

REPUBLIC OF KENYA



Paper laid
By the Leader
of majority
Hon. Asen
Duale
on Tuesday
17/11/2015
[Signature]

KENYA NATIONAL AUDIT OFFICE



REPORT

OF

THE AUDITOR-GENERAL

ON



**THE FINANCIAL STATEMENTS OF
CONSTITUENCIES DEVELOPMENT FUND –
LIKUYANI CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE 2014**



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

KENYA NATIONAL AUDIT OFFICE

REPORT OF THE AUDITOR-GENERAL ON CONSTITUENCIES DEVELOPMENT FUND – LIKUYANI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2014

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of Constituencies Development Fund - Likuyani Constituency set out on pages 4 to 20, which comprise the statement of financial assets and liabilities as at 30 June 2014, the statement of receipts and payments, the statement of cash flows 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 preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 9 of the Public Audit Act 2003. The audit was conducted in accordance with the International Standards on Auditing. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk

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

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

Basis for Adverse Opinion

1. Cash and Cash Equivalents

The cash book maintained by the Fund reflected a cash on hand balance of Kshs.301,460.00 and at bank balance of Kshs.45,537,228.05 as at 30 June 2014 which were different from the balances of nil for cash in hand and Kshs.36,505,623.05 for cash at bank respectively in the statement of assets and liabilities as at 30 June 2014. Further, Note 23A indicated bank balance of Kshs.44,354.00. As a result Kshs.9,333,065.00 remained unreconciled.

Consequently, the accuracy of the cash and cash equivalents balance of Kshs.36,505,623.00 could not be ascertained as at 30 June 2014 .

2. Procurement of Land Kshs.6,500,000.00

The Fund incurred Kshs.6,500,000.00 on acquisition of land for educational institutions. However, the parcels were procured through single sourcing and without a valuation report. Further, documents of title have not been obtained as purported sellers do not have power of attorney to warrant transfer of the land.

Further, Kshs.800,000.00 was disbursed for the purchase of one acre of land for Godown Primary School but only 0.7 was bought.

Under the circumstances, the ownership and value of the parcels bought amounting to Kshs.6,500,000.00 cannot be ascertained as at 30 June 2014.

3. Unsupported Expenditure

The Fund through voucher number 96 of 20 June 2014 paid National Bank of Kenya an amount of Kshs.500,000.00 to clear a loan the bank had earlier advanced to Eshikulu Secondary School in the year 2009 for the purpose of purchasing a school bus an Isuzu FRR 33L registration number KBJ 025U. However, the bank statements availed indicated outstanding balance as of May 2014 of Kshs.616,638.55 but no documents were availed to confirm clearance of the loan and the transfer of the log book into the school's name.

In view of the foregoing, it has not been possible to confirm the propriety of the expenditure of Kshs.500,000.00 as at 30 June 2014.

4. Construction of Kongoni Secondary School - Multi-Purpose Hall

The CDF vide payment voucher number 85 of 25 June, 2014 released an amount of Kshs.1,000,000.00 to Kongoni Secondary School for the purpose of constructing a multi-purpose hall. However, no board minutes approving the project and bills of quantities were availed for audit review. The projects scope and estimated cost was not known, a phenomenon that could lead to wastage of public funds and even the stalling of the project. Further, supervision by the technical ministry of public works was not documented and therefore quality workmanship could not be assured. The project file did also not have returns on how the amount released was utilized were not presented for audit review.

Even though the schedule of material availed in support of the payment voucher indicated that the Kshs.1,000,000.00 was to cover both the foundation and walling, a visit to the school in November 2014 indicate that no walling had been done.

5. Under-Absorption of Funds

During the year, the Fund received a total allocation of Kshs.77,911,938.00 out of which Kshs.36,505,623.05 remained unspent as at the close of the financial year. Thus, the intended beneficiaries were denied the planned and approved service delivery.

The under absorption has not been explained by management.

6. Failure to Maintain a General Ledger

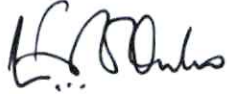
The Constituency Development Fund did not keep a general ledger from which the financial statements were to be prepared from and therefore even periodic balancing of books through trial balances was not being done. The financial statements were therefore prepared from the original books of accounts including the cashbooks and the vote book.

