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*Paper laid by the
Leader of the Majority
Party Hon. Aden
Duale, MP, on
21.2.2018
IBM*

REPORT

OF

THE AUDITOR-GENERAL

ON

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

**FOR THE YEAR ENDED
30 JUNE 2016**

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND MAKADARA
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)



MAKADARA CONSTITUENCY
DEVELOPMENT FUND
P. O. Box 41842-00100.
NAIROBI.



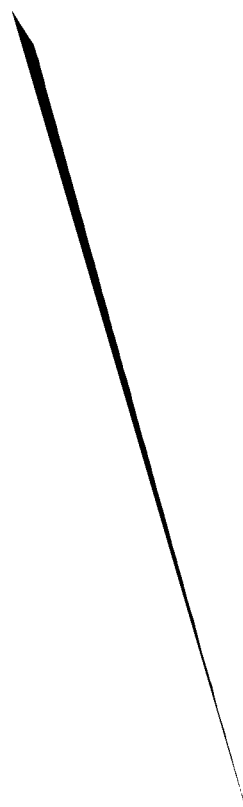
NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
MAKADARA CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2016

Prepared in accordance with the Cash Basis of Accounting Method and
Sector Accounting Standards (IPSAS)

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NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**

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

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (NGCDF) was set up under the NGCDF Act, 2003 now repealed by the NGCDF Act, 2013.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. The objective of the fund is to ensure that specific portion of the national annual budget is devoted to the constituency for the purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

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

- i. Constituencies Development Fund Board (NGCDFB)
- ii. NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC)

(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	Job Munyi
3.	Accountant	Cleophas Oyaro
4.		

(d) Fiduciary Oversight Arrangements

The Audit and Risk Management Committee (ARMC) of NGCDF Board provide overall fiduciary oversight on the activities of MAKADARA Constituency. The reports and recommendations of ARMC when adopted by the NGCDF Board are forwarded to the NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NGCDFC) for action. Any matters that require policy guidance are forwarded by the Board to the Cabinet Secretary and National Select Committee.

(e) MAKADARANGCDF Headquarters

NGCDF Office Building.
P.O Bo 41842-00100
NAIROBI

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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

(f) MAKADARANGCDF Contacts

Telephone: (254) 724870038
E-mail: makadara@NGCDF.go.ke

(g) MAKADARANGCDF Bankers

1. Equity Bank
P.O Box 75104
Nairobi

(h) Independent Auditors

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

(i) Principal Legal Adviser

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



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**

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

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

The NGNGCDFCs wish to have in summary the budget performance against actual amounts for current year based on economic classification and programmes. The NGCDF have improved the Education and Security infrastructures of MAKADARA.

However there have been emerging issues like political, economic, social, legal and global challenges influencing the implementation of NGCDF Project. Other issues affecting the project implementation process is the late disbursement of funds, late approved of proposals and reallocations

The NGNGCDFCs wish that the issues of having the project on going for more than 2years be stopped and the NGCDF board to reduce the rate of staff turnovers in Constituencies i.e. FAM transfers.

Sign.....

CHAIRMAN NGCDFC

**MAKADARA CONSTITUENCY
DEVELOPMENT FUND
P. O. Box 41842-00100,
NAIROBI.**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**

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

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 MAKADARA 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 MAKADARANGCDF 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, 2015, and of the NGCDF's financial position as at that date. The Accounting Officer in charge of the MAKADARANGCDF 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 MAKADARANGCDF 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 02-09-2016.



Fund Account Manager

MAKADARA CONSTITUENCY
DEVELOPMENT FUND
P. O. Box 41842-00100
NAIROBI.



