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OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

ON

**THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
WESTLANDS CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2016**



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND -
WESTLANDS CONSTITUENCY**
Reports and Financial Statements
For the year ended June 30, 2016



NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND – WESTLANDS

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 CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**

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

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

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Development Fund (CDF) was established under the Constituencies Development Fund (CDF) Act, 2003, amended in 2007 and repealed by the CDF Act of 2013.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

(b) Key Management

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

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituencies Development Fund Committee (NGCDFC)

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Peter Ngugi
3.	Accountant	Mr.Oyaro

(d) Fiduciary Oversight Arrangements

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

(e) Westlands NGCDF Headquarters

P.O. Box 14903-00800
Kenya Freedom from Hunger Council
Prefab house,
Off Raphtha Road, Westlands
Nairobi, KENYA



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**

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

(f) Westlands NGCDF Contacts

Telephone: (254) 722889684

E-mail: NGCDFwestlands@NGCDF.go.ke

Website: www.NGCDF.go.ke

(g) Westlands NGCDF Bankers

- Equity Bank, Kangemi Branch
- P.O. Box 75104,
- Nairobi, Kenya.

(h) Independent Auditors

Audit General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GOP 00100

Nairobi, Kenya

(i) Principal Legal Adviser

The Attorney General

State Law Office

Harambee Avenue

P.O. Box 40112

City Square 00200

Nairobi, Kenya

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

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

Total disbursement by WESTLANDS - NG-CDF for financial year 2015/2016 was Kshs 97,931,187.00 up from Kshs 92,531,089.50 disbursed in FY2014/2015. This indicates a marked improvement following increased projects activities.

Our key focus during FY 2015/2016 implementation was on education (schools infrastructural development and issuance of bursaries to needy students) which ranks the constituency's priority number one. However we equally performed well in the following sectors:-

- a) General infrastructural development (Renovation of Kangemi Health Centre)
- b) Construction of Twin Workshops at Kangemi Polytechnic
- c) Renovation of various schools
- d) Environmental activities (planting of trees and clean up in WESTLANDS constituency)
- e) Sports for the youth (we run successful sports tournament for our youth) the sporting activities included football for men and women

Key achievements

1. Completion of Twin Workshops at Kangemi Polytechnic
2. Completion of Library at Hospital Hill Primary School
3. Education bursary was disbursed to over 5000 needy students.
4. Supply of Desks to all primary schools within WESTLANDS constituency

Emerging issues:-

1. Arising from the impact so far created at the grass roots and the high expectation from the local community there is need to enhance NG-CDF kitty from the current 2.5% to at least 6%.
2. Due heavy responsibility bestowed on the chairman's position, the National Government-CDF Board should enhance the chairperson's allowance to be commensurate to the duties and this should cascade to other NG-CDF members.

Implementation challenges.

1. Delay in disbursement of NG-CDF funds. The board should strive to release funds to the CDFC in the first quarter of each financial year. It will also be helpful if the funds are released in at least two tranches in a year.
2. The NG-CDF relies fully on Ministerial Technical Departments for support in areas like construction of bridges, building and other technical work. This includes the production of BQs, technical design, drawing for such technical projects and certificate for payments, delays normally occur as the personnel involved are not under direct control of NG- CDFC. The national NG-CDF board should have own technical experts within her structures.
3. Some projects may require long span of implementation creating a big variance between initial budget and actual cost during implementation. The national NG-CDF board needs to be flexible on financing of such projects.

We humbly look forward to working very closely with the national NG-CDF board with a view to enhancing accountability and efficiency in project management

Sign

Roselida Atundo

Chairman -NG- CDFC

III. STATEMENT OF NGCDF MANAGEMENT RESPONSIBILITIES

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

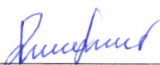
The Accounting Officer in charge of the *Westlands NGCDF* is responsible for the preparation and presentation of the *NGCDF's* financial statements, which give a true and fair view of the state of affairs of the *NGCDF* for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *NGCDF*; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the *NGCDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the *Westlands NGCDF* accepts responsibility for the *NGCDF's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *NGCDF's* financial statements give a true and fair view of the state of *NGCDF's* transactions during the financial year ended June 30, 2016, and of the *NGCDF's* financial position as at that date. The Accounting Officer charge of the *Westlands NGCDF* further confirms the completeness of the accounting records maintained for the *NGCDF*, which have been relied upon in the preparation of the *NGCDF's* financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the *Westlands NGCDF* confirms that the *NGCDF* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the *NGCDF's* funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the *NGCDF's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

Approval of the financial statements

The *NGCDF's* financial statements were approved and signed by the Accounting Officer on 15/12/17 2016



Roselida Atundo
Chairperson - NGCDFC



Peter Ngugi
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 – WESTLANDS 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 – Westlands Constituency set out on pages 5 to 17, which comprise the 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. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed with a view 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

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

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 qualified audit opinion.

