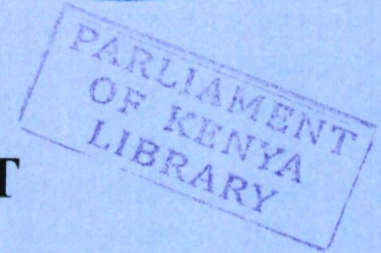
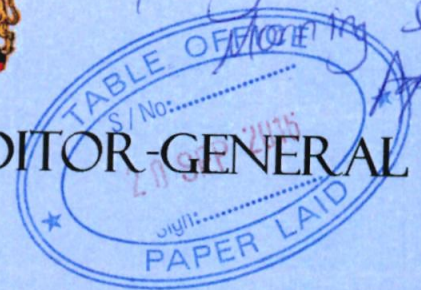


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL



REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2015**





CONSTITUENCY DEVELOPMENT FUND- TURBO CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2015**

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

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

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT.....	1
II. FORWARD BY THE CHAIRMAN CONSTITUENCY DEVELOPMENT FUND COMMITTEE (CDFC).....	3
III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES	5
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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The *Constituencies Development Fund (CDF)* was set up under the CDF Act, 2003 now repealed by the CDF Act, 2013. The *Constituencies Development Fund* is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the *Constituencies Development Fund*.

(b) Key Management

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

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

(c) Fiduciary Management

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

No.	Designation	Name
1.	Accounting Officer	YUSUF MBUNO
2.	A.I.E holder	ROTICH EDWIN
3.	Accountant	JULIUS MUGAMBI

(d) Fiduciary Oversight Arrangements

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

(e) TURBO CDF Headquarters

P.O. Box 3811 -30100
KVDA Plaza, 4TH FLOOR
OLOO STREET
ELDORET, KENYA

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

(f) TURBO CDF Contacts

Telephone: (254) 720-823234
E-mail: turbocdf.go.ke
Website: www.go.ke

(g) TURBO CDF Bankers

1. Cooperative Bank of Kenya Eldoret West Branch
Uganda Road
A/C NO: 01141598056700
Box 2220 -30100
ELDORET, Kenya

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

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

This financial statement represents the financial position of Turbo constituency for the financial year 2014/2015. It lays down the receipts and expenditures of all the funds the we received in the year from the board.

1. In the financial year we were able to achieve the following comparative performance in the various sectors:

SECTOR	FINAL BUDGET	ACHIEVEMENT	% ACHIEVEMENT
Compensation of Employees	1,528,753	1,391,895	92%
Use of goods and services	3,769,519	3,763,892	98%
Committee Expenses	5,521,739	5,521,739	100%
Transfers to Other Government Units	65,058,329	62,508,329	96%
Other grants and transfers	46,637,192	42,131,320	90%
Social Security Benefits	9,600	9,600.00	100%

This was achieved by efficiently and effectively disbursing funds as soon as they are received to the beneficiary projects without delay so as to ensure timely utilization of the funds.

2. TURBO CDF has been able to achieve the following

- We have been able to establish three boarding schools in every ward per financial year in order to improve academic performance in the constituency.
- Needy students in the constituency have benefitted a lot from our bursary funds since they are the people being given first priority during bursary distribution.
- We have been able to get rid of semi permanent structures in our public schools by constructing permanent structures using our CDF grants to the schools in the constituency.
- Through the CDF funds we have been able to bring a lifetime solution of water shortages in secondary schools in our constituency by drilling boreholes in the institutions where the sources of water were very far and the locals could not afford the cost of drilling boreholes.
- We have been able to construct dispensaries and health centres which has brought about improved health standards of the people of our constituency.

3. Emerging issues related to TURBO CDF

- Over dependence on the fund by the locals in all development activities in institutions within the constituency.
- Bursary has brought about increased demand for higher levels of education constituency resulting to eruption

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

of sub standard learning institutions that are not approved by the ministry of education.

- The county government have started taking up projects that were implemented by the CDF and totally ignoring that the CDF was part of the funders to the projects.

