

REPUBLIC OF KENYA



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REPORT

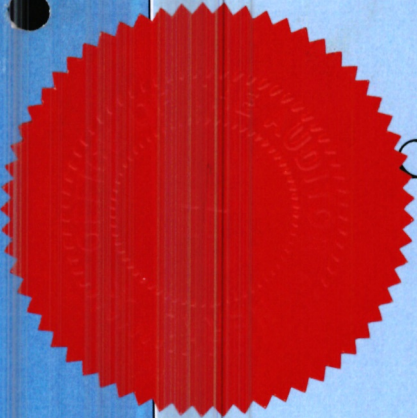
OF

THE AUDITOR-GENERAL

ON

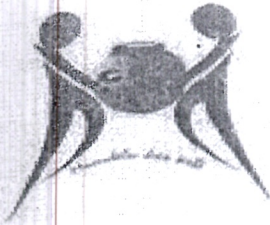
THE FINANCIAL STATEMENTS OF  
NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND  
KIKUYU CONSTITUENCY

FOR THE YEAR ENDED  
30 JUNE 2017



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 21 FEB 2018	DAY: Thursday
TABLED BY:	LON
CLERK-AT THE-TABLE:	CAO





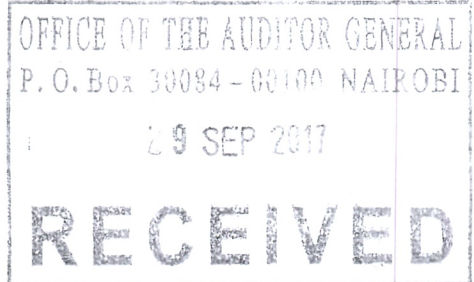
**NG-CDF**

National Government Constituency Development Fund  
Kikuyu Constituency  
P. O. Box 167-00902, Kikuyu.  
Telephone: 0737 864924, Email: [kikuyucdf@gmail.com](mailto:kikuyucdf@gmail.com)  
Website: [www.kikuyuconstituency.com](http://www.kikuyuconstituency.com)

OUR REF: KIK/NG-CDFC/1/04/08/2017

September 04, 2017

The Chief Executive Officer,  
National Government Constituency Development Fund Board,  
P.O Box 46682 -00100  
Nairobi, Kenya



Dear Sir,

**REF: SUBMISSION OF NG-CDF KIKUYU 2016-2017 FINANCIAL YEAR REPORT**

The above refers.

Enclosed, find a copy of Kikuyu National Government Constituency Development Fund committee 2016/2017 financial year report. Kindly acknowledge receipt.

Thank you.

Yours Faithfully,

ELIZABETH WAITHIRA KAGIRA  
FUND ACCOUNT MANAGER  
KIKUYU C.D.F.  
29 SEP 2017  
TEL: 0721-519308  
Elizabeth Waithira Kagira,

Fund Account Manager,

NG-CDF Kikuyu Constituency





OFFICE OF THE AUDITOR GENERAL

P. O. Box 30364 - GORONGOROA NAIROBI

29 SEP 2017

RECEIVED

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-  
KIKUYU CONSTITUENCY  
REPORTS AND FINANCIAL STATEMENTS**

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

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



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – KIKUYU  
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 *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 amended in 2007 and repealed by the CDF Act, 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new act was enacted in 2015 being the National Government Constituencies development fund Act, NG-CDF Act, 2015. The National Government Constituencies Development Fund (NG-CDF) is under the Ministry of Devolution and Planning. The objective of the fund is to provide mechanisms for supplementing implementation of the National Government development agenda at the constituency level.

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2017 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Elizabeth W. Kagira
3.	Accountant	Harrison M. Rioba
4.		