Basis for Qualified Opinion

1. Presentation and Disclosures of the Financial Statements

The statement of compliance and basis of preparation indicate that all values are rounded off to the nearest thousand. However, figures in the financial statements have not been rounded off to the nearest thousand. The financial statements are, therefore, not consistent with the basis of preparation and are not fully in conformity with the format prescribed by the Public Sector Accounting Standard Board.

2. Inaccuracies in the Financial Statements

2.1 Unexplained Comparative Figures

The following differences have been noted between comparative figures (2014/2015) reflected in the financial statements for the year ended 30 June 2016 and the balances shown in the audited financial statements for 2014/2015:

	2014/2015 Comparative Figures in 2015/2016 Kshs	2014/2015 Audited Balances Kshs	Variance Kshs.
Use of Goods	5,605,840	4,129,839	1,476,001
Committee Allowance	-	1,476,000	(1,476,000)

However, no explanation has been provided for these differences. Similarly, the nature of the errors and respective amounts of the corrections in these comparative figures have not been disclosed in the notes to the financial statements.

2.2 Unexplained Receipts

The summary statement of appropriation reflects actual receipts from NGCDF Board figure of Kshs.128,143,552 in the year 2015/2016. However, the statement of receipts and payments reflects receipts totalling Kshs.107,431,187 resulting in an unexplained difference of Kshs.20,712,365.

2.3 Unexplained Net Liabilities

The statement of financial assets reflects a comparative net liabilities balance of Kshs.21,896,092 which differs with the re-casted balance of Kshs.20,637,857 by Kshs.1,258,235. The difference of Kshs.1,258,235 has not been explained.

Qualified Opinion

In my opinion, except for the effect of matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Westlands Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

1. Budgetary and Budgetary Control

During the year under review, Westlands Constituency Fund incurred expenditure totalling Kshs.78,137,929 against an approved budget of Kshs.130,143,551 resulting in under-expenditure of Kshs.52,005,622 as shown below:

Receipt/Expense Item	Budgeted Amount Kshs.	Actual Amount Kshs.	Under Expenditure Kshs.
Transfer from NGCDF Board	130,143,552	107,431,187	22,712,365
Payments			
Compensation of Employees	1,290,000	1,152,051	137,949
Use of Goods and Services	11,072,060	5,831,735	5,240,325
Transfer to Other Govt. Units	69,526,344	54,463,943	15,062,401
Other Grants	45,755,147	16,337,200	29,417,947
Other Payments	2,500,000	353,000	2,147,000
Total	130,143,551	78,137,929	52,005,622

The under-expenditure is an indication that allocated funds were not utilized fully and all approved programs were not implemented. The budget did not, therefore, fully meet the objective of improving delivery of services to the residents of Westlands Constituency.

2. Non-implementation of Projects

The following ten (10) projects earmarked for implementation during the year under review with a total approved budget of Kshs.24,868,822 were not implemented:

Project	Budgeted Amount Kshs
Constituency Sports tournament	1,843,270
Mocks/CATs	1,000,000
Construction of a Fence at Visa Oshwal Primary School	2,582,282
Construction of Dining Hall and Kitchen Karura Forest Primary	2,500,000
Construction of CDF office	3,000,000
Planting of Trees at the Recreational Berth at Peponi Road Junction	1,843,270
Construction of Consultation Room, Drug Store and Reception Area at Mji was Huruma Health Centre	2,000,000
Construction of Mwimuto Bridge	1,000,000
Construction of Staff Houses at Runda Police Station	1,100,000
Construction of Staff Houses at Spring Valley Police Station	8,000,000
Total	24,868,822

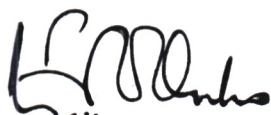
However, as reflected in the statement of assets and liabilities, the Constituency Development Fund had a closing bank balance of Kshs.49,855,623 as at 30 June 2016. No satisfactory explanation has been given for failure to execute these projects. Westlands constituents did not, therefore, obtain the benefits due from the ten projects budgeted for but not implemented during the year.

