



OFFICE OF THE AUDITOR-GENERAL



14 DEC 2017
PAPER LAID

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

Paper Laid on
the Table of
the House by
the Leader of
the Majority
Party on
Thursday
14th December 2017
during the
Special
Morning
Sitting.

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
KWANZA CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2016





NG-CDF

National Government Constituencies Development Fund

KWANZA Constituency

P.O Box 2015-30200.

Kitale, Kenya.

Tel | Cell: +254725732332.

Email: cdfkwanza@cdf.go.ke | Website: www.kwanza.cdf.go.ke



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	1
II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)	3
III. STATEMENT OF NG- CDF MANAGEMENT RESPONSIBILITIES.....	4
IV. STATEMENT OF RECEIPTS AND PAYMENTS.....	6
V. STATEMENT OF ASSETS.....	7
VI. STATEMENT OF CASHFLOW	8
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	9
VIII. SIGNIFICANT ACCOUNTING POLICIES.....	24
IX. NOTES TO THE FINANCIAL STATEMENTS.....	26

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
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The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the NG-CDF Act, 2015. The National Government *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 National Government *Constituencies Development Fund*.

(b) Key Management

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

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

(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	Mathew k. Tanui
3.	Accountant	David Omweno

(d) Fiduciary Oversight Arrangements

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

(e) KWANZA NG- CDF Headquarters

P.O. Box 2015
Kwanza Trading Centre
Kitale, KENYA

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
CONSTITUENCY**

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

(f) KWANZA NG-CDF Contacts

Telephone: (254) 725732332
E-mail: kwanzacdf@cdf.go.ke
Website: www. Kwanza.cdf.go.ke

(g) KWANZA NG-CDF Bankers

Co-operative Bank of Kenya
Kitale Branch
A/c Number 01141268429300
P.O. Box 1058-0200
Kitale

(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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

**II. FORWARD BY THE CHAIRMAN KWANZA NATIONAL GOVERNMENT
CONSTITUENCY DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

The Kwanza National Government Constituency development fund in the financial year 2015/2016 was allocated Kshs 123,704,337.00 (One hundred and twenty three million seven hundred and four thousand three hundred and thirty seven shillings). During the financial year 50% of the allocation was disbursed to the constituency. This translates to Kshs 62,000,000.00 which was disbursed to the constituency by the end of June 2016. This left a balance of Kshs 61,704,337.00 as funds due to the constituency from then NG- CDF Board. Our budget therefore was funded 50% at the end of the financial year.

Kwanza constituency development fund in the financial year 2015/2016 received a total of Kshs.91, 282, 673.00 which includes an amount of Kshs.29, 282,673.00 which was amount balance outstanding from the previous financial year 2014/2015.

At the end of the financial year transfer to other government units took Kshs 68,867,931.00 that is:

- Transfer to primary school Kshs 17,080,000.00
- Transfer to secondary Schools Kshs 42,037,931.00
- Transfer to tertiary institutions Kshs 600,000.00
- Health institutions Kshs 9,150,000.00

This accounts for 52% Of the disbursed amount.

Other grants and transfers took Kshs 43,251,401.00 accounting for 33% of the disbursed amount. Bursary and Roads projects under this category took the largest share that is Kshs 15,163,800.00 and Kshs 12,390,731.00 respectively.

The NG-CDFC was able to timely transfer the disbursed funds to project(s) management Committee. The NG- CDFC have also been able to carry out monitoring and evaluation of over 80% of the funded projects. Most of the projects implemented by PMC are at various stages of completion.

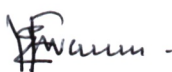
The Bursary allocation for the financial year was fully utilised during the financial year Project implementation is faced with a number of challenges which include but not limited to:

- Delay release of funds by NG- CDF Board
- Inadequacy of funds allocated for the completion of projects, this could be attributed to Inadequate allocation and/or increasing costs of materials and labour.
- lack of adequate capacity by some PMC to adequately implement a project.

To address these challenges the NG- CDFC will ensure adequate project funding, timely disbursement of funds to PMC/projects, training of PMCs and continuous monitoring and evaluation of projects.

The NG- CDF Board should also ensure timely disbursement of funds to the constituencies to ensure timely project implementation by the constituencies.

We look forward to better performance in the next financial year 2016/2017.



Fredrick Kwanusu
CHAIRMAN NG- CDFC

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
CONSTITUENCY**

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

III. STATEMENT OF NG- CDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government CDF shall prepare financial statements in respect of that NG- CDF. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the *Kwanza NG-CDF* is responsible for the preparation and presentation of the NG- *CDF's* financial statements, which give a true and fair view of the state of affairs of the NG-*CDF* 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 NG-*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 NG-*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 *Kwanza NG-CDF* accepts responsibility for the NG-*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 NG- *CDF's* financial statements give a true and fair view of the state of NG- *CDF's* transactions during the financial year ended June 30, 2016, and of the NG- *CDF's* financial position as at that date. The Accounting Officer charge of the *Kwanza NG-CDF* further confirms the completeness of the accounting records maintained for the NG- *CDF*, which have been relied upon in the preparation of the NG- *CDF's* financial statements as well as the adequacy of the systems of internal financial control.

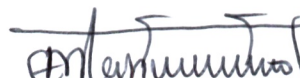
The Accounting Officer in charge of the *Kwanza NG-CDF* confirms that the NG-*CDF* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG- *CDF's* funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the NG-*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 NG- *CDF's* financial statements were approved and signed by the Accounting Officer on 12/8/2016 2016.