Chairman

REPUBLIC OF KENYA

Telephone: +254-20-342330
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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 - MAKADARA 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 - Makadara Constituency set out on pages 5 to 24, 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 the International Public Sector Accounting Standard (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 the International Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material 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

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

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 evaluation of 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

Unexplained Amended 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:

Item	2014/2015 Comparative Figures Kshs.	2014/2015 Audited Balance Kshs	Variance Kshs
Compensation of Employees	2,209,746	2,192,946	16,800
Committee Expenses	-	2,683,000	(2,683,000)
Use of goods and Services	6,167,439	3,484,439	2,683,000
Social Security	-	16,800	(16,800)

However, the above differences have not been explained. In addition, the nature of the error and respective amounts of the corrections in the comparative figures have similarly not been disclosed in the notes to the financial statements.

Qualified Opinion

In my opinion, except for the effects of matter 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 – Makadara Constituency as at 30 June 2016, and of its financial performance and its cash flows for the year ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015.

Other Matter

Budgetary Control and Performance

1. Budget Performance

During the year under review, Makadara Constituency Fund incurred expenditure totalling Kshs.75,069,568 against an approved budget of Kshs.100,080,848 and thus recorded approximately 75% budget absorption rate and under-expenditure of Kshs.25,011,280 or 25% as shown below:

Item	Budgeted Amount Kshs.	Actual Expenditure Kshs.	Utilization Difference Kshs.
Compensation of Employees	2,644,848	2,330,088	314,760
Use of Goods and Services	6,086,786	6,088,774	(1,988)
Transfers to Other Government Units	58,546,240	51,830,314	6,715,926
Other Grants and Transfers	31,633,974	14,151,392	17,482,582
Acquisition of Assets	169,000	169,000	0
Other Payments	1,000,000	500,000	500,000
Total	100,080,848	75,069,568	25,011,280

The under expenditure is an indication of funds not utilized fully and approved programs not implemented. The budget did not, therefore, fully meet the intended objectives of improving delivery of services to the residents of Makadara Constituency.

2. Transfers to Other Government Entities

During the year, under review, the Fund budgeted for Kshs.58,546,240 on transfers to other government entities but spent Kshs.51,830,314 only resulting in a net under-expenditure of Kshs.6,715,926 on the item as detailed below:

Project	Budgeted Amount Kshs.	Actual Expenditure Kshs.	Over/Under Expenditure Kshs.
Kaloleni Primary School-Fence	4,650,000	5,743,498	-1,093,498
Bidii Primary School-Fence	15,384,964	14,510,875	874,088
Canon Apollo Primary School-Fence	4,535,000	0.00	4,253,137
Jericho Playgrounds	17,512,193	17,846,262	-334,068
Nile Road Special School	1,039,877	325,000	714,877
Dr.Kraft Primary School	3,979,309	3,979,309	0.00
Ofafa Jericho Primary	4,940,380	954,100	3,986,280
Ofafa Jericho Secondary	500,000	80,000	420,000

St.Patricks Secondary-Toilet	0.00	200,000	200,000
Star of Hope Secondary	6,540,000	3,647,328	2,892,672
Ofafa Jericho Primary School-Classes	6,340,380	6,326,130	14,250
Nile Road Second	1,000,000	1,000,000	0.00
Kaloleni Health Center-renovation	2,999,515	2,538,941	460,574
St.Patricks Secondary-toilet	0.00	360,000	-360,000
St.Annes Secondary-toilet	0.00	215,000	-215,000
Aquinas Secondary-Admin& Library	0.00	440,000	-440,000
Total	58,546,240	51,830,314	6,715,926

Consequently, the constituents of Makadara did not obtain benefits from the projects that were budgeted for but not fully implemented during the year.

