

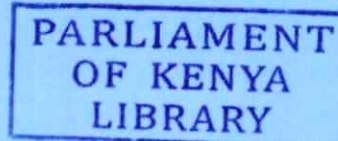
REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE

Paper Laid
By Hon. A. Juma (Hon)
on 12.11.15 (RM)

REPORT



OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND -
IKOLOMANI CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2014**



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 CONSTITUENCIES DEVELOPMENT FUND - IKOLOMANI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Ikolomani Constituency set out on pages 4 to 18, which comprise the statement of assets and liabilities as at 30 June, 2014, and the statement of receipts and expenditure, summary statement of appropriation and cashflow statement 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 8 of the Public Audit Act, 2003. 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 7 of the Public Audit Act, 2003.

Auditors-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 9 of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that 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 adverse audit opinion.

Basis for Adverse Opinion

1. Accuracy and Completeness of the Financial Statements

The financial statement balances in respect to Committee Allowances, Other Grants and Transfers, Use of Goods and Services differed with the supporting schedules presented for audit review. Further, acquisition of assets of Kshs.750,105.00 was wrongly classified.

Consequently, the accuracy and completeness of the financial statements for the year ended 30 June, 2014 could not be confirmed.

2. Other Grants and Transfers

The Fund spent Kshs.2,450,105.00 on the preparation of a strategic plan for the period 2013/2018 which had not been launched by the time of audit in March 2015 and was therefore not freely available to the constituents for use in proposals development. Further, included in the amount is Kshs.655,000.00 charged as reimbursable which had no supporting documents.

Consequently, the propriety of the expenditure of Kshs.2,450,105 could not be ascertained as at 30 June, 2014.

3. Transfer to Other Government Agencies

3.1 Purchase of Land

The Fund disbursed Kshs.6,500,000.00 for the purchase of land to two primary schools, an administration police camp, a district hospital and a youth polytechnic. Audit verification however, revealed that ownership documents had not been obtained.

As a result, the propriety of the expenditure and the ownership of the parcels of land could not be confirmed as at 30, 2014.

3.2 Purchase of School Bus

The Fund disbursed Kshs.3,000,000 in October 2013 for purchase of a school bus to St. Michael Shamusinjiri Secondary School. However, the bus was acquired in February 2015 at Kshs.4,797,000 a price that exceeded the lowest quoted bid of Kshs.4,397,000 by Kshs.403,000. No explanation has been provided for the non-compliance with procurement regulations and responsibility for not saving Kshs.403,000 in the transaction by using the lowest quoted bidder.

3.3 Purchase of Land and Construction of a Workshop

An amount of Kshs.2,500,000 was disbursed to Shieywe Youth Polytechnic for construction of a workshop and purchase of 1.25 acres of land. However, audit review revealed that the land was not supported by a title deed nor physical possession of the land. Further, electrical works for the workshop costing Kshs.221,510.00 had not been installed even though paid for as the contractor had been paid Kshs.1,342,680 out of the contract sum of Kshs.1,600,000 inclusive of the electrical works.

3.4 Our Lady of Assumption Shitoli Secondary School

An amount of Kshs.2,000,000.00 disbursed to the school for the construction and equipment of a laboratory in 2013/2014 was an addition to Kshs.1,000,000.00 advanced in 2011/2012. However, audit examination revealed poor workmanship in form of cracked floor, faded wall paints, exposed gas pipes, lack of middle work benches plus sinks, unlockable side cupboards and missing chemical rooms among others all of which could not be quantified. Further, laboratory fittings valued at Kshs.96,250.00 had not been delivered.

In the circumstances, the propriety of the expenditure of Kshs.2,000,000 could not be confirmed as at 30 June 2014.

3.5 Shiangesto Primary School

An amount of Kshs.1,500,000.00 was disbursed to the school for the purchase of 3 parcels of land and construction of one 4 - Door Pit Latrine. However, the bills of quantities in respect of the toilets which had also not been constructed was not made available for audit review. Further, the land was procured at an amount of Kshs.1,130,000 leaving an expected bank balance of Kshs.370,000. However, a review of bank statements availed indicated a balance of Kshs.219,434.00 giving an unexplained difference of Kshs.150,566.00 as at 30 June 2014.