Fredrick Kwanusu
Chairman



Mathew k. Tanui
Fund Account Manager

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
E-mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA 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- Kwanza Constituency set out on pages 6 to 38, which comprise statement of assets as at 30 June 2016, and the statement of 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 35 of the Public Audit Act, 2015.

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 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 misstatements.

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

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund – Kwanza Constituency for the year ended 30 June 2016

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.

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, however, I am not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer Opinion

1.0 Presentation of the Financial Statements

A review of the financial statements availed for audit revealed the following anomalies:

- 1.1 The financial statements are set out on pages 6 to 38. However, pages 12 to 23 are missing in these financial statements.
- 1.2 The summary statement of appropriation recurrent and development combined reflects use of goods and services budget utilization difference of Kshs.2,110,728 which is at variance with the computed figure of Kshs.2,610,728 resulting to a variance of Kshs.500,000 which has not been explained.

Under the circumstances, the financial statements are not accurately presented in accordance with International Public Sector Accounting Standards.

2.0 Transfer to Other Government Entities

2.1 Unsupported Expenditure

The statement of receipts and payments reflects transfers to other government entities balance of Kshs.68,867,931 relating to funds disbursed to various projects. However, the respective expenditure returns and acknowledgement letters were not availed for audit verification. Under the circumstances, the validity, accuracy and propriety of Kshs.68,867,931 expenditure reported to have been incurred under transfer to other government entities during the year ended 30 June 2016 cannot be confirmed.

2.2 Purchase of School Buses

Included in the transfer to other government entities of Kshs.68,867,931 reflected in the statement of receipts and payments are transfers totalling Kshs.12,600,000 for purchase of school buses for various schools as summarized below:

Date	Cheque Number	Payment Voucher Number	Project	Activity	Amount (Kshs)
21-Jan-16	6610	119	Bishop Alexander Muge Secondary School	Funds transfer for purchase of school buses	4,000,000
21-Jan-16	6611	119	Kwanza Girls Secondary School	Funds transfer for purchase of school buses	4,000,000
21-Jan-16	6612	119	Kolongolo Girls Secondary School	Funds transfer for purchase of school buses	4,000,000
28-Jan-16	6621	125	Kobos Boys Secondary School	Transfer of funds for school bus purchase repayment	600,000
Total					12,600,000

However, available information revealed that the procurement was done using the request for quotation method. No explanation has been provided for use of this method since the amount exceeded the threshold for use of quotations. Further the logbook for the bus purchased for Kolongolo Girls Secondary School was not availed for audit verification. Under the circumstances, the management breached the law and the validity and propriety of the Kshs.12,600,000 expenditure on purchase of buses for the year ended 30 June 2016 cannot be confirmed.

2.3 Transfer to Health Institutions

Included in the transfer to other government entities of Kshs.68,867,931 reflected in the statement of receipts and payments are transfers totalling to Kshs.5,500,000 made to health institutions as shown below:

Date	Cheque Number	Payment Voucher Number	Project	Activity	Amount (Kshs)
3-Jul-15	6244	15	St. Emmanuel Dispensary	Construction of dispensary and purchase of 2 acres of land	2,400,000
4-Aug-15	6300	34	Misanga Dispensary	Flooring, plastering and painting of dispensary	1,000,000

4-Aug-15	6304	34	Lunyu Community Dispensary	Purchase of two acres of land	800,000
27-Nov-15	6424	83	Kitale District Hospital	Facelift of District Hospital	1,300,000
Total					5,500,000

However, procurement records such as tender/quotation documents, evaluation and award minutes, contract agreements, official search from lands office, land valuation reports and land title deed/allotment letters were not availed for audit verification. Further, dispensaries are devolved functions and have not been handed over to the County Government of Trans Nzoia. Under the circumstances, the validity and propriety of Kshs.5,500,000 on purchase of land and construction of dispensaries during the year under review cannot be confirmed.

3.0 Other Grants and Transfers

3.1 Road Projects

Included in other grants and other payments balance of Kshs.43,251,401 reflected in the statement of receipts and payments is roads projects expenditure of Kshs.7,847,782 as shown below:

Date	Cheque Number	Payment Voucher Number	Activity	Amount (Kshs)
27/07/2015	6272	25	Part payment on Road works on Forkland-St. Emmanuel Pri-Chemususwa roads	1,400,799
28/09/2015	6365	46	Road works on Soymining-Kapkoi Road	1,999,179
28/09/2015	6372	49	Final payment on Road works on Forkland-St. Emmanuel Primary-Chemususwa roads	510,632
28/09/2015	6372	50	Part payment for road works on Maridadi centre-Kiptumet road	933,743
28/09/2015	6374	51	Road works on Mile 11-Kipsoin Primary school Road	1,941,852
12/09/2015	6443	94	Final payment for road works on Maridadi centre-Kiptumet road	1,061,577
Total				7,847,782

However, tender documents, bill of quantities, engineer estimates, evaluation and award minutes, and completion /interim certificates were not availed for audit verification. As a result, the validity, accuracy and propriety of expenditure totalling Kshs.7,847,782 reported to have been incurred on road projects during the year under review cannot be confirmed.