4. Implementation challenges in TURBO CDF

- CDFC members are complaining that their allowances are not enough compared to the tasks that they are entitled to.
- Overdependence by public on the fund in funding all manner of projects.
- Delay in disbursements of funds from the board leading to overlapping financial years of during financial reporting.

With all said and done we wish to continue with effective and efficient management of devolved funds in Turbo constituency.



MR. ISAAC LAGAT

CHAIRMAN CDFC

III. STATEMENT OF CDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government CDF shall prepare financial statements in respect of that 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 *TURBO CDF* is responsible for the preparation and presentation of the *CDF's* financial statements, which give a true and fair view of the state of affairs of the *CDF* for and as at the end of the financial year ended on June 30, 2015. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the *CDF*; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the *CDF*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

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

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

Approval of the financial statements

The *CDF's* financial statements were approved and signed by the Accounting Officer on _____
2015.

Chairman - CDFC



Fund Account Manager



OFFICE OF THE AUDITOR-GENERAL

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

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Turbo Constituency set out on pages 6 to 39, which comprise the statement of financial assets and liabilities as at 30 June 2015, and the statement of receipts and payments, statement of cash flows, summary statement of appropriation for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 8 of the Public Audit Act, 2003. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit

Management's Responsibility for the Financial Statements

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

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

Auditor-General's Responsibility

My responsibility is to express an opinion on the financial statements based on the audit and report in accordance with the provisions of Section 9 of Public Audit Act, 2003 and submit the audit report in compliance with Article 229(7) of the Constitution of Kenya. The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material 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

Constituencies Development Fund – Turbo Constituency – Annual Report and Financial Statements for the year ended 30 June 2015

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 management, as well as evaluating the overall presentation of the financial statements.

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

Basis for Adverse Opinion

1.0 Transfers from Other Government Entities

Included in the transfers from other government entities figure of Kshs.122,100,311 reflected in the statement of receipts and payments are disbursements from the Constituencies Development Fund Board for the year 2014/2015 of Kshs.83,684,176. However, records from the Board indicate that disbursement of Kshs.101,261,514 relating to 2014/2015 financial year were made. The variance between the two figures of Kshs.17,577,338 has not been explained or reconciled. Under the circumstances, the accuracy and validity of transfers from other government entities figure of Kshs.122,100,311 for the year ended 30 June 2015 could not be confirmed.

2.0 Training Expenses

Included in the use of goods and services figure of Kshs.3,763,892 is training expenses figure of Kshs.1,079,000. However, supporting documents such as payment vouchers, invoices, LPOs/LSOs and certificates to confirm receipt of service were not availed for audit review. Under the circumstances, the propriety of Kshs.1,079,000 expenditure incurred on training during the year under review could not be confirmed.

3.0 Transfers to Other Government Units

3.1 Transfers to Primary Schools

The statement of receipts and payments shows transfers to other government units figure of Kshs.62,508,329 which include transfers to primary schools amount of Kshs.41,075,570. Out of this amount a figure of Kshs.5,650,000 was for the construction of dormitories whose bill of quantities, architectural designs, tender documents such as advertisements, opening minutes and the tender evaluation reports were not availed for audit review. Further, interim / completion certificates were not availed for audit verification.

Under the circumstances, the propriety of Kshs.5,650,000 spent on the construction of dormitories for primary schools could not be confirmed for the year ended 30 June 2015.

3.2 Construction of Two Storey Classrooms at Eldoret Township Secondary School

Included in the transfers to other government units figure of Kshs.62,508,329 reflected in the statement of receipts and payments is Kshs.16,950,000 disbursed by the Constituencies Development Fund to secondary schools. Out of the Kshs.16,950,000 amount of Kshs.900,000 was disbursed to Eldoret Township secondary school for the construction of storeyed classrooms phase one vide payment voucher number 290631 dated 12 August 2014. However the respective expenditure returns were not availed for audit review. Further, physical verification of the project on 6 May 2016 shows that the funds were used to construct two classrooms instead of a storey building which was poorly constructed since the floors of the classrooms had already peeled off. No explanations was availed for the variation of the building from storey building to non storeyed.

