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

OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
SUNA WEST CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2016



SUNA WEST
FUND ACCOLIT
P.O. Box 76 - 40

CONSTITUENCY DEVELOPMENT FUND- SUNA WEST 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)**

SUNA WEST
FUND ACCOLIT
P.O. Box 76 - 40



CONSTITUENCY DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

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CONSTITUENCY DEVELOPMENT FUND- SUNA WEST 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The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013.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 *SUNA WEST 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 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Bernard konya
3.	Accountant	Fredrick Maragori
4.		

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of SUNA WEST Constituency. The reports and recommendation ARMC when adopted by the CDF Board are forwarded to the National Government Constituencies 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) SUNA WEST CDF Headquarters

P.O. Box 76
Bondo Nyironge Centre
Migori, KENYA

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

(f) SUNA WEST CDF Contacts

Telephone: (254) 720592929
E-mail: sunawest@ngcdf.go.ke
Website: www.go.ke

(g) SUNA WEST CDF Bankers

1. Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
Nairobi, Kenya
2. Cooperative Bank of Kenya
P.O BOX 234
MIGORI

(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

CONSTITUENCY DEVELOPMENT FUND- SUNA WEST CONSTITUENCY
Reports and Financial Statements
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II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (CDFC)

Suna West Ngcdf wish to appreciate the work being done by the Board such timely approval of Projects proposal and subsequence disbursement of Funds to respective constituencies Account.

The absorption of fund in the last financial year was averagely 93% in the sectors and as a result, the following are some of the key achievements in suna west since the conception of the funds.


- Through Bursary, we are able to several students in schools; this has increase enrolment and better and improved performance amongst the students.
- We have also been able to build three (3) AP Posts. This has enhanced the security with the constituency and reduced cattle rustle between Luos and kurias
- More classrooms have been built and renovated.

Challenges and Recommendations

1. Insufficient funds to cater for new infrastructures and bursaries needy students

The Board should lobby for more funds from treasury through M.Ps

Sign



Michael Okombo
CHAIRMAN NGCDFC

SUNA WEST NGCDF
CHAIRMAN NGCDFC
Michael Okombo

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

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.

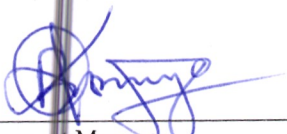
The Accounting Officer in charge of the SUNA WEST Constituency Development Fund is responsible for the preparation and presentation of the SUNA WEST NGCDF financial statements, which give a true and fair view of the state of affairs of the SUNA WEST NGCDF for and as at the end of the financial year (period) 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 SUNA WEST NGCDF 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 *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 *CDF's* financial position as at that date. The Accounting Officer charge of the SUNA WEST NGCDF 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.

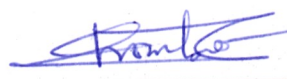
The Accounting Officer in charge of the SUNA WEST NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF's funds received during the year under audit were used for the eligible purposes 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 *CDF's* financial statements were approved and signed by the Accounting Officer on 30/6/16
2016.



Fund Account Manager



Chairman CDFC

REPUBLIC OF KENYA

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Fax: +254-20-311482
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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-SUNA WEST 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 - Suna West Constituency set out on pages 6 to 21, which comprise statement of assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation: recurrent and development for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the

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

auditor's judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor 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. Use of Goods and Services

Included in the use of goods and services balance as Kshs.6,732,584 are payments of Kshs.1,803,515 relating to committee expenses that were not supported with minutes, signed acknowledgement of receipts and activity schedules.

Consequently, the propriety of Kshs.1,803,515 could not be confirmed.

2. Transfers to Other Government Entities

Included in the transfers to other Government entities of Kshs.32,700,000 were transfers of Kshs.500,000 to God Kwer dispensary for renovation works and Kshs.700,000 to Ramoya Secondary School for the construction of a laboratory. However, the review of the supporting documents provided and physical verification of the projects revealed that no works had been done by the time of audit in May 2017.

Consequently, in the absence management explanation it has not been possible to confirm the propriety of the transfers amounting to Kshs.1,200,000 made during the year ended 30 June 2016.

3. Other Grants and Transfers

Included in other grants and transfers balance of Kshs.43,337,680 are payments of Kshs.10,260,930 for road projects. Out of this amount, there were payments totalling Kshs.3,500,000 for projects to roads that had been devolved. The projects were undertaken after 19 February 2016 when the National Government Constituencies Development Fund Act, 2015 came into operation and which prohibited funding of roads placed under the devolved governments.

Consequently the expenditure of Kshs.3,500,000 for the construction of roads contravened the provisions of the Act.