3. Other Grants and Transfers

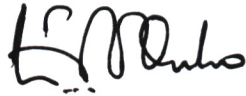
The Constituency budgeted to spend Kshs.31,633,974 on other grants and transfers but only spent Kshs.14, 151,392 resulting in a net under expenditure of Kshs.17, 482,582. The programs and projects approved for funding under this category were as follows:

Project	Budgeted Amount Kshs.	Actual Expenditure Kshs.	Over/Under Expenditure Kshs.
Bursary -Secondary	5,000,000	3,456,100	1,543,900
Bursary -Tertiary	10,000,000	445,000	9,555,000
Roads(Jogoo lane)	580,000	580,000	-
Sports	1,850,847	1,850,000	847
Environment	2,258,800	2,258,800	-
Emergency	5,767,647	5,561,492	206,155
Mutindwa Market	2,000,000	-	2,000,000
Market Shades	1,000,000	-	1,000,000
Shimo la Tewa Bridge	2,007,161	-	2,007,161
Highmast Street Lights	1,169,519	-	1,169,519
Total	31,633,974	14,151,392	17,482,582

The under-expenditures and in particular nil expenditure on four projects reflect programs approved but not fully implemented during the year. Consequently, the constituents did not obtain benefits from the projects that were budgeted for but were not implemented during the year.

4. Bursaries to Students

As disclosed at Note 7 to the financial statements, other grants and transfers balance of Kshs.14,151,392 include bursaries totaling Kshs.3,901,100 to secondary schools and tertiary institutions. However, bursary cheques totalling Kshs.397,000 had not been presented to the intended beneficiaries as at 30 June 2016. No explanation has been provided for failure to issue cheques to the identified beneficiaries.



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

Nairobi

13 December 2017

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**


Reports and Financial Statements

For the year ended June 30, 2016

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	90,042,358	118,322,969
Proceeds from Sale of Assets	2	741,000	
Other Receipts	3	-	
TOTAL RECEIPTS		90,783,358	118,322,969
PAYMENTS			
Compensation of employees	4	2,330,088	2,209,746
Use of goods and services	5	6,088,774	6,167,439
Transfers to Other Government Units	6	51,830,314	110,673,404
Other grants and transfers	7	14,151,392	30,192,130
Acquisition of Assets	8	169,000	-
Other Payments	9	500,000	1,257,200
TOTAL PAYMENTS		75,069,568	150,499,919
SURPLUS/DEFICIT		15,713,790	(32,176,950)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MAKADARANGCDF financial statements were approved on 02-09- 2016 and signed by:


Chairman - NGCDFC

MAKADARA CONSTITUENCY
DEVELOPMENT FUND
P. O. Box 41842-00100
NAIROBI


Fund Account Manager

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**

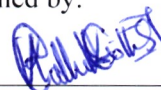
Reports and Financial Statements

For the year ended June 30, 2016

V. STATEMENT OF ASSETS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	25,011,280	9,297,491
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11	-	-
TOTAL FINANCIAL ASSETS		<u>25,011,280</u>	<u>9,297,491</u>
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July...	13	9,297,491	41,474,440
Surplus/Deficit for the year		15,713,790	(32,176,950)
Prior year adjustments	14	-	-
NET LIABILITIES		<u>25,011,280</u>	<u>9,297,490</u>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MAKADARANGCDF financial statements were approved on 02-09-2016 and signed by:


Chairman - NGCDFC

MAKADARA CONSTITUENCY
DEVELOPMENT FUND
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**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- MAKADARA
CONSTITUENCY**

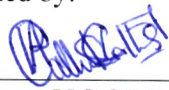
Reports and Financial Statements

For the year ended June 30, 2016

VI. STATEMENT OF CASHFLOW

		2015 - 2016	2014 - 2015
Receipts for operating income			
Transfers from CDF Board	1	90,042,358	118,322,969
Other Receipts	3	741,000	-
		90,783,358	118,322,969
Payments for operating expenses			
Compensation of Employees	4	2,330,088	2,209,746
Use of goods and services	5	6,088,774	6,167,439
Transfers to Other Government Units	6	51,830,314	110,673,404
Other grants and transfers	7	14,151,392	30,192,130
Other Payments	9	500,000	1,257,200
		74,900,568	150,499,919
Adjusted for:			
Adjustments during the year	14	-	-
Net cash flow from operating activities		15,882,790	(32,176,950)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	9	(169,000)	-
Net cash flows from Investing Activities		(169,000)	-
NET INCREASE IN CASH AND CASH EQUIVALENT		15,713,790	(32,176,950)
Cash and cash equivalent at BEGINNING of the year	13	9,297,491	41,474,440
Cash and cash equivalent at END of the year		25,011,280	9,297,490

