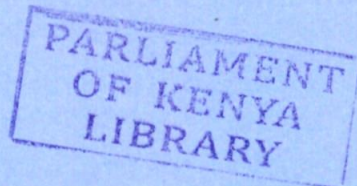


REPUBLIC OF KENYA



Paper laid
By Hon A. Ombalo
11/8/2016
[Signature]

OFFICE OF THE AUDITOR-GENERAL



REPORT

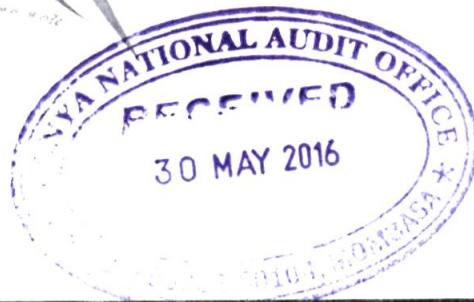
OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND
JOMVU CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2015**



CONSTITUENCY DEVELOPMENT FUND- JOMVU CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2015**

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

CONSTITUENCY DEVELOPMENT FUND – JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

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CONSTITUENCY DEVELOPMENT FUND- JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The *Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *Constituencies Development Fund*.

(b) Key Management

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

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

No	Designation	Name
1	Chairman	James kithome
2	Treasurer	Rehema Bahaji
3	Secretary	Mercy Masambaga
4	Member	Joel Msango
5	Member	Thima Mwaitha.
6	Member	Ganatra Robert
7	Member	Mohamed Bakari
8	Member	Salim Mwichade.

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Fatma M Abubakar
3.	Accountant	Dominic N Otieno

(d) Fiduciary Oversight Arrangements

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

(e) JOMVU CDF Headquarters

P.O. Box 90646-80100
Near Kwa Shee Primary School – Mikindani
Mombasa.

(f) JOMVU CDF Contacts

Telephone: (+254) 0722305811

E-mail: cdfjomvu@cdf.go.ke

Website: www.cdf.go.ke

(g) JOMVU CDF Bankers

1. Equity Bank
Changamwe Branch
A/C No. 1200261736417

(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

CONSTITUENCY DEVELOPMENT FUND- JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

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

Note by the Chairman CDFC

Implementations

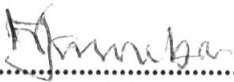
- Improvement of roads standards thus better transport infrastructure.
- Improving health facilities thus improving health standards.
- Water has been brought near to the communities thus improving health standards.
- Construction of a new Secondary school Miritini High School from inception thus reducing school drop outs.

Challenges

- Vandalisms of projects e.g stealing water pipes meant for boreholes.
- Delay in disbursement of funds thus leading to delay in implementation of projects
- Political interference from the opponents.
- Community expectations in monetary.
- Communities' expectations in funding all projects at once.

Way forward.

- Creating awareness to the public to own the projects.
- CDF Board to ensure timely disbursement of funds.

Sign.....

CHAIRMAN CDFC

III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government CDF shall prepare financial statements in respect of that CDF. 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.

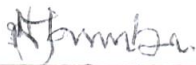
The Accounting Officer in charge of the *Jomvu Constituency Development Fund* is responsible for the preparation and presentation of the *CDF's* financial statements, which give a true and fair view of the state of affairs of the *CDF* for and as at the end of the financial year 2014-2015 ended on June 30th 2015. 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 *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 *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 *Jomvu Constituency Development Fund* accepts responsibility for the *CDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *CDF's* financial statements give a true and fair view of the state of *CDF's* transactions during the financial year ended June 30th 2015, and of the *CDF's* financial position as at that date. The Accounting Officer charge of the *Jomvu Constituency Development Fund* further confirms the completeness of the accounting records maintained for the *CDF*, which have been relied upon in the preparation of the *CDF's* financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the *Jomvu Constituency Development Fund* confirms that the *CDF* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the *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 *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 *CDF's* financial statements were approved and signed by the Accounting Officer on 27/5/16 2016.