4. Cash and Cash Equivalents

4.1. Bank and Cash Balances

The bank balances as at 30 June 2016 reflects Kshs.23,066,336. A review of the bank reconciliation statements and the cash books however revealed the following anomalies:

- i) The cash book balance is indicated as Kshs.4,688,596 and therefore leading to an unexplained difference of Kshs.18,377,740.
- ii) Cheque payments totalling Kshs.2,006,907 had not been presented for payment for more than six months and therefore stale but had not been reversed in the cashbook by the time of audit.
- iii) Payments totalling Kshs.808,169 had not been posted to the cash books even though they had been cleared by the bank.

Consequently, it has not been possible to confirm that bank balances of Kshs.23,066,336 as at 30 June 2016 as fairly stated.

4.2. Outstanding Imprests

The statement of assets indicated that the outstanding imprests as at 30 June 2016 were Kshs.995 000 which had not been surrendered or accounted for even by the time of audit contrary to the provisions of Section 93 (5) of the Public Finance Management Act County Governments Regulations, 2015.

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

5. Fund Balance and Opening Balances

The comparative figures for the year 2014/2015 in the statement of financial assets were noted to have been restated. However, no supporting documentation or adjusting entries have been provided for audit review. Further, the comparative column is not indicated as restated in compliance with IPSAS 1.

Consequently, the accuracy of the comparative information and opening balances could not be confirmed.

6. Statement of Appropriation – Recurrent and Development

The summary statement of appropriation for recurrent and development expenditure reflects the original budget figure of Kshs.121,450,881. However, the approved budget as per the National Government Constituencies Development Fund Board was Kshs.111,450,881 thus leading to an unexplained variance of Kshs.10,000,000.

Consequently, the accuracy of the summary statement of appropriation; recurrent and development could not be confirmed.

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 - Suna West 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. Budgetary Control and Performance

1.1. Budget Performance

Suna West Constituency's approved budget for 2015/2016 amounted to Kshs.126,139,479. During the same period, the management made payments of Kshs.86,172,121 or 68% of the approved budget resulting to an under-expenditure of Kshs.39,967,357 as detailed below:

Receipt/Expense Item	Approved Budget (Kshs)	Actual Expenditure (Kshs)	Under Expenditure (Kshs)	% of Utilisation
Receipts				
Transfers from CDF Board	126,139,479	126,139,479	-	100.00%
Payments				
Compensation of Employees	3,700,000	1,401,857	2,298,143	37.89%
Use of goods and services	10,419,177	6,732,584	3,686,593	64.62%
Transfers to Other Government Units	43,540,000	32,700,000	10,840,000	75.10%
Other grants and transfers	46,176,182	45,337,680	838,502	98.18%
Acquisition of Assets	12,304,119	0	12,304,119	0.00%
Other Payments	10,000,000	0	10,000,000	0.00%
Total	126,139,478	86,172,121	39,967,357	68.31%

Failure to utilize all the funds as budgeted is an indication that programs or activities are not being implemented as planned thus not achieving the intended objective of improving service delivery to the citizens of the constituency.

1.2 Project Verification

	Project Name	Activity	Budget (Kshs)	Level of Completion %	Status
1	Nyamome Secondary School	Construction of 2 classroom roofing and plastering	1,400,000	100	
2	Bishop Okinda Secondary School	Construction of Laboratory	700,000	100	Complete
3	Nyanko Primary School	Construction of 2 classes	1,200,000		Work was in progress
4	Ndonyo Primary School	Construction of a classroom	500,000	50	Work was in progress for construction of 2 classroom
5	Bondo Nyironge Secondary School	Completion of Twin Laboratory-Roofing, plastering, painting	1,000,000		Work was in progress
6	Bondo Nyironge dispensary	Construction of staff house	1,500,000	90	Work was in progress
7	Arombe dispensary	Finishing of staff house-painting and plastering	1,000,000	90	Work was in progress
8	St. peters' Abwao Secondary School	Co-funding of the school bus	3,000,000	100	Complete
9	Kitbul dispensary	Construction of OPD	1,500,000	100	Completed but not handed over
10	Sagero Secondary School	Plastering and painting of Laboratory	500,000		
11	Lela Primary School	Construction of 1 class	700,000	100	Completed