3.6 Iremele Secondary School

An amount of Kshs.4,500,000.00 was disbursed to the school for the purchase of land and construction of four (4) classrooms. However, the four classrooms which were budgeted to cost Kshs.2,500,000.00 were put up at a contract price of Kshs.2,986,240.00 exceeding the budgeted amount by Kshs.486,240.00. Further, a visit to the school in April 2015 revealed poor workmanship on the floors which costed Kshs.1,126,000.00 as per the bill of quantities.

Consequently, the propriety of the expenditure of Kshs.2,986,240 could not be confirmed as at 30 June, 2014.

4. Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.9,375,766.10 as at 30 June 2014. However, the bank reconciliation statement reflected unpresented cheques totalling Kshs.822,363.00 out of which Kshs.247,940.00 are stale cheques. Management has not explained why the stale payments have not been reversed hence understating the cash and cash equivalents

balance. Further, the balance includes outstanding unsupported imprests of Kshs.848,591.00. As a result, the accuracy of the cash and cash equivalents balance of Kshs.9,375,766.10 could not be confirmed.

5. Stalled Projects

Examination of the project implementation Status Report revealed that projects involving purchase of land for three schools and a polytechnic for the year 2012/2013 and before with disbursements totaling Kshs.5,627,569.84 remain classified as ongoing hence stalled.

Management has not explained the non-completion of the projects and this situation puts to risk the funds already spent on the projects without commensurate services to the constituents.

Adverse Opinion

In my opinion, because of the significance of the matters described in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of Ikolomani CDF as at 30 June 2014, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards and do not comply with the Constituencies Development Fund Act, 2013.

Other Matter

Going Concern

The High Court of Kenya in its ruling on Petition 71 of 2013 held that the Constituencies Development Fund Act, 2013 establishing the Fund since enactment of the Constitution of Kenya was unconstitutional rendering the existence of the fund illegal. It is not clear whether legislation providing for the fund will be in place within the period given by the High court of twelve months for the fund to continue existing.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

03 September 2015



CONSTITUENCIES DEVELOPMENT FUND

IKOLOMANI CONSTITUENCY

**REPORTS AND FINANCIAL STATEMENTS
(REVISED)**

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2014**

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

Handwritten signature

**DISTRICT ACCOUNTANT
KAKAMEGA SOUTH SUB-COUNTY
P. O. Box 816 - 50104
KHAYEGA**

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

TABLE OF CONTENT	Page
KEY ENTITY INFORMATION AND MANAGEMENT.....	1
STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES	3
STATEMENT OF RECEIPTS AND EXPENDITURE.....	4
STATEMENT OF ASSETS AND LIABILITIES.....	5
STATEMENT OF APPROPRIATION	6
CASH FLOW STATEMENT.....	7
SIGNIFICANT ACCOUNTING POLICIES.....	8
NOTES TO THE FINANCIAL STATEMENTS.....	10

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014

KEY ENTITY 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 CDF Act 2013 aligns the Fund with the Constitution of Kenya 2010 and the Public Finance Management Act 2012 that lay emphasis on citizen participation in public finance management and decision making, transparency and accountability together with equity in public resource utilization. The overall management of the Fund is the responsibility of the Constituencies Development Fund Board.

(b) Key Management

The *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 2014 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Mr. Yusuf Mbuno
2.	Fund Account Manager	Mr. Jackson K. Too
3.	District Accountant	Mrs. Anetty V. W. Angote

(d) Fiduciary Oversight Arrangements

List of gazetted members of the CDFC

No.	Name	ID Number	Designation
1.	Simon Shigali		Chairman(RESIGNED)
2.	David Muliru Lisamula		Ag. Chairman(Member)
3.	Deputy County Commissioner	N/A	National Government Official
4.	Gideon M. Khasiani		Member
5.	Hillary M Agoi		Member
6.	Hellen Munzala		Member
7.	Eurelia Lusichi		Member
8.	Phillis Muliro		Member
9.	Fr. Ferdinand Lugonzo		Member
10.	Fund Account Manager	N/A	Ex-Officio

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

(e) Entity Headquarters

P.O. Box 2773-50100
Ikolomani CDF Office's
At Malinya Market
Kakamega, KENYA

(f) Entity Contacts

Telephone: (254) 775 884 383
E-mail: cdfikolomani@cdf.go.ke

(g) Entity Bankers

Cooperative Bank of Kenya
Kakamega Branch
A/C No: 01120023550000
P.O Box 595-50100
Kakamega

