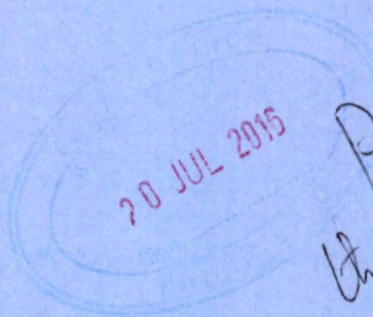


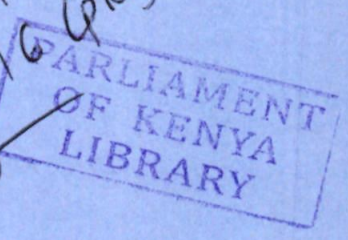
REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



*Papers laid by
the Majority Whip
on 20/7/2016 (pm)*



REPORT

OF

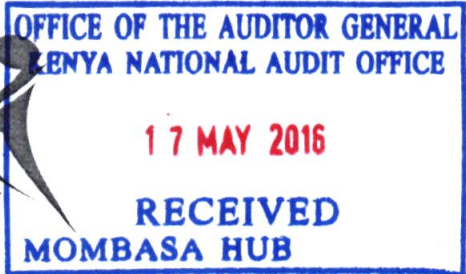
THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2015**





CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

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)

OFFICE OF THE AUDITOR GENERAL
KENYA NATIONAL AUDIT OFFICE
1 MAY 2017
PROCESSED
MOMBASA MPB



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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (CDF) was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The CDF Act 2013 aligns the Fund with the Constitution of Kenya 2010 and the Public Finance Management Act 2012 that lay emphasis on citizen participation in public finance management and decision making, transparency and accountability together with equity in public resource utilization. The overall management of the Fund is the responsibility of the Constituencies Development Fund Board.

(b) Key Management

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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Chief Executive Officer	Yusuf Mbuno
2.	Fund Account Manager	Anthony Munyao
3.	District Accountant	Sospeter Mugho

(d) Fiduciary Oversight Arrangements

The Kaloleni CDFC members as gazetted

1. Rodgers Kitsao Baya-----Chairman
2. Hon. Gunga Mwinga-----MP/Ex-officio
3. Raphael Katana Baruku-----Secretary
4. Grace Kwekwe Chigube-----Member
5. Daniel Mzungu Mlei-----Member
6. Paddyson Kasena Changawa-----Member
7. Getrude Samini Ngala-----Member
8. Teresia Raphael Kenga-----Member
9. Mwalimu Shikari Kombe-----Member
10. Fund Account Manager-----Ex-Officio
11. National Government Rep---Ex-Officio

(a) Entity Headquarters

Kaloleni CDF

Provide box and physical address of the constituency CDF office
P.O. Box.222-80105
CDF-Building-Opposite Kaloleni bus stage.
KALOLENI, KENYA

(b) Entity Contacts

Provide telephone number and email of the constituency CDF office

Telephone: (254) ---0710925186
E-mail: ---cdfkaloleni@cdf.go.ke
Website: -

(c) Entity Bankers

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

1. Cooperative Bank Ltd
Mariakani branch A/C No 01141253838300...
P.O.MARIAKANI

(d) Independent Auditors

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

(e) Principal Legal Adviser

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

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

FORWARDED BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT COMMITTEE (CDFC) KALOLENI

Kaloleni CDF was established in the year 2003 and has done a lot of development projects in the Constituency. Among the major achievements are;

- Schools- building of schools and some additional classrooms,
 - purchase of desks
- Bursary- payment of bursary to the needy and bright students who if not assisted would be dropouts,
- Health- construction of dispensaries and equipping of maternity with beds,
- Environmental- Purchase of seedlings and planting in every constituency
- sport- Increased nurturing of talents to youths through provision of sport equipments

CHALLENGES.

We have a lot of good worthy proposals collected from the community. But due to limited funds, we are forced to put aside some of the very important projects that are of great benefit to community e.g .additional classrooms, toilets and laboratories.

WAY FORWARD

We request for increased allocation by the NG-CDF BOARD

SIGNED



Rodgers Kitsao Baya
CHAIRMAN (CDFC)

IV. STATEMENT OF CONSTITUENCY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a 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 by the Public Sector Accounting Standards Board of Kenya from time to time.

