

REPUBLIC OF KENYA



*Paper laid on the
Table of the
House on Tuesday,
20th December 2016
by the Leader
of the Majority
Party.*

OFFICE OF THE AUDITOR-GENERAL

REPORT

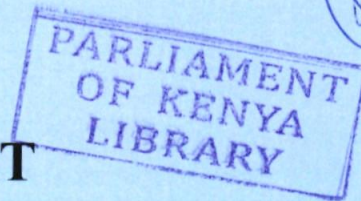
OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND
IKOLOMANI CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2015







CONSTITUENCY DEVELOPMENT FUND- IKOLOMANI 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 – IKOLOMANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

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CONSTITUENCY DEVELOPMENT FUND- IKOLOMANI 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The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013.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*. The objective of the fund is to ensure that a specific portion of the national annual budget is devoted to the constituencies for purposes of infrastructure development, wealth creation, and in the fight against poverty at the constituency level.

(b) Key Management

The Ikolomani *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 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Tom Oriwa Ageng'a
3.	Accountant	Annetty V. W Angote
4.		

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of CDF Board provide overall fiduciary oversight on the activities of IKOLOMANI 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) IKOLOMANI CDF Headquarters

P.O. Box 2773-50100
Ikolomani CDF Office-Malinya
Off-Sigalagala-Butere Road
Kakamega, KENYA

(f) IKOLOMANI CDF Contacts

Telephone: (254) 716 830 440
E-mail: cdfikolomani@cdf.go.ke
Website: www.cdf.go.ke

(g) IKOLOMANI CDF Bankers

Cooperative Bank of Kenya
Kakamega Branch
P.O Box 595-50100
Kakamega, Kenya

(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

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

Thank you for your interest in Ikolomani CDF and its financial year 2014/15 Annual Financial Report, which is in fulfilment of our statutory duty and our transparency and openness responsibility to our clients, the residents of Ikolomani Constituency.

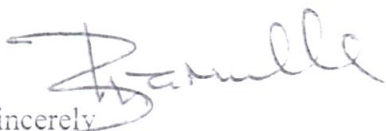
During the last financial year 2014/15 we had an approved budget of KShs 107,795,950.00. However, we received a total of KShs 125,895,497.10 from the CDF Board, which represents approximately 82% of the total sums we had expected to receive, being the amounts of the total budget together with the balance from the previous financial year. In the same vein, the Ikolomani CDFC managed to disburse to various entities an average of 78%. Just to highlight a few areas: Transfers to other government entities was 84%, while other grants and transfers was 74%. The shortfall was brought about by the late disbursement of funds from the CDF Board.

The last few years have seen great strides made in achieving the targets we set for ourselves in our strategic plan. During the last financial year we managed to complete 15 projects in the education sector, 3 in the roads, and 2 in the security sector. But we still have plenty to do in the coming years in order to complete all the ongoing projects. Further, Ikolomani CDF managed to disburse bursary totalling to KShs 9,997,500.00 to 2,494 students. In deed we believe that this will go along in contributing towards uplifting the education standards of Ikolomani Constituency.

This Annual Financial Report is divided in three sections; an informational section, statement of CDF management responsibilities and the financial statements section comprising of; Statement of Receipts and payments; Statement of Assets, Statement of Cash flow; Statement of appropriation; significant accounting policies; and notes to the financial statement together with their respective annexes.

I am very grateful to the Kakamega South District Accountant: Ms. Annetty Angote for her support in maintaining proper accounting records which indeed has formed the basis of preparing this annual financial statements. In addition my deepest gratitude goes to the Fund Account Manager with his staff who have worked tirelessly to ensure that this report comes to fruition. I personally wish to thank them for their commitment and dedication. Let me also recognize the contribution of my committee who have worked so hard towards achieving the targets for this financial year. I am indeed fortunate to be supported by a team of individuals with extensive knowledge and experience. I thank them for their commitment and support.

Thank you, again for your interest, and in reviewing the 2014/15 Annual Financial Report.



Sincerely
David Muliru Lisamula
CDFC Chairman

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 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 Accounting Officer in charge of the Ikolomani Constituency 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 2014/15 ended on June 30, 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 *Ikolomani CDF* 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 30, 2015 and of the CDF's financial position as at that date. The Accounting Office in charge of *Ikolomani CDF* 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 *Ikolomani CDF* 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 11/09/2015 2015.