3.3 Construction of Two Class Rooms at Turbo Girls Secondary School

Further, out of the Kshs.16,950,000 disbursed during the year by the Constituencies Development Fund to secondary school in Turbo is Kshs.800,000 paid out to Turbo Girls Secondary School for the construction of two (2) classrooms vide payment voucher number 291277 dated 16 March 2015. A review of records made available indicated that the principal of the school requested funds for the construction of an administration block at an estimated cost of Kshs.6 million on 9 March 2015. However, the Constituencies Development Fund Board had approved funds for the construction of two classrooms which had not been requested for. A visit to the site on 5 May 2016 showed that the school management had purchased bush stones which were on site, approximately one year after the disbursement of the funds, but expenditure returns were not availed for audit review.

3.4 Transfers to Health Institutions

Included in the transfers to other government units figure of Kshs.62,508,329 reflected in the statement of receipts and payments is Kshs.4,482,759 out of which Kshs.2,240,000 was paid to Kiplombe and Murgusi dispensaries vide payment voucher numbers 290705 of Kshs.1,120,000 dated 6 November 2014 and payment voucher No. 290707 of Kshs.1,120,000 dated 7 October 2014 respectively for the construction of prefabricated staff houses at the dispensaries. However, expenditure returns and tender documents were not availed for audit review.

Under the circumstances, the propriety of the expenditure of Kshs.3,940,000 for the construction of classrooms and prefabricated staff houses could not be confirmed.

4.0 Other Grants and Transfers

4.1 Bursaries

Included in the other grants and transfers figure of Kshs.42,131,320 is bursary disbursements totalling Kshs.27,921,900 out of which Kshs.4,059,200 was disbursed to secondary schools and Kshs.23,862,700 was disbursed to tertiary institutions but was

not supported by a list of beneficiaries. Further, the list of the Constituencies Development Fund Bursary Committee members and the criteria of selecting the needy students were also not provided to show how the needy cases were identified and bursaries awarded determined. In addition, it was not possible to confirm whether the funds reached the intended students as there were no acknowledgements from the tertiary institutions of having received the bursary fund. Under the circumstances, the propriety of Kshs.27,921,900 expenditure on bursary could not be confirmed for the year ended 30 June 2015.

4.2 Emergency Funds

The statement of receipts and payments reflects expenditure on other grants and transfers of Kshs.42,131,320 which include an expenditure of Kshs.7,159,420 for the Emergency projects. However, a review of records made available indicated that an expenditure of Kshs.2,000,000 was incurred on emergency projects which were not emergency in nature as shown below:

Date	PV. No	Beneficiary	Purpose	Amount Kshs.
13/08/2014	290641	Kessha Turbo Constituency	Sponsoring bright students	700,000
13/08/2014	290640	Sugoi Dairy Cooling Plant	Renovation of a badly off library	500,000
19/2/2015	291193	Kaplelach High School	Purchase of a school bus	500,000
25/2/2015	291269	Ngenyilel Primary School	Plastering of classroom	300,000
			Total	2,000,000

Further, the expenditure of Kshs.7,159,420 exceeded the recommended 5% of Kshs.111,261,514 approved during the year (or Kshs.5,563,076) resulting to an irregular expenditure of Kshs.1,596,344 contrary to the requirement of Section 12(1) of the Constituencies Development Fund Act, 2013.

Under the circumstances, the propriety of Kshs.3,596,344 being total expenditure included in the emergency expenditure could not be confirmed for the year ending 30 June 2015.

5.0 Cash and Cash Equivalents

The statement of assets and liabilities reflects a bank balances figure of Kshs.7,198,357. However, a review of the bank reconciliation statement for the month of June 2015 revealed that stale cheques totalling Kshs.3,901,238 had not been written back to the cash book. Further, the bank reconciliation statement reflects receipts in bank statement not recorded in the cashbook of Kshs.17,815,379 and which the management has not explained. Under the circumstances, the accuracy and validity of the bank balance figure of Kshs.7,198,357 as at 30 June 2015 could not be confirmed.