Consequently, the fund balances amounting to Kshs.36,505,623.05 could not be confirmed as at 30 June 2014.

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 the Fund as at 30 June 2014, and of its financial performance and its cash flows for the year then ended, in accordance with International Public

Sector Accounting Standards and do not comply with Constituencies Development Fund Act, 2013.



Edward R. O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

8 April 2015



CONSTITUENCIES DEVELOPMENT FUND – LIKUYANI CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2014**

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



1

1

.

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

Table of Content	Page
I. <u>KEY ENTITY INFORMATION AND MANAGEMENT</u>.....	1
II. <u>ENTITY MANAGEMENT RESPONSIBILITIES</u>.....	3
III. <u>STATEMENT OF RECEIPTS AND PAYMENTS</u>.....	4
IV. <u>STATEMENT OF ASSETS AND LIABILITIES</u>.....	5
V. <u>STATEMENT OF CASHFLOW</u>.....	6
VI. <u>SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED</u> ...	7
VII. <u>SUMMARY STATEMENT OF APPROPRIATION: RECURRENT</u>.....	8
VIII. <u>SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT</u>.....	9
IX. <u>SIGNIFICANT ACCOUNTING POLICIES</u>.....	10
X. <u>NOTES TO THE FINANCIAL STATEMENTS</u>.....	13
XI. <u>FIXED ASSET REGISTER</u>.....	26



1

1

1

CONSTITUENCIES DEVELOPMENT FUND - LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

KEY ENTITY INFORMATION AND MANAGEMENT

(a) Background information

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

(b) Key Management

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

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

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2014 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Chief Executive Officer	Yusuf Mbuno
2.	Fund Account Manager	Sifuna Musuya
3.	District Accountant	Wesley Cheruyoit

(d) Fiduciary Oversight Arrangements

List the CDFC as gazetted

- | | |
|-------------------------------|--------------------------------------|
| 1. Saul Simiyu Murunga | -Chairman |
| 2. Fund Account Manager | -Ex Official (Secretary) |
| 3. Deputy County Commissioner | -National Government Official Member |
| 4. Stanley L Misigo | -Member |
| 5. Wycliff M. Shipwakula | -Member |
| 6. Maryanne N. Mayekho | -Member |
| 7. Ruth M. Wanjala | -Member |
| 8. Catherine Wangila | -Member |
| 9. Patrick Onzere | -Member |
| 10. Joan Akinyi Okongo | -Member |





COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

(e) Entity Headquarters

P.O. Box 12-30205,
Matunda.
Eldoret- Kitale Road,Kongoni HQ,
Matunda, KENYA.

(f) Entity Contacts

Telephone number and email of the constituency CDF office

Telephone: (254) 722-838-665
E-mail: cdflikuyani@cdf.go.ke

(g) Entity Bankers

Constituency CDF main banker

1. Equity bank
Kakamega Branch
A/c no 0500261734009
Po box 2512-50100
Kakamega ,
Tel:056-30239/40

(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



1

1

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

ENTITY 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 constituency development fund entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

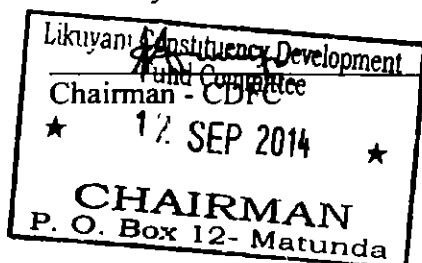
The Fund Account Manager in charge of the *Likuyani CDF* is responsible for the preparation and presentation of the *Constituencies* financial statements, which give a true and fair view of the state of affairs of the *Constituency* as at the end of the financial year (period) ended on June 30, 2014. 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 entity; (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 *entity*; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Fund Account Manager in charge of the *Likuyani CDF* accepts responsibility for the *entity's* financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS) and relevant legal framework of the Government of Kenya. The Fund Account Manager is of the opinion that the *Likuyani CDF* financial statements give a true and fair view of the state of *Constituency's* transactions during the financial year ended June 30, 2014, and of the *Constituency's* financial position as at that date. The Fund Account Manager in charge of the *Likuyani CDF* further confirms the completeness of the accounting records maintained for the *Constituency*, which have been relied upon in the preparation of the *Constituency* financial statements as well as the adequacy of the systems of internal financial control.