Chairman- CDFC


Fund Account Manager

REPUBLIC OF KENYA

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Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund – Ikolomani Constituency set out on pages 5 to 22, which comprise the statement of assets as at June 30, 2015, and the statement receipts and payments, statement of cash flows and 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 explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 7 of the Public Audit Act, 2003.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions (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 risks of material misstatement of the financial

Report of the Auditor-General On Constituencies Development Fund - Ikolomani Constituency for the year ended 30 June 2015

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

1.0. Accuracy, Completeness and Presentation of the Financial Statements

The International Public Sector Accounting Standards (IPSAS) Cash Basis financial statements presentation format prescribed by the National Treasury requires the management to include among the financial statements, a report on actions taken on previous year audit recommendations. In the year 2013/2014, Ikolomani CDF had an except for opinion. However, no report on follow up of the audit issues raised in the previous year's audit revealed was included in the financial statements for the year under review.

In the circumstance, the presentation of the financial statements does not conform to IPSAS (Cash Basis) as prescribed by the National Treasury and the Public Finance Management Act, 2012.

2.0. Unsupported Other Grants and Transfers

The statements of receipts and payments reflects other grants and transfers totalling to Kshs.43,340,018 as. However, included in the balance was a disbursement of Kshs.7,300,000.00 for the purchase of land for four projects whose title documents have not been obtained. Further, valuation reports for the land parcels were not provided for audit review.

Consequently, it has not been possible to confirm who owns the land and it's value as at 30 June 2015.

3.0. Unsupported Construction Expenditure on Roads and Schools

Expenditure returns on construction of roads and schools allocated Kshs.33,237,964.10 were not filed or presented for audit review. As a result, it has not been possible to confirm the propriety of the over-expenditure.

Qualified Opinion

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

Other Matter

i. Budgetary Control and Performance

The Fund's approved budget for the year under review was Kshs.162,220,231.00. However, the Fund received only Kshs.125,895,497 thus resulting in an underfunding of Kshs.36,324,754.00. Further, the Fund incurred expenditure totaled to Kshs.104,757,363 against total funds available amounting to Kshs.125,895,497.00 resulting into an under-expenditure of Kshs.21,138,134.00 as shown below:

Receipt/Expense Item	Final Budget (Kshs.)	Actual on Comparable Basis (Kshs.)	Budget Utilization Difference (Kshs.)	% of Utilization
RECEIPTS				
Transfers from CDF Board	162,220,231.00	125,895,497.00	36,324,754.00	77.61%
Totals	162,220,231.00	125,895,497.00	36,324,754.00	77.61%
PAYMENTS				
Compensation of Employees	3,435,730.20	1,490,087.20	1,945,643.00	43%
Use of goods and services	3,871,275.05	3,450,415.55	420,860.50	89%
Committee Expenses	6,141,400.00	4,957,000.00	1,184,400.00	81%
Transfers to Other Government Units	60,367,075.60	50,866,955.60	9,500,120.00	84%
Other grants and transfers	58,936,832.10	43,340,018.60	15,596,814.50	74%
Social Security Benefits	54,800.00	38,000.00	16,800.00	69%
Acquisition of Assets	1,414,889.00	614,889.00	800,000.00	43%
Other Payments	500,000.00	-	500,000.00	0%
TOTALS	134,722,000.75	104,757,362.95	29,964,638.00	78%

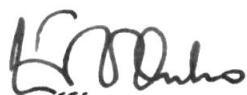
Consequently, the budget targets were not met and expected services were not fully delivered.

ii. Projects Execution and Management

The Fund allocated a total of Kshs.173,773,643, for its projects. However, 40 projects allocated Kshs.63,784,196 including 17 projects in educational institutions allocated Kshs.28,084,196 in the 2013/2014 financial year were not completed. Only 70 projects were completed while work on five (5) projects had not commenced as at 30 June 2015 as detailed below:

Sector/Status	Not Started		Ongoing		Complete	
	No	Allocation (Kshs)	No	Allocation (Kshs)	No	Amount (Kshs)
Administration					1	700,000
Agriculture						
Education	5	5,000,000	38	57,784,196	49	67,350,563
Environment						
Health					4	6,982,759
Market			1	3,000,000		
Road					13	28,156,125
Security					3	1,800,000
Sports			1	3,000,000		
Total	5	5,000,000	40	63,784,196	70	104,989,447

In the circumstance, the Fund did not meet its targets for delivery of services to the residents of Ikolomani Constituency.



