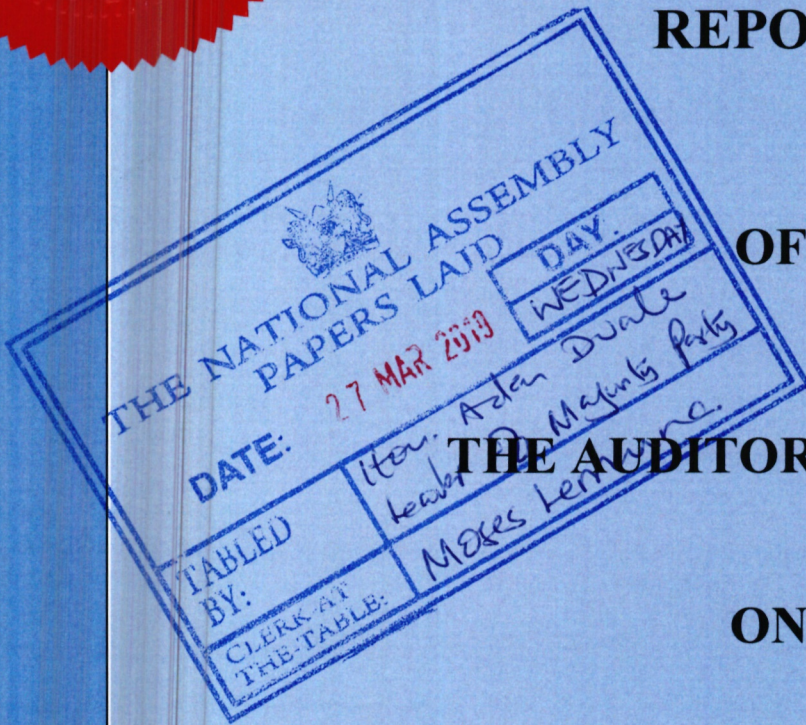
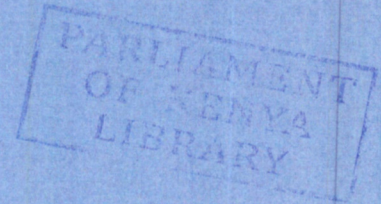


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT



OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
LAISAMIS CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017





OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI

29 SEP 2017

RECEIVED

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LAISAMIS CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

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

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

KENYA NATIONAL AUDIT OFFICE
EMBU HUB

09 OCT 2017

2121
Tel: 068 - 30260

P. O. BOX 113, EMBU

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
LAISAMIS CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NGCDF) was set up under the Constituencies Development Fund (CDF) Act, 2003 now repealed by the NGCDF Act, 2015. The NGCDF falls under the Department of Planning in the Ministry for Devolution and Planning. The objective of the fund is to ensure that specific portion of the national annual budget is devoted to the constituency for the purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

The Laisamis Constituency's day-to-day management is under the following key organs:

- i. 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 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Yusuf Mbuno
2.	Fund Account Manager	Danson G.Galgalo
3.	District Accountant	Benson Macharia
4.		

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of Laisamis 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) LAISAMIS CDF OFFICE

DDO'S OFFICE LAISAMIS

P.O BOX 183-60500

MARSABIT

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LAISAMISCONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

(e) LAISAMISCDF Contacts

Telephone: (254) 720058255
E-Mail:ggdanso@yahoo.com

(f) LAISAMIS CDF Bankers

1. Kenya Commercial Bank
P.O Box
MARSABIT
A/C NO 110265191...
...

(g) Independent Auditors

Auditor General
Kenya National Audit Office
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(h) Principal Legal Adviser

The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LAISAMISCONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)

Sign.....
CHAIRPERSON-LAISAMIS NG CDF

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LAISAMIS CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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.

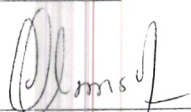
The Accounting Officer in charge of the Laisamis NGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility 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 Laisamis 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 30th 2017 and of the NGCDF's financial position as at that date. The Accounting Officer in charge of the Laisamis 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.

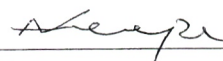
The Accounting Officer in charge of the Laisamis NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF's funds received during the year under audit were used for the eligible purposes 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.

Approval of the financial statements

The NGCDF's financial statements were approved and signed by the Accounting Officer on _____ 2017.



