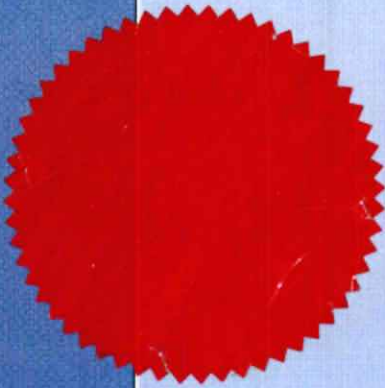


REPUBLIC OF KENYA



KENYA NATIONAL AUDIT OFFICE.

**PARLIAMENT
OF KENYA
LIBRARY** **REPORT**

*Paper Laid
By the Leader
of majority
party
Hon. Aden Duale
on Tuesday
27/10/2015*

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS
OF CONSTITUENCIES DEVELOPMENT
FUND - LUGARI 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 - LUGARI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Lugari Constituency set out on pages 4 to 20, which comprise the statement of financial assets and liabilities as at 30 June 2014 and the statement of receipts and payments, statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 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 the 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.

Auditor-General's Responsibility

My responsibility is to express an opinion on the 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 the 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 Statement

The Fund did not comply with Standards and template contained in the Gazette pronouncement issued by IPSAS Board on the presentation of the financial statements as the statement of Cash Flows was not prepared. Further, the general ledgers from which the financial statements were to be prepared were not maintained by the Fund as required.

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 (Roads) – Kshs.45,023,372.00

Included in Other Grants and Transfers balance of Kshs.45,023,372 as at 30 June 2014 is Roads expenditure of Kshs.21,442,996.35. Payment vouchers availed for audit totalled Kshs.16,778,920.00 resulting to a variance of Kshs.4,664,076.35 unaccounted for.

In the circumstances, the accuracy and propriety of the roads expenditure of Kshs.21,442,996.35 could not be confirmed.

3. Bursary to Secondary and Tertiary Institutions

The Funds Bursary to Secondary and Tertiary Institutions balance of Kshs.20,913,712.00 differs with the audited schedules amount of Kshs.20,342,352.00 resulting to an unreconciled difference of Kshs.571,360.00. Further, out of the total bursary amount of Kshs.20,342,352.00, only Kshs.18,694,452.00 was acknowledged leaving a balance of Kshs.1,647,900.00 unacknowledged by the beneficiary institutions.

In the circumstances, the accuracy and propriety of Other Grants and Transfers balance of Kshs.20,913,712.00 could not be confirmed.

4. Cash and Cash Equivalents

The statement of assets and liabilities reflects cash and cash equivalents balance of Kshs.44,332,734.80 as at 30 June 2014. However, an analysis of the bank reconciliation statement for June 2014 revealed:

a) Un-presented Stale cheques – Kshs.214,158.80

Payments in cash book not yet recorded in the bank statement totaling to Kshs 7,033,828 90 included stale cheques amounting to Kshs.214,158.80.

b) Payments in bank statements not recorded in the cash book

The statement reflects payments in bank statement not recorded in cash book amounting to Kshs.388,211.00 included standing orders and bank charges amounting to Kshs.47,811.00 leaving the balance of kshs.340,400.00 as payments to third parties not accounted for

c) Receipts in cash book not recorded in the bank statement

There were long outstanding receipts amounting to Kshs 375,677.30 as at June 2014 which had not been received at bank. The amount includes two reversed cheques of Kshs.8,000.00 and 6,000.00 and 6 replacement cheques all of which were not included in the schedule for un-presented cheques The total amount of Kshs.375,677.00 thus remain unaccounted for.

In view of the foregoing, the accuracy and completeness of the cash and cash equivalents balance of Kshs.44,332,734 00 could not be ascertained.

5. Transfers to other Government Entities

The statement of receipts and payments reflects transfers to Other Government Entities totalling Kshs.70,817,532.00 as at 30 June 2014. However, included in the amount is Kshs 413,800 00 transferred to Agricultural Institutions whose expenditure schedules were not provided for audit review.

As a result, the propriety of the expenditure of Kshs 413,800.00 could not be confirmed as at 30 June 2014

Adverse Opinion

In my Opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of the Lugarı 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 fully comply with the Constituency Development Fund (CDF) Act, 2013

Other Matter

1. 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 Constituency Development Fund since enactment of the Constitution of Kenya 2010 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.

As a result, the Going Concern status of the Lugari Constituency Development Fund is doubtful.