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

Nairobi

22 November 2016

CONSTITUENCY DEVELOPMENT FUND- IKOLOMANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015 KShs	2013-2014 KShs
RECEIPTS			
Transfers from Other Government Entities	1	125,895,497.10	77,680,842.60
Proceeds from Sale of Assets	2	0.00	0.00
Other Receipts	3	0.00	0.00
TOTAL RECEIPTS		125,895,497.10	77,680,842.60
PAYMENTS			
Compensation of Employees	4	1,490,087.20	500,200.00
Use of goods and services	5	3,450,414.55	604,592.40
Committee Expenses	6	4,957,000.00	2,562,840.00
Transfers to Other Government Units	7	50,866,954.60	37,664,549.00
Other grants and transfers	8	43,340,017.60	27,848,575.10
Social Security Benefits	9	38,000.00	9,200.00
Acquisition of Assets	10	614,889.00	5,581,505.00
Other Payments	11	0.00	0.00
TOTAL PAYMENTS		104,757,362.95	74,771,461.50
SURPLUS/DEFICIT		21,138,134.15	2,909,381.10

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The IKOLOMANI CDF financial statements were approved on 11/07/ 2015 and signed by:


Chairman - CDFC


Fund Account Manager

CONSTITUENCY DEVELOPMENT FUND- IKOLOMANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

V. STATEMENT OF ASSETS

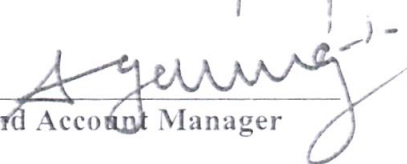
	Note	2014-2015 KShs	2013-2014 KShs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	12	30,513,900.55	8,527,175.40
Cash Balances (cash at hand)	13	0.00	0.00
Outstanding Imprests	14	0.00	848,591.00
TOTAL FINANCIAL ASSETS		30,513,900.55	9,375,766.40

REPRESENTED BY

Fund Balance b/fwd.	15	9,375,766.40	6,466,385.30
Surplus/Deficit for the year		21,138,134.15	2,909,381.10
Prior year adjustments	16	0.00	0.00
NET FINANCIAL POSSITION		30,513,900.55	9,375,766.40

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The IKOLOMANI CDF financial statements were approved on 11/09/ 2015 and signed by:


Chairman - CDFC

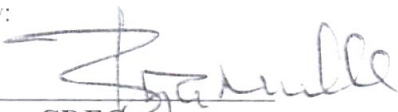

Fund Account Manager

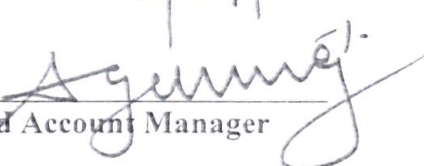
CONSTITUENCY DEVELOPMENT FUND- IKOLOMANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2015

VI. STATEMENT OF CASHFLOW

		2014 – 2015	2013 – 2014
		KShs	KShs
Receipts for operating income			
Transfers from CDF Board	1	125,895,497.10	77,680,842.60
Other Receipts	3	0.00	0.00
Payments for operating expenses			
Compensation of Employees	4	1,490,087.20	500,200.00
Use of goods and services	5	3,450,414.55	604,592.40
Committee Expenses	6	4,957,000.00	2,562,840.00
Transfers to Other Government Units	7	50,866,954.60	37,664,549.00
Other grants and transfers	8	43,340,017.60	27,848,575.10
Social Security Benefits	9	38,000.00	9,200.00
Other Payments	11	0.00	0.00
Adjusted for:			
Adjustments during the year		0.00	0.00
Net cash flow from operating activities		21,753,023.15	8,490,886.10
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0.00	0.00
Acquisition of Assets	10	614,889.00	5,581,505.00
Net cash flows from Investing Activities		(614,899.00)	(5,581,505.00)
NET INCREASE IN CASH AND CASH EQUIVALENT		21,138,134.15	2,909,381.10
Cash and cash equivalent at BEGINNING of the year	15	9,375,766.40	6,466,385.30
Cash and cash equivalent at END of the year	16	30,513,900.55	9,375,766.40