(d) Fiduciary Oversight Arrangements

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

(e) KIKUYU NG-CDF Headquarters

P.O. Box 167-00902  
NG-CDF Building  
Kikuyu, KENYA



*NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIKUYU  
CONSTITUENCY*

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

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**(f) KIKUYU NG-CDF Contacts**

Telephone: (254) 721 519 908  
E-mail: kikuyucdf@gmail.com  
Website: www.kikuyuconstituency.com

**(g) KIKUYU NG-CDF Bankers**

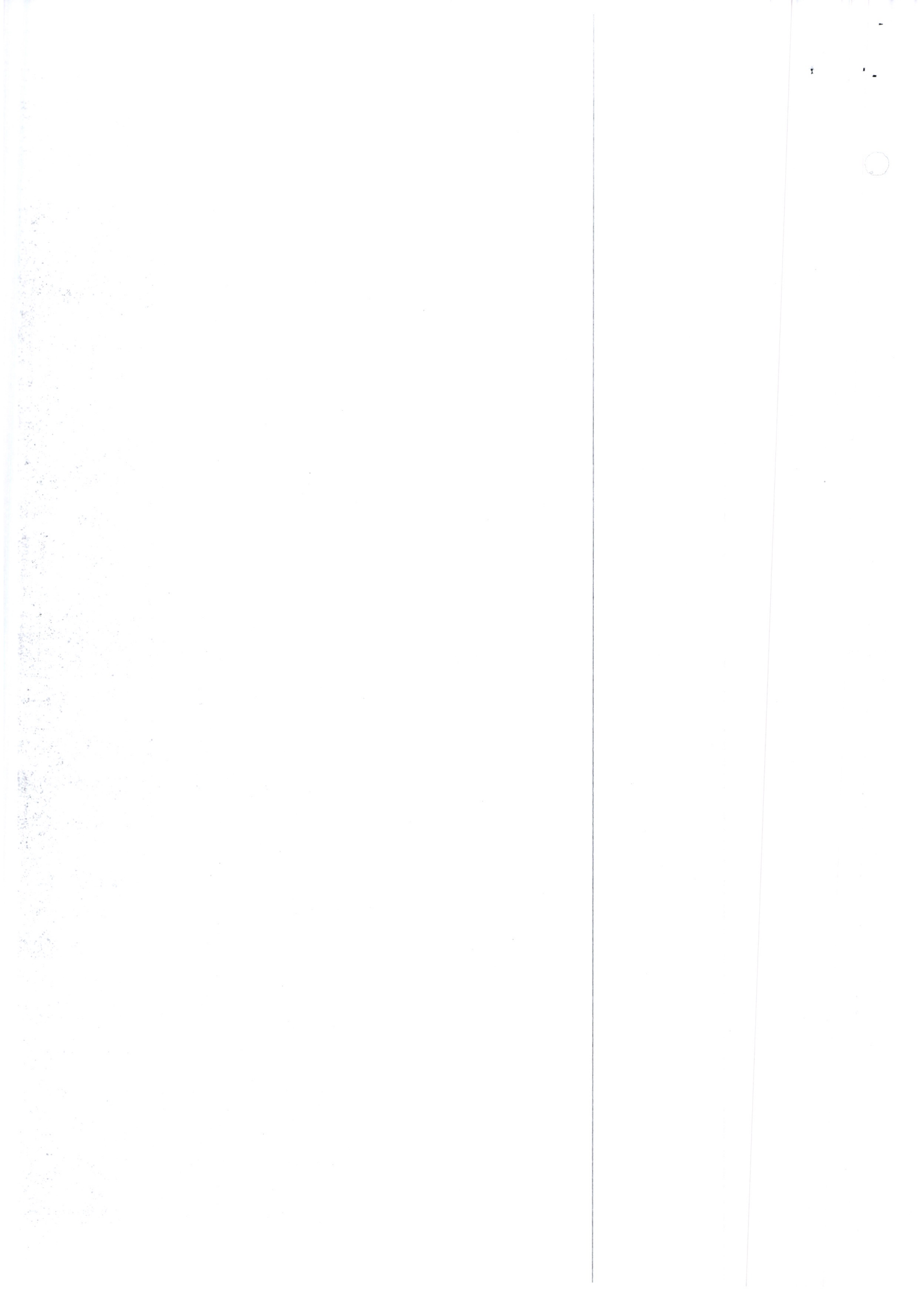
1. Equity Bank of Kenya  
Kikuyu Branch

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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



II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND  
COMMITTEE (NG-CDFC)

**BUDGET PERFORMANCE**

The actual utilisation of amounts against the budget is above average and has been utilised according to approval from the Board. The budgeted projects have been implemented on time and put to use for the benefit of the community.