3.2 Security Projects

Included in other grants and other payments balance of Kshs.43,251,401 reflected in the statement of receipts and payments are expenditures on totalling Kshs.4,200,000 incurred on security projects. The payments which are shown below, were made towards purchase of land and construction as detailed below:

Date	Cheque Number	Payment Voucher Number	Project	Activity	Amount (Kshs)
3-Jul-15	6241	14	Kwanza Police Post	Transfer of funds to security projects- Construction of Police Post	800,000
4-Aug-15	6296	33	Lessos AP And Chiefs Camp	Transfer of funds to security projects-Purchase of 1/4 acre land	2,400,000
18-Dec-15	6465	101	Lessos Community Development Project	Transfer of funds to security projects- Construction of Chief's office and AP houses	1,000,000
Total					4,200,000

However, procurement records such as bills of quantities, engineer estimates, tender documents, evaluation and award minutes, contract agreements, official search from lands office, land valuation reports and title deeds/allotment letters and completion/interim certificates were not availed for audit verification. In the circumstance, the validity, accuracy and propriety of Kshs.4,200,000 expenditure on security projects for the under review cannot be confirmed.

3.3 Legal Fees

Included in other grants and other payments balance of Kshs.43,251,401 reflected in the statement of receipts and payments is Kshs.150,000 paid to law firms for legal representation in the courts in regard to various cases as detailed below:

Date	Cheque Number	Payment Voucher Number	Payee	Description	Amount (Kshs)
4-Feb-16	6685	128	Law Firm	Legal fee to facilitate advocate to represent the CDF	50,000
4-Feb-16	6685	129	Law Firm	Legal fee to facilitate advocate to represent the CDF	50,000
17-Feb-16	7315	144	Law Firm	Legal fee to facilitate advocate to represent the CDF	50,000
Total					150,000

However, it was not possible to confirm how the law firms were sourced since procurement records such as advertisement, quotations, evaluation and award minutes and list of prequalified firms were not availed for audit verification. Under the circumstance, the validity and propriety of Kshs.150,000 expenditure on legal fees for the year under review cannot be confirmed.

4.0 Other Payments

The statement of receipts and payments reflects other payments balance of Kshs.37,322 relating to bank charges as reflected in Note 11 to the financial statements which should have been classified as other operating expenses under use of goods and services. No explanation has been provided for the incorrect classification of bank charges. Under the circumstances, the validity, accuracy and propriety of Kshs.37,322 expenditure under other payments for the year under review cannot be confirmed.

5.0 Bank Balances - Stale Cheques

The statement of financial assets as at 30 June 2016 reflects bank balances of Kshs.7,388,137. A review of the bank reconciliation statement for the month of June 2016 revealed cheques totalling Kshs.824,700 which had become stale but had not been reversed in the cashbook. No explanation was provided for failure to reverse the stale cheques. Under the circumstance, the validity and accuracy of bank balances of Kshs.7,388,137 as at 30 June 2016 cannot be confirmed.

6.0 Budgetary Control and Performance

6.1 Budget Absorption

During the year under review, the constituency had a total budget of Kshs.193,095,565 but incurred expenditure of Kshs.124,003,091 resulting in under- expenditure of Kshs.69,092,474 or 36% (or 64% absorption rate) of the budget as summarized below:

Item	Budget 2015/2016 (Kshs)	Actuals 2015-2016 (Kshs)	Under Absorption (Kshs)	% Under Absorption
Compensation of employees	2,697,110	2,464,100	233,010	9%
Use of goods and services	7,073,335	4,462,607	2,610,728	32%
Committee Expenses	6,724,002	4,552,330	2,171,672	32%
Transfers to Other Government Units	125,767,931	68,867,931	56,900,000	45%
Other grants and transfers	50,070,865	43,251,401	6,819,464	14%
Social Security Benefits	25,000	34,400	(9,400)	38%
Acquisition of Assets	700,000	333,000	367,000	52%
Other Payments	37,322	37,322	0	93%
Total	193,095,565	124,003,091	69,092,474	36%

Funds not utilized imply that approved programs were not implemented, and thus the budget did not fully meet the objectives of improving delivery of services to the residents of Kwanza Constituency.

6.2 Project Implementation

During the financial year 2015/2016, Kshs.87,000,000 was allocated to implementation of 128 projects as detailed in the attached appendix marked I.

Appendix I : Project Implementation

S/No.	Project	Activity	Allocation (Kshs)	Disbursement (Kshs.)	Status
1	St Francis Girls Secondary School	Purchase of school bus	4,000,000	4,000,000	Complete
2	Kwanza Girls Secondary School	Purchase of school bus	4,000,000	4,000,000	Complete
3	Bishop Alexander Muge secondary School	Purchase of school bus	4,000,000	4,000,000	Complete
4	Section Six Primary School	Completion(flooring, plastering and painting) of special unit hall)	300,000	300,000	Complete

