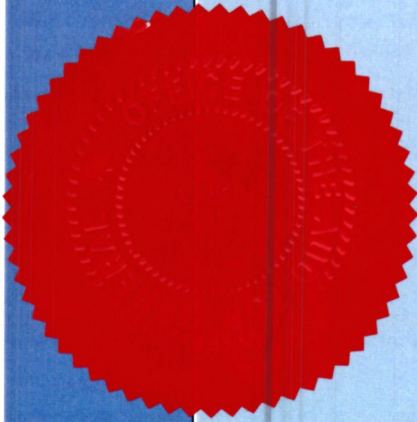


REPUBLIC OF KENYA



*Paper laid by Co/A
Wednesday
11/10/17
Afternoon
sitting
Ad*

OFFICE OF THE AUDITOR-GENERAL



PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
OL'JORO OROK CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2016**



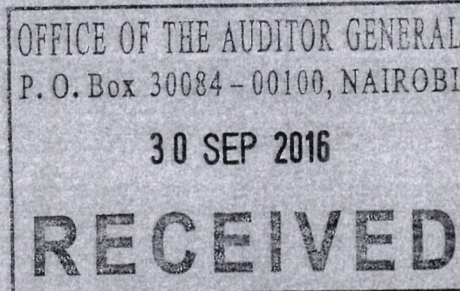
NG-CDF BOARD

National Government Constituencies Development Fund Board
Harambee Plaza, 10th Floor
Junction of Haile Selassie Avenue & Uhuru Highway
P.O Box 46682-00100
Nairobi, Kenya
Tel: 020-2230015/9, 2230027, 2230032 | Cell: 0709894000
Email: info@cdf.go.ke | Website: www.cdf.go.ke

CDF BOARD/AUDITOR GENERAL/2016/092

SEPTEMBER 29, 2016

Mr. Edward Ouko, CBS
The Auditor General
P.O Box 30084 – 00100
NAIROBI



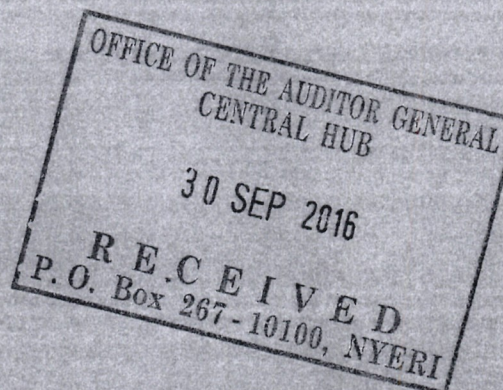
Dear Sir

**RE: NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND
FINANCIAL STATEMENTS FOR 2015/2016 FINANCIAL YEAR**

Pursuant to Section 81 of the Public Finance Management Act, 2012 and Section 39 (4) of the National Government Constituencies Development Fund (amendment) Act, 2015, we wish to submit 2015/2016 financial year annual accounts of **OI Jororok Constituency** for your necessary action.

Yours sincerely

YUSUF MBUNO
Ag. CHIEF EXECUTIVE OFFICER





OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI

30 SEP 2016

RECEIVED



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
OL'JORO OROK CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2016**

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND –
OL’JORO OROK CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2016**

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
OROK CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2016**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013. In 2015, the CDF Act of 2013 was declared unconstitutional and a new Act was enacted in 2015, being the National Government Constituencies Development Fund Act, NG-CDF Act, 2015. The National Government Constituencies Development Fund (NG-CDF) is under the Ministry of Devolution and Planning. The objective of the Fund is to provide mechanisms for supplementing implementation of the National Government development Agenda at the constituency level.

(b) Key Management

The OL'JORO OROK Constituency's day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2016 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Eric Muange
3.	Accountant	Josephine Ndirangu

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of OL'JORO OROK Constituency. The reports and recommendation of ARMC when adopted by the NGCDF Board are forwarded to the NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Assembly Select Committee.

(e) OL'JORO OROK NGCDF Headquarters

P.O. Box 208
Macharia Building
Gilgil/Nyahururu Highway
Nyandarua, Kenya

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
OROK CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

(f) OL'JORO OROK NGCDF Contacts

Telephone: (254) 0722 405 245

E-mail: emuange@cdf.go.ke

Website: www.go.ke

(g) OL'JORO OROK NGCDF Bankers

1. Equity Bank
Nyahururu Branch
P.O. Box 1048
Nyahururu, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

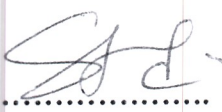
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
OROK CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2016

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NGCDFC)**

The NGCDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF have improved the Education and Security infrastructures of OL'JORO OROK.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approval of proposals and reallocations.