**KEY ACHIEVEMENTS**

Kikuyu NG-CDF has achieved a lot over the last four years we have been in office. Previously stalled projects were completed first and new ones have been started and majority completed and in use in fields like education, health, security, roads, water, sports and social hall.

**EMERGING ISSUES**

Emerging issues that affect NG-CDF include the introduction of e-procurement of Government tendering process which means tendering to be done online.

**CHALLENGES FACED IN PROJECT IMPLEMENTATION**

Challenges facing implementation of projects include delay in disbursement of funds from the National Board which demands that a constituency must have a minimum balance of Ksh.10m and below.

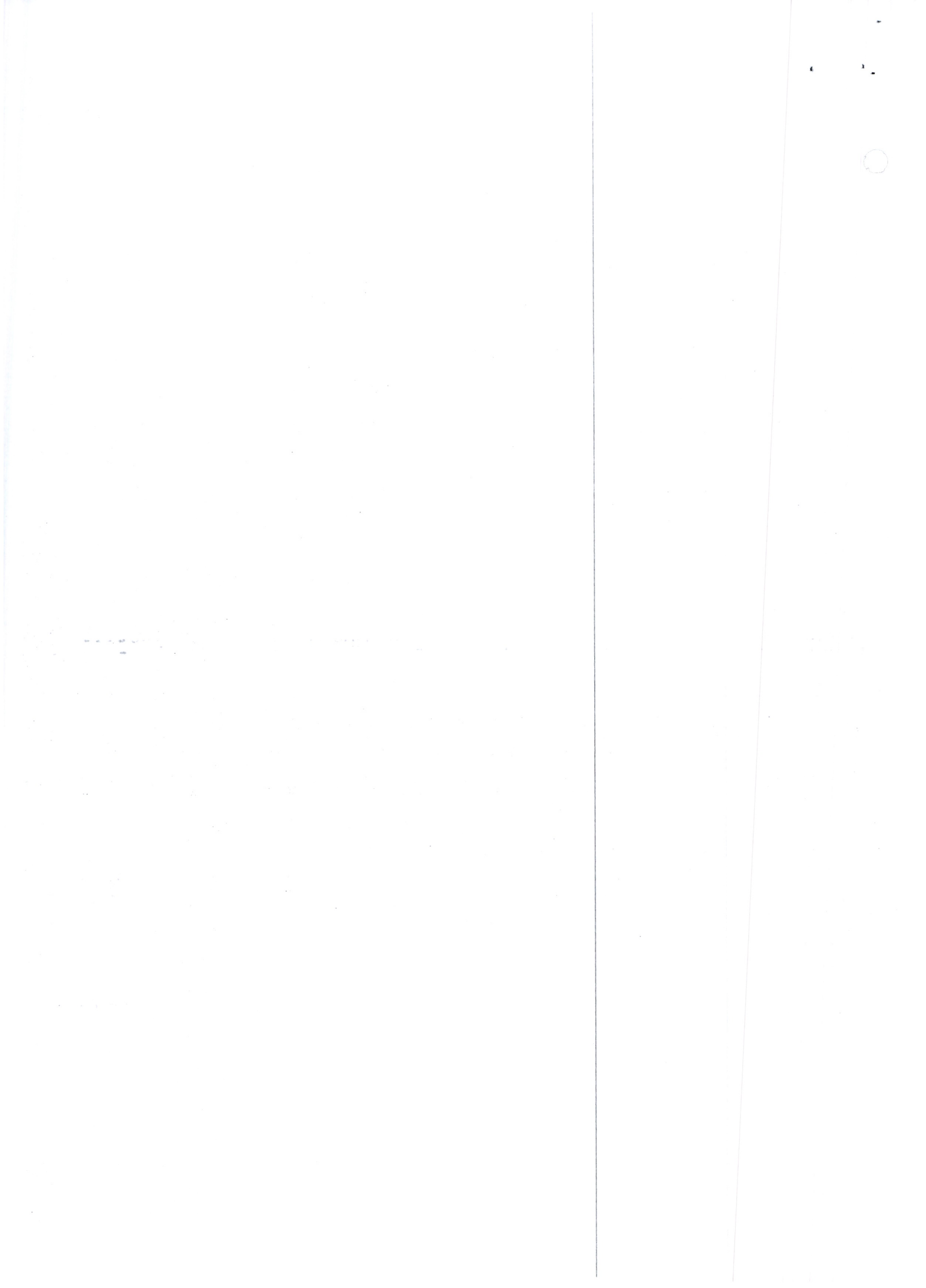
**THE WAY FORWARD**

The National Board to disburse funds on time even if a constituency has not reached the Ksh.10m and below threshold.



Sign

CHAIRMAN NG-CDFC



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIKUYU  
CONSTITUENCY

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

I. STATEMENT OF NG-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 Kikuyu National Government Constituency Development Fund is responsible for the preparation and presentation of the Kikuyu NG-CDF financial statements, which give a true and fair view of the state of affairs of the Kikuyu NG-CDF for and as at the end of the financial year (period) ended on June 30, 2017. 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 NG-CDF; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the NG-CDF; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the Kikuyu NG-CDF accepts responsibility for the NG-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 NG-CDF's financial statements give a true and fair view of the state of NG-CDF's transactions during the financial year ended June 30, 2017, and of the NG-CDF's financial position as at that date. The Accounting Officer in charge of the Kikuyu NG-CDF further confirms the completeness of the accounting records maintained for the NG-CDF, which have been relied upon in the preparation of the NG-CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the Kikuyu NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG-CDF's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

**Approval of the financial statements**

The NG-CDF's financial statements were approved and signed by the Accounting Officer on

04/09/2017  
FUND ACCOUNT MANAGER  
KIKUYU C.D.F.  
04 SEP 2017  
Fund Account Manager  
TEL: 0721-515908

  
Chairman NG-CDFC



# REPUBLIC OF KENYA

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Website: [www.kenao.go.ke](http://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 - KIKUYU CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