3. Procurement of Works

During the year under review, the Constituency Development Fund entered into various contracts with suppliers and contractors. These included four contracts worth Kshs.39,008,842 as detailed below which were advertised locally and awarded instead of advertising in the newspapers of general nationwide circulation contrary to Section 54(2) of the Public Procurement and Disposal Act, 2005.

Details	Contractor	Contract Price (Kshs.)
Construction of 2 Workshops at Kangemi Polytechnic	Mateka Construction Co. Ltd	9,980,480
Construction of Library at Hospital Hill Primary School	Ocean Bays Investments	9,307,434
Rehabilitation of Kangemi Primary School	Nyabikaye Communication Limited	9,970,386
Rehabilitation of Kihumbuini Primary School	Reapways Enterprises	9,750,542
Total		39,008,842

No satisfactory explanation has been provided for failure to advertise the tender nationally as required under the law.



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

Nairobi

16 January 2018


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**

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

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015-2016	2014-2015
		Kshs	Kshs
RECEIPTS			
Transfers from NGCDF board-AIEs' Received	1	107,431,187.00	82,531,089.50
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
TOTAL RECEIPTS		107,431,187.00	82,531,089.50
PAYMENTS			
Compensation of employees	4	1,152,051.00	1,041,221.00
Use of goods and services	5	5,831,735.00	5,605,840.00
Transfers to Other Government Units	6	54,463,942.76	44,409,555.98
Other grants and transfers	7	16,337,200.00	32,529,804.88
Social Security Benefits		-	7,200.00
Acquisition of Assets	8	-	195,702.00
Other Payments	9	353,000.00	-
TOTAL PAYMENTS		78,137,928.76	83,789,323.00
SURPLUS/DEFICIT		29,293,258.24	(1,258,234.00)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WESTLANDS NGCDF financial statements were approved on 15/12/2017 2016 and signed by:


Roselida Atundo
Chairperson - NGCDFC


Peter Ngugi
Fund Account Manager


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**

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

V. STATEMENT OF FINANCIAL ASSETS AND LIABILITIES

	Note	2015-2016	2014-2015
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	49,855,623.27	21,896,092.00
Cash Balances (cash at hand)	10B		-
Outstanding Imprests	11	150,000.00	-
TOTAL FINANCIAL ASSETS		<u>50,005,623.27</u>	<u>21,896,092.00</u>
REPRESENTED BY			
Retention			
Fund balance b/fwd 1st July...	13	20,712,365.03	21,896,091.54
Surplus/Deficit for the year		29,293,258.24	(1,258,234.00)
Prior year adjustments	14	-	
NET LIABILITIES		<u>50,005,623.27</u>	<u>21,896,092.00</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WESTLANDS NGCDF financial statements were approved on 15/12/17 2016 and signed by:


Roselida Atundo
Chairperson- NG-CDFC


Peter Ngugi
Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**


Reports and Financial Statements

For the year ended June 30, 2016

VI. STATEMENT OF CASH FLOW

Receipts for operation Income	Notes	2015-2016	2014-2015
Transfer From NGCDF Board	1	107,431,187.00	82,531,089.00
Other Receipts	3	0.00	0.00
		107,431,187.00	82,531,089.00
Payments For Operating Expenses			
Compensations of Employees	4	1,152,051.00	1,041,221.00
Use of goods and services	5	5,831,735.00	5,605,840.00
Transfer to Other Government Units	6	54,463,942.76	44,409,555.98
Other Grants and Transfers	7	16,337,200.00	32,529,804.88
Other Payments	9	353,000.00	7,200.00
		78,137,928.76	83,593,621.00
Adjusted For			
Adjustments During the Year	14		74,508.27
Net Cash Flow from Operating the year		29,293,258.24	(988,024.00)
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	
Acquisition of Assets	9	-	195,702.00
Net Cash Flow from Investing Activities			195,702.00
NET INCREASE IN CASH AND CASH EQUIVALENTS		29,293,258.24	(1,183,726.00)
Cash and cash Equivalent at BEGINNING of the Year	13	20,712,365.03	21,896,092.54
Cash and cash equivalent at END of the year		<u>50,005,623.27</u>	<u>20,712,365.03</u>