(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

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (KShs)

STATEMENT OF ENTITY 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 government entity shall prepare financial statements in respect of that entity. 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 Fund Account Manager in charge of *Ikolomani CDF* is responsible for the preparation and presentation of the *Constituencies* financial statements, which give a true and fair view of the state of affairs of the *Constituency* as at the end of the financial year (period) ended on June 30, 2014. 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 entity; (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 *entity*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

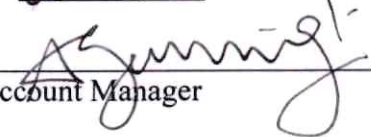
The Fund Account Manager in charge of *Ikolomani CDF* accepts responsibility for the *entity's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Fund Account Manager is of the opinion that the *Ikolomani CDF* financial statements give a true and fair view of the state of *Constituency's* transactions during the financial year ended June 30, 2014, and of the *Constituency's* financial position as at that date. The Fund Account Manager in charge of *Ikolomani CDF* further confirms the completeness of the accounting records maintained for the *Constituency*, which have been relied upon in the preparation of the *Constituency* financial statements as well as the adequacy of the systems of internal financial control.

The Fund Account Manager in charge of *Ikolomani CDF* confirms that the entity has complied fully with applicable Government Regulations and that the entity'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 Fund Account Manager confirms that the *Constituency'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 *entity's* financial statements were approved and signed on 06-07-2015.


Chairman - CDPC


Fund Account Manager

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

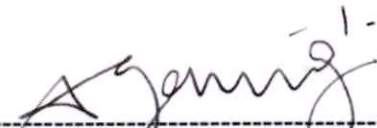
STATEMENT OF RECEIPTS AND EXPENDITURE

	Note	2013-2014 KShs	2012-2013 KShs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	77,680,842.60	XXX
Proceeds from Sale of Assets	2	0.00	XXX
Other Receipts(Reversed cheques)	3	0.00	XXX
TOTAL RECEIPTS		<u>77,680,842.60</u>	<u>XXX</u>
PAYMENTS			
Compensation of Employees	4	500,200.00	XXX
Use of goods and services	5	604,592.40	XXX
Committee meeting allowances	6	2,562,840.00	XXX
Transfers to Other Government Units	7	37,664,549.00	XXX
Other grants and transfers	8	27,848,575.10	XXX
Social Security Benefits	9	9,200.00	XXX
Acquisition of Assets	10	5,581,505.00,	XXX
Other Payments	11	0.00	XXX
TOTAL PAYMENTS		<u>74,771,461.50</u>	<u>XXX</u>
SURPLUS/DEFICIT		<u>2,909,381.10</u>	<u>XXX</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 06-07- 2015 and signed by:



 CDFC CHAIRMAN



 FUND ACCOUNT MANAGER

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

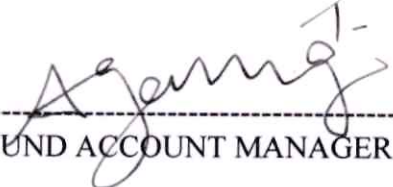
STATEMENT OF ASSETS AND LIABILITIES

	Note	2013-2014 KShs	2012-2013 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12	8,527,175.40	XXX
Cash Balances (sale of tenders, hire of grader)	13	-	XXX
Outstanding Imprests	14	848,591.00	XXX
Cash Equivalents (e.g. sale of tender doc held in bankers cheque)	15	-	XXX
TOTAL FINANCIAL ASSETS		<u>9,375,766.40</u>	<u>XXX</u>
REPRESENTED BY			
Fund balance b/fwd. 1st July...	16	6,466,385.30	XXX
Surplus/Deficit for the year		2,909,381.10	XXX
Prior year adjustments	17	0.00	XXX
NET LIABILITIES		<u>9,375,766.40</u>	<u>XXX</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 06-07 2015 and signed by:



 CDFC CHAIRMAN



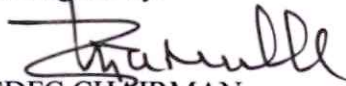
 FUND ACCOUNT MANAGER

STATEMENT OF APPROPRIATION

I. SUMMARY STATEMENT OF APPROPRIATION:
DEVELOPMENT

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
Compensation of Employees	500,200.00	-	500,200.00	500,200.00	-	100%
Use of goods and services	3,754,205.74	-	3,754,205.74	604,592.40	3,149,613.34	16%
Committee Members Expenses	1,473,600.00	-	1,473,600.00	2,562,840.00	(1,089,240.00)	174%
Transfers to Other Government Units	39,366,954.62	-	39,366,954.62	37,664,549.00	1,702,405.62	96%
Other grants and transfers	24,976,430.64	-	24,976,430.64	27,848,575.10	(2,872,144.46)	111%
Social Security Benefits	9,200.00	-	9,200.00	9,200.00	-	100%
Acquisition of Assets	5,000,000.00	-	5,000,000.00	5,581,505.00	(581,505.00)	112%
Other Payments	0.00	-	0.00	0.00	0.00	0%
	75,080,591		75,080,591	74,771,461.5	0.0	709.00%
TOTALS	75,080,591.00	-	75,080,591.00	74,771,461.50	309,129.50	100%

The entity financial statements were approved on 06-07-2015 and signed by: The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 06-07-2015 and signed by:


CDFO CHAIRMAN


Fund Account Manager

CASH FLOW STATEMENT

		KShs	2013-2014 KShs	KShs	2012-2013 KShs
Receipts for operating Activities					
Transfers from Other Government Entities	1	77,680,842.60		XXX	
Other Revenues	3	<u>0.00</u>	77,680,842.60	XXX	XXX
Payments for operating expenses					
Compensation of Employees	4	500,200.00		XXX	
Use of goods and services	5	604,592.40		XXX	
Committee Expenses	6	2,562,840.00		XXX	
Transfers to Other Government Units	7	37,664,549.00		XXX	
Other grants and transfers	8	27,848,575.10		XXX	
Social Security Benefits	9	9,200.00		XXX	
Other Expenses	11	-	(69,189,956.50)	XXX	(XXX)
Adjusted for:					
Adjustments during the year			-		XXX
Net cash flow from operating activities			<u>8,490,886.10</u>		<u>XXX</u>
CASHFLOW FROM INVESTING ACTIVITIES					
Proceeds from Sale of Assets	2	-		XXX	
Acquisition of Assets	10	<u>5,581,505.00</u>		XXX	
Net cash flows from Investing Activities			<u>(5,581,505.00)</u>		<u>(XXX)</u>
CASHFLOW FROM FINANCING ACTIVITIES					
Net cash flow from financing activities			-		XXX
NET INCREASE/ IN CASH AND CASH EQUIVALENT			<u>2,909,381.10</u>		<u>XXX</u>
Cash and cash equivalent at BEGINNING of the year	16		<u>6,466,385.30</u>		<u>XXX</u>
Cash and cash equivalent at END of the year			<u>9,375,766.40</u>		<u>XXX</u>

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 and relevant legal framework of the Government of Kenya. 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 *entity*. 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 *entity*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *entity* 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 *entity* 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 Kenya Commercial Bank 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.

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (KShs)

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 are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the *entity* 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. Receivables and payables

These relate to provisioning balances for the GAV and Exchequer accounts as required by the current Government Financial Regulations and Procedures. These provisioning balances do not have an impact on the receipts and payments and therefore do not contravene the principles on the cash based IPSAS.

7. 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 *entity'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 *entity's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

8. Comparative figures

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

9. 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, 2014.

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM CDF BOARD

Description		2013-14 KSHS	2012-2013 KSHS
A709775	21.09.13	47,648,486.20	XXX
A709913	06.12.13	2,000,000.0	XXX
A735510		28,032,356.40	XXX
		<u>77,680,842.60</u>	<u>XXX</u>

2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS

	2013 - 2014 KShs	2012 - 2013 KShs
Receipts from the Sale of Buildings	-	XXX
Receipts from the Sale of Vehicles and Transport Equipment	-	XXX
Receipts from the Sale Plant Machinery and Equipment	-	XXX
Receipts from the Sale of office and general equipment	-	XXX
Total	<u>-</u>	<u>XXX</u>

3. OTHER REVENUES

	2013 - 2014 KShs	2012 - 2013 KShs
Interest Received	-	XXX
Rents	-	XXX
Sale of tender documents	-	XXX
Other Receipts Not Classified Elsewhere	-	XXX
Total	<u>-</u>	<u>XXX</u>