6.0 Summary Statement of Appropriation

The summary statement of appropriation reflects adjustments of Kshs.11,263,619. However, the supporting documentary evidence for the same reflected Kshs.39,108,997. The variance of Kshs.27,845,378 has not been explained or reconciled. Under the circumstances, the accuracy and validity of the adjustments figure of Kshs.11,263,619 reflected in the summary statement of appropriation for the year ended 30 June 2015 could not be confirmed.

7.0 Fixed Assets

Annex 4 to the financial statements reflects a fixed assets balance of Kshs.5,500,000 as at 30 June 2015. However, the fixed assets register to confirm the status and details of the assets was not availed for audit review. Under the circumstances, the accuracy and validity of the fixed assets balance Kshs.5,500,000 as at 30 June 2015 could not be confirmed.

Adverse Opinion

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of Constituencies Development Fund - Turbo Constituency as at 30 June 2015, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and do not comply with the Constituencies Development Fund Act, 2013.

Other Matter

1.0 Budgetary Control and Performance

1.1 Budget Performance

During the year under review, the Fund had a budget of Kshs.122,525,133 against expenditure of Kshs.115,326,775 (94.1%), resulting in under expenditure of Kshs.7,198,357 or 5.9% as shown below:

Item	Budget (Kshs)	Expenditure (Kshs)	Under Absorption (Kshs)	Under Absorption (%)
Compensation of Employees	1,528,753	1,391,895	136,858	9.0
Use of Goods and Services	3,769,519	3,763,892	5,627	0.1
Committee Expenses	5,521,739	5,521,739	0	0.0
Transfers to Other Government Units	65,058,329	62,508,329	2,550,000	3.9
Other Grants and Transfers	46,637,192	42,131,320	4,505,872	9.7

Social Security Benefits	9,600	9,600	0	0
Acquisition of Assets	0	0	0	0
Other Payments	0	0	0	0
Total	122,525,132	115,326,775	7,198,357	5.9

Failure to utilize the funds allocated is an indication of lack of goods and services as planned for the citizens of Turbo Constituency or there may be a need to improve on the budgetary process to ensure that funds are allocated to priority areas.

1.2 Projects Implementation

A review of records revealed that an amount of Kshs.122,525,133 was budgeted for the year 2014/2015 which include the allocation of Kshs.83,416,135 as shown below for the year 2014/2015, Kshs.38,684,176 being disbursements for 2013/2014 received on 31 July 2014 and a surplus of Kshs.424,822 as at 30 June 2014.

Date	AIE Number	Amount (Kshs)
23 October 2014	A750391	7,300,000
13 November 2014	A759545	20,515,379
12 January 2015	A796654	14,659,227
26 May 2015	A796909	13,126,151
3 March 2015	A797206	27,815,378
	Total	83,416,135

However, Project status report as at 30 June 2015 showing the projects commencement dates, dates of completion and the level of construction was not availed for audit review. Under the circumstances, it was not possible to confirm whether the citizens of Turbo Constituency received goods and services for funds allocated for the year ended 30 June 2015.

1.3 Projects Verification

The following observations were made regarding 18 projects costing Kshs.12,700,000 verified during the audit for the year ended 30 June 2015:

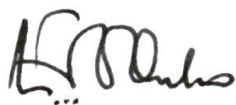
Serial No.	School Name	Activity	Amount (Kshs)	Findings
1.	Chepsaita Secondary School	Renovation of a library	500,000	<ul style="list-style-type: none"> Main building works completed Major uncompleted works: plaster and floor works, keying, window panes and painting.