The WESTLANDS NGCDF financial statements were approved on 15/12/17 2016 and signed by:


Roselida Atundo
Chairperson - NGCDFC


Peter Ngugi
Fund Account Manager




**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
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**Reports and Financial Statements
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**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
COMBINED**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f= d/c %
<u>RECEIPTS</u>						
Transfers from NGCDF Board	97,931,187.00	32,212,365.03	130,143,552.03	128,143,552.03	2,000,000.00	98.5%
Proceeds from Sale of Assets						
Other Receipts						
<u>PAYMENTS</u>						
Compensation of Employees	1,290,000.00	-	1,290,000.00	1,152,051.00	137,949.00	89.3%
Use of goods and services	7,004,718.00	4,067,342.00	11,072,060.00	5,831,735.00	5,240,325.00	52.7%
Transfers to Other Government Units	44,582,282.00	24,944,062.00	69,526,344.00	54,463,942.76	15,062,401.24	78.3%
Other grants and transfers	42,554,187.00	3,200,960.00	45,755,147.00	16,337,200.00	29,417,947.00	35.7%
Acquisition of Assets	0.00	0.00	0.00	0.00	0.00	0%
Other Payments	2,500,000.00		2,500,000.00	353,000.00	2,147,000.00	14.1%
<u>TOTALS</u>	97,931,187.00	32,212,365.03	130,143,551.00	78,137,929.02	52,005,621.98	60.0%

The WESTLANDS NGCDF financial statements were approved on 15/12/17 2016 and signed by:


Roselida Atundo
Chairperson - NGCDFC


Peter Ngugi
Fund Account Manager

VIII. 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 thousand (Kshs'000). 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 Constituency.

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 Constituency.

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 NGCDF 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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
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**Reports and Financial Statements
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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.

f) 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.

g) Comparative figures

This is the second year the Constituency is preparing financial statements and hence we do have comparative figures.

h) 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.