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. IKOLOMANI CDF financial statements were approved on 11/09/15 2015 and signed by:


 Chairman CDFC


 Fund Account Manager

Reports and Financial Statements
For the year ended June 30, 2015

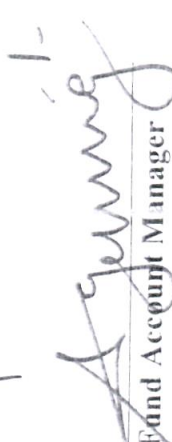
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	107,795,950.00	54,424,301.00	162,220,251.00	125,895,497.00	36,324,754.00	77.61%
Proceeds from Sale of Assets	0.00	0.00	0.00	0.00	0.00	N/A
Other Receipts	0.00	0.00	0.00	0.00	0.00	N/A
Totals	107,795,950.00	54,424,301.00	162,220,251.00	125,895,497.00	36,324,754.00	77.61%
PAYMENTS						
Compensation of Employees	3,120,000.00	315,730.20	3,435,730.20	1,190,087.20	1,945,643.00	43%
Use of goods and services	2,680,455.50	1,190,839.55	3,871,275.05	3,450,414.55	420,860.50	89%
Committee Expenses	3,084,400.00	3,057,000.00	6,141,400.00	4,957,000.00	1,184,400.00	81%
Transfers to Other Government Units	48,637,951.00	11,729,143.60	60,367,074.60	50,866,954.60	9,500,120.00	84%
Other grants and transfers	48,956,383.50	9,980,448.60	58,936,832.10	43,340,017.60	15,596,814.50	74%
Social Security Benefits	16,800.00	38,000.00	54,800.00	38,000.00	16,800.00	69%
Acquisition of Assets	800,000.00	614,889.00	1,414,889.00	614,889.00	800,000.00	43%
Other Payments	500,000.00	-	500,000.00	-	500,000.00	0%
TOTALS	107,795,950.00	26,926,050.95	134,722,000.95	104,757,362.95	29,964,638.00	78%

The utilisation rate on compensation of employees was lower than expected due to delays in filling up all the anticipated staff establishment. While the lower rate on acquisition of assets was due to late disbursements from the CDF Board.

The IKOLOMANI CDF financial statements were approved on 11/07/2015 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.

CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

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

6. Budget

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

7. Comparative figures

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

8. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2015.

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2014 - 2015 KShs	2013 - 2014 KShs
CDF Board		
AIE NO: A750179	45,048,534.60	
AIE NO: A759686	24,948,987.50	
AIE NO: A796742	16,169,393.00	
AIE NO: A796951	12,779,594.50	
AIE NO: A796038	26,948,987.50	
AIE NO: A709775		47,648,486.20
AIE NO: A735510		28,032,356.40
AIE NO: A709913		2,000,000.00
TOTAL	125,895,497.10	77,680,842.60

2 PROCEEDS FROM SALE OF ASSETS

	2014 - 2015 KShs	2013 - 2014 KShs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
Total	0.00	0.00

CONSTITUENCIES DEVELOPMENT FUND - IKOLOMANI CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3 OTHER RECEIPTS

	2014 - 2015	2013 - 2014
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
Total	0.00	0.00

4 COMPENSATION OF EMPLOYEES

	2014 - 2015	2013 - 2014
Basic wages of contractual employees	935,245.20	500,200.00
Basic wages of casual labour	16,500.00	0.00
Personal allowances paid as part of salary		
House allowance	142,000.00	0.00
Transport allowance	160,000.00	0.00
Leave allowance	36,000.00	0.00
Gratuity	32,000.00	0.00
Other personnel payments	167,942.00	0.00
Total	1,489,687.20	500,200.00

CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI 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	38,871.10	64,010.90
Communication, supplies and services	313,608.95	13,540.00
Domestic travel and subsistence	1,014,500.00	0.00
Printing, advertising and information supplies & services	3,600.00	0.00
Rentals of produced assets	22,000.00	0.00
Training expenses	0.00	0.00
Hospitality supplies and services	103,660.00	0.00
Insurance costs	261,075.00	216,972.00
Specialized materials and services	0.00	0.00
Office and general supplies and services	861,918.00	0.00
Other operating expenses	0.00	0.00
Other operating expenses- Bank Service Commission and Charges	43,582.50	10,069.50
Fuel, Oil & Lubricants	368,700.00	300,00.00
Routine maintenance – vehicles and other transport equipment	410,899.00	0.00
Routine maintenance – other assets	8,000.00	0.00
Total	3,450,414.55	604,592.40