5	Lessos Primary School	Renovation of 4 classrooms(plastering, painting, flooring and replacement of iron sheets.)	500,000	500,000	Complete
6	Keese Primary School	Renovation of 2 classrooms(plastering, painting, flooring and replacement of iron sheets.)	400,000	400,000	Complete
7	Malomonye Primary School	Construction of 1 classroom	500,000	500,000	Complete
8	Chief Mutende Primary School	Construction of 1 classroom	500,000	500,000	Complete
9	Maziwa Secondary School	Construction of 2 classrooms	1,000,000	1,000,000	Complete
10	St Francis Kolongolo Boys	Purchase of school bus(repayment)	2,000,000	2,000,000	Complete
11	Kobos Boys Secondary School	Purchase of school bus(repayment)	1,000,000	1,000,000	Complete
12	Maridadi Dispensary	Completion(wiring, painting and construction of septic tank)of staff houses.	400,000	400,000	Complete
13	Kitale District Hospital	Facelift of the district hospital	1,300,000	1,300,000	Complete
		Sub total	19,900,000	19,900,000	
14	Mutua Primary School	Construction of 1 classroom	500,000	0	Not started
15	Nasianda Primary School	Construction of 1 classroom	500,000	0	Not started
16	Kolongolo Primary School	Renovation of 2 classrooms(flooring, plastering, replacement of iron sheets and painting)	400,000	0	Not started
17	Dr. Noah Wekesa Primary School	Construction of 1 classroom	500,000	0	Not started
18	Biketi Primary School	Construction of 1 classroom	500,000	0	Not started
19	Muongano Primary School	Construction of 1 classroom	500,000	0	Not started

20	Luuya Primary School	Construction of 1 classroom	500,000	0	Not started
21	Matisi Primary School	Construction of 1 classroom	500,000	0	Not started
22	Ziwakati Primary School	Completion(flooring ,plastering and painting)of 2 classrooms	400,000	0	Not started
23	Kiptuimet Primary School	Construction of 1 classroom	500,000	0	Not started
24	Ukingoni Primary School	Construction of 1 classroom	500,000	0	Not started
25	Zea Primary School	Renovation (flooring, plastering, replacement of iron sheets and painting) of 2 classrooms.	400,000	0	Not started
26	Kambi Nairobi Primary School	Construction of 1 classroom	500,000	0	Not started
27	St Lwanga Primary School	Construction of 1 classroom	500,000	0	Not started
28	Bungoma B Primary School	Purchase of 2 acres of land	800,000	0	Not started
29	Marinda Primary School	Construction of 1 classroom	500,000	0	Not started
30	Kaibei Primary School	Construction of 2 classroom	1,000,000	0	Not started
31	Soymining Primary School	Construction of 1 classroom	500,000	0	Not started
32	Lurare Primary School	Construction of 1 classroom	500,000	0	Not started
33	St Emmanuel Primary School	Construction of 1 classroom	500,000	0	Not started
34	Fk 1 Mandarara Primary School	Construction of 1 classroom	500,000	0	Not started
35	Kitubo Primary School	Construction of 1 classroom	500,000	0	Not started
36	Sarura Primary School	Construction of 1 classroom	500,000	0	Not started
37	Umoja Primary School	Renovation (flooring, plastering, replacement of iron sheets and painting) of 2 classrooms.	400,000	0	Not started

38	Amuka Primary School	Renovation (flooring, plastering, replacement of iron sheets and painting) of 2 classrooms.	400,000	0	Not started
39	Sande Primary School	Purchase of 1 acre land	500,000	0	Not started
40	Meza Primary School	Completion(flooring, plastering and painting)of 2 classrooms	400,000	0	Not started
41	Milima A Primary School	Construction of 1 classroom	500,000	0	Not started
42	Bwayi Primary School	Construction of 1 classroom	500,000	0	Not started
43	Goseta Primary School	Renovation (flooring, plastering, replacement of iron sheets and painting of 2 classrooms	400,000	0	Not started
44	Ngenyi Primary School	Renovation (flooring, plastering, replacement of iron sheets) and painting of 2 classrooms.	400,000	0	Not started
45	Mugumo Primary School	Construction of 1 classroom	500,000	0	Not started
46	Miteitei Primary School	Renovation(flooring, plastering, replacement of iron sheets and painting) of 2 classrooms.	400,000	0	Not started
47	Lunyu Primary School	Construction of 1 classroom	500,000	0	Not started
48	Water Supply Primary School	Construction of 1 classroom	500,000	0	Not started
49	Makhonge Primary School	Completion (flooring, plastering and painting)of 1 classrooms	200,000	0	Not started

50	St Patricks Makunga Secondary School	Construction of 1 classroom	500,000	0	Not started
51	Aic Lessos Secondary School	Construction of laboratory	1,000,000	0	Not started
52	St Monicas Girls Secondary School	Construction of laboratory	1,000,000	0	Not started
53	Aic Kapkai Secondary School	Construction of 1 classroom	500,000	0	Not started
54	Biketi Friends Secondary School	Construction of twin laboratory	1,000,000	0	Not started
55	Mutua Secondary School	Construction of twin laboratory	500,000	0	Not started
56	Aic Kiptuimet Secondary School	Completion of 2 classrooms	400,000	0	Not started
57	St Emmanuel Secondary School	Construction of 1 classroom	500,000	0	Not started
58	Aic Kobos Girls Secondary	Construction of 2 classrooms (flooring, plastering and painting)	1,600,000		Not started
59	Kapsitwet Secondary School	Construction of library	1,000,000	0	Not started
60	Misanga Secondary School	Construction of 2 classrooms	1,600,000	0	Not started
61	St Peters Kapomboi Secondary School	Completion (painting, wiring and water installation) of twin laboratory	500,000	0	Not started
62	Namanjalala Secondary School	Construction of multipurpose hall	900,000	0	Not started
63	St Cecilia Secondary School Marinda	Construction of twin laboratory	1,000,000	0	Not started
64	St Thomas Amuka Secondary School	Construction of 1 classroom	500,000	0	Not started
65	St Johns Sarura Secondary School	Construction of 1 classroom	500,000	0	Not started
66	Karaus Secondary School	Completion (flooring, plastering and painting) of 2 classroom	400,000	0	Not started
67	St Annes Umoja Secondary School	Construction of twin laboratory	1,000,000	0	Not started