2. Lugari Environmental Group

During the year under review, the Fund disbursed Kshs.515,873.30 to an Environmental Group to carry out environmental activities. However, a site visit to two beneficiary schools where the seedlings were purportedly supplied revealed that the seedlings had dried up due to lack of technical management and supervision.

Consequently, the expenditure did not meet the objective intended and no value for money was received by the Fund. My opinion is not qualified in respect to these matters.



Edward R. O. Ouko, CBS
AUDITOR- GENERAL

Nairobi

26 June 2015

Draft of [2-July -2014]



CONSTITUENCIES DEVELOPMENT FUND – LUGARI

REPORTS AND FINANCIAL STATEMENTS

**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)



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Table of Content	Page
I. KEY ENTITY INFORMATION AND MANAGEMENT	1
II. STATEMENT OF CONSTITUENCY MANAGEMENT RESPONSIBILITIES	3
III. STATEMENT OF RECEIPTS AND PAYMENTS.....	4
IV. STATEMENT OF ASSETS AND LIABILITIES.....	5
V. SUMMARY STATEMENT OF APPROPRIATION:	6
VI. SIGNIFICANT ACCOUNTING POLICIES.....	7
VII. NOTES TO THE FINANCIAL STATEMENTS.....	9



CONSTITUENCIES DEVELOPMENT FUND - LUGARI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

I. 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	Yusuf Mbuno
2.	Fund Account Manager	Alex M. Lwamba
3.	District Accountant	Peter Sifuna Makanyanga

(d) Fiduciary Oversight Arrangements

List the CDFC as gazetted

- | | |
|---------------------------|-------------------------|
| 1. Mrs. Carolyn Simiyu | Chairperson |
| 2. Mr. Clement Abaya | Secretary |
| 3. Mr. Aggrey J. Wekesa | Member |
| 4. Mr. Benard Agona | Member |
| 5. Mr. Jacob Murunga | Member |
| 6. Mr. Neal Suba Isavwa | Member |
| 7. Mrs. Judith Mbeheze | Member |
| 8. Mrs. Carolyn Kinarah | Member |
| 9. Mr. Alex M. Lwamba | FAM |
| 10. Mr. Lawrence K. Ngare | Sub County Commissioner |



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

(e) Entity Headquarters

Provide box and physical address of the constituency CDF office

P.O. BOX 700
Lugari District Headquarters
Webuye Eldoret Highway
TURBO, KENYA

(f) Entity Contacts

Provide telephone number and email of the constituency CDF office

Telephone: (254) 720 320 263
E-mail: cdflagari@cdf.go.ke
Website: www.go.ke

(g) Entity Bankers

Constituency CDF main banker (provide the bank, branch, account number and address)

1. Cooperative Bank,
Eldoret Branch,
Account number: 01120086153600 ✓
P.O Box 700 TURBO

...

(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



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

II. STATEMENT OF CONSTITUENCY 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 county 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.

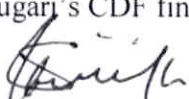
The Fund Account Manager in charge of the *LUGARI CDF* is responsible for the preparation and presentation of the *Constituencies* financial statements, which give a true and fair view of the state of affairs of the *Constituency* as at the end of the financial year (period), ended on June 30, 2014.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

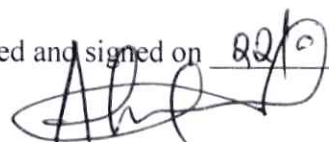
The Fund Account Manager in charge of the *LUGARI CDF* accepts responsibility for the *constituency's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Fund Account Manager is of the opinion that the *LUGARI 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 the *LUGARI 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 the *LUGARI 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 Lugari's CDF financial statements were approved and signed on 22/6 2013.


CAROLAYNE SIMIYU
Chairperson - CDFC


ALEX LWAMBA
Fund Account Manager



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2013-2014	2012-2013
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	166,707,941.40	82,704,536.60
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	0
TOTAL RECEIPTS		166,707,941.40	82,704,536.60
PAYMENTS			
Compensation of Employees	4	639,381.20	713,040.00
Use of goods and services	5	3,008,750.4	4,897,132
Committee meeting allowances	6	3,703,213	4,425,060
Transfers to Other Government Units	7	70,817,532.95	85,845,309
Other grants and transfers	8	45,023,372.15	42,614,416.00
Social Security Benefits	9	61,029	33,360
Acquisition of Assets	10	0	0
Other Payments	11	0	0
TOTAL PAYMENTS		123,253,278.7	138,528,317
SURPLUS/DEFICIT		43,454,662.7	