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#### REPORT ON THE FINANCIAL STATEMENTS

##### Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund–Kikuyu Constituency set out on pages 5 to 27, 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, development and combined 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, the financial statements present fairly, in all material respects, in all material respects, the financial position of National Government Constituencies Development Fund-Kikuyu 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 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, except for the matter Other Matter sections of my report, I confirm that nothing has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

##### Basis for Qualified Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development fund-Kikuyu 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 opinion.

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*Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund  
- Kikuyu Constituency for the year ended 30 June 2017*

## 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. I have determined that there are no key audit matters to communicate in my report.

## Other Matter

### 1. Misclassification of Expenditure

The statement of receipts and payments for the year ended 30 June 2017 reflects use of goods and services figure of Kshs.11,329,847. Included in the figure is an amount of Kshs.461,810 in respect of sports activities which was wrongly classified under utilities, supplies and services account. The management has not, however, given explanation for the misclassification.

### 2. Unauthorized change of Project Activities

Note 6 to the financial statements reflects transfers to other government entities figure of Kshs.56,561,034 which includes expenditure amounting to Kshs.7,400,000 disbursed to two schools for implementation of projects. A review of records revealed that the approved activity was changed as shown below;

Name	Budget/Disbursed-Kshs	Contract sum-Kshs	Approved Activity	Implemented project
Gikambura Primary School	4,400,000	3,551,590	Renovation of computer, laboratory and 8 classrooms	Renovation of 10 No. classrooms, administration block and re-roofing
HGM Kinoo Primary school	3,000,000	2,619,120	Construction of storied administration block	Renovation of 6 No. classrooms, dining hall and kitchen
<b>Total</b>	<b>7,400,000</b>	<b>6,170,710</b>		

However, no authority from the NG-CDF Board for the above change of project activity was provided for audit review.

## 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 sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless the National Government either intends to liquidate the Fund or to cease operations, or has 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.