Chairman - CDFC



Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

IV. STATEMENT OF RECIEPTS AND PAYMENTS

	Note	2014-2015 Kshs	2013-2014 Kshs
RECEIPTS			
Transfers from Other Government Entities	1	106,316,219	32,063,316
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	129,000	-
TOTAL RECEIPTS		106,445,219	32,063,316
PAYMENTS			
Compensation of Employees	4	1,178,034	341,083
Use of goods and services	5	2,431,315	790,101
Committee Expenses	6	2,707,100	2,762,772
Transfers to Other Government Units	7	32,764,904	2,000,000
Other grants and transfers	8	56,415,655	6,841,000
Social Security Benefits	9	9,400	2,600
Acquisition of Assets	10	-	812,295
Other Payments	11	-	-
TOTAL PAYMENTS		95,506,408	13,549,851
SURPLUS/DEFICIT		10,938,811	18,513,465

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The JOMVU CDF financial statements were approved on 27/5/16 2016 and signed by:



Chairman - CDFC



Fund Account Manager



OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2015

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Jomvu Constituency set out on pages 6 to 24, which comprise the statement of financial assets as at 30 June 2015, and statement of receipts and payments, statement of cash flows, a summary 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 explanation which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibilities 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.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with 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 of Supreme Audit Institutions (ISSAIs). 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 risk 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 the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my qualified audit opinion.

Basis for Qualified Opinion

1.0 Receipts

The statement of receipts and payments for the year ended 30 June 2015 reflect receipts from CDF Board amounting to Kshs.106,316,219. However, records held by the parent Ministry at the same time revealed that the funds disbursed amounted to Kshs.101,138,501 resulting to unexplained nor reconciled variance of Ksh.5,177,718.

Consequently, the accuracy and completeness of receipts from CDF Board of Kshs.106,316,219 for the year ended 30 June 2015 could not be confirmed.

2.0 Committee Expenses

The statement of receipts and payments for the year ended 30 June 2015 also reflects an amount of Ksh.2,707,100 in respect of committee expenses. A review of the information availed for audit revealed that the Fund payments for Constituencies Development Fund Committee meeting allowances totaled to Kshs.1,731,000 for thirty (30) meetings. This contravened Section 24 of the CDF Act, 2013 which provides for a maximum of 24 sittings per annum including sub-committee meetings. This resulted in an overpayment of Kshs.322,000 for the 6 (six) extra meetings held during the year.

Under the circumstances, the propriety of Kshs.322,000 spent on committee expenses for the year ended 30 June 2015 could not be confirmed.

3.0 Other Grants and Transfers

3.1 Bursary for Driving Schools

Statement of receipts and payments reflect other grants and transfers payments amounting Kshs.56,415,655 incurred during the year. Included in the payments is Kshs.1,600,000 being payment to driving schools' as bursary for 300 students. However Constituencies Development Fund Committee minutes to confirm approval of bursary awards from the bursary sub-committee were not availed for audit review. Further the Fund did not provide details of how the 300 beneficiaries were identified and vetted to ensure that only needy applicants benefited as required by Constituencies Development

Fund Board Circular Vol1/111 dated 13/09/2010 which requires that the target group for bursary should be orphans, students without guardians or parents and socially/economically disadvantage students.

Consequently, regularity of other grants and transfers expenditure of Kshs.1,600,000 incurred as bursary for driving school students for the year ended 30 June 2015 could not be confirmed.

3.2 Mikindani Street Lighting Project

Statement of receipts and payments reflect other grants and transfers payments amounting to Kshs.56,415,655 which Includes a payment of Kshs.6,454,900 relating to Mikindani street lighting. A review of the project file revealed that the Fund used restricted tendering which contravened Section 73 of the Public Procurement and Disposal Act, 2005 and which requires open tender for procurement of above Kshs.2million. Further, the award of the project was to Romulas Enterprises which was not prequalified. It was also noted that the Fund made a payment of Kshs.4,500,000 to the contractor, three (3) days after signing the contract and failed to deduct withholding tax.