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Lugari CDF financial statements were approved on 22/9/2014 and signed by:

CEC Member - Finance



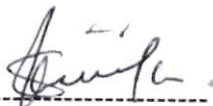
Principal Accounts Controller

COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

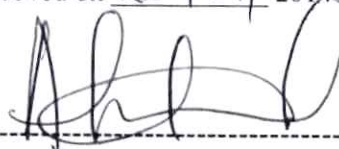
IV. STATEMENT OF ASSETS AND LIABILITIES

	Note	2013-2014 Kshs	2012-2013 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12	44,332,734.2	402,780
Cash in hand	13	0	xxx
Outstanding Imprests	14	643,500	xxx
Cash equivalents(Short term deposits)	15	xxx	xxx
TOTAL FINANCIAL ASSETS		44,976,234.2 ✓	402,780
REPRESENTED BY			
Fund balance b/fwd		1,521,571.5	xxx
Surplus/Deficit for the year		43,454,662.7	xxx
Prior year adjustments		xxx	xxx
NET FINANCIAL POSSITION		44,976,234.2 ✓	xxx

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 22/09/2014 and signed by:



 CDFC CHAIRMAN



 FUND ACCOUNT MANAGER



CONSTITUENCIES DEVELOPMENT FUND - LUGARI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

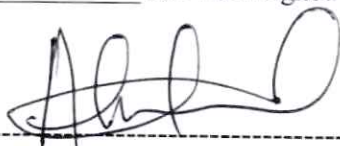
V. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

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	639,381.2	0	639,381.2	639,381.2	0	100%
Use of goods and services	3,008,750.4	0	3,008,750.4	3,008,750.4	0	100%
Committee Members Expenses	3,703,213	0	3,703,213	3,703,213	0	100%
Transfers to Other Government Units	70,817,532.95	0	70,817,532.95	70,817,532.95	0	100%
Other grants and transfers	45,023,372	0	88,478,034.7	45,023,372	(43,454,662.7)	50.9%
Social Security Benefits	61,029	0	61,029	61,029	0	100%
Acquisition of Assets	0	0	0	0		0
Finance Costs, including Loan Interest	0	0	0	0		0
Repayment of principal on Domestic and Foreign borrowing	0	0	0	0		0
Other Payments	0	0	0	0		0
TOTALS	123,253,278.7		166,707,941.4	123,253,278.7	(43,454,662.7)	73.9%

The entity financial statements were approved on _____ 2014 and signed by:



 CDFC CHAIRMAN



 FUND ACCOUNT MANAGER





VI. 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 *Constituency* and all values are rounded to the nearest thousand (Kshs'000). 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 *Constituency*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *Constituency* 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 *Constituency* 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.

COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

4. Cash and cash equivalents

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

5. Pending bills

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

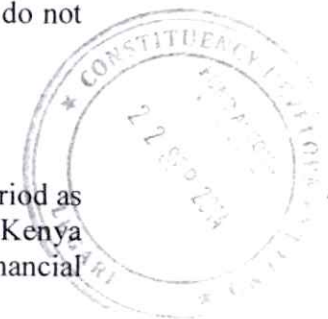
These relate to provisioning balances for the GAV and Exchequer accounts as required by the current Government Financial Regulations and Procedures. These provisioning balances do not have an impact on the receipts and payments and therefore do not contravene the principles on the cash based IPSAS.

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 *Constituency'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



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

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.

VII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM CDF BOARD

	Description	2013 - 2014	2012 - 2013
		Kshs	Kshs
Normal Allocation	AIE NO...A 711531		17,661,766.30
	AIE NO.....A654466		47,381,004.00
	AIE NO.....A711795	23,549,021.80	
	AIE NO.....A709829	58,872,554.60	
	AIE NO.....A735655	33,714,546.00	
	AIE NO.....A750062	50,571,819.00	
Conditional grants	AIE NO.....A711594		17,661,766.30
	TOTAL	166,707,941.40	82,704,536.60



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	2013 - 2014	2012 - 2013	Kshs	Kshs
	Kshs	Kshs		
2. PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS				
Receipts from the Sale of Buildings				
Receipts from the Sale of Vehicles and Transport Equipment	xxx	xxx		
Receipts from the Sale Plant Machinery and Equipment	xxx	xxx		
Receipts from Sale of Certified Seeds and Breeding Stock	xxx	xxx		
Receipts from the Sale of Strategic Reserves Stocks	xxx	xxx		
Receipts from the Sale of Inventories, Stocks and Commodities	xxx	xxx		
Disposal and Sales of Non-Produced Assets	xxx	xxx		
Receipts from the Sale of Strategic Reserves Stocks	xxx	xxx		
Total	xxx	xxx		