The Fund Account Manager in charge of the KALOLENI *CDF* is responsible for the preparation and presentation of the Constituency's financial statements, which give a true and fair view of the state of affairs of the Constituency as at the end of the financial year 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 constituency; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the constituency; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

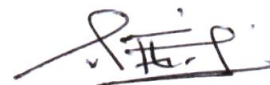
The Fund Account Manager in charge of the KALOLENI *CDF* confirms that the entity has complied fully with applicable Government Regulations and that the Constituency's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Fund Account Manager confirms that the Constituency's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The KALOLENI *CDF* financial statements were approved and signed on 10/09/2015



MR. RODGERS KITSAO BAYA
Chairman - CDFC



Mr. ANTHONY MUNYAO
Fund Account Manager



OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of the Constituencies Development Fund – Kaloleni Constituency set out on pages 6 to 30, which comprise the statement of financial assets as at 30 June 2015, and the statement of receipts and payments, statement of cash flows, 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 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 risks of material misstatement

of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion

1.0 Summary Statement of Appropriation

The summary statement of appropriations had arithmetic error on totals for final budget. The final budget balance is reflected as Kshs.162,766,947 whereas the casted balance is Kshs.92,269,248.31 resulting to unexplained nor reconciled variance of Kshs.70,497,698.69. In addition, the statement does not indicate which votes were adjusted by the total adjustment of Kshs.41,865,588.

In the circumstances, the accuracy of the summary statement of appropriation for the year ended 30 June 2015 could not be confirmed.

2.0 Transfers from the CDF Board

The statement of receipts and payments for the year ended 30 June 2015 reflect a balance of Kshs.102,316,267 in respect of transfers from the Constituency Development Fund Board. However, according to the disbursements as per the parent Ministry, a total of Kshs.21,190,706 was disbursed to Kaloleni CDF during the financial year under audit resulting to unreconciled nor explained variance of Kshs.81,125,561.

In the circumstances, the accuracy and completeness of the balance of transfers from Constituency Development Fund Board of Kshs.102,316,267 for the year ended 30 June 2015 could not be confirmed.

3.0 Transfers to Other Government Units

The statement of receipts and payments for the year ended 30 June 2015 reflect a balance Kshs.41,115,772 in respect of transfers to other government units. Included in this is Kshs.21,982,748 in respect of transfer to primary schools. The balance of Kshs.21,982,748 include various provisions for fifteen (15) projects amounting to Kshs.10,412,327 which were not accounted for as detailed below:

	Name of Project	16%VAT	3% Income Tax	5%Project Management Committee	works office and others non priced provisions	Contingency	Total Provisional sum
i	Baraka Primary	448,000	84,000	140,000		100,000	772,000
ii	Chalani Primary	480,000	90,000	121,500	100,000	100,000	891,500
iii	Gabriel Khahindi Primary	393,104	85,500	-	-	150,000	628,605
iv	Kidzini Primary	408,113	76,521	103,303	100,000	100,000	787,939
v	Kinani Primary	220,295		50,000		100,000	370,295
vi	Maandani Primary	312,430	67,953		100,000	100,000	580,383
vii	Makulutu Primary	480,000	90,000				570,000
viii	Mariakani Primary	165,384		50,000.		100,000	315,384
ix	Mgamboni Dispensary						752,404
x	Misufini Primary	330,517	71,887	100,000	150,000	100,000	752,404
xi	Miyani Primary	337,141	73,328	100,000		100,000	610,469
xii	Muongano Primary	560,000	105,000	141,750	150,000		956,750
xiii	Mwanamwing a Primary	445,406	96,875	150,000		150,000	842,281
xiv	Mwana Wiji Primary	393,323	85,547	100,000	350,000	150,000	1,078,871
xv	Tsangatsini Primary	331,037	72,000	100,000	0	0	503,038
	Total	5,304,753	998,615	1,156,553	950,000	1,250,000	10,412,327

There was no documentary evidence on how the provisional sums were spent. In the circumstances, the propriety and validity of transfers to other government units amounting to Kshs.10,412,327 for the year ended 30 June 2015 could not be confirmed.

4.0 Other Payments

The statement of receipts and payments reflect a balance of Kshs.4,787,962 for the year ended 30 June 2015 in respect of other payments. According to Note 11 to the

financial statements, the balance of Kshs.4,787,962 is Kenya Revenue Authority penalty charged on the Fund's Cooperative bank account No. 01120250577700 during the financial year 2013/2014 for non-deduction and remittance of withholding taxes. However, there was no evidence that the expenditure was authorized by the Constituencies Development Fund Board as per approved budget. In addition, there is no evidence that the withholding taxes are deducted and remitted to Kenya Revenue Authority.

In the circumstances, the regularity of other payments balance of Kshs.4,787,962 for the year ended 30 June 2015 could not be confirmed.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position Kaloleni Constituencies Development Fund- Kaloleni Constituency as at 30 June 2015 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 does not comply with the Constituencies Development Fund Act, 2013.