Fund Account Manager



Chairperson

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 - LAISAMIS CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Adverse Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Laisamis Constituency set out on pages 5 to 39, which comprise the statement of assets as at 30 June 2017, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation : recurrent and development for the year then ended, and a summary of significant accounting policies and other explanatory information, in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, the financial position of National Government Constituencies Development Fund-Laisamis Constituency as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and do not comply with the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, based on the procedures performed, I confirm that, public money has not been applied lawfully and in an effective way.

Basis for Adverse Opinion

1.0 Accuracy and Presentation of Financial Statements

1.1 Variances Between the Ledger and the Financial Statements

The financial statements for the year under review reflected a balance of Kshs.116,467,794 on four (4) expenditure items while the respective schedules reflected a balance of Kshs.34,231,906 resulting in an unexplained and unreconciled variance of Kshs.82,235,888 as follows;

Item	Financial Statements Kshs.	Supporting Documents Kshs.	Variance Kshs.
Compensation of Employees	1,550,755	647,000	903,755
Use of Goods and services	24,334,339	10,664,906	13,669,433
Transfer to other government units	52,458,500	11,300,000	41,158,500
Other grants and transfers	38,124,200	11,620,000	26,504,200
TOTALS	116,467,794	34,231,906	82,235,888

In the circumstances, the accuracy of the financial statements balances for the year under review could not be ascertained.

1.2 Presentation and Disclosure of the Financial Statements

The table of contents at page one (1) of the financial statements for the year under review revealed that the financial statements were forwarded by the Cabinet Secretary instead of the Chairman National Government Constituencies Development Fund Committee (NGCDFC) as required by the International Public Sector Accounting Standards, while the key constituency information and management and the table of content in the financial statements both bear the same page number (Page Number 1). Further, page 3 of the financial statements was blank while pages 9 to 23 were missing. In addition, paragraph two of the statement of NGCDF Management Responsibilities at page four of the financial statements for the year under review indicated that the information contained therein was for the financial year ended 30 June 2016. However, the information required for this audit should have been for the financial year ended 30 June 2017. It was also noted that the statement of assets reflects prior year adjustments of (Kshs.218,999) but there were no prior year adjustments in the previous year's audited financial statements while annexes 1 to 4 to the financial statements do not indicate the name of the entity. Further, five sheets of papers attached to the financial statements for the year under review, and containing information on projects have not been paged or headed

In the circumstances, the accuracy in the presentation and disclosure of the financial statements as at 30 June 2017 could not be confirmed.

2.0 Unaccounted for Bursaries

Note 7 to the financial statements for the financial year under review reflects other grants and other payments of Kshs.38,124,200 which includes bursaries totaling to Kshs.26,980,500 disbursed to students in tertiary institutions. However, perusal of records provided for audit revealed that only bursaries totaling Kshs.7,851,000 were acknowledged as having been received by the recipient institutions while the balance of Kshs.19,129,500 was not acknowledged by the respective Institutions. Further, the

application forms and vetting minutes for the Kshs.26,980,500 bursaries were not made available for audit review.

In the circumstances, the propriety of the Kshs.26,980,500 expenditure as at 30 June 2017 could not be confirmed.

3.0 Road Projects

Note 7 to the financial statements reflects other grants and other payments balance of Kshs.38,124,200 as at 30 June 2017 which included Kshs.3,997,700 spent on roads projects. However, the respective schedules reflected an expenditure of Kshs.2,999,800 leading to an unexplained variance of Kshs.997,900. Further, no approvals, budgets and the respective project files were provided for audit review.

As a result, the propriety of the Kshs.3,997,700 expenditure as at 30 June 2017 could not be confirmed.

4.0 Water Project

Note 7 to the financial statements reflects other grants and other payments balance of Kshs.38,124,200 as at 30 June 2017 which included water project expenditure of Kshs.7,146,000 which further included Kshs.770,000 paid out to Loglogo Water Users Association. However, no supporting documents including the request for funding, list of the beneficiaries, work tickets and items bought were availed for audit review. In the circumstances, the propriety of the Kshs.770,000 expenditure as at 30 June 2017 could not be confirmed.