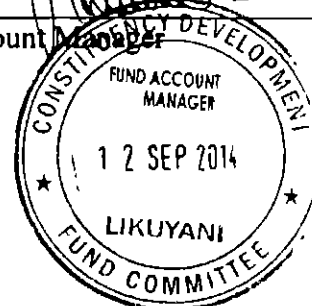
The Fund Account Manager in charge of the *Likuyani CDF* confirms that the entity has complied fully with applicable Government Regulations and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for.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

Approval of the financial statements

The *likuyani* financial statements were approved and signed on 12th September 2014.



Fund Account Manager



1

1

1

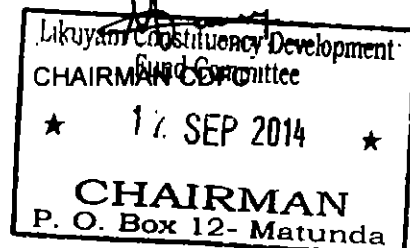
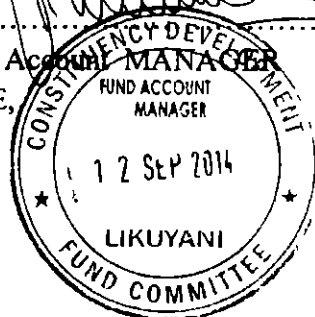
COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

I. STATEMENT OF RECEIPTS AND PAYMENTS

ITEM/DESCRIPTION	Note	2013-2014	2012-2013
		Kshs	Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	77,911,938.00	-
Proceeds from Sale of Assets	2	0.00	
Other Receipts	3	0.00	
TOTAL RECEIPTS		77,911,938.00	0
PAYMENTS			
Compensation of Employees	4	310,958.75	0
Use of goods and services	5	452,092.20	0
Committee expenses	6	1,907,999.00	0
Transfers to Other Government Units	7	25,468,300.00	0
Other grants and transfers	8	13,054,565.00	0
Social Security Benefits	9	2,400.00	0
Acquisition of Assets	10	210,000.00	0
Other Payments	11	0.00	0
TOTAL PAYMENTS		41,406,314.95	
SURPLUS/DEFICIT		36,505,623.05	000

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 12th September 2014 and signed by:

Fund Accountant
 DATE,



1

1

/

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

STATEMENT OF ASSETS & LIABILITIES

	Note	2013-2014	2012-2013
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	12	36,204,160.05	-
Cash Balances (Cash at Hand)	13	301,460.00	-
Outstanding Imprests	14	0.00	-
Cash Equivalents (eg sale of tender doc held in bankers cheque)	15	0.00	-
TOTAL FINANCIAL ASSETS		36,505,623.05	-
REPRESENTED BY			
Fund balance b/fd 1st July...	16	0.00	-
Surplus/Deficit for the year (from statement of receipt & expenditure		36,505,623.05	-
Prior year adjustments	17	0.00	-
NET LIABILITIES		36,505,623.05	-

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 12th September 2014 and signed by:

Likuyani Constituency Development
Fund Committee
CDFC CHAIRMAN
★ 12 SEP 2014 ★
CHAIRMAN

[Signature]
FUND ACCOUNT MANAGER
12 SEP 2014
LIKUYANI

1

1

1

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

LIKUYANI CDF CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST JUNE 2014

Receipts for operating Activities

Transfers from the CDF Board	1	77,911,938.00	
Other Revenues	3	<u>0.00</u>	77,911,938.00

Payments for operating expenses

Compensation of Employees	4	310,958.75	
Use of goods and services	5	452,092.20	
Committee Expenses	6	1,907,999.00	
Transfers to Other Government Units	7	25,468,300.00	
Other grants and transfers	8	13,054,565.00	
Social Security Benefits	9	2,400.00	
Other Expenses	11	<u>0.00</u>	41,196,314.95