The Fund was therefore in breach of the law and also the propriety of the expenditure amounting to Kshs.4,500,000 for the year ended 30 June 2015 could not be ascertained.

3.3 Kwa-Shee Social Hall

Included in other grants and transfers payments of Kshs.56,415,655 incurred during the year is a payment of Kshs.1,500,000 relating to partitioning of Kwa-Shee Social Hall. The Bills of Quantities provided for a contingency amount of Kshs.300,000. During the project verification, it was noted that the fund had made full payment for the project but the hall had not been partitioned. Further, details on how the Kshs.300,000 provided for in the bills of quantities was utilized were not availed for audit.

Consequently, the propriety of payment of Kshs.1,500,000 relating to partitioning of Kwa-Shee Social Hall for the year ended 30 June 2015 could not be ascertained.

4. Jomvu-Kuu Hospital Project

The Statement of receipts and Payments reflects transfers to other government units amount of Kshs.32,764,904. This amount includes payments relating to renovation of Jomvu-Kuu Hospital at a total cost of Kshs.2,957,100. Examination of the project files revealed that the Bill of Quantities provided for a contingency sum of Kshs.1,400,000 or 47% of the total project cost. Details on how the contingency of Kshs.1,400,000 was spent were not explained or availed for audit review.

Consequently, the propriety of the contingency sum of Kshs.1,400,000 spent on renovation of Jomvu-Kuu Hospital for the year ended 30 June 2015 could not be confirmed.

5. Cash and Bank Balances

The statement of financial assets as at 30 June 2015 reflects a bank balance of Kshs.29,452,276. The bank reconciliation statement availed for audit reflected unrepresented cheques amounting to Kshs.907,960 out of which Kshs.627,060 were stale and could not be cashed. In addition, the bank reconciliation statement reflected payments in bank not in cashbook amounting to Kshs.49,637 which related to bank charges. The management has not explained why these long outstanding items have not been adjusted in the cashbook.

Consequently, the accuracy and completeness of the bank balance of Kshs.29,452,276 as at 30 June 2015 could not be ascertained.

Qualified Opinion

In my opinion, except for effect of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Constituencies Development Fund - Jomvu Constituency as at 30 June 2015, and of its financial performance and its cashflows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with Constituencies Development Fund Act, 2013.

Other Matter

1. Budgetary Control and Performance

According to the year 2014/2015 approved budget, the Constituencies Development Fund had a total budget of Kshs.81,199,962. However, the summary statement of appropriation reflects a total final budget of Kshs.81,209,562 resulting to an unreconciled variance of Kshs.9,600 which related to social security benefits budget for the same period.

Below is the Budget Analysis:

Receipt/Expense Item	Final Budget	Actual on Comparable Basis	Under Expenditure	Over Expenditure
PAYMENTS				
Compensation of Employees	1,100,000	1,178,034		78,034
Use of goods and services	1,998,706	2,431,315		432,609
Committee Expenses	2,948,853	2,707,100	241,753	
Transfers to Other Government Units	16,100,000	32,764,904		16,664,904
Other grants and transfers	59,052,403	56,415,655	2,636,747	

Social Security Benefits	9,600	9,400	200	
Acquisition of Assets				
Other Payments				
TOTALS	81,209,562	95,506,408	2,878,700	17,175,548

During the year under review the Fund overspent by a total of Kshs.17,175,548. The management explained that the over expenditure was as a result of spending year 2013/2014 funds disbursed during the financial year ended 30 June 2015. However, approval for this over expenditure was not availed for audit review.

There was also an under expenditure totaling Kshs.2,878,700 mostly on other grants and transfers. This may have hindered delivery of goods and services to the constituents of Jomvu in the year under review and may require the management of the Fund to re-look at its budget mechanism with a view to allocating funds to priority areas.