5.0 Committee Expenses

Note 5 to the financial statements indicates use of goods and services balance of Kshs.24,334,339 as at 30 June 2017 which included other committee expenses and committee allowances of Kshs.11,063,833 and Kshs.2,371,000 respectively both totaling to Kshs.13,434,833. However, no supporting documents were made available for audit review.

In consequence, the accuracy and propriety of the Kshs.13,434,833 expenditure reflected in the financial statements as at 30 June 2017 could not be ascertained.

6.0 Other Operating Expenses

Note 5 to the financial statements reflects use of goods and services balance of Kshs.24,334,339 as at 30 June 2017 which included Kshs.1,090,000 spent under other operating expenses. However, no supporting documents and other related information were made available for audit scrutiny.

Consequently, the accuracy and propriety of the Kshs.1,090,000 expenditure as at 30 June 2017 could not be confirmed.

7.0 Fuel, Oil and Lubricants

Note 5 to the financial statements reflects use of goods and services balance of Kshs.24,334,339 as at 30 June 2017 which included Kshs.1,082,316 spent on fuel, oil and lubricants. However, no fuel register and consumption statement were made available for audit review. Further, there were no work tickets for the vehicles that were fuelled.

In the circumstances, the authenticity of the expenditure of Kshs.1,082,316 as at 30 June 2017 could not be confirmed.

8.0 Domestic Travel and Subsistence

Note 5 to the financial statements reflects use of goods and services balance of Kshs.24,334,339 as at 30 June 2017 which included Kshs.683,600 spent on domestic travel and subsistence. However, the respective supporting schedules reflects an expenditure of Kshs.1,540,000 leading to an unexplained variance of Kshs.856,400. Further and included in the Kshs.1,540,000 expenditure was Kshs.750,000 paid to a Hotel for accommodation purposes but whose details were not disclosed for audit review. In addition, no committee minutes, invitation letters and list of attendants were available. In the circumstances, the propriety of the Kshs.1,540,000 expenditure as at 30 June 2017 could not be confirmed.

9.0 Compensation of Employees

The financial statements for the year under review shows compensation of employees balance of Kshs.1,550,755 as at 30 June 2017 while the respective schedules showed a balance of Kshs.647,000 leading to an unexplained and unreconciled variance of Kshs.903,755. Further, no payroll and personnel files were made available for audit review.

Under the circumstance, the accuracy and propriety of the Kshs.1,550,755 expenditure as at 30 June 2017 could not be confirmed.

10.0 Transfers to Secondary Schools

Note 6 to the financial statements reflects transfer to other government entities balance of Kshs.52,458,500 as at 30 June 2017 which included Kshs.13,159,000 transferred to secondary schools. However, the supporting schedules reflected transfers of Kshs.8,600,000 leading to an unexplained variance of Kshs.4,559,000. Further, no supporting schedules were provided for audit review.

In the circumstances, the propriety of the expenditure of Kshs.13,159,000 as at 30 June 2017 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund - Laisamis Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of

financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my adverse opinion.

Key Audit Matters

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

Other Matter

1.0 Budget Control and Performance

The combined summary statement of appropriation reflects an original budget of Kshs.81,896,551. However, the amount received from the CDF Board was Kshs.98,057,466 which included Kshs.57,109,190 relating to the financial year 2015/2016 but received in the year under review and Kshs.40,948,276 for the year 2016/2017. The Fund did not receive Kshs.40,948,276 out of the Kshs.81,896,551 budget for the year under review. In addition, the statement of receipts and payments reflected receipts of Kshs.98,057,466 and payments of Kshs.116,467,794 resulting in a deficit of Kshs.18,410,327.

2.0 Project Implementation Status

The Fund had planned to implement 43 projects during the year under review at a cost of Kshs.35,555,172. However, 1 project worth Kshs.1,200,000 had not started while 11 projects with a cost of Kshs.9,300,000 were on-going and only 31 projects worth Kshs.25,055,172 had been completed as follows;

Project Status	Sector	Amount Allocated (Kshs.)	Amount Disbursed (Kshs.)	No. of Projects
Completed	Education	3,900,000	3,900,000	29
	Bursary	19,655,172	19,655,172	1
	Security	1,500,000	1,500,000	1
	Sub Total	25,055,172	25,055,172	31
Ongoing	Education	9,300,000	9,300,000	11
	Sub Total	9,300,000	9,300,000	
Not Started	Education	1,200,000	0	1
	Sub-Total	1200,000	0	
Grand Total		35,555,172	34,355,172	43

The constituents did not therefore receive promised and expected services worth Kshs.1,200,000 being the budgeted but unimplemented projects.