68	St Paul Bwayi Secondary School	Construction of twin laboratory	1,000,000	0	Not started
69	Maridadi Secondary School	Construction of dormitory	1,000,000	0	Not started
70	St Maurice Girls Lunyu Secondary School	Construction of 2 classrooms	1,000,000	0	Not started
71	Miteitei Secondary School	Construction of 1 classroom	500,000	0	Not started
72	Gidea Boys Secondary School	Construction of library	500,000	0	Not started
73	Ngenyi Secondary School	Construction of 1 classroom	500,000	0	Not started
74	Mukuyuni Secondary School	Purchase of 2 acres of land	1,000,000	0	Not started
75	Keiyo Dispensary	Completion of staff houses(painting, wiring and construction of septic tank)	400,000	0	Not started
76	Kitubo Dispensary	Completion (flooring, plastering and painting) of dispensary	800,000	0	Not started
77	Namanjalala Dispensary	Completion(wiring, painting and construction of septic tank)of staff houses.	400,000	0	Not started
78	Misanga Centre	Construction of water kiosk	150,000	0	Not started
79	Tembelela Primary School Junction	Construction of water kiosk	150,000	0	Not started
80	Bidii Centre	Construction of water kiosk	150,000	0	Not started
81	Mtoni Water Kiosk	Construction of water kiosk	150,000	0	Not started
82	Misanga(Rwanda Village)	Construction of water kiosk	150,000	0	Not started
83	Maili Saba	Construction of water kiosk	150,000	0	Not started
84	Misanga(Bosinia Village)	Construction of water kiosk	150,000	0	Not started
85	Forkland	Construction of water kiosk	150,000	0	Not started
86	Misanga(Chichina Village)	Construction of water kiosk	150,000	0	Not started

87	Kolongolo Assistant Chiefs Office	Construction of Assistant Chief's office.	500,000	0	Not started
88	Zea Ap Camp	Construction of Administration Police houses	600,000	0	Not started
89	Kitale Ndogo Ap Camp	Construction of Administration Police houses	600,000	0	Not started
90	Marinda Chiefs Office	Construction of chiefs office	600,000	0	Not started
91	Kobos Chiefs Office	Construction of chiefs office	600,000	0	Not started
92	Kapsitwet Chiefs Office	Construction of chiefs office	600,000	0	Not started
93	Maili Saba Ap Camp	Construction of Administration Police houses	600,000	0	Not started
94	Bwayi Ap Camp	Construction of Administration Police houses	600,000	0	Not started
95	Karaus Ap Camp	Construction of Administration Police houses	600,000	0	Not started
96	Kwanza Chiefs Office	Construction of chiefs office	500,000	0	Not started
97	Milimani /Namanjalala Bridge	Construction of foot bridge	500,000	0	Not started
98	Swara/Bidii Primary School Road	Road improvement 6km-grading and spot gravelling	1,000,000	0	Not started
99	Mtoni/Okulu Bridge Road	Road opening 1 km	1,000,000	0	Not started
100	Swara/Bidii Mudavadi Road	Installation of culverts 9km	600,000	0	Not started
101	Meza-Kapsitwet Road	Road improvement 8km-grading and spot gravelling	1,000,000	0	Not started
102	Chepkiti Bridge	Construction of foot bridge	350,000	0	Not started
103	Kwanza Dispensary-Kiptuimet Road	Road improvement 8km-grading and spot gravelling	1,000,000	0	Not started

104	Section Six Primary School	Construction of 1 classroom	500,000	0	Not started
105	Makunga Primary School	Renovation of 4 classrooms (plastering, painting, flooring and replacement of iron sheets.)	800,000	0	Not started
106	Maziwa Primary School	Construction of 1 classroom	500,000	0	Not started
107	Koros Primary School	Construction of 1 classroom	500,000	0	Not started
108	Milimani Primary School	Construction of 1 classroom	500,000	0	Not started
109	Kapkoi Rcm Primary	Construction of 1 classroom	500,000	0	Not started
110	Maramu Primary School	Construction of 1 classroom	500,000	0	Not started
		Sub total	55,500,000	0	
111	Siambe Primary School	Completion(flooring, plastering and painting) of 2 classrooms)	400,000	400,000	On going
112	Kapkoi Central Primary School	Construction of 1 classroom	500,000	500,000	On going
113	Kitale Ndogo Primary School	Completion (flooring, plastering and painting)of 2 classroom	400,000	400,000	On going
114	Misanga Primary School	Construction of 1 classroom	500,000	500,000	On going
115	Kapsitwet Primary School	Construction of 1 classroom	500,000	500,000	On going
116	Ainnasit Primary School	Construction of 1 classroom	500,000	500,000	On going
117	Pengi Primary School	Renovation (flooring, plastering, replacement of iron sheets and painting of 1 classrooms	200,000	200,000	On going
118	Kwanusu Primary School	Construction of 1 classroom	500,000	500,000	On going
119	Kwanza Primary School	Construction of 1 classroom	500,000	500,000	On going