2. Project Implementation

A project status report availed for audit review show that 72 projects were funded during the year under review as detailed below:-

	Project Name	Details of Project	Amount Allocated Kshs.	Disbursement as at 30 June 2015 Kshs.	Expenditure as at 30 June 2015 Kshs.	Unspent Balance Kshs.	% Certified/Complete	Status
1	Mikindani Youth Resource centre	Construction of youth resource centre	2,000,000	-	-	-	0%	To be tendered
2	Miritini Madukani Public Toilet	Construction of public toilet	2,000,000	-	-	-	0%	To be tendered
3	Runyu Terraces	Construction of terraces from Runyu village to Kwa Shee	1,350,000	-	-	-	0%	To be tendered
4	Narcol Nursery School Road	Improvement of road using cabro	2,000,000	-	-	-	0%	To be tendered
5	Mikanjuni health centre	Purchase of fifty beds	1,000,000	-	-	-	0%	To be tendered

6	Jomvu Kuu Clinic	purchase of laboratory equipments	400,000	-	-	-	0%	To be tendered
7	Jomvu Kuu Clinic	Replacement of dilapidated roof, ceiling, walls and floor	3,000,000	3,000,000	2,571,390	428,610	100%	Completed
8	Ganahola/Sameta Street lights	Installation of street lights in Jomvu on existing KPLC poles	1,750,000	-	-	-	0%	Ongoing
9	Owino Uhuru Street lights	Installation of street lights in Jomvu on existing KPLC poles	650,000	-	-	-	0%	Ongoing
10	Owino Uhuru borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
11	Runyu borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
12	Chamunyu borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
13	Jitengeni borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
14	Kwa Shee borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
15	Alidina borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
16	Kopa Kopa borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
17	Ganahola Kwa kenga borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
18	Kwa Punda borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing
19	Mkupe borehole	Drilling and development. of borehole	650,000	-	-	-	0%	Ongoing

20	Mwamlai borehole	Drilling and development of borehole	650,000	-	-	-	0%	Ongoing
21	Kajembe High School	Additional funds for the construction of the library and computer room, teachers' office, flooring, ceiling, electrical wiring, top slab, stair cases and fittings for the computer room.	4,500,000	-	-	-	0%	Ongoing
22	Kajembe High School	Additional funds for the construction of the library and computer room.	1,400,000	-	-	-	0%	Ongoing
23	Jomvu Girls Secondary School	Construction of two classrooms	1,700,000	1,700,000	-	1,700,000	0%	Ongoing
24	Miritini High School	Construction of two classrooms	3,000,000	3,000,000	-	3,000,000	0%	Completed
25	Mikindani Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
26	Jomvu Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
27	Amani Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
28	Kwa Shee Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
29	Mireroni Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing

30	Miritini Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
31	St. Mary's Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
32	Miritini world bank Primary School	Provision of fifty school desks	200,000	-	-	-	0%	Ongoing
33	Miritini Primary School	Construction of classroom	1,400,000	1,400,000	-	1,400,000	0%	Ongoing
34	Amani Primary School	Construction of classroom	1,400,000	1,400,000	-	1,400,000	0%	Ongoing
35	Kwa Shee Primary School	Construction of classroom	1,400,000	1,400,000	-	1,400,000	0%	Ongoing
36	Mireroni Primary School	Construction of classroom	1,400,000	-	-	-	0%	New
37	Miritini world bank Primary School	Construction of classroom	1,400,000	1,400,000	-	1,400,000	0%	Completed
38	Miritini High School	Purchase of School bus	5,200,000	-	-	-	0%	New
39	Audit Fees	Payment of Audit Fee to KENAO	500,000	-	-	-	0%	New
40	St. Mary Prim School Banglades h Social Hall	Additional funds for construction of the Bangladesh social hall	2,000,000	-	-	-	0%	Not Started
41	Bangaladesh Briddge	Repair foot bridge	2,600,000	-	-	-	0%	Not Started
42	St. Marys Primary School	Reinforcemen t of existing classroom to accommodate a new classroom	837,931	837,931	-	837,931	0%	Not Started
43	St. Marys Primary School	Additional funds for new	562,069	562,069	-	562,069	0%	Not Started

