadiums	-	-
<b>Total</b>	<b>22,897,282.55</b>	<b>23,479,989.00</b>

**1.1.1.1.1.1.9 SOCIAL SECURITY BENEFITS**

<b><u>Non Financial Assets</u></b>	<b>2015-2016</b>	<b>2014-2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Employer Contribution to NSSF	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)***1.1.1.1.1.1.1.10 ACQUISITION OF ASSETS**

<u>Non Financial Assets</u>	<b>2015-2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
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	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	2995,068.95
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
<b>Total</b>		<b>2,995,068.95</b>





**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2016**

*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> )	-	-
<b>Total</b>	<b>0</b>	<b>0</b>

*[Provide cash count certificates for each]*

**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>
<i>Name of Officer or Institution</i>	dd/mm/yy		-	
<i>Name of Officer or Institution</i>	dd/mm/yy			
<i>Name of Officer or Institution</i>	dd/mm/yy			
<i>Name of Officer or Institution</i>	dd/mm/yy			
<i>Name of Officer or Institution</i>	dd/mm/yy			
<i>Name of Officer or Institution</i>	dd/mm/yy			
<b>Total</b>				<b>0</b>

*[Include an annex of the list is longer than 1 page.]*

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2016***NOTES TO THE FINANCIAL STATEMENTS (Continued)***13. BALANCES BROUGHT FORWARD**

	<b>2015-2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	14,102,938.28	31,717,335.54
Cash in hand		-
Imprest		-
<b>Total</b>	<b>14,102,938.28</b>	<b>31,717,335.54</b>

*[Provide short appropriate explanations as necessary]***14. PRIOR YEAR ADJUSTMENTS**

	<b>2015-2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>14,102,938.28</b>	<b>31,717,335.54</b>

**CONSTITUENCIES DEVELOPMENT FUND – EMBAKASI EAST CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2016****15. OTHER IMPORTANT DISCLOSURES****15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	<b>2015-2016</b>	<b>2014 - 2015</b>
	<b>Kshs</b>	<b>Kshs</b>
Construction of buildings		
Construction of civil works	3,613,350.81	8,510,333.10
Supply of goods	-	-
-Supply of services	-	-
	<b>3,613,350.81</b>	<b>8,510,333.10</b>

**15.2: PENDING STAFF PAYABLES (See Annex 2)**

	<b>Kshs</b>	<b>Kshs</b>
Senior management		-
Middle management	-	-
Unionisable employees	-	-
Others ( <i>specify</i> )	240,780.10	431,020.10
	<b>240,780.10</b>	<b>431,020.10</b>

**15.3: OTHER PENDING PAYABLES (See Annex 3)**

	<b>Kshs</b>	<b>Kshs</b>
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	25,927,931.00	4,888,297.15
Others ( <i>specify</i> )	-	-
	<b>25,927,931.00</b>	<b>4,888,297.15</b>

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016 (Kshs'000)**

**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	Comments
	a	b	c	d=a-c		
<b>Construction of buildings</b>						
1. EMBAKASI GARISSON SEC. SCHOOL	13,325,979.00		13,000,000.00	325,979.00		
<b>Sub-Total</b>	<b>13,325,979.00</b>		<b>13,000,000.00</b>	<b>325,979.00</b>		
<b>Construction of civil works</b>						
2.						
3.						
4.						
<b>Sub-Total</b>						
<b>Supply of goods</b>						
5. Office Operations	2,307,902.90		1,252,066.56	1,055,836.34		
6.						
7.						
<b>Sub-Total</b>	<b>2,307,902.90</b>		<b>1,252,066.56</b>	<b>1,055,836.34</b>		
<b>Supply of services</b>						
8. M/E	2,811,535.50		580,000.00	2,231,535.50		
9.						
10.						
<b>Sub-Total</b>	<b>2,811,535.50</b>		<b>580,000.00</b>	<b>2,231,535.50</b>		
<b>Grand Total</b>	<b>18,445,417.40</b>		<b>14,832,066.56</b>	<b>3,613,350.84</b>		

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016 (Kshs'000)**

**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		
<b>Senior Management</b>							
1.							
2.							
3.							
	Sub-Total						
<b>Middle Management</b>							
4.							
5.							
6.							
7.							
	Sub-Total						
<b>Unionisable Employees</b>							
7.							
8.							
9.							
	Sub-Total						
<b>Others (specify)</b>							
10. SALARIES		1,427,328.10	1/7/16	1,274,388.00	152,940.10		
11. NSSF		51,840.00	1/7/16		51,840.00		
12. NHIF		36,000.00	1/7/16		36,000.00		
	Sub-Total	1,515,168.10			240,780.10		
	<b>Grand Total</b>	1,515,168.10			240,780.10		

**NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016 (Kshs'000)**

**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		
<b>Amounts due to other Government entities</b>							
1.							
2.							
3.							
	<b>Sub-Total</b>						
<b>Amounts due to other grants and other transfers</b>							
4.	SPORTS	1,874,357.00		782,000.00	1,092,357.00		
5.	ENVIRONMENT	1,874,357.00		931,000.00	943,357.00		
6.	BURSARY	18,743,570.00		619,000.00	18,124,570.00		
7.	EMERGENCY	5,767,647.00			5,767,647.00	259.00	
	<b>Sub-Total</b>	<b>28,259,931.00</b>		<b>2,332,000.00</b>	<b>25,927,931.00</b>	<b>259.00</b>	
	<b>Sub-Total</b>						
<b>Others (specify)</b>							
8.							
9.							
10.							
	<b>Sub-Total</b>	<b>25,927,931.00</b>		<b>2,332,000.00</b>	<b>25,927,931.00</b>	<b>259.00</b>	
	<b>Grand Total</b>	<b>28,259,931.00</b>		<b>2,332,000.00</b>	<b>25,927,931.00</b>	<b>259.00</b>	

**NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)**  
**Reports and Financial Statements**  
**For the year ended June 30, 2016 (Kshs'000)**

**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

<b>Asset class</b>	<b>Historical Cost (Kshs) 2015-2016</b>	<b>Historical Cost (Kshs) 2014/15</b>
Land		
Buildings and structures	1,946,551.70	1,750,000.00
Transport equipment		4,493,167.00
Office equipment, furniture and fittings		
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment		2,197,000
Heritage and cultural assets	341,379.30	
Intangible assets		
<b>Total</b>	<b>2,287,371.00</b>	<b>8,440,167.00</b>