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

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

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

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

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

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

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

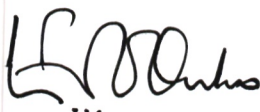
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Fund to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

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

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



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

Nairobi

19 February 2019

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LAISAMIS CONSTITUENCY

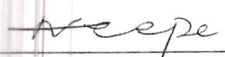
Reports and Financial Statements

For the year ended June 30, 2017

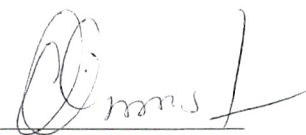
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017 Kshs	2015-2016 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	98,057,466.60	82,685,571.25
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		98,057,466.60	82,685,571.25
PAYMENTS			
Compensation of employees	4	1,550,755.00	1,680,514.00
Use of goods and services	5	24,334,339.00	7,841,769.80
Transfers to Other Government Units	6	52,458,500.00	44,609,950.00
Other grants and transfers	7	38,124,200.00	33,404,500.00
Acquisition of Assets	8	-	-
Other Payments	9	-	-
TOTAL PAYMENTS		116,467,794.00	87,536,733.80
SURPLUS/DEFICIT		(18,410,327.45)	(4,851,162.55)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Laisamis NGCDF financial statements were approved on _____ 2017, and signed by:



Chairman - NGCDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
LAISAMIS CONSTITUENCY

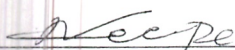
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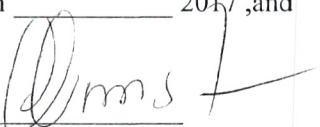
For the year ended June 30, 2017

V. STATEMENT OF ASSETS

	Note	2015-2016	2016-2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	1,273,350.15	19,683,677.60
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		1,273,350.15	19,683,677.60
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July...	13	19,683,677.60	24,753,839.55
Surplus/Deficit for the year		(18,410,327.45)	(4,851,162.55)
Prior year adjustments	14	-	(218,999.40)
NET LIABILITIES		1,273,350.15	19,683,677.60

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Laisamis NGCDF financial statements were approved on 2017, and signed by:


Chairman - NGCDF


Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
 LAISAMIS CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2017

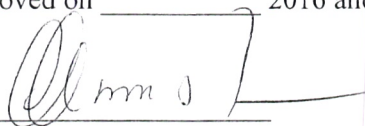
VI. STATEMENT OF CASHFLOW+

		2016-2017	2015-2016
Receipts for operating income			
Transfers from CDF Board	1	98,057,466.60	82,685,571.25
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	(1,550,755.00)	(1,680,514.00)
Use of goods and services	5	(24,334,339.05)	(7,841,769.80)
Transfers to Other Government Units	6	(52,458,500.00)	(44,609,950.00)
Other grants and transfers	7	(38,124,200.00)	33,406,500)
Other Payments	9	-	-
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		(116,467,794.05)	(4,851,162.55)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	-	-
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(18,410,327.45)	(4,851,162.55)
Cash and cash equivalent at BEGINNING of the year	13	19,683,677.60	24,753,839.55
Cash and cash equivalent at END of the year		1,273,350.15	19,683,677.60

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



 Chairman NGCDF



 Fund Account Manager

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	81896,551.75	84,737,401.60	142,528,505.10	98,057,466.60	40,948,275.75	130.53%
Proceeds from Sale of Assets			166,631,953.40	-	-	
Other Receipts	-			-	-	
TOTAL	81896551	84,735,401.60	75,120,689.43	98,057,466.60	40,948,275.75	130.53%
PAYMENTS						
Compensation of Employees	2,056,896.50		2,056,896.50	1,550,755.00	1,576,382.50	75.39%
Use of goods and services	5,313,792.00		5,313,793.00	24,334,339.05	(24,280,546.00)	45.7%
Transfers to Other Government Units	42,500,001.01		42,500,001.01	52,458,500.00	(9,958,498.99)	123.43%
Other grants and transfers	21,155,172.34	84,735,401.60	25,249,999.93	38,124,200.00	(12,874,200.07)	150.99%
Acquisition of Assets						
Other Payments						
TOTAL	81896551	84,735,401.60	75,120,659.43	116,467,794.10	(41,347,134.67)	155.04%

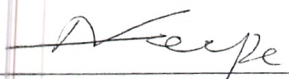
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND –
LAISAMISCONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2017

- (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 under utilization to compensation to employee below
ii. XXXX 50% is a result of late allocation delay.
iii. XXXX
iv. XXXX
v. XXXX

The Laisamis NGCDF financial statements were approved on _____ 2017, and signed by:



Chairman NGCDF



Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the 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.