		classroom						
44	Miritini High School	Additional funds for construction of two laboratories	2,200,000	2,200,000	-	2,200,000	0%	Ongoing
45	Miritini Secondary School – Estate	Construction of 2 classrooms	2,900,000	-	-	-	0%	Ongoing
46	Jomvu Girls High School	Soil erosion mitigation	802,004	802,004	-	802,004	100%	Completed
47	Perimeter wall at Jomvu Kuu Primary School	Construction of perimeter wall	2,884,400	2,000,000	-	2,000,000	0%	Completed
48	Miritini High School	Construction of two laboratories	9,416,123	7,216,123	-	7,216,123	0%	Not Started
49	Miritini High School	Construction of 2 classroom and toilets	6,783,877	6,783,877	-	6,783,877	0%	Ongoing
50	Miritini Secondary School – Estate	Construction of 2 classrooms	2,000,000	2,000,000	-	2,000,000	0%	Ongoing
51	Jomvu Model Health Centre	Construction of 2 staff houses	4,482,759	4,482,759	-	4,482,759	0%	Ongoing
52	Runyo Village	Laying pipes for fresh water	1,500,000	1,500,000	1,350,000	150,000	90%	Completed
53	St. Marys Primary School	Laying pipes for fresh water	1,500,000	1,500,000	1,140,000	360,000	76%	Completed
54	Jomvu Kuu Sub location	Laying pipes for fresh water	1,000,000	1,000,000	-	1,000,000	0%	Not Started
55	Well at Funga Shati	Digging a well	500,000	500,000	-	500,000	0%	Not Started
56	Well at Mikindani – Jitengeni	Digging a well	500,000	500,000	-	500,000	0%	Not Started

57	Barriers at Miritini Estate	Construction of barriers to control Heavy commercial Vehicles from Entering the Estate	1,000,000	1,000,000	950,000	50,000	100 %	Completed
58	Street lights in Mikindani ward	Installation of electricity poles and fittings for street lights	2,500,000	2,500,000	2,000,000	500,000	100 %	Completed
59	Street lights at Mwamlai	Installation of electricity poles and fittings for street lights	1,000,000	1,000,000	1,000,000	-	10%	Completed
60	Street lights in Jomvu Kuu ward	Installation of electricity poles and fittings for street lights	2,000,000			-	100 %	Completed
61	Street lights at Chamunya B-Moeba	Installation of electricity poles and fittings for street lights	1,000,000	1,000,000	1,000,000	-	100 %	Completed
62	Kajembe High School	Construction of 2 classrooms	2,580,930	2,580,930	996,070	1,584,860	39%	Completed
63	Ganahola Water project	Pipes laying for fresh water	500,000	500,000	500,000	-	100 %	Completed
64	Jomvu Girls High School	Soil erosion mitigation measures.	802,004	802,004	802,004	-	100 %	Completed
65	Kwa Shee Social Hall	Partitioning of the hall repairing windows, painting, fixing grills.	1,500,000	1,500,000	-	1,500,000	100 %	Completed
66	Jomvu Kuu Social Hall	Partitioning of the hall repairing windows,	1,500,000	1,500,000	-	1,500,000	0%	Not Started

		painting, fixing grills.						
67	Repair of County Commissioners Vehicle	Repaired Sub-County commissioner vehicle	200,000	200,000	200,000	-	100 %	Completed
68	Nyumba Kumi Initiative	Purchased, torches	1,392,000	1,392,000	1,392,000	-	100 %	Completed
	Project Name	Details of Project	Amount Allocated	Disbursement as at 30 June 2015	Expenditure as at 30 June 2015	Unspent Balance	% Certified/Complete	Status
69	St. Mary's Primary School	Construction of a Hall	2,114,736	2,114,736	-	2,114,736	0%	Not Started
70	Amani Primary School	Completion of perimeter wall	2,897,570	2,897,570	2,662,659	234,911	100 %	Completed
71	Jomvu Kuu ward Road	Preparation and Laying Cabro	10,000,000	10,000,000	-	10,000,000	0%	Not Started
72	KTDA Road	Preparation and Laying of Cabro	9,000,000	9,000,000	-	9,000,000	0%	Not Started
		Total	128,656,403	83,172,003	16,564,123	66,607,880		