The NGCDFCs wish that the issues of having the project on going for more than 2years be stopped and the NGCDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.

Sign.....

CHAIRMAN NGCDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
OROK CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016**

III. STATEMENT OF NGCDF 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 NGCDF shall prepare financial statements in respect of that NGCDF. 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 OL'JORO OROK NGCDF is responsible for the preparation and presentation of the NGCDF's financial statements, which give a true and fair view of the state of affairs of the NGCDF for and as at the end of the financial year (period) ended on June 30, 2016. 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 NGCDF; (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 NGCDF; (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 OL'JORO OROK NGCDF accepts responsibility for the NGCDF'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 NGCDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2015, and of the NGCDF's financial position as at that date. The Accounting Officer charge of the OL'JORO OROK NGCDF further confirms the completeness of the accounting records maintained for the NGCDF, which have been relied upon in the preparation of the NGCDF's financial statements as well as the adequacy of the systems of internal financial control.

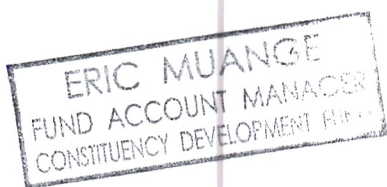
The Accounting Officer in charge of the OL'JORO OROK NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NGCDF'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 NGCDF's financial statements were approved and signed by the Accounting Officer on 29/9/2016 2016.


Fund Account Manager


Chairman



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
 OROK CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2016


IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	127,931,997	106,028,781
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		127,931,997	106,028,781
PAYMENTS			
Compensation of employees	4	1,506,279	1,301,916
Use of goods and services	5	12,416,902	5,007,690
Transfers to Other Government Units	6	39,912,000	51,270,427
Other grants and transfers	7	49,103,580	44,181,562
Acquisition of Assets	8	65,000	6,953,823
Other Payments	9	-	2,189,400
TOTAL PAYMENTS		103,003,761	110,904,818
SURPLUS/DEFICIT		24,928,236	(4,876,037)


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL'JORO OROK NGCDF financial statements were approved on 20/9 2015 and signed by:



 Chairman - NGCDFC



 Fund Account Manager





OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - OL'JORO OROK CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Ol'Joro orok Constituency set out on pages 5 to 24, which comprise the statement of financial assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation; recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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 47 of the Public Audit Act, 2015.

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 48 of the Public Audit Act, 2015 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. 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 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 qualified audit opinion.

Basis for Qualified Opinion

1. Transfers from NG-CDF Board

The statement of receipts and payments for the year ended 30 June 2016 reflects transfers from NG-CDF Board of Kshs.127,931,997 while the summary statement of appropriation; recurrent and development combined indicate actual receipts of Kshs.150,430,724, resulting in a variance of Kshs.22,498,727 which has not been reconciled or explained. Consequently, the accuracy and completeness of transfers from NG-CDF Board of Kshs.127,931,997 for the year ended 30 June 2016 could not be confirmed.

2. Bank Balances

The statement of financial assets as at 30 June 2016, reflects bank balances of Kshs.47,426,963. However, the cash book presented for audit review had a balance of Kshs.46,253,478.80 as at the same date resulting in unreconciled and unexplained variance of Kshs.1,173,484.20. In the circumstances, the accuracy and completeness of bank balances of Kshs.47,426,963 as at 30 June 2016 could not be confirmed.

3. Other Grants and Transfers

The statement of receipts and payments for the year ended 30 June 2016, reflects an amount of Kshs.49,103,580 in respect of other grants and transfers. Included in this amount under note 7 to the financial statements is security expenditure of Kshs.14,750,000 out of which Kshs.5,000,000 was indicated as disbursement to Kichaka Chief's Office. However, a review of bank statement and other records revealed that the actual amount paid to the Project management committee for the project was only Kshs.500,000 resulting in unexplained and unreconciled difference of Kshs.4,500,000. Consequently, the accuracy of other grants and transfers of Kshs.49,103,580 for the year ended 30 June 2016 could not be confirmed.