4. Cash and cash equivalents

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

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the 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, 2017.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LAISAMIS
CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017**

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2016 - 2017	2015 - 2016
		Kshs	Kshs
Normal allocation			
	A855615	36,853,449.00	20,000,000.00
	A829639	4,094,827.00	20,000,000.00
	A825934	57,109,190.00	24,685,571.00
			16,000,000.00
TOTAL		98,057,466.60	82,685,571.00

2. PROCEEDS FROM SALE OF ASSETS

	2016– 2017	2015– 2016
	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		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LAISAMIS
 CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2016 - 2017 Kshs	2015 - 2016 Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2016 - 2017 Kshs	2015 - 2016 Kshs
Basic wages of contractual employees	1,550,755.00	1,680,514.00
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	-	-
Total	1,550,755.00	1,346,000.00

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LAISAMIS

CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2016 - 2017 Kshs	2015 - 2016 Kshs
Utilities, supplies and services		
Office rent	-	
Communication, supplies and services		
Domestic travel and subsistence	683,600.00	404,500.00
Printing, advertising and information supplies & services		
Rentals of produced assets	-	-
Training expenses	7,043,789.95	-
Hospitality supplies and services	-	
Other committee expenses	11,063,833.05	360,000.00
Committee allowance	2,371,000.00	5,354,990.20
Insurance costs	-	
Specialised materials and services	999,800.00	
Office and general supplies and services		9,750.00
Fuel ,oil & lubricants	1,082,316.00	1,303,254.00
Other operating expenses	1,090,000.00	329,508.90
Routine maintenance – vehicles and other transport equipment		298,776.00
Routine maintenance – other assets		
Total	24,334,339.00	7,841,769.80

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

Reports and Financial Statements

For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016- 2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools	39,299,500.00	25,097,950.00
Transfers to secondary schools	13,159,000.00	9,512,000.00
Transfers to tertiary institutions		10,000,000.00
Transfers to health institutions		
-TOTAL	52,458,500.00	44,609,950.00

7. OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2017	2015-2016
	Kshs	Kshs
Bursary – secondary schools		1,363,000.00
Bursary – tertiary institutions	26,980,500.00	
Bursary – special schools	-	-
Mock & CAT		900,000.00
Water projects	7,146,000.00-	14,943,500.00
14Agriculture projects	-	-
Electricity projects	-	-
Security projects		
Roads projects	3,997,700.00	14,198,000.00
Sports projects		600,000.00
Environment projects		1,400,000.00
Other Projects)		-
Emergency Projects		-
Total	38,124,200.00	33,404,500.00

Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS		
<u>Non-Financial Assets</u>	2016 - 2017	2015 - 2016
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	<hr/> <hr/>	<hr/> <hr/>

Reports and Financial Statements
 For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

Specify	2016 - 2017 Kshs	2015 - 2016 Kshs
---------	---------------------	---------------------

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016 Kshs	2015 - 20156 Kshs
Kenya Commercial Bank A/c	1,273,350.15	19,683,677.60
	-	-
	-	-
	-	-
	1,273,350.15	19,683,677.00
10B: CASH IN HAND		
	2016 - 2017	2015 - 2016
	Kshs	Kshs
Location 1		
Location 2		
Location 3		
Other Locations (specify)		
Total		
[Provide cash count certificates for each]		

11: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs

0

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

12 Retention			
Supplier/Contractor	PV no	2016 - 2017	2015 - 2016
		Kshs	Kshs
TOTAL			

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LAISAMIS
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Reports and Financial Statements
For the year ended June 30, 2017

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2016 - 2017 Kshs	2015 - 2016 Kshs
Bank accounts	1,273,350.15	19,683,677.60
Cash in hand		
Imprest	-	-
Total	<u>1,273,350.15</u>	<u>19,683,677.60</u>