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

	2013 - 2014	2012 - 2013
	KShs	KShs
Basic wages of contractual employees	500,200.00	XXX
Basic wages of casual labour	-	XXX
Personal allowances paid as part of salary		
House allowance	-	XXX
Transport allowance	-	XXX
Leave allowance	-	XXX
Other personnel payments	-	XXX
Gratuity-Contractual Employees	0.00	XXX
Total	<u>500,200.00</u>	<u>XXX</u>

5. USE OF GOODS AND SERVICES

	2013 - 2014	2012 - 2013
	KShs	KShs
Utilities, supplies and services	64,010.90	XXX
Office rent	-	XXX
Communication, supplies and services	13,540.00	XXX
Domestic travel and subsistence	-	XXX
Printing, advertising and information supplies & services	-	XXX
Rentals of produced assets	-	XXX
Training expenses	-	XXX
Hospitality supplies and services	-	XXX
Insurance costs	216,972.00	XXX
Specialised materials and services	-	XXX
Office and general supplies and services	-	XXX
Fuel ,oil & lubricants	300,000.00	XXX
Other operating expenses-Bank Service Commission and Charges	10,069.50	XXX
Routine maintenance – vehicles and other transport equipment	-	XXX
Routine maintenance – other assets	-	XXX
Total	<u>604,592.40</u>	<u>XXX</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

6. CDFC EXPENSES

Description	2013 - 2014 KShs	2012 - 2013 KShs
Other committee expenses	1,850,084.00	XXX
Committee allowance	<u>712,000.00</u>	<u>XXX</u>
Total	<u>2,562,840.00</u>	<u>XXX</u>

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2013 - 2014 KShs	2012 - 2013 KShs
Transfers to primary schools	16,000,000.00	XXX
Transfers to secondary schools	15,164,549.00	XXX
Transfers to Tertiary institutions	5,000,000.00	XXX
Transfers to Health institutions	<u>1,500,000.00</u>	<u>XXX</u>
Total	<u>37,664,549.00</u>	<u>XXX</u>

8. OTHER GRANTS AND OTHER PAYMENTS

Description	2013 - 2014 KShs	2012 - 2013 KShs
Bursary -Secondary	5,078,000.00	XXX
Bursary -Tertiary	6,438,790.00	XXX
Bursary-Special schools	-	XXX
Mocks & CAT	1,714,710.00	XXX
water	-	XXX
food security	-	XXX
Electricity	-	XXX
Security	500,000.00	XXX
Roads	9,332,735.10	XXX
Sports	974,210.00	XXX
Environment	-	XXX
Community Halls and Libraries	-	XXX
Emergency Projects	3,810,130.00	<u>XXX</u>
Total	<u>27,848,575.10</u>	<u>XXX</u>

9. SOCIAL SECURITY BENEFITS

Description	2013 - 2014 KShs	2012 - 2013 KShs
Employer contribution to NSSF	<u>9,200.00</u>	<u>XXX</u>
Total	<u>9,200.00</u>	<u>XXX</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND
Reports and Financial Statements
For the year ended June 30, 2014 (KShs)

10. ACQUISITION OF NON-FINANCIAL ASSETS

Description	2013 - 2014	2012 - 2013
	KShs	KShs
Purchase of Buildings	-	XXX
Construction of Buildings	-	XXX
Refurbishment of Buildings	750,105.00	XXX
Purchase of Vehicles	4,831,400.00	XXX
Purchase of Bicycles & Motorcycles	-	XXX
Overhaul of Vehicles	-	XXX
Purchase of office furniture and fittings	-	XXX
Purchase of computers ,printers and other IT equipment's	-	XXX
Purchase of photocopier	-	XXX
Purchase of other office equipment's	-	XXX
Purchase of soft ware	-	XXX
Acquisition of Land	-	XXX
Total	<u>5,581,505.00</u>	<u>XXX</u>

11. OTHER PAYMENTS

Other Payments	0	0
----------------	---	---

12. BANK BALANCES (CASH BOOK BALANCE)

Name of Bank, Account No. & currency	2013 - 2014	2012 - 2013
	KShs	KShs
<i>Cooperative Bank Kakamega Branch A/C no.01120023550000</i>	<u>8,527,175.40</u>	<u>XXX</u>
Total	<u>8,527,175.40</u>	<u>XXX</u>