The following observations were made:

- i. Out of the 72 development projects funded by the CDF, fifty six (56) with a total allocation of Kshs.104,481,895 and a disbursement of Kshs.60,997,495 had not started. The funds disbursed for these projects had not been spent as at 30 June 2015. It is not clear why the public funds remained idle in the project management committee's bank account.
- ii. Four (4) of the projects with a total allocation of Kshs.6,580,930 and a full disbursement of the same amount were ongoing as at the time of the audit.
- iii. Twelve (12) projects with a total allocation of Kshs.17,593,578 and a disbursement of Kshs.15,593,578 had been completed as at 30 June 2015.

Slow implementation of development projects affects service delivery to the public and the intended purpose of the project may take long to realize. In addition, it also casts doubt on the effectiveness of the project monitoring and evaluation carried out by the Constituencies Development Fund Committee (CDFC).

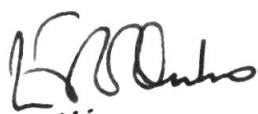
3. Project Verification

Project site verification done in April 2016 revealed the following:

	Name	Cost (Kshs)	Project	Observations
i	Mikindani Street Lighting projects	6,454,900.00	Installation of electricity poles and fittings for street lights	Project Complete and in use
ii	Kwa-Shee Social hall	1,500,000.00	Partitioning of Social hall	Partition not done alternative works done and completed
iii	Jomvu Kuu Hospital	2,957,100.00	Rehabilitation of Facility	Project completed but not in use
iv	Kajembe High School	2,720,930	Construction of 2 Classrooms	Project Completed and in use
v	Amani Primary School	2,897,570	Completion of perimeter wall	Project Completed
vi	Kwa – Shee Primary School	1,400,000	Construction of Classroom	Project Completed – Class not in use
vii	Amani Primary School	1,400,000	Construction of Classroom	Project ongoing – Foundation for classroom done and complete, walling not started
	Total	19,330,500		

From the foregoing, it was observed that the fund was fairly implementing the development projects albeit in a slow pace.

My opinion is not qualified in respect of these matters.



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

Nairobi

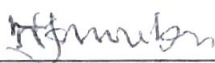
08 July 2016

CONSTITUENCY DEVELOPMENT FUND- JOMVU CONSTITUENCY
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For the year ended June 30, 2015

V. STATEMENT OF ASSETS

	Note	2014-2015 Kshs	2013-2014 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	12A	29,452,276	18,513,465
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	-	-
TOTAL FINANCIAL ASSETS		29,452,276	18,513,465
REPRESENTED BY			
Fund balance b/fwd	13	18,513,465	18,513,465
Surplus/Deficit for the year		10,938,811	-
Prior year adjustments	14	-	-
NET FINANCIAL POSSITION		29,452,276	18,513,465

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Jomvu Constituency Development Fund financial statements were approved on 27/5/ 2016 and signed by:



Chairman - CDFC



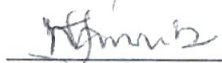
Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- JOMVU CONSTITUENCY
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For the year ended June 30, 2015

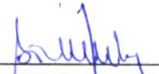
VI. STATEMENT OF CASHFLOW

		2014 - 2015	2013 - 2014
Receipts for operating income			
Transfers from CDF Board	1	106,316,219	32,063,316
Other Receipts	3	129,000	-
Payments for operating expenses			
Compensation of Employees	4	1,178,034	341,083
Use of goods and services	5	2,431,315	790,101
Committee Expenses	6	2,707,100	2,762,772
Transfers to Other Government Units	7	32,764,904	2,000,000
Other grants and transfers	8	56,415,655	6,841,000
Social Security Benefits	9	9,400	2,600
Other Payments	11	-	-
		95,506,408	12,737,556
Adjusted for:			
Adjustments during the year		-	-
Net cash flow from operating activities		10,938,811	19,325,760
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	-	812,295
Net cash flows from Investing Activities		-	(812,295)
NET INCREASE IN CASH AND CASH EQUIVALENT		10,938,811	18,513,465
Cash and cash equivalent at BEGINNING of the year	13	18,513,465	-
Cash and cash equivalent at END of the year	12A	29,452,276	18,513,465