2.	Paul Boit Secondary School	Construction of a modern library	1,000,000	<ul style="list-style-type: none"> Main building works completed but Major works such as plaster and floor works, keying, window panes and painting have not been completed.
3.	Kaplelach High School	Purchase of School bus	500,000	<ul style="list-style-type: none"> The bus was bought on asset finance and log book shows joint ownership with bank. Bus was inspected and was in good condition
4.	Kimbilio foot bridge	Construction of a foot bridge	600,000	<ul style="list-style-type: none"> Completed and in use.
5.	Kanetik songoliet foot bridge	Construction of a foot bridge	300,000	<ul style="list-style-type: none"> Completed and in use.
6.	Turbo girls secondary school	Construction of one classroom	800,000	<ul style="list-style-type: none"> Only sand and Bush stones are at the site.
7.	Ngenyilel secondary school	Piping of water to school and tank	800,000	<ul style="list-style-type: none"> Completed and in use
8.	Sugoi dairy milk cooling plant	Installation of milk cooler	500,000	<ul style="list-style-type: none"> Plant installed and in use.
9.	Eldoret township secondary school	Construction of a storey classroom-phase I	900,000	<ul style="list-style-type: none"> Initial plan of constructing a storied classroom not adhered to. Two classrooms constructed and already in use though incomplete Major works such as plaster and floor works, keying,

				window panes and painting have not been completed.
10.	Christ the King Sambut High school	Construction of a lab phase II	500,000	<ul style="list-style-type: none"> • Complete and in use.
11.	Tebeswet Primary School	Completion of administration block	400,000	<ul style="list-style-type: none"> • Main building works completed • Major uncompleted works: plaster and floor works, keying, window panes and painting but contractor on site and work is ongoing.
12.	Kapkeben Primary School	Construction of one dormitory for Girls at Kshs.750,000 and Construction of A Kitchen at Kshs.250,000	1,000,000	<ul style="list-style-type: none"> • Complete and in use.
13.	Sugutek Spring Water	Protection of source by construction of a covered source with water pipe	150,000	<ul style="list-style-type: none"> • Complete and in use.
14.	Kapyemit Primary	Construction of 1 classroom	350,000	<ul style="list-style-type: none"> • Complete and in use.
15.	Sigowet Primary	Construction of 2 dormitories	1,500,000	<ul style="list-style-type: none"> • Main building works completed • Major uncompleted works: plaster and floor works, keying, window panes and painting but contractor on site and work is ongoing.

16.	Seiyot Secondary	Completion of the lab & classrooms plastering	700,000	<ul style="list-style-type: none"> • Main building works completed • Lab fittings to be installed
17.	A.I.C Tiret Primary	Construction of 2 dormitories	1,500,000	<ul style="list-style-type: none"> • Main building works completed • Plastering, painting works not yet completed.
18.	St Columbans Primary	Completion of social hall plastering & painting	700,000	<ul style="list-style-type: none"> • Main building works completed. Painting, installation of window panes works not yet completed.
		Total	12,700,000	

In view of the above, the value for money of Kshs.1,700,000 spent on Turbo Girls Secondary School and Eldoret Township Secondary School during the year ended 30 June 2015 could not be confirmed. Further, seven (7) projects out of the eighteen(18) projects costing Kshs.5,700,000 have not been put to use due to the slow rate of completing the work, an indication of poor service delivery to the citizens of Turbo Constituency.



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

Nairobi

14 July 2016


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

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2014-2015	2013-2014
		Kshs	Kshs
RECEIPTS			
Transfers from Other Government Entities	1	122,100,311	38,684,176
Proceeds from Sale of Assets	2	0	0
Other Receipts	3	0	0
TOTAL RECEIPTS		122,100,311	38,684,176
PAYMENTS			
Compensation of Employees	4	1,391,895	664,045
Use of goods and services	5	3,763,892	712,939
Committee Expenses	6	5,521,739	2,520,000
Transfers to Other Government Units	7	62,508,329	11,600,000
Other grants and transfers	8	42,131,320	17,256,070
Social Security Benefits	9	9,600	6,300
Acquisition of Assets	10	0	5,500,000
Other Payments	11	0	0
TOTAL PAYMENTS		115,326,775	38,259,354
SURPLUS/DEFICIT		6,773,536	424,822

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

Chairman - CDFC



Fund Account Manager

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

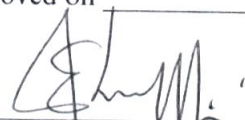
V. STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE 2015