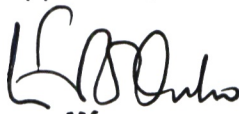
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 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 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**

**07 January 2019**

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIKUYU  
 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
<b>RECEIPTS</b>			
Transfers from CDF board-AIEs' Received	1	103,747,688	100,012,506
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>103,747,688</b>	<b>100,012,506</b>
<b>PAYMENTS</b>			
Compensation of employees	4	1,986,069	1,705,285
Use of goods and services	5	11,329,847	5,994,945
Transfers to Other Government Units	6	56,561,034	49,227,810
Other grants and transfers	7	37,468,946	38,544,746
Acquisition of Assets	8	-	-
Other Payments	9	-	-
<b>TOTAL PAYMENTS</b>		<b>107,345,896</b>	<b>95,472,786</b>
<b>SURPLUS/DEFICIT</b>		<b>(3,598,208)</b>	<b>4,539,975</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kikuyu NG-CDF financial statements were approved on \_\_\_\_\_ 2017 and signed by:



Chairman - NG-CDFC

FUND ACCOUNT MANAGER  
 KIKUYU C.D.F.  
 04 SEP 2017  
 Fund Account Manager



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

V.STATEMENT OF ASSETS

	Note	2016 - 2017 Kshs	2015 - 2016 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balances ( as per the cash book)	10A	4,600,514	8,198,723
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>4,600,514</b>	<b>8,198,723</b>
<b>REPRESENTED BY</b>			
Retention	12	-	-
Fund balance b/fwd 1st July...	13	8,198,723	3,658,748
Surplus/Deficit for the year		(3,598,208)	4,539,975
Prior year adjustments	14		
<b>NET LIABILITIES</b>		<b>4,600,514</b>	<b>8,198,723</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The kikuyu NG-CDF financial statements were approved on 04/09/2017 and signed by:

  
 Chairman – NG-CDFC

  
 FUND ACCOUNT MANAGER  
 KIKUYU C.D.F.  
 04 SEP 2017  
 Fund Account Manager  
 TEL: 0721-513308



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND - KIKUYU  
 CONSTITUENCY

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

VI. STATEMENT OF CASHFLOW

		2016 - 2017	2015 - 2016
<b>Receipts for operating income</b>			
Transfers from CDF Board	1	103,747,688	100,012,761
Proceeds from sale of assets	2	-	-
Other Receipts	3	-	-
<b>Payments for operating expenses</b>			
Compensation of Employees	4	1,986,069	1,705,285
Use of goods and services	5	11,329,847	5,994,945
Transfers to Other Government Units	6	56,561,034	49,227,810
Other grants and transfers	7	37,468,946	38,544,746
Other Payments	8	-	-
<b>Adjusted for:</b>			
Adjustments during the year	14	-	-
<b>Net cash flow from operating activities</b>		<b>(3,598,208)</b>	<b>4,539,975</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	8	-	-
<b>Net cash flows from Investing Activities</b>			
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(3,598,208)</b>	<b>4,539,975</b>
Cash and cash equivalent at BEGINNING of the year	13	8,198,723	3,658,748
Cash and cash equivalent at END of the year		4,600,514	8,198,723

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Kikuyu NG-CDF financial statements were approved on 04/09/2017 and signed by:



Chairman NG-CDFC

FUND ACCOUNT MANAGER  
 KIKUYU C.D.F.  
 SEP 2017  
 Fund Account Manager  
 TEL: 0721-518908




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

**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 %
<b>RECEIPTS</b>						
Transfers from CDF Board	81,896,550.00	60,998,132	142,894,682	111,946,410	30,948,272	78.3%
Proceeds from Sale of Assets						
Other Receipts						
<b>TOTAL</b>	<b>81,896,550.00</b>	<b>60,998,132</b>	<b>142,894,682</b>	<b>111,946,410</b>	<b>30,948,272</b>	<b>78.3%</b>
<b>PAYMENTS</b>						
Compensation of Employees	1,808,000	1,165,290	2,973,290	1,986,069	987,221	66.8%
Use of goods and services	5,562,689	5,826,744	11,389,433	11,329,847	59,586	99.5%
Transfers to Other Government Units	33,331,034	42,730,000	76,061,034	56,561,034	19,500,000	74.4%
Other grants and transfers	41,194,827	11,276,098	52,470,925	37,468,946	15,001,979	71.4%
Acquisition of Assets	-	-	-	-	-	0.0%
Other Payments	-	-	-	-	-	0.0%
<b>TOTALS</b>	<b>81,896,550.00</b>	<b>60,998,132</b>	<b>142,894,682</b>	<b>107,345,896</b>	<b>35,548,786</b>	<b>75.1%</b>