12	Masaria dispensary	Plastering and roofing	500,000	100	Change of activity to fencing and gate fixing
13	Mubachi Secondary School	Construction of ongoing laboratory	500,000	90	Tables and finishing not undertaken
14	Magongo Ribe mixed Secondary School	Construction of Dinning hall	1,000,000	100	Complete
15	Got Kwer dispensary	Renovation of staff house	500,000	0	Project was not on the ground
16	Sibuoche Second School	Construction of 2 classrooms	900,000	100	Completed
17	Ramoya Secondary Schools	Construction of Laboratory	1,500,000	0	Project was not seen on the ground
18	Mariba Primary School	Plastering of 3 classrooms	1,300,000	100	Completed
19	Boya Primary School	Construction of a classroom	500,000	80	Project activity was changed
20	Kopanya dispensary	Roofing of OPD	500,000	70	The project has stalled
		Total	20,200,000		

During the year under review, twenty (20) projects valued at Kshs.20,200,000 were physically verified and nine (9) projects were found to be complete, one (1) project stalled and two (2) projects whose work had not been undertaken as tabulated below:

In view of the above, there is a likelihood of diversion of funds to unbudgeted purposes for those projects not yet undertaken.

2. Previous Year Matters

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



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

Nairobi

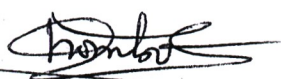
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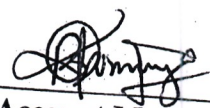
CONSTITUENCY DEVELOPMENT FUND- SUNA WEST CONSTITUENCY
Reports and Financial Statements
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IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016	2014 - 2015
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	121,450,881	94 685 606
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		121,450,881	94,685,606
PAYMENTS			
Compensation of employees	4	1,401,857	1,401,501
Use of goods and services	5	6,732,584	5,185,481
Transfers to Other Government Units	6	32,700,000	30,790,000
Other grants and transfers	7	45,337,680	70,573,507
Acquisition of Assets	8		
Other Payments	9		
TOTAL PAYMENTS		86,172,121	107,950,489
SURPLUS/DEFICIT		35,278,760	(13,264,883)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The SUNA WEST NG CDF financial statements were approved on 30/6 2016 and signed by:


 Chairman - CDFC


 Fund Account Manager

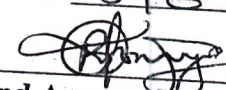
CONSTITUENCY DEVELOPMENT FUND- SUNA WEST CONSTITUENCY
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For the year ended June 30, 2016

V. STATEMENT OF ASSETS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A		
Cash Balances (cash at hand)	10B	23,066,336	(11,217,424)
Outstanding Imprests	11	995,000	
TOTAL FINANCIAL ASSETS		24,061,336	(11,217,424)
REPRESENTED BY			
Retention			
Fund balance b/fwd 1st July...	12		
Surplus/Deficit for the year	13	(11,217,424)	
Prior year adjustments		35,278,760	(13,264,883)
NET LIABILITIES	14		2,047,459
		24,061,336	(11,217,424)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF financial statements were approved on 30/6 2016 and signed by:


 Chairman - CDFC

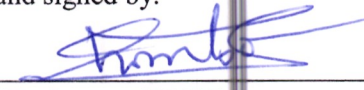

 Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- SUNA WEST CONSTITUENCY
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VI. STATEMENT OF CASHFLOW

		2015 - 2016	2014 - 2015
Receipts for operating income			
Transfers from CDF Board	1	121,450,881	94,685,606
Other Receipts	3		
		121,450,881	94,685,606
Payments for operating expenses			
Compensation of Employees	4	1,401,857	1,401,501
Use of goods and services	5	6,732,584	5,185,481
Transfers to Other Government Units	6	32,700,000	30,790,000
Other grants and transfers	7	45,337,680	70,950,489
Other Payments	9		
Adjusted for:		86,172,121	107,950,489
Adjustments during the year	14		
Net cash flow from operating activities		35,278,760	(107,950,489)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	8		
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		35,278,760	(107,950,489)
Cash and cash equivalent at BEGINNING of the year	13	(11,217,424)	96,733,065
Cash and cash equivalent at END of the year		24,061,336	(11,217,424)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The SUNA WEST NGCDF financial statements were approved on 38/06 2016 and signed by:


 Chairman CDFC


 Fund Account Manager

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 Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	121,450,881	4,688,596	126,139,479	111,300,061	14,839,418	88.2%
Proceeds from Sale of Assets						
Other Receipts						
	121,450,881	4,688,596	126,139,479	111,300,061	14,839,418	88.2%
PAYMENTS						
Compensation of Employees	3,700,00		3,700,000	1,401,857	2,298,143	37.9%
Use of goods and services	7,830,578	2,588,598	10,419,177	6,732,584	3,686,593	64.6%
Transfers to Other Government Units	43,540,000		43,540,000	32,700,000	10,840,000	75.1%
Other grants and transfers	44,076,182	2,100,000	46,176,182	45,801,046	838,502	95.3%
Acquisition of Assets	12,304,119		12,304,119		12,304,119	100%
Other Payments	10,000,000		10,000,000	15,906,022	(5,906,022)	
TOTALS	121,450,881	4,688,596	126,139,479	103,116,474	24,061,336	80.9%

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CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2017

The SUNA WEST NGCDF financial statements were approved on 2/28/17 2017 and signed by:



Chairman CDF



Fund Account Manager

FOR THE CHAIRMAN AND CDF
FOR THE 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 *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.