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Jomvu Constituency Development Fund financial statements were approved on 27/6/2016 2016 and signed by:



Chairman-CDFC



Fund Account Manager

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

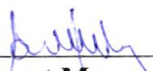
Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	151,916,270	-	151,916,270	106,316,219	45,600,051	70
Proceeds from Sale of Assets	-	-				
Other Receipts	129,000	-	129,000	129,000	-	100
TOTAL RECEIPTS	152,045,270		152,045,270	106,445,219	45,600,051	170
PAYMENTS						
Compensation of Employees	1,100,000	-	1,100,000	1,178,034	(78,034)	(7.1)
Use of goods and services	1,998,706	-	1,998,706	2,431,316	(432,610)	(121.65)
Committee Expenses	2,948,853	-	2,948,853	2,707,100	241,753	8.2
Transfers to Other Government Units	16,100,000	-	16,100,000	32,764,904	(16,664,904)	(103.51)
Other grants and transfers	59,052,403	-	59,052,402	56,415,655	2,636,747	4.47
Social Security Benefits	9,600	-	9,600	9,400	200	98
Acquisition of Assets	-	-				
TOTAL PAYMENTS	81,209,562	-	81,209,652	95,506,408	14,296,848	121.59
TOTALS	70,835,708		70,835,708	10,938,811	31,303,204	48.41

Transfers to other Government Units and other grants and transfers are combined with funds from other previous financial years thus budget utilization couldn't be done.

The JOMVU CDF financial statements were approved on 27/5/16 2016 and signed by:



 Chairman CDF



 Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *CDF* and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *CDF*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *CDF* in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the *CDF* includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

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

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the *CDF* at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The *CDF*'s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the *CDF*'s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

7. Comparative figures

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

1

8. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2016.

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

IX. NOTES TO THE FINANCIAL STATEMENTS

1.1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2014 - 2015	2013 - 2014
		Kshs	Kshs
CDF Board			
AIE NO	A750294	32,063,316	2,000,000
AIE NO	A796918	22,799,990.50	30,063,316
AIE NO	A 797008	22,799,990.50	-
(other constituency e.g, parent constituency)		28,652,992	-
TOTAL		106,316,219.00	32,063,316

1.1 PROCEEDS FROM SALE OF ASSETS

	2014 – 2015	2013 - 2014	
	Kshs	Kshs	
Receipts from sale of Buildings	-	-	
Receipts from the Sale of Vehicles and Transport Equipment	-	-	
Receipts from sale of office and general equipment	-	-	
Receipts from the Sale Plant Machinery and Equipment	-	-	
Total	-	-	

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

3. OTHER RECEIPTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	129,000	-
Other Receipts Not Classified Elsewhere	-	-
Total	129,000	-

4. COMPENSATION OF EMPLOYEES

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Basic wages of contractual employees	945,834	228,283
Basic wages of casual labour	31,200	40,400
Personal allowances paid as part of salary		
House allowance	201,000	51,000
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	-
Other personnel payments	-	-
Total	1,178,034	341,083

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY
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For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Utilities, supplies and services	51,250	420,000
Communication, supplies and services	82,800	42,712
Domestic travel and subsistence	248,600	-
Printing, advertising and information supplies & services	130,863	37,116
Rentals of produced assets	315,000	-
Training expenses	1,320,600	130,546
Hospitality supplies and services	-	15,316
Insurance costs	-	-
Specialized materials and services	-	-
Office and general supplies and services	282,202	140,411
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	-	-
Routine maintenance – other assets	-	4,000
Total	2,431,315	790,101

6. COMMITTEE EXPENSES

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Committee allowances	579,800	2,662,772
Other committee expenses	2,127,300	100,000
Total	2,707,100	2,762,772