6 COMMITTEE EXPENSES

	2014 - 2015	2013-2014
	KShs	KShs
Committee allowances	4,206,000.00	1,850,840.00
Other committee expenses	751,000.00	712,000.00
Total	4,957,000.00	2,562,840.00

CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2014 - 2015	2013 - 2014
	KShs	KShs
Transfers to National Government entities	0.00	0.00
Transfers to primary schools (see attached list)	29,384,195.60	16,000,000.00
Transfers to secondary schools (see attached list)	16,000,000.00	15,164,549.00
Transfers to tertiary institutions (see attached list)	0.00	5,000,000.00
Transfers to health institutions (see attached list)	5,482,759.00	1,500,000.00
TOTAL	50,866,954.60	37,664,549.00

8 OTHER GRANTS AND OTHER PAYMENTS

	2014 - 2015	2013 - 2014
	KShs	KShs
Bursary – secondary schools (see attached list)	4,849,500.00	5,321,000.00
Bursary – tertiary institutions (see attached list)	5,148,000.00	6,648,790.00
Bursary – special schools (see attached list)	0.00	0.00
Mock & CAT (see attached list)	1,170,000.00	1,714,710.00
Water projects (see attached list)	0.00	0.00
Agriculture projects (see attached list)	0.00	0.00
Electricity projects (see attached list)	0.00	0.00
Security projects (see attached list)	4,943,383.00	500,000.00
Roads projects (see attached list)	16,500,000.00	9,332,735.10
Sports projects (see attached list)	3,867,962.60	974,210.00
Environment projects (see attached list)	0.00	0.00
Emergency projects (see attached list)	3,861,172.00	3,810,130.00
Markets	3,000,000.00	0.00
Total	43,340,017.60	28,301,575.10

9 SOCIAL SECURITY BENEFITS

	2014 - 2015	2013 - 2014
	KShs	KShs
Employer contribution to NSSF	38,400.00	9,200.00
Total	38,400.00	9,200.00

CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI 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	0.00	0.00
Construction of Buildings	0.00	750,105.00
Refurbishment of Buildings	406,500.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	4,831,400.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	208,389.0	0.00
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
Total	614,889.00	5,581,505.00

CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI 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
	0.00	0.00

12 Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2014 - 2015 KShs	2013 - 2014 KShs
<i>Cooperative Bank Kakamega Branch A/C no.01120023550000</i>	30,513,900.55	8,527,175.40
Total	30,513,900.55	8,527,175.40

CONSTITUENCIES DEVELOPMENT FUND – IKOLOMANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 CASH IN HAND

	2014 - 2015	2013 - 2014
	KShs	KShs
Location 1	0.00	0.00
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations (specify)	0.00	0.00
Total	0.00	0.00

14 OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprests Taken	Amount Taken	Amount Surrendered	Balance
		KShs	KShs	KShs
N/A	N/A	N/A	N/A	0.00
Total				0.00

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

15. OTHER IMPORTANT DISCLOSURES

15.1: OTHER PENDING PAYABLES (See Annex 1)

	2014-15 KShs	2013-14 KShs
Amounts due to other Government entities (see attached list)	11,000,000.00	29,866,954.62
Amounts due to other grants and other transfers (see attached list)	13,944,314.50	12,476,430.64
Administration and M& E Expenses	1,504,673.00	2,705,149.34
Audit Fee	500,000.00	0.00
	26,948,987.50	45,048,534.60

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)