13. CASH BALANCES (CASH IN HAND)

	2013 - 2014	2012 - 2013
	KShs	KShs
Sale of tender	-	XXX
Hire of graders	-	XXX
Hire of hall	-	XXX
Other receipts (specify)	-	XXX
Total	<u>-</u>	<u>XXX</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (KShs)

14. OUTSTANDING IMPRESTS

Name of Officer or Institution	Amount Taken	Amount Surrendered	Balance
	KShs	KShs	KShs
JACKSON K. TOO		- 848,591	<u>848,591.00</u>
Total			<u>848,591.00</u>

15. CASH EQUIVALENTS (SHORT-TERM DEPOSITS)

Name of Bank, Account No. & currency	Amount in foreign currency	Exchange rate	2013 - 2014	2012 - 2013
			KShs	KShs
<i>Sale of tender docs held in banker chq</i>	0	0	<u>0</u>	<u>XXX</u>
Total			=	<u>XXX</u>

16. BALANCES BROUGHT FORWARD INTEREST PAYMENTS

	2013 - 2014	2012 - 2013
	KShs	KShs
Bank accounts	5,963,354.00	XXX
Cash in hand	-	XXX
Cash equivalents (short-term deposits)	-	XXX
Imprests	503,031.00	XXX
Receivables	-	XXX
Payables	-	<u>XXX</u>
Total	<u>6,466,385.30</u>	<u>XXX</u>

17. PRIOR YEAR ADJUSTMENTS

	2013 - 2014	2012 - 2013
	KShs	KShs
Bank accounts	-	XXX
Cash in hand	-	XXX
Cash equivalents (short-term deposits)	-	XXX
Imprests	0.00	XXX
Receivables	-	XXX
Payables	-	<u>XXX</u>
Total	<u>0.00</u>	<u>XXX</u>

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND**Reports and Financial Statements****For the year ended June 30, 2014 (KShs)***NOTES TO THE FINANCIAL STATEMENTS (Continued)***18. OTHER DISCLOSURES****18.1. FIXED ASSET SCHEDULE**

Description	Serial / Identification No. (if applicable)	Purchase Date	Purchase Cost	Usability Condition and Other Comments
CDF BUS	GK B 225 F	April 2014	4,831,000	In use
HP computer (CDF Board)				In use
HP P2055d printer(CDF Board)				Not in use
Desktop computers: P. IV Intel	0601208/0113 sx-556s	5/6/07	45000/=	Not In use
HP Scanner (CDF Board)				
Desktop computers: P. IV Intel	70c7204000022 sx-775s	5/6/07	45,000/=	Not in use
Desktop computers: P. IV Intel	50701002/0152 sx-556s	5/6/07	45,000/=	Not in use
Printer laser jet 1018	CNC/R50954	5/6/07	14,500/=	Not in use
UPS : CS650	BK650-AS	5/6/07	13,000/=	Not in use
	QB648331894			
UPS : CS650	BK650-AS	5/6/07	13,000/=	Not in use
	QB648331896			
UPS : CS650	BK650-AS	5/6/07	13,000/=	Not in use
	QB633137502			
Photocopier	LANIER 5518	5/6/07	80,000/=	Not in use
Digital Camera : HP Photostat	CN 65A220RF	5/6/07	20,000/=	IN USE
Land			300,000/=	Malinya
CDF Office		2004 & 2007	5,000,000/=	Malinya
Office Cabinets		16/10/07	28,000/=	CDF Office
Laptop :HP510	CND 714029D	5/06/07	84,000/=	CDF OFFICE
Plastic chairs	001 - 052	17/08/11	46800/=	CDF office
Arm chairs/visitors		17/8/11	12,995/=	CDF office
Arm chairs – Sec		17/8/11	3,995/=	CDF office
Sanyo Water Dispenser			21,895/=	CDF office
Sony Bravia TV LCD Full HD 1080		17/8/11	44,995/=	CDF office
Sony Bravia TV LCD Full HD 1080		17/8/11	44,995/=	CDF office
Sony DVD		17/8/11	7,595/=	CDF office
Sony DVD		17/8/11	7,595/=	CDF office
Sanyo Stand Fan		17/8/11	6,595/=	CDF office
7 Seater Sofa Set		17/8/11	160,0000	CDF office