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2014 - 2015	2013 - 2014
	Kshs	Kshs
Transfers to National Government entities		-
Transfers to primary schools (see attached list)	9,281,970	2,000,000
Transfers to secondary schools (see attached list)	23,482,934	-
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	-	-
TOTAL	32,764,904	2,000,000

8. OTHER GRANTS AND OTHER PAYMENTS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bursary – secondary schools (see attached list)	5,141,500	3,841,000
Bursary – tertiary institutions (see attached list)	3,590,000	-
Bursary – special schools (see attached list)	1,600,000	-
Mock & CAT (see attached list)	-	-
Water projects (see attached list)	5,500,000	-
Agriculture projects (see attached list)	7,782,759	-
Electricity projects (see attached list)	4,500,000	2,000,000
Security projects (see attached list)	5,414,736	-
Roads projects (see attached list)	19,000,000	1,000,000
Sports projects	1,083,300	-
Environment projects	1,211,360	-
Emergency projects (see attached list)	1,592,000	-
Total	56,415,655	6,841,000

9. SOCIAL SECURITY BENEFITS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Employer contribution to NSSF	9,400	2,600
Total	9,400	2,600

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. ACQUISITION OF ASSETS

Non Financial Assets

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	-	-
Purchase of ICT Equipment, Software and Other ICT Assets	-	-
Purchase of Specialised Plant, Equipment and Machinery	-	812,295
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	-	812,295

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***11. OTHER PAYMENTS**

Specify	2014 - 2015 Kshs	2013 – 2014 Kshs
---------	---------------------	---------------------

-	-
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12A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2014 - 2015 Kshs	2013 - 2014 Kshs
<i>Equity bank Account NO.A/C NO.1200261736417</i>	29,452,276	18,5113,465
Total	29,452,276	18,5113,465

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B: CASH IN HAND

	2014 - 2015 Kshs	2013 – 2014 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

[Provide cash count certificates for each]

12C: 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	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
<i>Name of Officer or Institution</i>	dd/mm/yy	xxx	xxx	xxx
Total				xxx

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

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***13. BALANCES BROUGHT FORWARD**

	2014 - 2015 Kshs	2013-2014 Kshs
Bank accounts	-	-
Cash in hand	18,513,465	-
Imprest	-	-
Total	<u>18,531,465</u>	<u>-</u>

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

	2013 - 2014 Kshs	2012 - 2013 Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	<u>-</u>	<u>-</u>

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Construction of buildings	-	-
Construction of civil works	-	-
Supply of goods		-
Supply of services(Driving School)	800,000	-
	<u>800,000</u>	<u>-</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	-	-
Middle management	-	-
Unionisable employees	-	-
Others (<i>specify</i>)	-	-
	<u>-</u>	<u>-</u>

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	-	-
Amounts due to other grants and other transfers (see attached list)	-	-
Others (<i>specify</i>)	-	-
	<u>-</u>	<u>-</u>

CONSTITUENCIES DEVELOPEMENT FUND-JOMVU CONSTITUENCY.

Reports and Financial Statements

For the year ended June 30, 2015 (Kshs)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
	A	B	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10. Unik Driving School	2,400,000	22 nd Dec 2014	1,600,000	800,0000		
11.						
12.						
Sub-Total	-		-	-		
Grand Total	2,400,000		1,600,000	800,000		

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY.
Report and Financial Statements
For the year ended June 30, 2015 (Kshs)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		a	B	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

CONSTITUENCIES DEVELOPMENT FUND-JOMVU CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015 (Kshs)

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

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

CONSTITUENCIES DEVELOPMENT FUND – JOMVU CONSTITUENCY.

Reports and Financial Statements

For the year ended June 30, 2015 (Kshs)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2014/15	Historical Cost (Kshs) 2013/14
Land	-	-
Buildings and structures	-	-
Transport equipment	-	-
Office equipment, furniture and fittings(B/F from previous years)	812,295	812,295
ICT Equipment, Software and Other ICT Assets	-	-
Other Machinery and Equipment	-	-
Heritage and cultural assets	-	-
Intangible assets	-	-
Total	812,295	812,295