120	Milimani Secondary School	Construction of twin laboratory	1,000,000	1,000,000	On going
121	Luuya Secondary School	Completion(flooring, plastering and painting)of twin laboratory	500,000	500,000	On going
122	Nasianda Secondary School	Construction of twin laboratory	500,000	500,000	On going
123	Soymining Secondary School	Construction of twin laboratory	1,000,000	1,000,000	On going
124	St Philip Kipsoen Secondary School	Construction of 1 classroom	500,000	500,000	On going
125	Karaus Secondary School	Construction of 2 classrooms	1,600,000	1,600,000	On going
126	Korosiot High School	Construction of laboratory	500,000	500,000	On going
127	Kwanza Friends Secondary School	Construction of storey dormitory	1,000,000	1,000,000	On going
128	Lessos Administration Police And Chiefs Camp	Construction of chiefs office and Administration Police houses	1,000,000	1,000,000	On going
		Sub Total	11,600,000	11,600,000	
		Grand Total	87,000,000	31,500,000	

Thirteen (13) projects with an estimated budget of Kshs.19,900,000 were completed, eighteen (18) projects with an estimated budget of Kshs.11,600,000 were partially completed and ninety seven (97) projects with an estimated budget of Kshs.55,500,000 had not started as at 30 June 2016. As a result, the residents of Kwanza Constituency did not benefit from the projects that were not implemented as budgeted.

6.3 Incomplete Projects

Six projects with an estimated budget of Kshs.7,700,000 were on physical verification during the audit found to be complete, as detailed in the attached appendix marked II. As a result, the residents of Kwanza Constituency did not enjoy the services envisioned to have been provided through the projects.

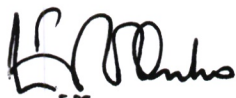
Appendix II Incomplete Projects

	Project	Project Particulars	Amount Budgeted (Kshs.)	Amount Disbursed (Kshs.)	Observation
1	Biketi Secondary School	Construction of Twin Laboratory	1,500,000	1,500,000	Substructure works done and completed, roof structure done and covered using pre-painted iron sheets, fittings i.e. steel casement windows and doors, labelling done.
2	Bishop Muge	Construction of Twin laboratory	2,000,000	2,000,000	Works done include: substructure works, floor concrete cast, lintel cast, roof structure and covered with ordinary corrugated iron sheets, fittings i.e. 12 steel casement windows, plastering and rendering. Pending works include: Floor screeding, plastering, painting, glazing, gas & water systems and labelling.
3	St. Emmanuel Dispensary	Construction of Dispensary	1,400,000	1,400,000	Works done include: Foundation dug (1.2meters deep), foundation work constructed using bush stones and hardcore filling done. Pending works include: floor screeding, super-structure plastering, roof structure & cover and labelling
4	Kitubo Dispensary	Completion of Construction of Dispensary	500,000	500,000	Foundation was dug and floor concrete laid. Project stalled

5	Kwanza Friends Boys Secondary School	Construction of Dormitory (storey) upto 1st floor	700,000	700,000	Works done include: dug and foundation wall constructed, 30 columns constructed on column bases, double brick course wall constructed, staircase with landing, first floor slab laid. Pending works include: erecting of wall partitioning on the six cubicles on ground floor, roofing, plastering/rendering, screeding including nil application on both floors including the shatter.
6	Misanga Secondary School	Construction of 2 Classrooms	1,600,000	1,600,000	Works done include: dug and foundation wall constructed, floor concrete laid, wall constructed to lintel level. Pending works include: lintel (ring bearing), roofing, fittings i.e. windows, doors, vents, plastering, paint rendering, screeding, fascia board, labelling.
		Total	7,700,000	7,700,000	

Disclaimer of Opinion

Because of the significance of the matters described in the Basis for Disclaimer of Opinion paragraph, I have not been able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the financial statements.



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

Nairobi

10 November 2017

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
CONSTITUENCY**

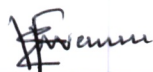
Reports and Financial Statements

For the year ended June 30, 2016

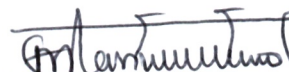
IV. STATEMENT OF RECEIPTS AND PAYMENTS AS AT JUNE 30, 2016

	Note	2015-2016 Kshs	2014-2015 Kshs
RECEIPTS			
Transfers from Other Government Entities	1	91,282,673.00	128,469,184.00
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		91,282,673.00	128,469,184.00
PAYMENTS			
Compensation of Employees	4	2,464,100.00	2,839,270.00
Use of goods and services	5	4,462,607.00	5,025,739.00
Committee Expenses	6	4,552,330.00	3,348,000.00
Transfers to Other Government Units	7	68,867,931.00	53,503,500.00
Other grants and transfers	8	43,251,401.00	36,004,339.00
Social Security Benefits	9	34,400.00	20,040.00
Acquisition of Assets	10	333,000.00	-
Other Payments	11	37,322.00	20,840.00
TOTAL PAYMENTS		124,003,091.00	100,761,728.00
SURPLUS/DEFICIT		(32,720,418.00)	27,707,456.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KWANZA NG-CDF financial statements were approved on 10/8/16 2016 and signed by:



Chairman –NG- CDFC



Fund Account Manager

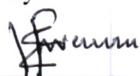
**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
CONSTITUENCY**