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The MAKADARANGCDF financial statements were approved on 02-09-2016 and signed by:


Chairman NGCDF

MAKADARA CONSTITUENCY
DEVELOPMENT FUND
P. O. Box 41842-00100
NAIROBI


Fund Account Manager

CONSTITUENCIES DEVELOPMENT FUND MAKADARA CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED


Receipt/Expense Item	Original	Adjustments	Final Budget	Actual on	Budget	% of Utilisation
	Budget		Budget	Comparable	Utilisation	
	a	b	c=a+b	Basis	Difference	f=d/c %
				d	e=c-d	
RECEIPTS						
Transfers from CDF Board	92,542,358	2	92,542,360	90,042,358	2,500,002	97.3%
Proceeds from Sale of Assets(AIA)	-	-	-	741,000	741,000	
Other Receipts	-	-	-	-	-	
TOTAL	92,542,358	2	92,542,360	90,783,358	3,241,002	98.1%
PAYMENTS						
Compensation of Employees	2,553,000	91,848	2,644,848	2,330,088	314,760	88.1%
Use of goods and services	5,606,812	479,973	6,086,786	6,088,774	(1,988)	100.0%
Transfers to Other Government						
Units	56,244,204	2,302,036	58,546,240	51,830,314	6,715,926	88.5%
Other grants and transfers	25,618,494	6,015,480	31,633,974	14,151,392	17,482,582	44.7%
Acquisition of Assets	169,000	-	169,000	169,000	-	100.0%
Other Payments	500,000	500,000	1,000,000	500,000	500,000	
TOTAL	90,691,511	9,389,337	100,080,848	75,069,568	25,011,280	75.0%

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

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

- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the “AIA” alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]
- I. Other grants and transfers utilization because the main item (bursaries) were yet to be disbursed a total of Kshs 15,000,000

The MAKADARANGCDF financial statements were approved on 02-09-2016 and signed by:



Chairman NGCDF

**MAKADARA CONSTITUENCY
DEVELOPMENT FUND
P. O. Box 41842-00100
NAIROBI.**



Fund Account Manager

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the NGCDF 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 NGCDF.

2. Recognition of revenue and expenses

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

3. In-kind contributions

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

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 NGCDF 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 NGCDF’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 NGCDF’s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

7. Comparative figures

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

8. Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2016.

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

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

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 - 2015
		Kshs	Kshs
Normal Allocation	A820927	10,000,000.00	30,837,449
	A820928	10,000,000.00	21,871,380
	A820929	10,000,000.00	19,122,828
	A820930	10,000,000.00	15,000,000
	A820931	10,000,000.00	15,000,000
	A825631	40,042,358.00	16,491,312
TOTAL		90,042,358	118,322,969

2. PROCEEDS FROM SALE OF ASSETS

Description		2015 - 2016	2014 - 2015
Receipts from the Sale of Buildings		-	
Receipts from the Sale of Vehicles and Transport Equipment		-	-
Receipts from the Sale Plant Machinery and Equipment		-	
Proceeds from hire of Grounds		712,000	
Sale of tender documents		29,000	
	Total	741,000	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Interest Received	-	-
Rents	-	-
Interest Received	-	-
Other Receipts Not Classified Elsewhere (specify)	-	-
Total	-	-

4. COMPENSATION OF EMPLOYEES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	2,313,288	1,445,946
Basic wages of casual labour	-	-
Personal allowances paid as part of salary	-	-
House allowance	-	415,000
Transport allowance	-	332,000
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF	16,800	16,800
gratuity	-	-
Total	2,330,088	2,209,746