The Kikuyu NG-CDF financial statements were approved on 04/09/2017 and signed by:

  
**Chairman NG-CDF**

FUND ACCOUNT MANAGER  
 KIKUYU C.D.F.  
  
 SEP 2017  
**Fund Account Manager**  
 TEL: 0721-512208



## **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 NG-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 NG-CDF.

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

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

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

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



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

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*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 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 NG-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 NG-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, 2017.



**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	
AIE NO A825822	52,799,411			
AIE NO A825525	4,094,828			
AIE NO A855036	36,853,449			
AIE NO A839676	10,000,000			
(other constituency e.g, parent constituency)				
A797243			24,506,380	
A796106			24,506,380	
A796432			20,000,000	
A820812			20,000,000	
A825525			11,000,000	
<b>TOTAL</b>	<b>103,747,688</b>		<b>100,012,761</b>	

**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				
<b>Total</b>				



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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**Note 3: OTHER RECEIPTS**

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

**4. COMPENSATION OF EMPLOYEES**

	<b>2016- 2017</b>	<b>2015 - 2016</b>
	<b>Kshs</b>	<b>Kshs</b>
Basic wages of contractual employees	1,986,069	1,705,285
Basic wages of casual labour	-	-
<b>Personal allowances paid as part of salary</b>	<b>-</b>	<b>-</b>
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	-	-
<b>Total</b>	<b>1,986,069</b>	<b>1,705,285</b>

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*



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

**Note 5: USE OF GOODS AND SERVICES**

	2016- 2017	2015 - 2016
	Kshs	Kshs
Committee Expenses	2,800,000	1,614,000
Utilities, supplies and services	7930565	4,380,945
Communication, supplies and services	-	-
Domestic travel and subsistence	-	-
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	-	-
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	599,282	-
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	-
	-	-
<b>Total</b>	<b>11,329,847</b>	<b>5,994,945</b>



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

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**Note 6: TRANSFER TO OTHER GOVERNMENT ENTITIES**

Description	2016- 2017	2015 - 2016
	Kshs	Kshs
Transfers to National Government entities		
Transfers to primary schools (see attached list)	48,311,034	16,362,069
Transfers to secondary schools (see attached list)	8,250,000	17,500,000
Transfers to tertiary institutions (see attached list)	-	10,882,982
Transfers to health institutions (see attached list)	-	4,482,759
<b>TOTAL</b>	<b>56,561,034</b>	<b>49,227,810</b>

**7. OTHER GRANTS AND OTHER PAYMENTS**

	2016- 2017	2015- 2016
	Kshs	Kshs
Bursary – secondary schools (see attached list)	16,007,000	19,329,944
Bursary – tertiary institutions (see attached list)	5,233,458	3,500,000
Bursary – special schools (see attached list)	500,000	500,000
Mock & CAT (see attached list)	-	-
Water projects (see attached list)	3,070,000	7,580,000
Agriculture projects (see attached list)	-	-
Electricity projects (see attached list)	-	-
Security projects (see attached list)	8,250,000	3,250,000
Roads projects (see attached list)	-	-
Sports projects (see attached list)	1,850,000	2,360,510
Environment projects (see attached list)	2,558,488	944,292
Emergency projects (see attached list)	-	1,080,000
Strategic plan		
<b>Total</b>	<b>37,468,946</b>	<b>38,544,746</b>







**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	2016- 2017 Kshs	2015 - 2016 Kshs
<i>Equity Bank, AIC 0570262103404</i>	4,600,514	8,198,723
	0	0
	0	0
<b>Total</b>	<b>4,600,514</b>	<b>8,198,723</b>