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

V. STATEMENT OF ASSETS AS AT JUNE 30, 2016

	Note	2015-2016 Kshs	2014-2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	12A	7,388,137.00	40,108,555.00
Cash Balances (cash at hand)	12B	-	-
Outstanding Imprests	12C	-	-
TOTAL FINANCIAL ASSETS		7,388,137.00	40,108,555.00
REPRESENTED BY			
Fund balance b/fwd	13	40,108,555.00	12,401,098.00
Surplus/Deficit for the year		(32,720,418.00)	27,707,456.00
Prior year adjustments	14	-	-
NET FINANCIAL POSITION		7,388,137.00	40,108,555.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KWANZA NG- CDF financial statements were approved on 10/6/16 2016 and signed by:



Chairman – NG-CDFC



Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- KWANZA
CONSTITUENCY**

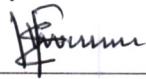
Reports and Financial Statements

For the year ended June 30, 2016

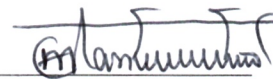
VI. STATEMENT OF CASHFLOW AS AT JUNE 30, 2016

		2015 – 2016	2014 – 2015
Receipts for operating income			
Transfers from NG-CDF Board	1	91,282,673.00	128,469,184.00
Other Receipts	3	-	-
Payments for operating expenses			
Compensation of Employees	4	2,464,100.00	2,839,270.00
Use of goods and services	5	4,462,606.00	5,025,739.00
Committee Expenses	6	4,552,330.00	3,348,000.00
Transfers to Other Government Units	7	68,867,931.00	53,503,500.00
Other grants and transfers	8	43,251,401.00	36,004,339.00
Social Security Benefits	9	34,400.00	20,040.00
Other Payments	11	37,322.00	20,840.00
Adjusted for:			
Adjustments during the year		-	-
Net cash flow from operating activities		(32,387,418.00)	27,707,456.00
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	10	(333,000.00)	-
Net cash flows from Investing Activities		(333,000.00)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		32,720,418.00	27,707,456.00
Cash and cash equivalent at BEGINNING of the year	13	40,108,555.00	12,401,098.00
Cash and cash equivalent at END of the year	12A	7,388,137.00	40,108,555.00

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The KWANZA NG- CDF financial statements were approved on 12/8/16 2016 and signed by:



Chairman NG- CDFC



Fund Account Manager

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED AS AT JUNE 30, 2016

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	123,704,337.00	69,391,228.00	193,095,565.00	131,391,228.00	61,704,337.00	
Proceeds from Sale of Assets				-	-	
Other Receipts				-	-	
TOTALS	123,704,337.00	69,391,228.00	193,095,565.00	131,391,228.00	61,704,337.00	68
PAYMENTS					-	
Compensation of Employees	2,525,000.00	172,110.00	2,697,110.00	2,464,100.00	233,010.00	91
Use of goods and services	4,129,368.00	2,943,967.00	7,073,335.00	4,462,607.00	2,110,728.00	68
Committee Expenses	4,000,000.00	2,724,002.00	6,724,002.00	4,552,330.00	2,171,672.00	77
Transfers to Other Government Units	74,600,000.00	51,167,931.00	125,767,931.00	68,867,931.00	56,900,000.00	54
Other grants and transfers	37,687,647.00	12,383,218.00	50,070,865.00	43,251,401.00	6,819,464.00	86
Social Security Benefits	25,000.00		25,000.00	34,400.00	(9,400.00)	137
Acquisition of Assets	700,000.00		700,000.00	333,000.00	367,000.00	48
Other Payments(Bank charges)	37,322.00		37,322.00	37,322.00	0.00	100
TOTALS	123,704,337.00	69,391,228.00	193,095,565.00	124,003,091.00	69,092,474.00	64

(a) During the year the only receipts were from the NG-CDF Board vide AIEs. There was no AIA item

(b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

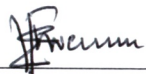
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA CONSTITUENCY

Reports and Financial Statements

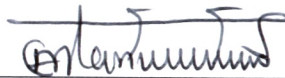
For the year ended June 30, 2016

- i. *The item of acquisition of assets that had utilisation of 48% relates to an allocation of Kshs 300,000 for the purchase of NG-CDFC motorcycle. Purchase of the motorcycle had not been done as funds had not been received at the end of the financial year. It forms part of the undisbursed amount by NG-CDF Board at the close of the f/y.*
- ii. *The other budget items performed well as per the budget*

The KWANZA NG-CDF financial statements were approved on 12/8/ 2016 and signed by:



Chairman NG- 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 NG- 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 NG- CDF.