	Note	2014-2015	2013-2014
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	12A	7,198,357	45,892
Cash Balances (cash at hand)	12B	0	0
Outstanding Imprests	12C	0	378,930
TOTAL FINANCIAL ASSETS		7,198,357	424,822
REPRESENTED BY			
Fund balance b/fwd	13	424,822	0
Surplus/Deficit for the year		6,773,536	424,822
Prior year adjustments	14	0	0
NET FINANCIAL POSITION		7,198,357	424,822

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



Chairman - CDFC



Fund Account Manager

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

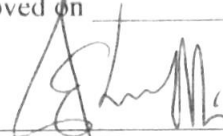
VI. STATEMENT OF CASHFLOW

		2014 – 2015	2013 – 2014
Receipts for operating income			
Transfers from CDF Board	1	122,100,311	38,684,176
Other Receipts	3	0	0
Payments for operating expenses			
Compensation of Employees	4	1,391,895	664,045
Use of goods and services	5	3,763,892	712,939
Committee Expenses	6	5,521,739	2,520,000
Transfers to Other Government Units	7	62,508,329	11,600,000
Other grants and transfers	8	42,131,320	17,256,070
Social Security Benefits	9	9,600	6,300
Other Payments	11	0	0
Adjusted for:			
Adjustments during the year		0	0
Net cash flow from operating activities		6,773,536	0
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	0	0
Acquisition of Assets	10	(0)	(5,500,000)
Net cash flows from Investing Activities		0	5,500,000
NET INCREASE IN CASH AND CASH EQUIVALENT		6,773,536	0
Cash and cash equivalent at BEGINNING of the year	13	424,822	0
Cash and cash equivalent at END of the year	14	7,198,357	424,822

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



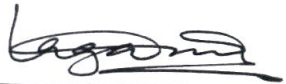
Chairman CDFC



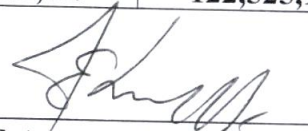
Fund Account Manager

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from CDF Board	111,261,514	11,263,619	122,525,133	115,326,775	7,198,357	94%
Proceeds from Sale of Assets	-	-	-	-	-	-
Other Receipts	-	-	-	-	-	-
PAYMENTS						
Compensation of Employees	1,347,079	181,674	1,528,753	1,391,895	136,858	92%
Use of goods and services	3,641,043	128,476	3,769,519	3,763,892	5,627	98%
Committee Expenses	5,508,215	13,524	5,521,739	5,521,739	0	100%
Transfers to Other Government Units	58,082,760	6,975,569	65,058,329	62,508,329	2,550,000	96%
Other grants and transfers	42,672,817	3,964,375	46,637,192	42,131,320	4,505,872	90%
Social Security Benefits	9,600	0	9,600	9,600	0	100%
Acquisition of Assets	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-
TOTALS	111,261,514	11,263,619	122,525,133	115,326,775	7,198,357	94%



Chairman CDF



Fund Account Manager

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

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the *CDF* and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the *CDF*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Pending bills

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

6. Budget

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

7. Comparative figures

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

8. Subsequent events

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

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2014 - 2015	2013 - 2014
	Kshs	Kshs
CDF Board	0	0
AIE NO. A 735835	0	38,684,176
AIE NO. A 750169	38,684,176	0
AIE NO. A 750391	7,300,000	0
AIE NO. A 759545	20,515,379	0
AIE NO. A 796654	14,659,227	0
AIE NO. A 796909	13,126,151	0
AIE NO. A 797206	27,815,379	0
(other constituency e.g, parent constituency)	0	0
TOTAL	122,100,311	38,684,176

2. PROCEEDS FROM SALE OF ASSETS

1400000	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
1410107	Interest Received	0	0
1410405	Rents	0	0
1420601	Sale of tender documents	0	0
1450207	Other Receipts Not Classified Elsewhere (specify)	0	0
	Total	0	0