Adjusted for:

Adjustments during the year			0.00
-----------------------------	--	--	------

Net cashflow from operating activities **36,715,623.05**

CASHFLOW FROM INVESTING ACTIVITIES

Proceeds from Sale of Assets	2	0.00	
Acquisition of Assets	10	210,000.00	
Net cash flows from Investing Activities			210,000.00

CASHFLOW FROM FINANCING ACTIVITIES

Net cash flow from financing activities			0.00
--	--	--	-------------

NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENT **36,505,623.05**

Cash and cash equivalent at BEGINNING of the year	16		0.00	0
Cash and cash equivalent at END of the year			36,505,623.05	0



**SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT
COMBINED**

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
Compensation of Employees	1,134,012.00	0	1,134,012.00	310,958.75	-823,053.23	27.45%
Use of goods and services	800,541.00	0	800,541.00	452,092.20	-348,449.20	56.47%
Committee members expenses	4,018,670.80		4,018,670.80	1,907,999.00	-2,110,673.80	47.48
Interest payments	0	0	0	0	0	0
Subsidies	0	0	0	0	0	0
Transfers to Other Government Units	36,198,881.80	0	36,198,881.80	25,468,300.00	-10,730,581.80	70.36%
Other grants and transfers	34,425,232.00	0	34,425,232.00	13,054,565.00	-21,370,667.00	37.92%
Social Security Benefits	12,000.00	0	12,000	2,400.00	-9,600.00	20%
Acquisition of Assets	1,322,600.00	0	1,322,600.00	210,000.00	-1,112,600.00	15.88%
Finance Costs, including Loan Interest	0	0	0	0	0	0%
Repayment of principal on Domestic and Foreign borrowing	0	0	0	0	0	0%
Other Payments	0	0	0	0	0	0%
TOTALS	77,911,938.00	0	77,911,938.00	41,406,314.95	-36,505,623.05	53.15%

The entity financial statements were approved on 12th September 2014 and signed by:

Likuyani Constituency Development Fund Committee
 ★ CD/CSH/2014 ★
CHAIRMAN
 P. O. Box 12- Matunda

FUND ACCOUNT MANAGER
 12 SEP 2014
 LIKUYANI
 FUND COMMITTEE

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

SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
Compensation of Employees	1,134,012.00	0.00	1,134,012.00	310,958.75	-823,053.25	27.42
Use of goods and services	800,541.40	0.00	800,541.40	452,092.20	-348,449.20	56.47
Committee Members Expenses	4,018,670.80	0.00	4,018,670.80	1,907,999.00	-2,110,671.80	47.48
Social Security Benefits	12,000.00	0.00	12,000.00	2,400.00	-9,600.00	20.00
Acquisition of Assets	1,322,600.00	0.00	1,322,600.00	210,000.00	-1,112,600.00	15.88
Finance Costs, including Loan Interest	0.00	0.00	0.00	0.00	0.00	
Repayment of principal on Domestic and Foreign borrowing	0.00	0.00	0.00	0.00	0.00	
Other Payments	0.00				0.00	
TOTALS	7,287,824.20	0.00	7,287,824.20	2,883,449.95	-4,404,374.25	39.57

Likuyani Constituency Development Fund Committee
 The entity financial statements were approved on 12th september 2014 and signed by:
 * *[Signature]* *
CDFG CHAIRMAN
 P. O. Box 12- Matunda

[Signature]

FUND ACCOUNT MANAGER

12 SEP 2014

LIKUYANI
 FUND COMMITTEE

I SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
Transfers to Other Government Units	36,198,881.80	0.00	36,198,881.80	25,468,300.00	10,730,581.80	70.36
Other grants and transfers	34,425,232.00	0.00	34,425,232.00	13,054,565.00	21,370,667.00	37.92
Acquisition of Assets	1,322,600.00	0.00	1,322,600.00	210,000.00	-1,112,600.00	15.88
Other Payments	0.00				0.00	
TOTALS	71,946,713.80	0.00	71,946,713.80	38,732,865.00	33,213,848.80	53.84

The entity financial statements were approved on 12th september 2014 and signed by:

Likuyani Constituency Development Fund Committee
[Signature]
 12 SEP 2014
 ★ CD/FC CHAIRMAN ★
CHAIRMAN
 P. O. Box 12- Matunda

[Signature]
 FUND ACCOUNT MANAGER
 ★ CONSTITUENCY DEVELOPMENT FUND ACCOUNT MANAGER ★
 12 SEP 2014
 ★ LIKUYANI FUND COMMITTEE ★

1

1

CONSTITUENCIES DEVELOPMENT FUND - LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

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 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 *entity* and all values are rounded to the nearest (Kshs) 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 *entity*.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the *entity* 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 *entity* 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

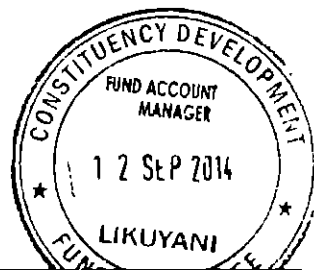
Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account 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





COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

officers and/or institutions which were not surrendered or accounted for at the end of the financial year.



1

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

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 are recorded as 'memorandum' or 'off-balance' items to provide a sense of the overall net cash position of the *entity* 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. Receivables and payables

These relate to provisioning balances for the GAV and Exchequer accounts as required by the current Government Financial Regulations and Procedures. These provisioning balances do not have an impact on the receipts and payments and therefore do not contravene the principles on the cash based IPSAS.

7. 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 *entity'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 *entity's* actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

8. Comparative figures

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

9. Subsequent events

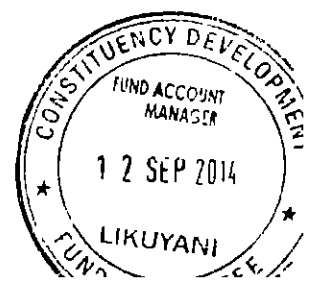
There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2014.



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM CDF BOARD		
	Description	2013 - 2014
		Kshs
Normal Allocation	AIE NO A735561	31,164,775.20
	AIE NO A 750048	46,747,162.80
	TOTAL	77,911,938.00
2 PROCEEDS FROM SALE OF NON-FINANCIAL ASSETS		
		2013 - 2014
		Kshs
	Total	0.00
3 OTHER REVENUES		
		2013 - 2014
		Kshs
	Total	0.00



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

4 COMPENSATION OF EMPLOYEES		
		2013 - 2014
		Kshs
2110201	Basic wages of contractual employees	310,958.75
	Personal allowances paid as part of salary	
2110301	House allowance	0.00
2710120	Gratuity for employess	0.00
2110326	Other personnel payments	0.00
	Total	310,958.75
5 USE OF GOODS AND SERVICES		
		2013 - 2014
		Kshs
2210100	Utilities, supplies and services	0.00
	Electricity	13,312.20
2210104	Office rent	0.00
2210200	Communication, supplies and services	24,000.00

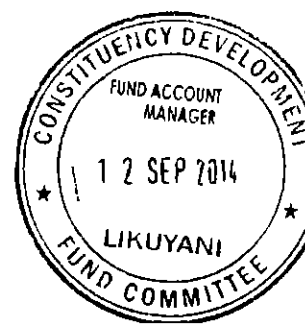


1

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

2210300	Domestic travel and subsistence	41,690.00
2210500	Printing, advertising and information supplies & services	0.00
2210700	Training expenses	192,000.00
2211000	Specialised materials and services	0.00
2211100	Office and general supplies and services	81,090.00
2211200	Fuel ,oil & lubricants	100,000.00
2211301	bank charges	0.00
	Total	452,092.20
6 COMMITTEE EXPENSES		
	Description	2013 - 2014
		Kshs
2210802	Other committee expenses	0.00
2210809	Committee allowance	951,999.00
	M&E Expense	956,000.00
	TOTAL	1,907,999.00
7 TRANSFER TO OTHER GOVERNMENT ENTITIES		
	Description	2013 - 2014