Other Matter

(i) Budget Control and Performance

The summary statement of appropriation reflect a final budget of Kshs.162,766,947. However, the correct casted balance is Kshs.92,269,248.31. The actual expenditure for the year was Kshs.101,538,099 resulting to an overall over-expenditure of Kshs.9,277,050.69 or 10% of the approved budget. Further, according to the CDF Board Secretariat circular on budget ceilings, Kaloleni CDF was allocated Kshs.120,901,359 for the financial year 2014/2015. It is not clear how adjustment of Kshs.41,865,588 was approved.

Below is the analysis of the budget vs actual expenditure:

Vote	Final Budget	Actual Expenditure	Over-Expenditure	Under-expenditure	%
Employee compensation	932,304.00	1,050,372.00	(118,068.00)		-13
Use of goods and services	4,887,058.31	5,887,084	(1,000,025.69)		-20
Committee expenses	2,532,000.00	5,234,200.00	(2,702,200.00)		-107
Transfers to other government units	40,264,744	41,115,772	(851,027.00)		-2
Other grants and transfers	42,408,338	42,226,105	(182,233.00)		-4
Acquisition of assets	1,232,804	1,232,804	0.00		0
Social benefits	12,000	3,800	0	8,200	68
Other Payments	-	4,787,962	(4,787,962.00)		-100
	92,269,248.31	101,538,099.22	(9,277,050.69)	8,200	

From the above analysis, the following was noted:

- (a) The total over-expenditure was Kshs.9,277,050 for the period. It was not clear how the extra costs were approved and funded.
- (b) Committee expenses was over-spent by Kshs.2,702,200 or 107% of the budget. This implies irregular sittings were held.
- (c) Other payments for Kshs.4,787,962 was without a budget provision. The management did not avail for audit the authority to spend on this vote.

(ii) Project Implementation

(a) Katsomeni Primary School

The school was allocated Kshs.2,000,000 for the construction of two class rooms. According to project records, the project commenced on 01/08/2014 and was expected to be completed on 02/11/2014. However, according to the records, the project was completed on 08/06/2015, thus project was behind schedule by seven months. It is not clear why the project took long to complete. The audit inspection at the school in March 2016 revealed that nine months after the completion of the classrooms, were not in use. The management has indicated that they are still waiting for the County Government to take over the school. In addition, the land title deed where the classrooms were constructed was not availed for audit review thus casting doubt whether project had been put up on public land.

(b) Maandani Primary School and Gabriel Kahindi Primary School

Both schools were allocated Kshs.2,000,000 each for the construction of two class rooms. However, there was no project records indicating the project dates of commencement and completion. It was not possible to determine whether the project was implemented within schedule. In addition, the audit inspection at both schools in March 2016 revealed that nine months after the completion of the classrooms, there were cracks on walls and floor thus casting doubt to quality of works.

The residents of Kaloleni constituency may not realize value for money spent on the project.

(c) Kirumbi Girl Secondary School

The schools was allocated Kshs.5,000,000 for the construction of a dormitory. The project records availed for audit did not indicate the commencement date and completion date although the agreement was signed on 25/05/2015. According to the available records, a total of Kshs.5,225,351 was spent due to contract variation. However, audit inspection done in March 2016 revealed that although the dormitory had already been occupied by students, the electrical work had not been. In

addition, the contractor was not on site. It not clear why the project manager approved incomplete dormitory to be occupied by students which poses a health hazard.

The citizens of Kaloleni constituency may not have obtained value for money on the construction of the dormitory.

My opinion is not qualified in respect of these matters.



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

Nairobi

20 June 2016

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

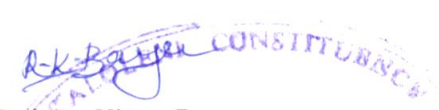
As at 30th June, 2015


III. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015	2013-2014
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	102,316,268.00	99,026,995.00
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	60,746.00	405,000.00
TOTAL RECEIPTS		102,377,014.00	99,431,995.00
PAYMENTS			
Compensation of employees	4	1,050,372.00	397,384.00
Use of goods and services	5	5,887,084.00	2,647,577.00
Committee Expenses	6	5,234,200.00	4,521,253.00
Transfers to Other Government Units	7	41,115,772.00	64,341,118.00
Other grants and transfers	8	42,226,105.00	15,754,466.00
Social Security Benefits	9	3,800.00	-
Acquisition of Assets	10	1,232,804.00	700,055.00
Other Payments	11	4,787,962.00	395,490.00
TOTAL PAYMENTS		101,538,099.00	88,757,343.00
SURPLUS		838,915.00	10,674,652.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Kaloleni CDF financial statements were approved on 14/09/2015 and signed by:


Rodgers Kitsao Baya
Chairman -CDFC


Antony Munyao
Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th June, 2015

IV. STATEMENT OF ASSETS AND LIABILITIES

	Note	2014-2015	2013-2014
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12A	12,117,007.00	11,047,754.00
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	826,800.00	894,000.00
TOTAL FINANCIAL ASSETS		12,943,807.00	11,941,754.00
REPRESENTED BY			
Fund balance b/fwd 1st July...	13	11,941,754.00	1,267,103.00
Surplus/Deficit for the year		838,915.00	10,674,651.00
Prior year adjustments	14	163,138.00	-
NET LIABILITIES		12,943,807.00	11,941,754.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements.

The Kaloleni CDF financial statements were approved on 14/09/2015 and signed by:



Rodgers Kitsao Baya
Chairman -CDFC



Antony Munyao
Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th June, 2015

VI. SUMMARY STATEMENT OF APPROPRIATION

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	49,259,973.00	41865588	91,125,561.00	102,316,268.00	(11,190,707.00)	112
Proceeds from Sale of Assets	0	0	-	-	-	
Other Receipts	60,746.00	0	60,746.00	60,746.00	-	100
			-	-	-	
PAYMENTS						
Compensation of Employees	932,304.00	0	932,304.00	1,050,372.00	(118,068.00)	113
Use of goods and services	4,887,058.31	0	4,887,058.31	5,887,084.00	(1,000,025.69)	120
Committee Expenses	2,532,000.00	0	2,532,000.00	5,234,200.00	(2,702,200.00)	207
Transfers to Other Government Units	40,264,744.38	0	40,264,744.38	41,115,772.00	(851,027.62)	102
Other grants and transfers	42,408,338.45	0	42,408,338.45	42,226,105.00	182,233.45	100
Social Security Benefits	12,000.00	0	12,000.00	3,800.00	8,200.00	32
Acquisition of Assets	1,232,804.00	0	1,232,804.00	1,232,804.00	-	100
Other Payments	-	0	-	4,787,962.00	(4,787,962.00)	
TOTALS	120,901,359.00	41,865,588.00	162,766,947.00	101,538,099.00	(20,459,556.86)	62

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th June, 2015

V. CASH FLOW STATEMENT			
		2014/2015	2013/2014
Transfers from Board	1	102,316,268.00	99,026,995.00
Proceeds from sale of Assets	2	-	-
Other Receipts	3	60,746.00	405,000.00
		102,377,014.00	99,431,995.00
Payments for operating expenses			
Compensation of Employees	4	1,050,372.00	397,384.00
Use of goods and services	5	5,887,084.00	2,647,577.00
Committee Expenses	6	5,234,200.00	4,521,253.00
Transfers to Other Government Units	7	41,115,772.00	64,341,118.00
Other grants and transfers	8	42,226,105.00	15,754,466.00
Social Security Benefits	9	3,800.00	-
Other Payments	11	4,787,962.00	395,490.00
		100,305,295.00	88,057,288.00
Adjusted for:			
Adjustments during the year		163,138.00	xxx
Net cash flow from operating activities		2,234,857.00	11,374,707.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	(1,232,804.00)	(700,055.00)
Net cash flows from Investing Activities		(1,232,804.00)	(700,055.00)
NET INCREASE IN CASH AND CASH EQUIVALENT			
Cash and cash equivalent at BEGINNING of the year	15	11,941,754.00	1,267,103.00
Cash and cash equivalent at END of the year	16	12,943,807.00	11,941,755.00

V. SIGNIFICANT ACCOUNTING POLICIES

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

a) **Statement of compliance and basis of preparation**

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the Constituency and all values are rounded to the nearest 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 Fund.

b) **Recognition of revenue and expenses**

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

c) **In-kind contributions**

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

d) **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 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.

e) Receivables and payables

Receivables are funds due to the Constituency at the end of the financial year from the CDF Board and other sources but not yet received while payables are funds due to other parties at the end of the financial year but not yet paid. As receivables and payables do not involve the receipt or payment of cash in the reporting period, they are recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the Constituency at the end of the year. When the receivables or payables are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

e) Budget

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

f) Comparative figures

This is the first year the Constituency is preparing financial statements and hence we do not have comparative figures.