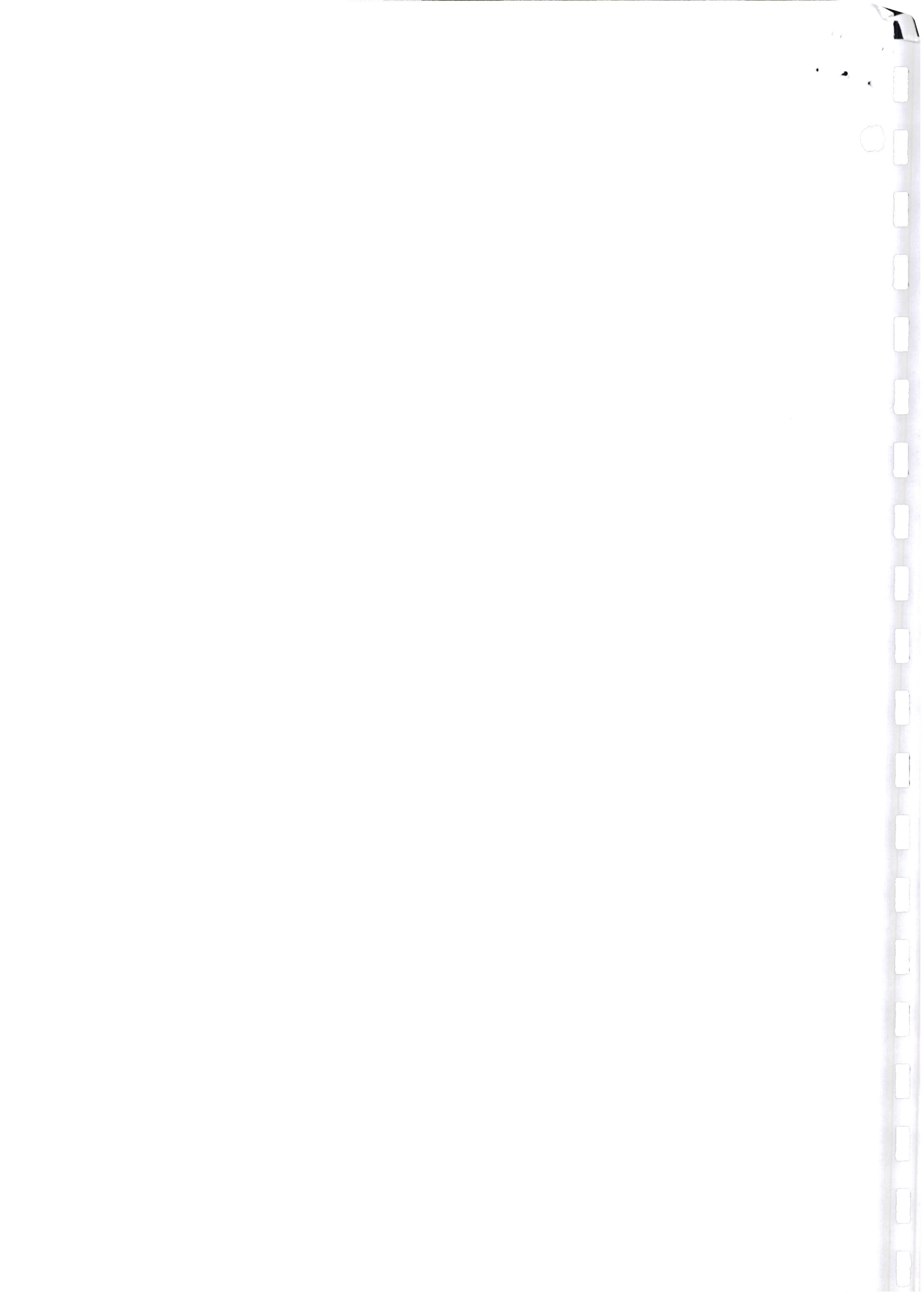


**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WESTLANDS
CONSTITUENCY**

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GFS CODES				
	1 TRANSFERS FROM OTHER GOVERNMENT AGENCIES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
		AIE NO...		
1330407	Normal Allocation		10,000,000.00	23,132,772.00
			10,000,000.00	13,879,664.00
			10,000,000.00	9,253,109.00
			10,000,000.00	23,132,772.00
			18,000,000.00	13,132,772.50
			49,431,187.00	-
				-
	TOTAL		107,431,187.00	82,531,089.50
3510000	2 PROCEEDS FROM SALE OF NON- FINANCIAL ASSETS			
	Description		2015 - 2016	2014 - 2015
			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			
		Total	-	-
1400000	3 OTHER RECEIPTS			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
1410107	Interest Received		-	-
1410405	Rents		-	-
1420601	Sale of tender documents		-	-
1450207	Other Receipts Not Classified Elsewhere (specify)		-	-
	Total		-	-



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2110000	4 COMPENSATION OF EMPLOYEES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2110201	Basic wages of contractual employees		1,152,051.00	883,377.00
2110202	Basic wages of casual labour		-	
	Personal allowances paid as part of salary			
2110301	House allowance		-	-
2110314	Transport allowance		-	-
2110320	Leave allowance		-	-
2110326	Other personnel payments			-
2710120	Gratuity			84,737.00
	Total		1,152,051.00	1,041,221.00
2200000	5 USE OF GOODS AND SERVICES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2210100	Utilities, supplies and services		1,978,238.00	702,000.00
2210104	Office rent		650,527.00	786,494.00
2210200	Communication, supplies and services		-	
2210300	Domestic travel and subsistence		-	
2210500	Printing, advertising and information supplies & services		-	450,000.00
2210600	Rentals of produced assets		-	-
2210700	Training expenses		1,224,750.00	542,000.00
2210800	Hospitality supplies and services		-	214,000.00
2210802	Other committee expenses		-	228,000.00
2210809	Committee allowance		1,978,220.00	1,248,000.00
2210900	Insurance costs		-	
2211000	Specialized materials and services		-	
2211100	Office and general supplies and services		-	498,000.00
2211200	Fuel ,oil & lubricants		-	
2211300	Other operating expenses		-	937,345.00