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the *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 – SUNA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

1. 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	A796236	20,000,000	42,090,803
AIE NO	A796269	33,000,000	7,300,000
AIE NO	A796467	30,000,000	45,294,803
	A824961	27,950,881	
	A856974	10,500,000	
TOTAL		121,450,881	94,685,606

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.2 COMPENSATION OF EMPLOYEES

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	1,343,457	1,021,751
Basic wages of casual labour	-	-
Personal allowances paid as part of salary		
House allowance	-	204,000
Transport allowance	29,000	-
Leave allowance	-	-
Gratuity	-	158,950
Other personnel payments-NSSF	29,400	16,800
Total	1,401,857	1,401,857

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST 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 USE OF GOODS AND SERVICES

	2015 – 2016	2014 – 2015
	Kshs	Kshs
Utilities, supplies and services	-	-
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	370,000	370,00
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	-
Committee allowance	1,836,394	1836394
Specialized materials and services	1,379,522	19
Office and general supplies and services	100,000	100,000
Other Committee expenses	1,956,220	1,836,394
Fuel ,oil & lubricants	685,841	203,992
Routine maintenance – other assets	96,000	-
Fuel	155,1850	
Total	6,732,584	85,185,481

FUNDS RECEIVED
 P.O. NO. 123456789
 DATE 10/10/2016

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
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For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.4 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to National Government entities	-	
Transfers to primary schools (see attached list)	13,490,000	5,200,000
Transfers to secondary schools (see attached list)	13,750,000	18,340,000
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	5,800,000	7,250,000
TOTAL	33,040,000	30,790,000

1.1.1.1.1.1.5 OTHER GRANTS AND OTHER PAYMENTS

	2015 – 2016	2014- 2015
	Kshs	Kshs
Bursary – secondary schools (see attached list)	9,018,000	10,367,530
Bursary – tertiary institutions (see attached list)	10,000,000	10,824,003
Bursary – special schools (see attached list)	618,750	594,000
Mock & CAT (see attached list)	-	1,000,000
Water projects (see attached list)	3,700,000	10,550,000
Agriculture projects (see attached list)	-	-
Electricity projects (see attached list)	2,000,000	5,500,000
Security projects (see attached list)	4,750,000	9,339,000
Roads projects (see attached list)	10,260,930	11,887,550
Sports projects (see attached list)	-	1,493,420
Environment projects (see attached list)	1,450,000	2,270,435
Emergency projects (see attached list)	3,540,000	6,530,448
Total	45,337,680	70,573,507

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.1.6 ACQUISITION OF ASSETS

<u>Non Financial Assets</u>	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	-

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
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For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

1.1.1.1.1.7 OTHER PAYMENTS

specify

2016 – 2017
Kshs

2015 – 2016
Kshs

- -

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015– 2016	2014 - 2015
	Kshs	Kshs
<i>Name of Bank, Account No. 1120481845200</i>	23,066,336	24,960
<i>Name of Bank, Cooperative Bank- Migori Branch</i>		
Total	23,066,336	24,960

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
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For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10B: CASH IN HAND

	2016 – 2017 Kshs	2015 – 2016 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

[Provide cash count certificates for each]

11: 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>
Bernard Konya	-	995,000	-	995,000
				-
Total				995,000

CONSTITUENCIES DEVELOPMENT FUND – SUNA WEST CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 RETENTION

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Contractor 1		-
Supplier 2	-	-
Supplier 3	-	-
Total	-	-

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	23,066,336	(11,217,424)
-Cash in hand	-	-
Imprest	995,000	-
Total	24,061,336	(11,217,424)

14. PRIOR YEAR ADJUSTMENTS

	2015- 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

NATIONAL GOVERNMENT ENTITY – SUNA WEST
Reports and Financial Statements
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ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land		
Buildings and structures		
Transport equipment	6,379,510	6,379,510
Office equipment, furniture and fittings	568,000	568,000
ICT Equipment, Software and Other ICT Assets	20,500	20,500
Other Machinery and Equipment	76,000	76,000
Heritage and cultural assets		
Intangible assets		
Total	7,044,010	7,044,010

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