g) 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

CONSTITUENCY DEVELOPMENT FUND-KALOLENI
 REPORTS AND FINANCIAL STATEMENT

VIII. TRIAL BALANCE AS AT 30TH JUNE 2015			
		DR	CR
Cash and Cash equivalents			
	Bank Balances	12,117,007	
	Cash Balances	-	
	Outstanding Imprest	826,800	
Payments			
	Compensation of Employees	1,050,372	
	Use of goods and services	5,887,084	
	Committee Expenses	5,234,200	
	Transfers to Other Government Units	41,115,772	
	Other grants and transfers	42,226,105	
	Social Security Benefits	3,800	
	Acquisition of Assets	1,232,804	
	Other Payments	4,787,962	
Receipts			
	Transfers from the Board		102,316,268
	Proceeds from sale of assets		-
	Others receipts		60,746
Fund Balance b/f			5,605,343
Old Account bal b/f			6,336,411
Prior Year Adjustment			163,138
TOTAL		114,481,906	114,481,906

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY
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Reports and Financial Statements

As at 30th june, 2015

VII. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT AGENCIES

1330407	Description		2014 - 2015	2013 - 2014
			Kshs	Kshs
	Normal Allocation	AIE NO 750124	41,865,588.00	41,865,588.00
		AIE NO 759575	39,259,973.00	57,161,407.00
1330408		AIE NO 796921	10,000,000.00	
		AIE NO...	11,190,706.50	
1330409				-
	Conditional grants	AIE NO...	-	-
		AIE NO...	-	
	Receipt from other Constituency		-	
3510000	TOTAL		102,316,267.50	99,026,995.00
2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS				
	Description		2014 - 2015	2013 - 2014
			Kshs	Kshs
3510202	Receipts from the Sale of Buildings			
3510601	Receipts from the Sale of Vehicles and Transport Equipment			-
3510801	Receipts from the Sale Plant Machinery and Equipment			
3510803	Receipts from the Sale of office and general equipment			

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY
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1410107

3 OTHER RECEIPTS

1410405	Description	2014 - 2015	2013- 2014
1420601		Kshs	Kshs
	Interest Received	60,746.28	
1450207	Rents		240,000.00
	Sale of tender documents	-	165,000.00
	Total	60,746.28	405,000.00
	4 COMPENSATION OF EMPLOYEES		
2110201	EMPLOYEES		
2110202	Description	2014 - 2015	2013- 2014
		Kshs	Kshs
2110301	Basic wages of contractual employees	1,050,372.00	397,384.00
2110314	Basic wages of casual labour	-	
2110320	Personal allowances paid as part of salary		
2110326	House allowance	-	-
2710120	Transport allowance	-	-
	Leave allowance	-	-
	Other personnel payments	-	-
	gratuity		
	Total	1,050,372.00	397,384.00

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

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5 USE OF GOODS AND SERVICES

2210100				
2210104	Description		2014 - 2015	2013 - 2014
2210200			Kshs	Kshs
2210300	Utilities, supplies and services		625,497.00	39,165.50
2210500	Office rent		-	102,000.00
2210600	Communication, supplies and services		452,000.00	30,000.00
2210700	Domestic travel and subsistence			
2210800	Printing, advertising and information supplies & services		1,453,000.00	
2210900	Rentals of produced assets		-	
2211000	Training expenses			
2211100	Hospitality supplies and services		125,000.00	
2211200	Insurance costs		261,000.00	
2211300	Specialised materials and services			
2220100	Office and general supplies and services		625,558.00	1,665,705.50
2220200	Fuel ,oil & lubricants		1,300,000.00	
	Other operating expenses		49,869.00	
	Routine maintenance – vehicles and other transport equipment		648,362.00	810,706.00
	Routine maintenance – other assets		346,798.00	
			-	
	Total		5,887,084.00	2,647,577.00

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th june, 2015

2210800 6 COMMITTEE EXPENSES

2210802	Description		2014 - 2015	2013 - 2014
2210809			Kshs	Kshs
	Other committee expenses		4,106,200.00	3,021,253.00
	Committee allowance		1,128,000.00	1,500,000.00
	TOTAL		5,234,200.00	4,521,253.00

7 TRANSFER TO OTHER GOVERNMENT ENTITIES

	Description		2014 - 2015	2013 - 2014
			Kshs	Kshs
2630204	Transfers to primary schools		21,982,748.00	47,641,118.00
2630205	Transfers to secondary schools		8,799,237.00	6,850,000.00
2630206	Transfers to Tertiary institutions		5,000,000.00	
2630207	Transfers to Health institutions		4,482,759.00	9,850,000.00
	Transfer to New Rabai constituency		851,028.00	
	TOTAL		41,115,772.00	64,341,118.00