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – LAISAMIS
 CONSTITUENCY

Reports and Financial Statements
 For the year ended June 30, 2017

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2016- 2017 Kshs	2015– 2016 Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	xxx	xxx
Middle management	xxx	xxx
Unionisable employees	xxx	xxx
Others (specify)	xxx	xxx
	xxx	xxx

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	xxx	xxx
Amounts due to other grants and other transfers (see attached list)	xxx	xxx
Others (specify)	xxx	xxx
	xxx	xxx

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

7NATIONAL GOVERNMENT ENTITY - Indicate actual name of the entity)

Reports and Financial Statements

For the year ended June 30, 2017 (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		
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						

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

Reports and Financial Statements

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

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	(Kshs)	(Kshs)
	2016/17	2015/16
Land	N/A	N/A
Buildings and structures		
Transport equipment		
Office equipment, furniture and fittings		
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total		

Prepared by:

GG DONSO
Fund Account Manager
LAISAMIS

Date	Project	Voucher No.	Cheque No.	Amount
29/11	Namare Project management		5778	100,000.00
29/11	Namare Project management Comm		5778	100,000.00
07/12	Mpugas dorm school		5795	1,500,000.00
	Galgallo Guyo	11		660,000.00
28/12	Kamboos Rd Project	21	5290	999,500.00
	Kamboos Rd Project	22	5290	998,900.00
	Raphed nepe	2		670,000.00
18/07	CDF staff balance pending balance	4		424,000.00
21/04	CDF staff NSSF - 112000 Jan. Bal	10		435,200.00
10/3	CDF staff NSSF Nov. 2016/Dec.2016	1		212,000.00
				1,071,200.00
				8,400.00
				21,250.00
				25,905.00
				1,126,755.00
				20,724.00
				17,000.00
				5,600.00
				380,676.00
				1,550,755.00

Date	Domestic Travel	Voucher No.	Amount
16/12	Galgalo	10	32,000.00
07/12		13	45,000.00
06/12		7	81,000.00
29/9		8	15,000.00
01/8		10	59,600.00
26/10		5	20,000.00
11/10			36,600.00
19/10	Raphaella	37	26,700.00
	Raphaella	38	23,300.00
26/10	Raphaella	39	
16/12	Raphaella	19	32,000.00
07/12	Raphaella	12	40,000.00
10/3	Raphaella	13	79,800.00
07/12	Raphaella	14	45,000.00
19/10	Raphaella	36	30,000.00
02/4	Jimmy Lenepe	12	30,000.00

	Jimmy Lenepe	11	39,000.00
26/10	Francis Letoo	39	48,600.00
			683,600.00

Date	Committee Allowances	Voucher No.	Cheque No.	Amount
14/10	Galgallo			196,000.00
16/12	Galgallo			728,000.00
25/5	CDFC			690,000.00
23/8	CDFC			228,000.00
16/12				409,000.00
18/7	Raphael			120,000.00
				2,371,000.00

Date	Strategic Plan	Amount
02/08	Gold Cost xxxxxxxx	999,800.00

Date	Fuel	Amount
30/09	O. S. Bastrum	703,600.00
17/03	O. S. Bastrum	378,716.00
		1,082,316.00

Date	Security	Amount
08/03	Marti Gudas Enterprises - Security	300,000.00
18	Galgallo - Peace Mission	790,000.00
		1,090,000.00

Date	Drugs abuse training		Amount
07/12	Galgallo	8	554,000.00
27/1	Galgallo	29	425,000.00
	Galgallo	30	380,000.00
8/3	Galgallo	6	130,000.00
	Galgallo	5	225,000.00
	Galgallo	7	300,000.00
	Galgallo	11	750,000.00
29/6	Galgallo	3	785,000.00
	Galgallo	6	685,000.00
	Galgallo	5	594,000.00
	Galgallo	4	85,000.00
	Galgallo	4	940,000.00
14/10	Galgallo	30	177,000.00
07/12	Raphaela	6	505,000.00

14/10	Raphaela	27	369,000.00
13/	Raphaela	31	
			7,305,000.00
			(261,210.05)
			7,043,789.95