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

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 NG-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 NG-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 NG-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, 2016.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 - 2015
		Kshs	Kshs
NG-CDF Board			
AIE NO	07/2013/2014/786		40,621,165.00
AIE NO	07/2014/2015/486		29,282,673.00
AIE NO	07/2014/2015/790		29,282,673.00
AIE NO	07/2014/2015/1042		29,282,673.00
AIE NO	07/2014/2015/122	29,282,673.00	
AIE NO	07/2015/2016/102	10,000,000.00	
AIE NO	07/2015/2016/232	10,000,000.00	
AIE NO	07/2015/2016/499	10,000,000.00	
AIE NO	07/2015/2016/524	20,000,000.00	
AIE NO	07/2015/2016/683	12,000,000.00	
TOTAL		91,282,673.00	128,469,184.00

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	-	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

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

	2015 - 2016	2014 - 20145
	Kshs	Kshs
Basic wages of contractual employees	2,464,100.00	1,515,260.00
Basic wages of casual labour		-
Personal allowances paid as part of salary		
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Gratuity	-	1,324,010.00
Other personnel payments		-
Total	2,464,100.00	2,839,270.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services/	14,000.00	30,141.00
Communication, supplies and services	6,960.00	6,960.00
Domestic travel and subsistence	688,135.00	384,000.00
Printing, advertising and information supplies & services	-	-
Rentals of produced assets	-	-
Training expenses	317,000.00	455,200.00
Hospitality supplies and services	-	-
Insurance costs	-	-
Specialized materials and services	538,500.00	1,256,500.00
Office and general supplies and services	774,860.00	1,652,531.00
Fuel, oil & lubricants	1,314,050.00	862,374.00
Other operating expenses	-	-
Routine maintenance – vehicles and other transport equipment	809,102.00	378,033.00
Routine maintenance – other assets	-	-
TOTAL	4,462,607.00	5,025,739.00

6. COMMITTEE EXPENSES

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Committee allowances	4,552,330.00	3,348,000.00
Other committee expenses	-	-
Total	4,552,330.00	3,348,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	17,080,000.00	15,820,741.00
Transfers to secondary schools (see attached list)	42,037,931.00	31,300,000.00
Transfers to tertiary institutions (see attached list)	600,000.00	-
Transfers to health institutions (see attached list)	9,150,000.00	6,382,759.00
TOTAL	68,867,931.00	53,503,500.00

8. OTHER GRANTS AND OTHER PAYMENTS

	2015 – 2016	2014- 2015
	Kshs	Kshs
Bursary – secondary schools (see attached list)	8,370,000.00	8,101,000.00
Bursary – tertiary institutions (see attached list)	6,443,800.00	8,821,000.00
Bursary – special schools (see attached list)	-	-
Mock & CAT (see attached list)	350,000.00	-
Water projects (see attached list)	1,800,000.00	2,000,000.00
Agriculture projects (see attached list)	-	1,550,000.00
Electricity projects (see attached list)	-	-
Security projects (see attached list)	4,200,000.00	2,200,000.00
Roads projects (see attached list)	12,390,731.00	6,903,431.00
Sports projects (see attached list)	844,500.00	350,000.00
Environment projects (see attached list)	1,338,000.00	105,000.00
Emergency projects (see attached list)	7,514,370.00	5,973,907.00
Total	43,251,401.00	36,004,339.00

9. SOCIAL SECURITY BENEFITS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Employer contribution to NSSF	34,400.00	20,040.00
Total	34,400.00	20,040.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. ACQUISITION OF ASSETS

Non Financial Assets

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	-
Refurbishment of Buildings	-	-
Purchase of Vehicles and Other Transport Equipment	-	-
Overhaul of Vehicles and Other Transport Equipment	-	-
Purchase of Household Furniture and Institutional Equipment	-	-
Purchase of Office Furniture and General Equipment	210,000.00	-
Purchase of ICT Equipment, Software and Other ICT Assets	123,000.00	-
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	333,000.00	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11. OTHER PAYMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank charges	37,322.00	20,840.00
	37,322.00	20,840.00

12A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs	Kshs
<i>Cooperative Bank, Kitale Branch, A/c Number 01141268429300</i>	7,388,137.00	40,108,555.00
Total	7,388,137.00	40,108,555.00

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12B: CASH IN HAND

	2015 - 2016 Kshs	2014 - 2015 Kshs
Location 1	-	-
Location 2	-	-
Location 3	-	-
Other Locations (<i>specify</i>)	-	-
Total	-	-

[Provide cash count certificates for each]

12C: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	-	-	-	-

Total **-**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	40,108,555.00	12,401,098.00
Cash in hand	-	-
Imprest	-	-
Total	40,108,555.00	12,401,098.00

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – KWANZA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

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

15.2: PENDING STAFF PAYABLES (See Annex 2)

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

15.3: OTHER PENDING PAYABLES (See Annex 3)

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

15.4: PENDING RECEIVABLES FROM THE NG- CDF BOARD

(See Statement of Appropriation)

	Kshs	Kshs
	61,704,337.00	29,282,673.00
	<u>61,704,337.00</u>	<u>29,282,673.00</u>

NATIONAL GOVERNMENT ENTITY – KWANZA CONSTITUENCYS
Reports and Financial Statements
For the year ended June 30, 2016

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						

NATIONAL GOVERNMENT ENTITY – KWANZA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

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							

NATIONAL GOVERNMENT ENTITY – KWANZA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2015	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							



NATIONAL GOVERNMENT ENTITY – KWANZA CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER AS AT JUNE 30,2016

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15
Land	-	-
Buildings and structures	3,750,000.00	3,750,000.00
Transport equipment	8,558,745.00	8,558,745.00
Office equipment, furniture and fittings	1,303,687.00	1,093,687.00
ICT Equipment, Software and Other ICT Assets	173,989.00	50,989.00
Other Machinery and Equipment	160,000.00	-
Heritage and cultural assets	-	-
Intangible assets	64,940.00	27,940.00
Total	13,851,361.00	13,481,361.00

NATION