VIII. 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	98,969,680.00	20,745,884.03	119,715,564.03	118,712,100.00	1,003,464.03	99.16%
Proceeds from Sale of Assets			-	-	-	
Other Receipts						
			-	-	-	
PAYMENTS						
			-	-	-	
Compensation of Employees	2,685,066.70	2,888,148.65	5,573,215.35	1,812,826.80	3,760,388.55	32.53%
Use of goods and services	2,080,400.00	24,226.00	2,104,626.00	755,085.15	1,348,537.85	35.88%
Committee Expenses	4,117,804.50	466,144.35	4,583,948.85	4,578,080.00	5868.85	99.87%
Transfers to Other Government Units	50,700,259.00	1,916,210.85	52,616,469.85	44,338,454.45	8,278,015.40	84.27%
Other grants and transfers	38,780,351.00	15,444,154.18	54,224,505.18	48,358,843.56	5,865,661.62	89.18%
Social Security Benefits	24,000.00	7,000.00	31,000.00	13,000.00	18,000.00	41.94%
Acquisition of Assets	581,798.80	-	581,798.80		581,798.80	0.00%
Other Payments				-	-	
			-	-	-	
TOTALS	98,969,680.00	20,745,884.03	120,215,564.03	99,856,289.96	20,861,735.10	83.06%

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

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As at 30th june, 2015

2640000		8 OTHER GRANTS AND OTHER PAYMENTS		
Description		2014 - 2015	2013 - 2014	
		Kshs	Kshs	
2640105	Bursary -Secondary	20,460,276.00	9,678,866.00	
2640504	Bursary -Tertiary	13,778,600.00	3,000,000.00	
2640505	Bursary-Special schools	-	-	
2640506	Mocks & CAT	26,991.00	-	
2640507	water		600,000.00	
2640508	Agriculture (food security)	-		
2640509	Electricity projects	-	-	
2640510	Security			
2640200	Roads			
	Sports	1,109,368.00	475,600.00	
	Environment	1,584,968.00	2,000,000.00	
2120000	Emergency Projects (specify)	5,265,902.00		
	Total	42,226,105.00	15,754,466.00	

2120101 9 SOCIAL SECURITY BENEFITS

		2014 - 2015	2013 - 2014	
		Kshs	Kshs	
	Employer contribution to NSSF	3,800.00		
	Total	3,800.00	-	

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY

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For the year ended June 30, 2015

3110102	10 ACQUISITION OF ASSETS			
3110202	Non Financial Assets		2014- 2015	2013 - 2014
			Kshs	Kshs
3110701	Purchase of Buildings		-	-
3110704	Construction of Buildings		-	-
3110801	Refurbishment of Buildings		1,232,804.00	-
3111001	Purchase of Vehicles		-	-
3111002	Purchase of Bicycles & Motorcycles		-	-
3111005	Overhaul of Vehicles		-	-
3111009	Purchase of Office furniture and fittings		-	-
3111112	Purchase of computers ,printers and other IT equipments			180,000.00
3130101	Purchase of photocopier		-	-
	Purchase of other office equipments		-	520,055.00
	Purchase of soft ware		-	-
	Acquisition of Land		-	-
	Total		1,232,804.00	700,055.00
	11	Other Payments		
	Two Guards.Night and Day			395,490.00
	KRA penalty (Old A/c)		4,787,962.00	-
	Kaloleni Constituency share (Old A/c)			
	TOTAL		4,787,962.00	395,490.00

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

12A: Bank Balances (cash book bank balance)

	Name of Bank, Account No. & currency	Account Number	2014 - 2015	2013 - 2014
			Kshs (30/6/2015)	Kshs (30/6/2014)
	<i>Cooperative Bank, Mariakani Branch A/C no.01141253838300</i>		12,117,007.00	4,711,300.00
	<i>Cooperative Bank, Mariakani Branch A/C no.01120250577700 (Old A/c)</i>		-	6,336,400.00
	<i>Transfer of Old A/c Banked</i>			
	Total		12,117,007.00	11,047,700.00
	12B: CASH IN HAND)			
			2014 - 2015	2013 - 2014
			Kshs (30/6/2015)	Kshs (30/6/2014)
	Location 1		-	
	Location 2		-	
	Location 3		-	
	Other receipts (specify)		-	
	Total		-	

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY
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<i>Name of Officer</i>	<i>Date imprest taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	
		<i>Kshs</i>	<i>Kshs</i>	
<i>Antony Munyao</i>	26-06- 2015	200,000.00	-	200,000.00
<i>Antony Munyao</i>	26-06- 2015	200,000.00	-	200,000.00
<i>Antony Munyao</i>	26-06- 2015	200,000.00	-	200,000.00
<i>Antony Munyao</i>	26-06- 2015	127,000.00	-	127,000.00
<i>Antony Munyao</i>	17-06- 2015	99,800.00	-	99,800.00
	dd/mm/yy	-	-	
<i>Total</i>				826,800.00