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

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

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



**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**12. RETENTION**

	2016- 2017	2015 - 2016
	Kshs	Kshs
Ardent Investments-Gatune police	124,331	-
Dwyer city contractors-Kamangu primary	96,544.25	-
Dreamhone contractors-Kamangu primary	1,139,600	-
Gibron contractors-Lusigeti senior high	98,551	-
<b>Total</b>	<b>1,459,026</b>	<b>-</b>

Please find attached copies of projects bank statements

**13. BALANCES BROUGHT FORWARD**

	2016- 2017	2015 - 2016
	Kshs	Kshs
Bank accounts	4,600,514	8,198,723
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>4,600,514</b>	<b>8,198,723</b>



**14. PRIOR YEAR ADJUSTMENTS**

	2016- 2017 Kshs	2015 - 2016 Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	2016- 2017 Kshs	2015 - 2016 Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods	-	-
Supply of services	-	-
	<b>2016-2017</b>	<b>2015-2016</b>

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

	Kshs	Kshs
Senior management	-	-
Middle management	-	-



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

Union sable employees  
Others

-  
-  
-

15.3: OTHER PENDING PAYABLES (See Annex 3)

2016-2017                      2015-2016

Kshs                                      Kshs

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

-  
-  
-  
-

15.4: PMC account balances (See Annex 5)

2016-2017                      2015-2016

Kshs                                      Kshs

PMC account Balances (see attached list)

7,640,853.57

-

7,640,853.57

-

15.5: Amount due from the NG-CDF Board

2016-2017                      2015-2016

Kshs.                                      Kshs.

30,948,275

-



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

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
	a	B	c	d=a-c		
1.	-		-	-	-	
2.	-		-	-	-	
3.	-		-	-	-	
<b>Sub-Total</b>	-		-	-	-	
<b>Construction of civil works</b>						
4.	-		-	-	-	
5.	-		-	-	-	
6.	-		-	-	-	
<b>Sub-Total</b>	-		-	-	-	
<b>Supply of goods</b>						
7.	-		-	-	-	
8.	-		-	-	-	
9.	-		-	-	-	
<b>Sub-Total</b>	-		-	-	-	
<b>Supply of services</b>						
10.	-		-	-	-	
11.	-		-	-	-	
12.	-		-	-	-	
<b>Sub-Total</b>	-		-	-	-	
<b>Grand Total</b>	-		-	-	-	



**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
		a	B	c	d=a-c		
<b>Senior Management</b>							
1.		-		-	-	-	
2.		-		-	-	-	
3.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
<b>Middle Management</b>							
4.		-		-	-	-	
5.		-		-	-	-	
6.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
<b>Unionisable Employees</b>							
7.		-		-	-	-	
8.		-		-	-	-	
9.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
<b>Others (specify)</b>							
10.		-		-	-	-	
11.		-		-	-	-	
12.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
	<b>Grand Total</b>	-		-	-	-	



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

**ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2017	Comments
		a	B	c	d=a-c		
<b>Amounts due to other Government entities</b>							
1.		-		-	-	-	
2.		-		-	-	-	
3.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
<b>Amounts due to other grants and other transfers</b>							
4.		-		-	-	-	
5.		-		-	-	-	
6.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
<b>Others (specify)</b>							
7.		-		-	-	-	
8.		-		-	-	-	
9.		-		-	-	-	
	<b>Sub-Total</b>	-		-	-	-	
	<b>Grand Total</b>	-		-	-	-	



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

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land		
Buildings and structures	4,000,000.00	4,000,000.00
Transport equipment	0	0
Office equipment, furniture and fittings	680,730.00	680,730.00
ICT Equipment, Software and Other ICT Assets	1,200,700	1,200,700
Other Machinery and Equipment	0	0
Heritage and cultural assets	0	0
Intangible assets	0	0
<b>Total</b>	<b>5,881,430</b>	<b>5,881,430</b>