4. 0 Transfer to Other Government Entities

4.1 Purchase of Land for Kagema and Chagarita Primary Schools

Included in note 6 to the financial statements on transfer to other government entities expenditure under transfers to primary schools accounts as detailed under note 6 of

Kshs.19,712,000 are Kshs.1,500,000 and Kshs.500,000 disbursed to Kagemba and Chagarita primary schools respectively for purchase of land. However, expenditure returns, official search certificate, valuation report and transfer of title deed for the land were not presented for audit verification. Consequently, the propriety and validity of the payment of Kshs.2,000,000 made during the year ended 30 June 2016 for purchase of land could not be confirmed.

4.2. Construction of an Administration Block at Kiheo Secondary School

Included in other grants and transfers of Kshs.39,912,000 is an amount of Kshs.2,200,000 (Note 6) in respect of construction of administration block at Kiheo secondary school. Records made available for audit verification indicate that labour based contract was used in the project and supply of materials was done through direct procurement. No reason was given for the anomaly. Further, no drawing plans, bill of quantities and inspection reports were provided for audit review. In addition, as at the time of this audit, an amount of Kshs.1,979,262 had been paid out by the school in form of cash to two individuals involved in the construction instead of drawing cheques as required by the NG-CDF Act, 2015. No reason was provided for these irregularities.

In the circumstances, the propriety and value for money on the Kshs.2,200,000 incurred during year on the project could not be confirmed.

4.3 Use of inappropriate procurement method

Examination of records revealed that during the year under review, the CDF disbursed Kshs.2,500,000, each to Gathanji Secondary School and Hospital Hill Secondary School and a further Kshs.2,000,000 to Gatimu Secondary for construction of a dining hall in each of the three schools. However, construction works in all the three schools was procured through requests for quotations instead of restricted tendering method contrary to section 174 of the Public Procurement and Disposal Act, 2005. The value of works and services for the projects exceeded the maximum threshold of Kshs.500,000 indicated under class C entities in the First Schedule of the Public Procurement and Disposal Regulations, 2013 and therefore the preferred method of procurement should have been restricted tendering method. Further, certificates of completion, engineers' estimates, drawings and project expenditure returns were not provided for audit review. No explanation was provided for the anomaly.

Consequently, it has not been possible to confirm whether the CDF got value for money on Kshs.7,000,000 incurred during the year under review.

Qualified Opinion

In my opinion, except for the 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 National Government Constituencies Development Fund-Ol'Jororok Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector

Accounting Standards (Cash Basis) and comply with National Government Constituencies Development Fund Act, 2015.

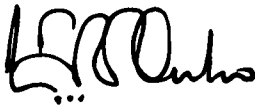
Other Matter

1. Budgetary control and Performance

During the year under review, Ol'Joro orok CDF received a total of Kshs.127,931,997 from the National Government Constituencies Development Fund Board against a budget of Kshs.150,430,724, resulting shortfall in disbursements by Kshs.22,498,727,. Further, the actual expenditure for the year totalling to Kshs.103,003,761 representing an absorption rate of 81% of actual receipts of which under expenses was recorded in all expenditure items. The underutilization of the funds was attributed to delay in disbursement of funds by the NG-CDF Board.

2. Bursary Awards

Included in note 7 to the financial statements on other grants and other payments is bursary grants to secondary schools, tertiary institutions and special schools totaling Kshs.18,464,114. However, out of the total bursary paid, only Kshs.4,596,377 was acknowledged by way of letters and official receipts, hence the balance of Kshs.13,867,737 issued could not be confirmed if it reached the intended beneficiaries. Further, there was no documentary evidence of vetting of the bursary applicants and it was not clear how the needy and deserving cases were identified as per the guidelines of the NGCDF Board. As a result, it has not been possible to confirm that the bursary of Kshs.18,464,114 awarded during the year reached the intended beneficiaries and was a proper charge to public funds.