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY
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13 BALANCES BROUGHT FORWARD

			2014 - 2015	2013 - 2014
			Kshs (1/7/2014)	Kshs (1/7/2014)
	Bank accounts		11,047,754.00	1,267,103.20
	Cash in hand		894,000.00	
	Imprest			
	Total		11,941,754.00	1,267,103.20
		<i>[Provide short appropriate explanations as necessary]</i>		
	14	PRIOR YEAR ADJUSTMENTS		
			2014 - 2015	2012 - 2013
			Kshs	Kshs
	Bank accounts	Reversed Cheques in 2014	163,138.00	
	Imprest		-	
	Total		163,138.00	
		OTHER IMPORTANT DISCLOSURES		
	15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)			
			2014 - 2015	2013 - 2014

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY
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Construction of buildings		211,341.50	-
Construction of civil works		-	-
Supply of goods		-	-
Supply of services		-	-
TOTAL		211,341.50	-

15.2: PENDING STAFF PAYABLES (See Annex 2)

		Kshs	Kshs
Senior management		-	-
Middle management		223,510.00	-
Unionisable employees		-	-
Others (<i>specify</i>)		-	-
		223,510.00	-

15.3: OTHER PENDING PAYABLES (See Annex 3)

		Kshs	Kshs
Amounts due to other Government entities (see attached list)		-	-

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th June, 2015

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)		-	-	Outstanding Balance	Outstanding Balance	Comments
Others (<i>specify</i>)		-	-	2015	2014	

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th June, 2015

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

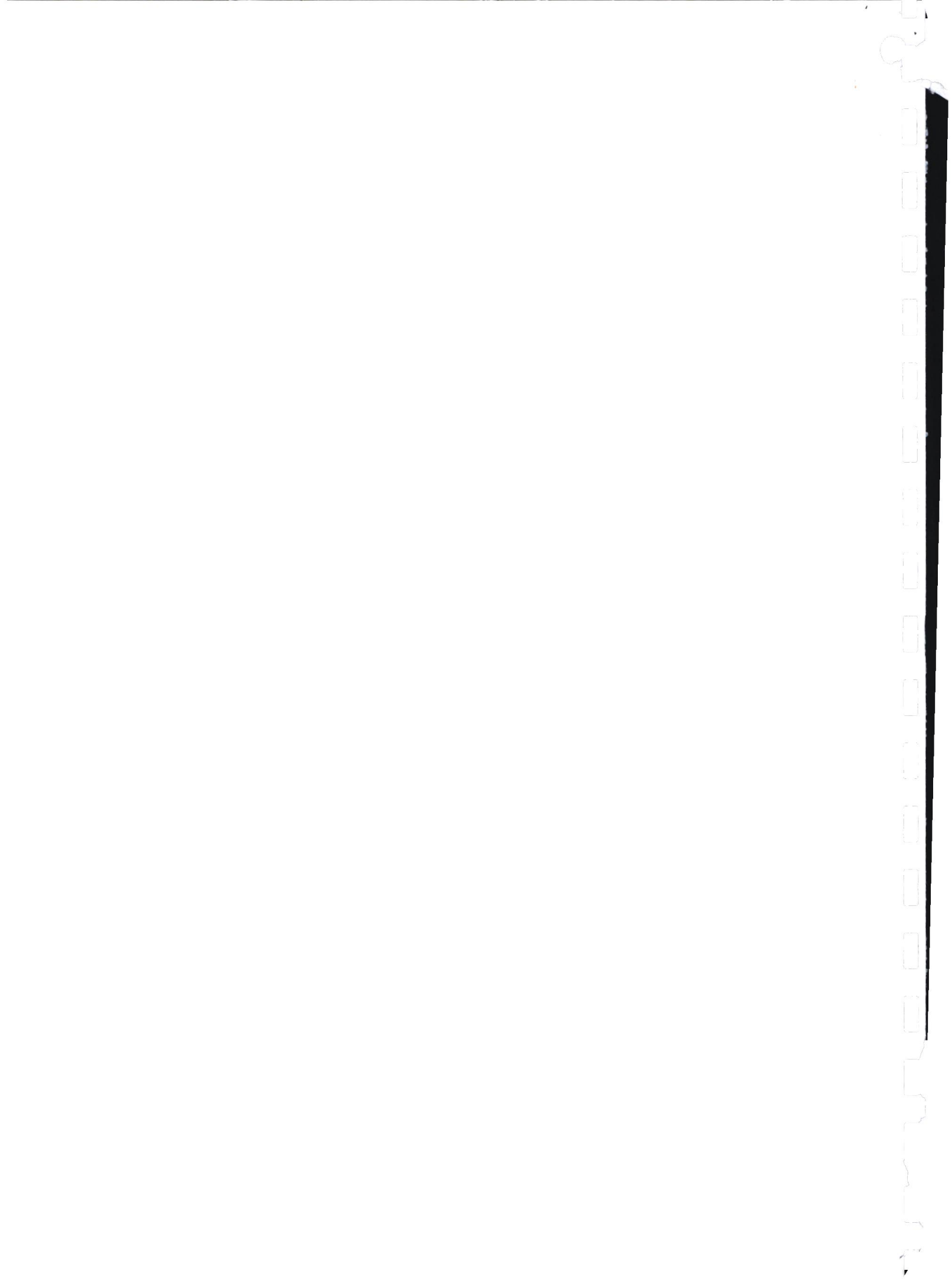
Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date			Project is complete
	a	b	c			
Construction of buildings						
1. Jaridi Prosperity Limited	2,452,721	25/11/2014	2,241,379.50	211,341.50	211,341.50	
Sub-Total	2,452,721	25/11/2014	2,241,379.50	211,341.50	211,341.50	
Construction of civil works						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total	211,341.50					