Reports and Financial Statements

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

ANNEX 1 - 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							
Fr. Joseph Ortner Secondary School	Purchase of School laboratory equipment	250,000.00	n/a	0.00	250,000.00	0.00	Funds held at CDF Board
Inalaba Secondary School	Purchase of School laboratory equipment	250,000.00	n/a	0.00	250,000.00	0.00	Funds held at CDF Board
Lusiola Secondary School	Purchase of School laboratory equipment	250,000.00	n/a	0.00	250,000.00	0.00	Funds held at CDF Board
Makhokho Secondary School	Purchase of School laboratory equipment	250,000.00	n/a	0.00	250,000.00	0.00	Funds held at CDF Board
Mumbeta Primary School	Construction of storey classrooms and admin block	3,000,000.00	n/a	0.00	3,000,000.00	0.00	Funds held at CDF Board
Shiavihiga Special School	Construction of 3 new classrooms	1,500,000.00	n/a	0.00	1,500,000.00	0.00	Funds held at CDF Board
Shiduha Secondary School	Purchase of 2.5 acres of land for construction of a school	1,000,000.00	n/a	0.00	1,000,000.00	0.00	Funds held at CDF Board
Shihalia Primary School	Construction of storey classrooms and admin block	3,000,000.00	n/a	0.00	3,000,000.00	0.00	Funds held at CDF Board
Shikondi Primary School	Construction of a storey classrooms and admin block	3,000,000.00	n/a	0.00	1,000,000.00	0.00	Funds held at CDF Board
Shisesia Secondary School	Purchase of School laboratory equipment	250,000.00	n/a	0.00	250,000.00	0.00	Funds held at CDF Board
Shiveye Secondary School	Purchase of School laboratory equipment	250,000.00	n/a	0.00	250,000.00	0.00	Funds held at CDF Board
Sub-Total		13,000,000			11,000,000.00	0.00	
Amounts due to other grants and other transfers							

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
Emergency Fund	To cater for any unforeseen occurrences in the constituency during the financial year	2,188,190.00	n/a	0.00	2,188,190.00	3,564,468.00	Funds held at CDF Board
Ikolomini Constituency Sports tournament	Carry out Constituency Sports tournament and the winning teams to be awarded with trophies, balls, and games kits	1,000,000.00	n/a	0.00	1,000,000.00	1,411,962.64	Funds held at CDF Board
Lwanasa Primary School	Provision of Tree seedlings for development of a woodlot	50,000.00	n/a	0.00	50,000.00	0.00	Funds held at CDF Board
Malinya-Ihuya-Iguhu Road	Opening up, bush clearing, Heavy Grading and dosing and gravelling of a 4 KM road	5,500,000.00	n/a	0.00	5,500,000.00	0.00	Funds held at CDF Board
Shikhombero Primary School	Provision of Tree seedlings for development of a woodlot	50,000.00	n/a	0.00	50,000.00	0.00	Funds held at CDF Board
Shisejeji-shianjetso duka moja Road	Opening up, bush clearing, Heavy Grading and dosing and gravelling of a 4 KM road	5,056,124.50	n/a	0.00	5,056,124.50	0.00	Funds held at CDF Board
Shisen Primary School	Provision of Tree seedlings for development of a woodlot	50,000.00	n/a	0.00	50,000.00	0.00	Funds held at CDF Board
Shivume Primary School	Provision of Tree seedlings for development of a woodlot	50,000.00	n/a	0.00	50,000.00	0.00	Funds held at CDF Board
Sub-Total		13,944,314.5			13,944,314.50	4,976,430.64	
Others (specify)							
Administration and M&E Expenses	For incurring office running costs and monitoring and evaluation	9,701,635.50	n/a	8,196,962.50	1,504,673.00	2,705,149.34	Funds held at CDF Board
Audit fee	Payment of audit fee to KENAC	500,000.00	n/a	0.00	500,000.00	0.00	Funds held at CDF Board
Sub-Total		10,201,635.5			2,004,673.00	2,705,149.34	
Grand Total		37,145,950.0			26,948,987.50	7,681,579.98	

Reports
For the year ended

ANNEX 2 – SUMMARY OF

Asset class	Historical Cost (KShs) 2014/15	Historical Cost (KShs) 2013/14
Land	300,000.00	300,000.00
Buildings and structures	5,000,000.00	5,000,000.00
Transport equipment	4,831,000.00	4,831,000.00
Office equipment, furniture and fittings	1,924,699.00	1,715,780.00
ICT Equipment, Software and Other ICT Assets	372,500.00	372,500.00
Other Machinery and Equipment	440,380.00	440,380.00
Heritage and cultural assets	0.00	0.00
Intangible assets	0.00	0.00
Total	12,868,049.00	12,659,660.00

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