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND**Reports and Financial Statements****For the year ended June 30, 2014 (KShs)**

Coffee Table	17/8/11	16,995/=	CDF office
Computer Desk	17/8/11	6,995/=	CDF office
Window Curtains & Blinders, Hooks And	22/9/11	291,710/=	CDF office
Vonaldi Bin Blue	17/8/11	2,245/=	CDF office
3 Three Tier Tray(Bantex)		9,165/=	CDF office
Mikachis/s kettle 4.4l	17/8/11	3,590/=	CDF office

18.2 RECEIVABLES FROM CDF BOARD AND OTHER RECEIVABLES

DESCRIPTION	AMOUNT KShs
Financial Year 2013/14- Second Disbursement	45,048,534.60

18.3 FUNDS DUE TO PROJECTS

NO	NAME OF PROJECT	ACTIVITY	AMOUNT
1	Eregi Mixed Primary. Sch.	Construction of 2 Classrooms	1,000,000.00
2	Masiyenze Primary School	Construction of 5 Classrooms	3,000,000.00
3	Lwenya Primary School	Construction of 2 Classrooms	1,000,000.00
4	Shikondi Primary School	Construction of 5 Classrooms	3,000,000.00
5	Lirhembe Girls High School	Furnishing of Office	500,000.00
6	Friends School Lirhembe	Construction of A Library- Ongoing	1,500,000.00
7	Busilwa Special School	Construction of 5 Special Classrooms	1,584,195.62
8	Shikumu Secondary School	Construction of 2 Classrooms	1,000,000.00
9	Shihalia Primary School	Construction of 5 Classrooms	3,000,000.00
10	Shirumba Primary School	Construction of 2 Classrooms	1,000,000.00
11	Malinya Secondary	Dining Hall Completion	800,000.00
12	Musoli Girls Sec Sch	completion of storeyed dormitory	1,000,000.00
13	Lusui Secondary Sch	construction of Laboratory	1,000,000.00
14	Mumbesta Primary School	Construction of 5 Classrooms	3,000,000.00
15	Imulama Health Center	Drilling of water	1,000,000.00

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND**Reports and Financial Statements****For the year ended June 30, 2014 (KShs)**

16	Iguhu District Hospital	Construction of prefabricated staff houses	2,241,379.50
17	Imulama Health Center	Construction of prefabricated staff houses	2,241,379.50
18	Musingu High	For renovation of milk collection center	1,000,000.00
19	Shitoli Prim	Fencing and renovation of the milk collection center	500,000.00
20	Imulama AP		500,000.00
21	Ishunga -Irechelo Road	Grading, murraming and culverts	900,000.00
22	Shivagala- Ichina -Ikhumbula Road	Grading, murraming and culverts	800,000.00
23	Makhokho – Shiangole – Masiyenze Road	Grading, murraming and culverts	1,200,000.00
24	Q25-Shinyikha Shikhombelo – Road	Grading, murraming and culverts	1,200,000.00
25	Ilubambo- Bichina-Ikhuyu – Mutaho Road	Grading, murraming and culverts	900,000.00
26	Shikumu – Kamahelo Kilingil Road	Grading, murraming and culverts	1,200,000.00
27	Shihunila – Shisejeri Road	Grading, murraming and culverts	800,000.00
28	Sports activity	Supporting sports activities in the constituency	1,411,962.64
29	3% Monitoring & Evaluation/Capacity Building	Monitoring and Evaluation of CDF projects and capacity building of CDFC and PMCs in the constituency	501,617.82
30	Emergency (5% of the Fund)	to cater for emergencies in constituency	3,564,468.00
31	6% Administration/recurrent	CDFC allowances, Staff salaries, Vehicles expenses and other administrative cost	2,203,531.52
32	Environment	Growing of trees in schools and river banks	500,000.00
		GRAND TOTAL	45,048,534.60

IKOLOMANI CONSTITUENCY DEVELOPMENT FUND

Reports and Financial Statements

For the year ended June 30, 2014 (KShs)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

18.4 DISBURSEMENTS FROM THE CDF BOARD

DESCRIPTION	DATE	AMOUNT
A709775	21.09.13	47,648,486.20
A709913	06.12.13	2,000,000.00
A735510	14.01.14	28,032,356.40