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

Nairobi


7 September 2017

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
 OROK CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2016

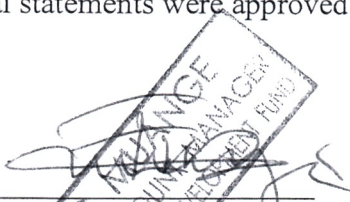
IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	127,931,997	106,028,781
Proceeds from Sale of Assets	2	-	
Other Receipts	3	-	
TOTAL RECEIPTS		127,931,997	106,028,781
PAYMENTS			
Compensation of employees	4	1,506,279	1,301,916
Use of goods and services	5	12,416,902	5,007,690
Transfers to Other Government Units	6	39,912,000	51,270,427
Other grants and transfers	7	49,103,580	44,181,562
Acquisition of Assets	8	65,000	6,953,823
Other Payments	9	-	2,189,400
TOTAL PAYMENTS		103,003,761	110,904,818
SURPLUS/DEFICIT		24,928,236	(4,876,037)


The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL'JORO OROK NGCDF financial statements were approved on 2019 2015 and signed by:



 Chairman - NGCDFC



 Fund Account Manager



NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)

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.						
11.						
12.						
Sub-Total						
Grand Total						

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						

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						

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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Land		
Buildings and structures		
Transport equipment		6681423
Office equipment, furniture and fittings		272400
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total		

Prepared by:


ERIC MUANGE
FUND ACCOUNT I
CONSTITUENCY DEVELOPMENT

Fund Account Manager

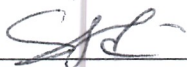
OL'JORO OROK NGCDF

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
OROK CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016**

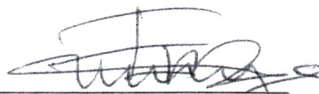
V. STATEMENT OF ASSETS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	47,426,963	22,498,727
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		47,426,963	22,498,727
REPRESENTED BY			
Retention	12	-	-
Fund balance b/fwd. 1st July...	13	22,498,727	27,374,764
Surplus/Deficit for the year		24,928,236	(4,876,037)
Prior year adjustments	14	-	-
NET LIABILITIES		47,426,963	22,498,727

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL'JORO OROK NGCDF financial statements were approved on 26/9 2016 and signed by:



Chairman - NGCDFC



Fund Account Manager




NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- OL'JORO
 OROK CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2016

VI. STATEMENT OF CASHFLOW

Receipts for operating income		2015 - 2016	2014 - 2015
Transfers from CDF Board	1	127,931,997	106,028,781
Other Receipts	3	-	-
		127,931,997	106,028,781
Payments for operating expenses			
Compensation of Employees	4	1,506,279	1,301,916
Use of goods and services	5	12,416,902	5,007,690
Transfers to Other Government Units	6	39,912,000	51,270,427
Other grants and transfers	7	49,103,580	44,181,562
Other Payments	9	-	2,189,400
		102,938,761	103,950,995
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		24,993,236	2,077,786
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(65,000)	(6,953,823)
Net cash flows from Investing Activities		(65,000)	(6,953,823)
NET INCREASE IN CASH AND CASH EQUIVALENT		24,928,236	(4,876,037)
Cash and cash equivalent at BEGINNING of the year	13	22,498,727	27,374,764
Cash and cash equivalent at END of the year		47,426,963	22,498,727

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The OL'JORO OROK NGCDF financial statements were approved on 2019 2016 and signed by:


 Chairman NGCDF


 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	103,496,517	46,934,207	150,430,724	150,430,724	-	100.0%
Proceeds from Sale of Assets				-	-	
Other Receipts	-			-	-	
TOTAL	103,496,517	46,934,207	150,430,724	150,430,724	-	100.0%
PAYMENTS						
Compensation of Employees	1,743,732	835,920	2,579,652	1,506,279	1,073,373	58.4%
Use of goods and services	7,101,861	1,512,554	8,614,415	12,416,902	(3,802,487)	144.1%
Transfers to Other Government Units	40,775,000	3,776,622	44,551,622	39,912,000	4,639,622	89.6%
Other grants and transfers	53,425,924	21,309,075	74,734,999	49,103,580	25,631,419	65.7%
Acquisition of Assets	450,000	19,500,035	19,950,035	65,000	19,885,035	0.3%
Other Payments	-	-	-	-	-	
TOTAL	103,496,517	46,934,206	150,430,723	103,003,761	47,426,962	68.5%

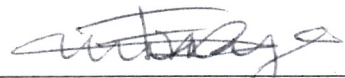
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – OL’JORO
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- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the “AIA” alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]
- i. Use of goods and services – there was overutilization by 44.1% because of the balance of goods and services carried forward
 - ii. Acquisition of assets – there was underutilization by 0.3% in this vote because the planned purchase of office photocopier was carried forward to financial year 2016 / 2017

The OL’JORO OROK NGCDF financial statements were approved on 25/6/ 2016 and signed by:



Chairman NGCDF



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 NGCDF 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 NGCDF.

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

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SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

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

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The NGCDF'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 NGCDF'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, 2016.