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2220100	Routine maintenance – vehicles and other transport equipment		-	
2220200	Routine maintenance – other assets		-	
	Totals		5,831,735.00	5,605,840.00
2630200	6 TRANSFER TO OTHER GOVERNMENT ENTITIES			
	Description		2015 - 2016	2014 - 2015
			Kshs	Kshs
2630204	Transfers to primary schools		46,060,099.14	18,924,434.00
2630205	Transfers to secondary schools		2,437,222.64	15,585,840.00
2630206	Transfers to Tertiary institutions		5,966,621.24	3,653,752.00
2630207	Transfers to Health institutions		-	6,245,530.00
	TOTAL		54,463,943.00	44,409,555.00
2640000	7. OTHER GRANTS AND OTHER PAYMENTS			
	Description		2015– 2016	2014 - 2015
			Kshs	Kshs
2640101	Bursary -Secondary		8,937,500.00	8,000,000.00
2640102	Bursary -Tertiary		6,000,000.00	4,000,000.00
2640104	Bursary-Special schools			-
2640105	Mocks & CAT		-	1,000,000.00
2640504	Strategic Plan		-	929,000.00
2640505	water projects		-	-
2640506	Electricity projects		-	264,082.00
2640507	Security		-	9,294,463.00
2640508	Roads			474,260.00
2640509	Sports			2,303,000.00
2640510	Environment		-	718,000.00
2640200	Emergency Projects (specify)		1,399,700.00	5,547,000.00
	Total		16,337,200.00	32,529,805.00
3100000	8. ACQUISITION OF ASSETS			
	Non-Financial Assets		2015- 2016	2014- 2015
			Kshs	Kshs



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3110102	Purchase of Buildings			
3110202	Construction of Buildings			-
3110302	Refurbishment of Buildings			-
3110701	Purchase of Vehicles			-
3110704	Purchase of Bicycles & Motorcycles			-
3110801	Overhaul of Vehicles			-
3111001	Purchase of office furniture and fittings			
3111002	Purchase of computers ,printers and other IT equipments			195,702.00
3111005	Purchase of photocopier			-
3111009	Purchase of other office equipments			-
3111112	Purchase of soft ware			-
3130101	Acquisition of Land			-
	Total			195,702.00
			2015- 2016	2014- 2015
			Kshs	Kshs
	9. Other Payments			
	Strategic Plan		353,000.00	-
	Employee's NSSF		-	7,200.00
	Specify		-	-
	TOTAL		353,000.00	7,200.00
			2015- 2016	2014- 2015
			Kshs	Kshs
	10A: Bank Balances (cash book bank balance)			
	Name of Bank, Account No. & currency	Account Number		
	<i>Equity bank , Kangemi Branch a/c no 1370261760659</i>	1370261760659	49,855,623.00	20,712,365.00
			-	-
			-	-
	Total		49,855,623.00	20,712,365.00



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10B: CASH IN HAND				
			2015 - 2016	2014 - 2015
			Kshs (30/6/2016)	Kshs(30/6/2015)
Location 1			-	
Location 2			-	
Location 3			-	
Other receipts (specify)			-	
			-	
Total			-	
			<i>[Provide cash count certificates for each]</i>	
11: OUTSTANDING IMPRESTS				
<i>Name of Officer</i>	<i>Date imprest taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2016)</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Peter Ngugi</i>	29/06/2016	150,000.00	-	150,000.00
Total				150,000.00
12 Retention				
Supplier/Contractor	PV NO.			
13 BALANCES BROUGHT FORWARD				
			2015- 2016	2014- 2015
			Kshs	Kshs
			2015 - 2016	2014 - 2015
			Kshs (1/7/2015)	Kshs (1/7/2014)
Bank accounts			20,712,365.00	23,483,210.00
Cash in hand			-	-
Imprest			-	-
Total			20,712,365.03	23,483,210.00
			<i>[Provide short appropriate explanations as necessary]</i>	



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	14. PRIOR YEAR ADJUSTMENTS			
			2015 - 2016	2014 - 2015
			Kshs	Kshs
	Bank accounts		-	-
	Cash in hand		-	-
	Imprest		-	-
	Total		-	-
	OTHER IMPORTANT DISCLOSURES			
	15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)			
			2015 - 2016	2014 - 2015
			Kshs	Kshs
	Construction of buildings		715,020.00	-
	Construction of civil works		-	-
	Supply of goods		-	-
	Supply of services		-	-
	TOTAL		715,020.00	-
	15.2: PENDING STAFF PAYABLES (See Annex 2)			
			Kshs	Kshs
	Senior management		-	-
	Middle management		-	-
	Unionisable employees		-	-
	Others (specify)		-	-
			-	-
	15.3: OTHER PENDING PAYABLES (See Annex 3)			
			Kshs	Kshs



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

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	(Kshs) 2015/2016	(Kshs) 2014/2015
Land		
Buildings and structures		
Transport equipment		-
Office equipment, furniture and fittings	2,133,487.00	2,133,487.00
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment	15,688.00	15,688.00
Heritage and cultural assets		
Intangible assets		
Total	2,149,175.00	2,149,175.00