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES				Amount Paid To- Date	Outstanding Balance 2015	Outstanding Balance 2014	Comment
				c	d=a-c		
Name of Staff	Job Group	Original Amount	Date Payable Contracted				
		a	b				
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.Margaret Fondo Biryá		223,510	2012	nil	223,510	223,510	Gratuit
5.							
6.							
Sub-Total		223,510					
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total		223,510					



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

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

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

CONSTITUENCIES DEVELOPMENT FUND – KALOLENI

Reports and Financial Statements

As at 30th June, 2015

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	(Kshs)	(Kshs)
	2014/15	2013/14
Land		
Buildings and structures	16,896,414	15,663,610
Transport equipment	4,200,000	4,200,000
Office equipment, furniture and fittings		
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment	350,000	350,000
Heritage and cultural assets		
Intangible assets		
Total	21,446,414	20,213,610

18.2. RECEIVABLES FROM THE CDF BOARD AND OTHER RECEIVABLES

18.3. PAYABLES

18.4. FUNDS DUE TO PROJECTS

18.5. DISBURSEMENT FROM THE CDF BOARD

A.I.E NO.750124 - 41,865,588.00

A.I.E NO.759575 - 39,259,973.00

A.I.E NO.796921 - 10,000,000.00

A.I.E NO. 11,190,706.50

ASSETS AND LIABILITIES
Assets Register (Assets Description, Asset No., Cost, Locations)

Type of furniture	Asset Number	Asset Serial Number	Acquisition Date	Cost(ksh)	Current Condition	Holders Name
Leather High Back	KLDCDC/017/001		14/11/05	9,000	Fair	Office
Leather High Back	KLDCDC/017/002		14/11/05	11,000	Fair	Office
Office Table	KLDCDC/017/003		14/11/05	17,068.97	Good	Office
Office Table	KLDCDC/017/004		14/11/05	20,689.66	Good	Office
Filling Cabinet	KLDCDC/017/005		14/11/05	10,129.31	Good	Office
Visitors W/OUT arm	KLDCDC/017/006		14/11/05	2,413.97	Fair	Office
Visitors W/OUT arm	KLDCDC/017/007		14/11/05	2,413.97	Fair	Office
Visitors W/OUT arm	KLDCDC/017/008		14/11/05	2,413.97	Fair	Office
Visitors W/OUT arm	KLDCDC/017/009		14/11/05	2,413.97	Fair	Office
Visitors W/OUT arm	KLDCDC/017/0510		14/11/05	2,413.97	Good	Office
Visitors W/OUT arm	KLDCDC/017/011		14/11/05	2,413.97	Good	Office
Visitors W/OUT arm	KLDCDC/017/012		14/11/05	2,413.97	Good	Office
Visitors W/OUT arm	KLDCDC/017/013		14/11/05	2,413.97	Good	Office
Visitors W/OUT arm	KLDCDC/017/014		14/11/05	2,413.97	Good	Office
Visitors W/OUT arm	KLDCDC/017/015		14/11/05	2,413.97	Good	Office
Rubber stamps	KLDCDC/017/016		16/11/05	240	Good	Office
Rubber stamps	KLDCDC/017/017		16/11/05	240	Good	Office
Rubber Stamps	KLDCDC/017/018		16/11/05	240	Good	Office
Rubber stamps	KLDCDC/017/019		16/11/05	240	Good	Office
Rubber stamps	KLDCDC/017/		16/11/05	240	Good	Office