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IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 -2015
		Kshs	Kshs
Normal Allocation	A 796060	24,435,480.00	32,722,341
	A 796355	10,000,000.00	24,435,480
	A 820636	10,000,000.00	14,661,288
	A 820778	20,000,000.00	9,774,192
	A 820996	11,000,000.00	24,435,480
	A 825742	52,496,517.00	-
Conditional grants			-
	AIE NO...	-	
Receipt from other Constituency	AIE NO...	-	
TOTAL		127,931,997.00	106,028,781

2. PROCEEDS FROM SALE OF ASSETS

	2015 – 2016	2014 – 2015
	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		

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere	-	-
	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	1,441,478.91	1,078,656
Basic wages of casual labour	-	-
Personal allowances paid as part of salary	-	161,700
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF gratuity	64,800.00	61,560
Total	1,506,278.91	1,301,916

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services		
Utilities, supplies and services	861,024.00	525,000
Office rent	-	-
Communication, supplies and services	164,004.00	100,000
Domestic travel and subsistence	427,313.00	260,550
Printing, advertising and information supplies & services	329,396.00	200,846
Rentals of produced assets	-	-
Training expenses	900,000.00	150,000
Hospitality supplies and services	158,428.00	96,600
Other committee expenses	5,160,912.00	1,882,000
Committee allowance	2,699,200.00	746,000
Insurance costs	-	-
Specialised materials and services	-	-
Office and general supplies and services	297,102.00	181,155
Fuel ,oil & lubricants	-	-
Other operating expenses	1,116,114.00	680,539
Routine maintenance – vehicles and other transport equipment	98,403.00	60,000
Routine maintenance – other assets	205,006.00	125,000
Total	12,416,902.00	5,007,690

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to primary schools	19,712,000.00	28,231,802
Transfers to secondary schools	19,700,000.00	17,155,866
Transfers to Tertiary institutions	500,000.00	-
Transfers to Health institutions		5,882,759
TOTAL	39,912,000.00	51,270,427

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary -Secondary	9,290,679.00	9,065,708
Bursary -Tertiary	4,713,600.00	6,792,944
Bursary-Special schools	4,459,835.00	288,000
Mocks & CAT	-	1,200,000
water	2,390,000.00	3,700,000
Agriculture (food security)	500,000.00	-
Electricity projects	-	-
Security	14,750,000.00	9,816,074
Roads	1,100,000.00	10,400,000
Sports	3,200,000.00	1,954,000
Environment	-	964,836
Other capital grants and transfer	-	-
Emergency Projects (specify)	8,699,466.00	-
Total	49,103,580.00	44,181,562

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – OL’JORO
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	65,000.00	-
Refurbishment of Buildings	-	-
Purchase of Vehicles	-	6,681,423
Purchase of Bicycles & Motorcycles	-	-
Overhaul of Vehicles	-	-
Purchase of Office furniture and fittings	-	272,400
Purchase of computers ,printers and other IT equipment	-	-
Purchase of photocopier	-	-
Purchase of other office equipment	-	-
Purchase of soft ware	-	-
Acquisition of Land	-	-
		-
Total	65,000.00	6,953,823

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – OL'JORO
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

9 Other Payments		
strategic plan	-	2,189,400
specify	-	-
specify	-	-
TOTAL	-	2,189,400

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs (30/6/2016)	Kshs (30/6/2015)
<i>Equity Bank Nyahururu A/C NO:0160261919497</i>	47,426,963	22,498,727.00
	-	-
Total	47,426,963	22,498,727.00
10B: CASH IN HAND)		
	2015 - 2016	2014 - 2015
	Kshs (30/6/2016)	Kshs (30/6/2015)
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other receipts (specify)	-	-
Total	-	-
	<i>[Provide cash count certificates for each]</i>	

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

13 BALANCES BROUGHT FORWARD		
	2015 - 2016	2014 - 2015
	Kshs (1/7/2015)	Kshs (1/7/2014)
Bank accounts	22,498,727.00	27,374,764
Cash in hand	-	-
Imprest	-	-
Total	22,498,727.00	27,374,764

14. PRIOR YEAR ADJUSTMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	-	-
Cash in hand	-	-
Imprest	-	-
Total	-	-

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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015- 2016 Kshs	2014 - 2015 Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	<u>xxx</u>	<u>xxx</u>

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: OTHER PENDING PAYABLES (See Annex 3)

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