3. OTHER REVENUES

		2013 - 2014	2012 - 2013
		Kshs	Kshs
1410107	Interest Received	0	0
1410405	Rents	0	0
1420601	Sale of tender documents	0	0
1450207	Other Receipts Not Classified Elsewhere	0	0
	Total	0	0

COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. COMPENSATION OF EMPLOYEES

		2013 - 2014	2012 - 2013
		Kshs	Kshs
2110201	Basic wages of contractual employees	639,381.20	713,040
2110202	Basic wages of casual labour	-	
	Personal allowances paid as part of salary		
2110301	House allowance	-	0
2110314	Transport allowance	-	0
2110320	Leave allowance	-	0
2110326	Other personnel payments	-	0
	Total	639,381.20	713,040.00



COUNTY GOVERNMENT OF KAKAMEGA

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

		2013 - 2014	2012 - 2013
		Kshs	Kshs
2210100	Utilities, supplies and services	89,067.00	763,090
2210104	Office rent	80,150.00	
2210200	Communication, supplies and services	-	117480
2210300	Domestic travel and subsistence	-	
2210500	Printing, advertising and information supplies & services	-	243,500
2210600	Rentals of produced assets	-	
2210700	Training expenses	-	
2210800	Hospitality supplies and services	-	
2210900	Insurance costs	-	
2211000	Specialised materials and services	-	
2211100	Office and general supplies and services	967,463.40	2,023,062
2211200	Fuel ,oil & lubricants	1,500,000.00	1,750,000
2211300	Other operating expenses	-	
2220100	Routine maintenance – vehicles and other transport equipment	372,070.00	
2220200	Routine maintenance – other assets	-	
	Total	3,008,750.40	4,897,132



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. COMMITTEES EXPENSES

	Description	2013 - 2014	2012 - 2013
		Kshs	Kshs
2210802	Other committee expenses(M&E)	1,492,234	2,088,500.00
2210809	Committee allowance	2,210,979.00	2,336,560.00
		xx	xx
		xx	xx
		xx	xx
	TOTAL	3,703,213	4,425,060.00

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

	Description	2013 - 2014	2012 - 2013
		Kshs	Kshs
2630204	Transfers to primary schools	28,395,805.00	37,792,988.00
2630205	Transfers to secondary schools	21,451,580.00	32,584,321.00
2630206	Transfers to Tertiary institutions	10,500,000.00	3,650,000.00
2630207	Transfers to Health institutions	10,056,347.95	11,268,000.00
	Transfer to Agricultural Institutios	413,800.00	550,000.00
		xx	xx
	TOTAL	70,817,532.95	85,845,309.00

COUNTY GOVERNMENT OF KAKAMEGA**Reports and Financial Statements****For the year ended June 30, 2014 (Kshs'000)***NOTES TO THE FINANCIAL STATEMENTS (Continued)***8. OTHER GRANTS AND OTHER PAYMENTS**

		2013 - 2014	2012 - 2013
		Kshs	Kshs
2640101	Bursary -Secondary	6,271,908.00	3,279,000.00
2640102	Bursary -Tertiary	14,641,804.40	20,000,000.00
2640104	Bursary-Special schools		
2640105	Mocks & CAT		
2640504	water		75,000.00
2640505	food security		xx
2640506	Electricity		
2640507	Security	2,050,790.40	1,000,000.00
2640508	Roads	21,442,996.35	8,980,122.00
2640509	Sports	1,447.619.9	356,058.00
2640510	Environment	515,873.00	1,200,000.00
2640200	Emergency Projects	100,000.00	7,724,236.00
	Total	45,023,372.15	42,614,416.00

9. SOCIAL SECURITY BENEFITS

		2013 - 2014	2012 - 2013
		Kshs	Kshs
2120101	Employer contribution to NSSF/NHIF	61,029.00	33,360.00
2710120	Gratuity to CDFC Employees	-	
	Total	61,029.00	33,360.00

COUNTY GOVERNMENT OF KAKAMEGA**Reports and Financial Statements****For the year ended June 30, 2014 (Kshs'000)***NOTES TO THE FINANCIAL STATEMENTS (Continued)***10. ACQUISITION OF ASSETS**