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

**ANNEX 5 – PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2017**

PMC	Bank	Account number	Bank Balance 2016/17	Bank Balance 2015/16
Gichuru Memorial Secondary school	Equity	0570293128987	1,648,407.25	0
Gicharani Primary school	Equity	0570292355790 9	111,532.90	148,300
Magutuini primary school	Equity	0570268565414	890,042.50	838,498
Nderi primary school	Equity	0570272031938	80,269	1,777,829
Gatune police post	Equity	0570271372767	238,705	0
Kerwa police Post	Equity	0570270129113	428,714	0
Nguriunditu Chief's Office	Equity	0570261532800	13.55	62,518.55
Kamangu Primary school	Family	1020000004373	1,230,145.50	40
Muhu secondary school	Family	102000005762	1,257,447.32	1,998,555.32
Nguriunditu primary school	KCB	1116138352	146,914.50	0
Kikuyu police post toilets	Jamii Bora	3061829409002	51,945.46	0
Kerwa Primary school	KCB	1141751896	1,196,742	373
Gikambura primary school	Jamii Bora	3061702305002	179,974.59	(11,704.43)
<b>Total</b>			<b>7,640,853.57</b>	<b>4,814,409.44</b>



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KIKUYU  
CONSTITUENCY**

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

**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Time frame (Provide date when you expect the issue to be resolved)
CEN/H UB/KB U.C/KI KUYU NG	There was no documentary evidence to support strategic plan expenditure of Ksh.1,080,000	The tenders minutes and CDF committee minutes were attached showing the approval of tender award to Stimo Africa to carry out the exercise and the copy of the strategic plan was availed.	Fund account manager , Chairperson and CDF committee	Resolved	
CEN/H UB/KB U.C/KI KUYU NG	Bursary did not have acknowledgement receipts from various schools	The bursary is always acknowledged by way of receipts from the schools. Sample receipt copies were availed	Fund account manager , Chairperson and CDF committee	Resolved	
CEN/H UB/KB U.C/KI KUYU NG	There was purchase of students lockers and chairs without tender process from Schools Equipment Production Unit(SEPU)	The lockers and chairs were procured through a government to government entities process. Copies of proforma invoice , deliveries and invoices and were availed	Fund account manager , Chairperson and CDF committee	Resolved	
CEN/H UB/KB U.C/KI KUYU NG	Construction of prefabricated health staff houses at Gichuru clinic which is a function no longer under CDF	It was a conditional grant that had been issued throughout the country by CDF Board.	Fund account manager , Chairperson and CDF committee	Resolved	

BUY



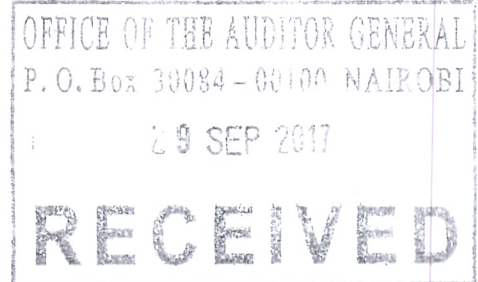
**NG-CDF**

National Government Constituency Development Fund  
Kikuyu Constituency  
P. O. Box 167-00902, Kikuyu.  
Telephone: 0737 864924, Email: [kikuyucdf@gmail.com](mailto:kikuyucdf@gmail.com)  
Website: [www.kikuyuconstituency.com](http://www.kikuyuconstituency.com)

OUR REF: KIK/NG-CDFC/1/04/08/2017

September 04, 2017

The Chief Executive Officer,  
National Government Constituency Development Fund Board,  
P.O Box 46682 -00100  
Nairobi, Kenya



Dear Sir,

**REF: SUBMISSION OF NG-CDF KIKUYU 2016-2017 FINANCIAL YEAR REPORT**

The above refers.

Enclosed, find a copy of Kikuyu National Government Constituency Development Fund committee 2016/2017 financial year report. Kindly acknowledge receipt.

Thank you.

Yours Faithfully,

ACCOUNT MANAGER  
KIKUYU C.D.F.  
  
29 SEP 2017  
TEL: 0721-519308  
Elizabeth Waithira Kagira,

Fund Account Manager,

NG-CDF Kikuyu Constituency