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

		Kshs
ANNEX 4	Transfers to primary schools	8,800,000.00
ANNEX 4	Transfers to secondary schools	11,550,000.00
ANNEX 4	Transfers to Tertiary institutions	4,518,300.00
2630207	Transfers to Health institutions	0.00
2630207	Transfer to livestock institutions	600,000.00
	TOTAL	25,468,300.00
8 OTHER GRANTS AND OTHER PAYMENTS		
		2013 - 2014
		Kshs
2640101	Bursary -Secondary	3,045,750.00
2640102	Bursary -Tertiary	3,045,750.00
2640104	Bursary-Special schools	
2640105	Mocks & CAT	2,946,265.00
2640504	water	0.00
2640505	food security	0.00
2640506	Electricity	0.00
2640507	Security	200,000.00
2640508	Roads	700,000.00
2640509	Sports	0.00
2640510	Environment	0.00
2640200	Emergency Projects	3,116,800.00
	Total	13,054,565.00



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

9 SOCIAL SECURITY BENEFITS		
		2013 - 2014
		Kshs
2120101	Employer contribution to NSSF	2,400.00
	Total	2,400.00
10 ACQUISITION OF ASSETS		
	<u>Non Financial Assets</u>	2013 - 2014
		Kshs
3111002	Purchase of computers ,printers and other IT equipments	76,000.00
3111005	Purchase of photocopier	130,000.00
3111009	Purchase of other office equipments	0.00
3111112	Purchase of soft ware	4,000.00
	Total	210,000.00
11	Other Payments	0.00
12 Bank Balances (cash book bank balance)		
	Name of Bank, Account No. & currency	2013 - 2014
		Kshs
	<i>Equity bank kakamega branch,0500261734009</i>	36,204,163.05



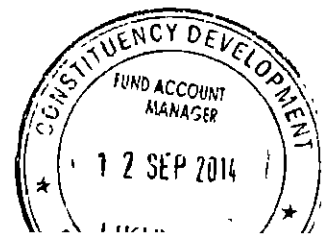
1

1

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

	Total	36,505,623.05
13 CASH IN HAND)		
		2013 - 2014
		Kshs
	Cash at hand	301,1460.00
	Total	301,1460.00
14 OUTSTANDING IMPRESTS		
	<i>Name of Officer</i>	<i>Amount Taken</i>
		Kshs
	<i>Name of Officer</i>	0.00
	Total	0.00
15 Cash equivalents (short-term deposits)		
	Name of Bank, Account No. & currency	Amount in foreign currency
	Total	0.00
16 BALANCES BROUGHT FORWARD		
		2013 - 2014
		Kshs
	Bank accounts	0.00
	Cash in hand	0.00
	Cash equivalents (short-term deposits)	0.00
	Imprest	0.00
	Receivables	0.00
	Payables	0.00



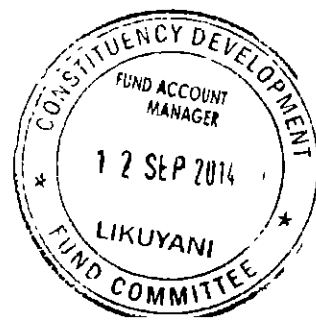
1

1

COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

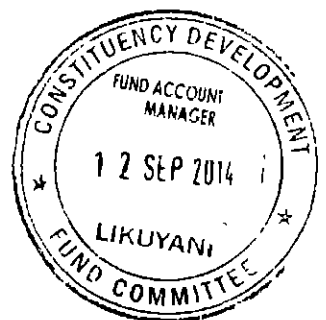
	Total	0.00
17	PRIOR YEAR ADJUSTMENTS	
		2013 - 2014
		Kshs
	Bank accounts	0.00
	Cash in hand	0.00
	Cash equivalents (short-term deposits)	0.00
	Imprest	0.00
	Receivables	0.00
	Payables	0.00
	Total	0 00

23A Bank Accounts



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

Name of Bank, Account No. & currency	Amount In bank account currency	Exc rate	2013 - 2014	2012 - 2013
			Kshs	Kshs
<i>Equity Bank Kakamega branch,0500261734009</i>	Ksh		44,354,441.05	
	Ksh		00	
Total			44,354,441.05	