3110102	Purchase of Buildings	XX	XX
3110202	Construction of Buildings	XX	XX
3110302	Refurbishment of Buildings	XX	XX
3110701	Purchase of Vehicles	XX	XX
3110704	Purchase of Bicycles & Motorcycles	-	
3110801	Overhaul of Vehicles	XX	XX
3111001	Purchase of Office furniture and fittings		XX
3111002	Purchase of computers ,printers and other IT equipments	XX	XX
3111005	Purchase of photocopier	XX	XX
3111009	Purchase of other office equipments	XX	XX
3111112	Purchase of soft ware	XX	XX
3130101	Acquisition of Land	XX	XX
	Total	-	XX

COUNTY GOVERNMENT OF KAKAMEGA

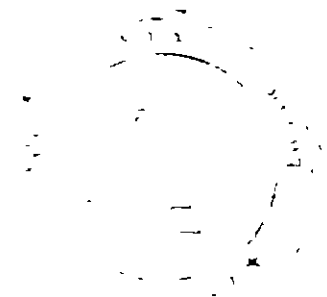
Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OTHER PAYMENTS

	2013 - 2014	2012 - 2013
	Kshs	Kshs
Budget Reserves	xxx	xxx
Civil Contingency Reserves	xxx	xxx
Capital Transfers to Non-Financial Public Enterprises	xxx	xxx
Capital Transfer to Public Financial Institutions and Enterprises	xxx	xxx
Capital Transfer to Private Non-Financial Enterprises	xxx	xxx
Other expenses	xxx	xxx
Domestic Accounts	xxx	xxx
	xxx	xxx



12. A Bank Accounts (cash book bank balance)

	Name of Bank, Account No. & currency	2013 - 2014	2012 - 2013
		Kshs	Kshs
	<i>Cooperative Bank, ELDORET Branch A/C no 01120086153600</i>	44,332,734.20	76,171.85
		xxx	xxx
		xxx	xxx
	Total	44,332,734.20	76,171.85

COUNTY GOVERNMENT OF KAKAMEGA

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. CASH IN HAND

		2013 - 2014	2012 - 2013
		Kshs	Kshs
	Sale of tender	0	xxx
	Hire of graders	0	xxx
	Hire of hall	0	xxx
	Other receipts (specify)	0	xxx
	Total	0	xxx
		<i>[Provide cash count certificates for each]</i>	

14. OUTSTANDING IMPRESTS

	<i>Name of Officer</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		Kshs	Kshs	Kshs
	<i>Tom Wanjala</i>	21,000.00	0	21,000.00
	<i>Charles Ouma</i>	3,000.00	0	3,000.00
	<i>Peter Miyenda</i>	70,000.00	0	70,000.00
	<i>Kimani Wilson</i>	20,000.00	0	20,000.00
	<i>Xysus Musuya</i>	529,500	0	529,500
			0	
	Total	643,500.00	0	643,500



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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>	xxx	xxx	xxx	xxx
	<i>Describe the nature of deposit</i>	xxx	xxx	xxx	xxx
	<i>Describe the nature of deposit</i>	xxx	xxx	xxx	xxx
	<i>Describe the nature of deposit</i>	xxx	xxx	xxx	xxx
	Total			0	xxx



COUNTY GOVERNMENT OF KAKAMEGA
 Reports and Financial Statements
 For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

16. BALANCES BROUGHT FORWARD

		2013 - 2014	2012 - 2013
		Kshs	Kshs
	Bank accounts	1,471,671.00	-
	Cash in hand	16,550.50	-
	Cash equivalents (short-term deposits)	-	-
	Imprest	33,350.00	-
	Receivables	0	0
	Payables	0	0
	Total	1,521,571.50	-
	<i>[Provide short appropriate explanations as necessary]</i>		



COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. PRIOR YEAR ADJUSTMENTS

		2013 - 2014	2012 - 2013
		Kshs	Kshs
	Bank accounts	0	-
	Cash in hand	0	-
	Cash equivalents (short-term deposits)	0	-
	Imprest	0	-
	Total	0	-

18. OTHER IMPORTANT DISCLOSURES

18.1 FIXED ASSET REGISTER	
18.2 RECEIVABLES FROM BOARD & OTHER RECEIVABLES	
18.3 PAYABLES	
18.4 FUNDS DUE TO PROJECTS	





COUNTY GOVERNMENT OF KAKAMEGA
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

18.5 DISBURSEMENTS FROM THE BOARD	