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***3. OTHER RECEIPTS**

	2014 – 2015	2013 – 2014
	Kshs	Kshs
Specify		
	0	0

4 COMPENSATION OF EMPLOYEES

2110000				
	Description		2014 - 2015	2013- 2014
			Kshs	Kshs
2110201	Basic wages of contractual employees		1,391,895	378,845
2110202	Basic wages of casual labour		0	0
	Personal allowances paid as part of salary		0	0
2110301	House allowance		0	0
2110314	Transport allowance		0	0
2110320	Leave allowance		0	0
2110326	Other personnel payments		0	0
2710120	Gratuity		0	285,200
	Total		1,391,895	664,045

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***5. USE OF GOODS AND SERVICES**

2200000				
	Description		2014 - 2015	2013 - 2014
			Kshs	Kshs
2210100	Utilities, supplies and services		402,800	0
2210104	Office rent		1,205,517	504,940
2210200	Communication, supplies and services		33,000	33,099
2210300	Domestic travel and subsistence		0	0
2210500	Printing, advertising and information supplies & services		149,980	174,900
2210600	Rentals of produced assets		0	0
2210700	Training expenses		1,079,000	0
2210800	Hospitality supplies and services		0	0
2210900	Insurance costs		0	0
2211000	Specialised materials and services		0	0
2211100	Office and general supplies and services		0	0
2211200	Fuel ,oil & lubricants		600,521	0
2211300	Other operating expenses		0	0
2220100	Routine maintenance – vehicles and other transport equipment		98,054	0
2220200	Routine maintenance – other assets		195,020	0
	Total		3,763,892	712,939

6.COMMITTEE EXPENSES

2210800				
	Description		2014 - 2015	2013 - 2014
			Kshs	Kshs
2210802	Other committee expenses		0	0
2210809	Committee allowance		5,521,739	2,520,000
	TOTAL		5,521,739	2,520,000

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2015

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. TRANSFER TO OTHER GOVERNMENT ENTITIES

2630200	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
2630204	Transfers to primary schools	41,075,570	10,450,000
2630205	Transfers to secondary schools	16,950,000	1,150,000
2630206	Transfers to Tertiary institutions	0	0
2630207	Transfers to Health institutions	4,482,759	0
	TOTAL	62,508,329	11,600,000

8. OTHER GRANTS AND OTHER PAYMENTS

2640000	Description	2014 - 2015	2013 - 2014
		Kshs	Kshs
2640101	Bursary -Secondary	4,059,200	4,556,070
2640102	Bursary –Tertiary	23,862,700	12,000,000
2640104	Bursary-Special schools	0	0
2640105	Mocks & CAT	0	0
2640504	Water	800,000	0
2640505	Agriculture (food security)	0	0
2640506	Electricity projects	0	0
2640507	Security	1,500,000	0
2640508	Roads	2,250,000	0
2640509	Sports	1,500,000	0
2640510	Environment	1,000,000	0
2640200	Emergency Projects (specify)	7,159,420	700,000
	Total	42,131,320	17,256,070

9. SOCIAL SECURITY BENEFITS

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Employer contribution to NSSF	9,600	6,300
Total	9,600	6,300

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***10. ACQUISITION OF ASSETS**

3100000				
	Non Financial Assets		2014- 2015	2013 - 2014
			Kshs	Kshs
3110102	Purchase of Buildings		0	0
3110202	Construction of Buildings		0	0
3110302	Refurbishment of Buildings		0	0
3110701	Purchase of Vehicles		0	5,500,000
3110704	Purchase of Bicycles & Motorcycles		0	0
3110801	Overhaul of Vehicles		0	0
3111001	Purchase of Office furniture and fittings		0	0
3111002	Purchase of computers ,printers and other IT equipments		0	0
3111005	Purchase of photocopier		0	0
3111009	Purchase of other office equipments		0	0
3111112	Purchase of soft ware		0	0
3130101	Acquisition of Land		0	0
	Total		0	5,500,000

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***11. OTHER PAYMENTS**

	2014 – 2015	2013 – 2014
	Kshs	Kshs
Specify		
	0	0

12A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2014 - 2015	2013 - 2014
	Kshs	Kshs
<i>COOPERATIVE BANK OF KENYA, ELDORET WEST BRANCH A/C NO. 01141598056700</i>	7,198,357	45,892
Total	7,198,357	45,892