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

23B CASH IN HAND

	2013 - 2014 Kshs	2012 - 2013 Kshs
Location 1	301,460.00	00
Location 2	00	00
Location 3	00	00
Other Locations	00	00
Total	301,460.00	000

[Provide cash count certificates for each]

23C Cash equivalents
ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2013	Outstanding Balance 2012	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
Sub-Total		00	00	00	00	None
Construction of civil works						
Sub-Total		00	00	00	00	None
Supply of goods						
Sub-Total		00	00	00	00	None
Supply of services						
Sub-Total						
Grand Total		000	000	000	000	None



CONSTITUENCIES DEVELOPMENT FUND - LIKUYANI CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2014 (Kshs)****ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2013	Outstanding Balance 2012	Comments
		a	b	c	d=a-c		
Senior Management							
Sub-Total	00	00	00	00	00	00	None
Middle Management							
Sub-Total	00	00	00	00	00	00	None
Unionisable Employees							
Sub-Total	00	00	00	00	00	00	None
Others (specify)							
Sub-Total	00	00	00	00	00	00	None
Grand Total	000	000	000	000	000	000	None



CONSTITUENCIES DEVELOPMENT FUND - LIKUYANI CONSTITUENCY**Reports and Financial Statements****For the year ended June 30, 2014 (Kshs)****ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES**

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2013	Outstanding Balance 2012	Comments
		a	b	c	d=a-c		
Amounts due to National Govt Entities							
	Sub-Total	00	00	00	00	00	None
Amounts due to County Govt Entities							
	Sub-Total	00	00	00	00	00	None
Amounts due to Third Parties							
	Sub-Total	00	00	00	00	00	None
Others (specify)							
	Sub-Total	00	00	00	00	00	None
	Grand Total	000	000	000	000	000	None

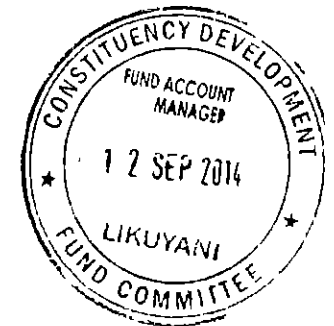


ANNEX 4

PRIMARY SCHOOL PROJECTS	Kshs
1. Sikulu Primary School	300,000.00
2. Lurende Primary School	1,000,000.00
3. Matunda Primary School	300,000.00
4. Mawe Tatu Primary School	600,000.00
5. St Augustine Riverside primary School	600,000.00
6. Mary Lusweti primary School	800,000.00
7. Kisigame Primary School	200,000.00
8. Sirende Blessing Primary School	500,000.00
9. Godown Primary School	800,000.00
10. Mirembe Primary School	300,000.00
11. Mukunga Primary Scholl	600,000.00
12. Dr Nganga Primary School	300,000.00
13. Kosoki Primary School	500,000.00
14. Kambi Mawe Abega Primary School	600,000.00
15. Mbururu Primary School	800,000.00
Sub total	8,800,000.00

SECONDARY SCHOOL PROJECTS

1. Maprea Secondary School	1,000,000.00
2. Nasianda Secondary School	600,000.00
3. St Benedicts Lugulu Secondary School	1,000,000.00
4. Mwiba SA Secondary School	1,000,000.00
5. Nasianda Secondary School	600,000.00
6. Friends Secondary School Binyenya	600,000.00
7. Aligula Secondary School	1,200,000.00
8. St Petrs Girls Secondary School	1,000,000.00
9. St Teresas Secondary School	500,000.00
10. St Elizabeth Likuyani Girls Sec School	250,000.00



COUNTY GOVERNMENT OF KAKAMEGA-LIKUYANI CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs)

11. St Michaels Kilimani Secondary School	1,000,000.00
12. Holly Cross Sango Girls Secondary School	800,000.00
13. Ivugwi Secondary School	500,000.00
14. Friends Secondary School Kongoni	1,000,000.00
15. Eshikulu Boys Secondary School	500,000.00
Sub Total	11,550,000.00

TERTIARY INSTITUTIONS

1. Kongoni Technical Training Institute	4,518,300.00
---	--------------

GRAND TOTAL **24,868,300.00**