Date	Other Committee		Amount
16/12	Galgallo - Project Identification	17	120,000.00
23/8	stakeholders	12	509,000.00
27/10	projects inspection	3	291,000.00
07/12		9	160,000.00
27/1	PMC Troups	27	550,000.00
08/3	M/G	8	280,000.00
	M/G	9	700,000.00
	M/G	1	270,000.00
19/5	M/G	9	63,000.00
18/5	M/G	10	60,000.00
	M/G	28	450,000.00
	M/G	15	889,000.00
	M/G	16	545,000.00
	M/G	17	665,000.00
14/10	M/G	32	126,000.00
	M/G	13	930,000.00
	M/G	12	750,000.00
27/10	Raphaela	4	140,000.00
2/12	Raphaela	10	144,000.00
22/07	Raphaela	1	190,000.00
29/5	Raphaela	13	745,000.00
27/10	Raphaela	2	600,000.00
13/10	Raphaela	31	140,000.00
		28	360,000.00
	Bank charges		9,353,000.00
			56,833.05
			9,733,833.05
			660,000.00
			670,000.00
			11,063,833.05

Date	Water		Amount
13/10	Logologo water user	27	770,000.00
14/10	Chalanga construction	26	526,000.00
30/06	Raphaela water	7	750,000.00

07/12	cheque	5	2,046,000.00
			5,000,000.00
			7,046,000.00

Date	Roads		Amount
19/1	Manyatta tirgamed road	26	998,800.00
	Kamboe road	4	1,000,000.00
02/02	Khol water users - Kurkum	32	1,000,000.00
			2,998,800.00
26/12	Kamboe road project	22	998,900.00
			3,997,700.00

Date	Transfer of Primary		Amount
07/10	New dawn primary	21	1,200,000.00
28/11	St. Dominic Savio	7	1,500,000.00
01/11	Silapani Primary	23	200,000.00
30/9	Loiyangalani Primary	18	400,000.00
18/10	Korr Primary	28	600,000.00
19/10	Kurtider Nomadic primary	34	1,400,000.00
10/10	Gangeisa Primary	23	1,500,000.00
30/09	Titus Ngoyoni Primary	19	200,000.00
05/10	marti primary	20	1,800,000.00
13/07	Lapendera primary	1	1,500,000.00
29/09	farakarsh Primary	15	2,000,000.00
30/09	Santur primary	16	1,400,000.00
19/04	St. Dominic Savio	7	2,000,000.00
20/04	Santur primary	8	1,400,000.00
04/04	marti primary	6	200,000.00
05/04	amalio primary	3	1,200,000.00
	Ngurnet primary	2	200,000.00
24/07	Gatab primary	11	2,000,000.00
22/03	Nomadic Katide	10	1,400,000.00
27/07	Losikirach Primary	6	1,400,000.00
30/03	Arge primary	1	200,000.00
21/03	Kamboe primary	6	2,000,000.00
16/03	Arge primary	5	1,400,000.00
	Jija primary	4	1,400,000.00
14/03	Olturot primary	3	500,000.00
08/03	Faritu Primary	10	600,000.00
21/03	hadad Primary	7	1,800,000.00
21/04	Larachi Primary	9	1,400,000.00
03/02	Emolo Bay Primary	31	1,800,000.00

11/08	ngurani Primary	11	1,700,000.00
06/12	Kambor primary	2	500,000.00
			36,800,000.00

Date Secondary Schools

Amount

21/03	Loiyangalani Secondary - Lab	8	1,800,000.00
01/08	Ngurnet secondary	8	700,000.00
	Laisamis secondary	7	600,000.00
01/11	Karale boys high	24	1,000,000.00
12/04		5	800,000.00
05/04	Tirrim secondary	4	1,200,000.00
23/05	Logologo Girls	7	959,000.00
24/03	Ngurnet secondary	12	2,500,000.00
			9,559,000.00

Date Bursaries

Amount

04/05	Secondary College	1	1,851,000.00
			374,000.00
			2,225,000.00
13/10	Secondary	7	752,000.00
15/07	Universities/College	3	6,050,000.00
	Universities/College		6,005,000.00
	Universities/College		584,000.00
11/5	Secondary		875,000.00
	Secondary	5	317,000.00
	Secondary		129,000.00
	Secondary		235,000.00
	Secondary	9	6,884,000.00
18/10	University		433,000.00
23/5	Secondary	26	470,000.00
16/5	Secondary	8	791,000.00
11/1	Secondary	6	590,500.00
			26,340,500.00



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