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***12 B: CASH IN HAND**

	2014 – 2015	2013 – 2014
	Kshs	Kshs
Location 1	0	0
Location 2	0	0
Location 3	0	0
Other Locations (<i>specify</i>)	0	0
Total	0	0

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>
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0

Total**0**

CONSTITUENCIES DEVELOPMENT FUND – TURBO CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2015***NOTES TO THE FINANCIAL STATEMENTS (Continued)***13. BALANCES BROUGHT FORWARD**

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bank accounts	45,891.00	0.00
Cash in hand	0.00	0.00
Imprest	378,930	0.00
		0.00
Total	424,821	0.00

*[Provide short appropriate explanations as necessary]***14. PRIOR YEAR ADJUSTMENTS**

	2014 - 2015	2013 - 2014
	Kshs	Kshs
Bank accounts	0.00	-
Cash in hand	0.00	-
Imprest	0.00	-
Total		-

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2014 – 2015	2013 – 2014
	Kshs	Kshs
Construction of buildings	0.00	0.00
Construction of civil works	0.00	0.00
Supply of goods	0.00	0.0
Supply of services	0.00	0.00
	0.00	0.00

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	0.00	0.00
Middle management	0.00	0.00
Unionisable employees	0.00	0.00
Others (<i>specify</i>)	0.00	0.00
	0.00	0.00

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	2,550,000.00	0.00
Amounts due to other grants and other transfers (see attached list)	4,505,872.40	0.00
Others (<i>recurrent expenditure</i>)	142,485.00	0.00
	7,198,357.40	0.00

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
	a	B	C	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		a	B	c	d=a-c		
Senior Management							
1.							
2.							
3.							
	Sub-Total						
Middle Management							
4. S							
5.							
6.							
	Sub-Total						
Unionisable Employees							
7.							
8.							
9.							
	Sub-Total						
Others (specify)							
10.							
11.							
12.							
	Sub-Total						
	Grand Total						

ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	brief transaction description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		A	b	C	d=a-c		
Amounts due to other Government entities							
1. TELDET PRIMARY SCHOOL	completion of two classrooms	500,000		0	350,000	0	awaiting disbursement
2. ST. PETERS KAPKECHUI PRIMARY	construction of dormitory	1,500,000		1,300,000	200,000	0	awaiting disbursement to the project
3. KIWATO PRIMARY SCHOOL	construction of three classrooms	1,000,000		0	1,000,000	0	awaiting disbursement to the project
4. MOGOON PRIMARY SCHOOL	construction of three classrooms	1,000,000		0	1,000,000	0	awaiting disbursement to the project
Sub-Total					2,550,000		
Amounts due to other grants and other transfers							
1.BURSARY	payment of fees to needy students in public learning institutions	24,173,133		23,867,261	305,872	0	Un allocated amount
2.Mocks and CATs	Printing and distribution of Mocks and CATs	3,000,000		0	3,000,000	0	Un allocated amount
3.Emergency	To cater for any unforeseen occurrences in the constituency during the FY	5,400,259		4,400,259	1,000,000	0	Un allocated amount
4.Sugoi Chiefs Office	Completion of Chiefs office	200,000		0	200,000	0	Awaiting disbursement to the project
Sub-Total					4,505,872		
Others (specify)							
1. Employee wages for FY 2015/16	Employee wages and salaries	136,858		0	136,858	0	Awaiting disbursement
2. Use of Goods and Services	Office expenses	3,641,043		3,635,416	5,627	0	Recurrent Expenditures

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

Reports and Financial Statements

For the year ended June 30, 2015

Name	brief transaction description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
					142,485		
Sub-Total					7,198,357		
Grand Total							

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2014/15	Historical Cost (Kshs) 2013/14
Land	0	0
Buildings and structures	0	0
Transport equipment(motor vehicle)	5,500,000	5,500,000
Office equipment, furniture and fittings	0	0
ICT Equipment, Software and Other ICT Assets	0	0
Other Machinery and Equipment	0	0
Heritage and cultural assets	0	0
Intangible assets	0	0
Total	5,500,000	5,500,000