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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For the year ended June 30, 2016**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services	821,516	1,032,000
Office rent	651,142	361,746
Communication, supplies and services	503,360	-
Domestic travel and subsistence	450,000	300,000
Printing, advertising and information supplies & services		-
Rentals of produced assets		-
Training expenses	1,492,000	660,000
Hospitality supplies and services		-
Other committee expenses	1,076,000	1,315,000
Committee allowance	1,094,756	1,368,000
Insurance costs		830,693
Specialized materials and services		-
Office and general supplies and services		300,000
Fuel ,oil & lubricants		-
Other operating expenses		-
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		-
		-
Total	6,088,774	6,167,439

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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Reports and Financial Statements

For the year ended June 30, 2016

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to primary schools	25,712,783	30,475,432
Transfers to secondary schools	5,742,328	17,754,757
Transfers to Tertiary institutions	17,846,262	57,911,922
Transfers to Health institutions	2,528,941	4,531,293
TOTAL	51,830,314	110,673,404

7. OTHER GRANTS AND OTHER PAYMENTS

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary -Secondary	3,456,100	10,550,000
Bursary -Tertiary	445,000	3,714,800
Bursary-Special schools	-	-
Mocks & CAT	-	-
water	-	-
Agriculture (food security)	-	-
Electricity projects	-	-
Security	-	-
Roads	580,000	4,762,530
Sports	1,850,000	3,211,312
Other capital grants and transfer	2,258,800	1,976,170
Emergency Projects (specify)	5,561,492	5,977,318
Total	14,151,392	30,192,130

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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**Reports and Financial Statements
For the year ended June 30, 2016**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	
Refurbishment of Buildings	-	
Purchase of Vehicles	-	
Purchase of Bicycles & Motorcycles	-	
Overhaul of Vehicles	-	
Purchase of Office furniture and fittings	-	
Purchase of computers ,printers and other IT equipments	169,000	
Purchase of photocopier	-	
Purchase of other office equipments	-	
Purchase of soft ware	-	
Acquisition of Land	-	
		-
Total	169,000	-

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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**Reports and Financial Statements
For the year ended June 30, 2016**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9. OTHER PAYMENTS

Audit fees		500,000	1,257,200
specify		-	-
specify		-	-
TOTAL		500,000	1,257,200

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency		2015 - 2016	2014 - 2015
	Account Number	Kshs (30/6/2016)	Kshs (30/6/2015)
Equity Bank Buruburu Branch	0950262163417	25,011,280.36	9,297,490.55
		-	-
		-	-
Total		25,011,280.36	9,297,491
10B: CASH IN HAND)			
		2015 - 2016	2014 - 2015
		Kshs (30/6/2015)	Kshs (30/6/2015)
Location 1		-	-
Location 2		-	-
Location 3		-	-
Other receipts (specify)		-	-
Total		-	-
		<i>[Provide cash count certificates for each]</i>	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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**Reports and Financial Statements
For the year ended June 30, 2016**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer</i>		<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance (30/6/2015)</i>
	Date imprest taken	<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
			-	-
		-	-	-
		-	-	-

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

Supplier/Contractor	PV no	2015 - 2016	2014 - 2015	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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**Reports and Financial Statements
For the year ended June 30, 2016**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13. BALANCES BROUGHT FORWARD

		2015 - 2016	2014 - 2015
		Kshs	Kshs
		(1//7/2015)	(1/7/2014)
Bank accounts		25,011,280.36	41,474,440
Cash in hand		-	-
Imprest		-	-
Total		25,011,280.36	41,474,440

[Provide short appropriate explanations as necessary]

14. PRIOR YEAR ADJUSTMENTS

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MAKADARA
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15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015- 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods	xxx	xxx
Supply of services	xxx	xxx
	xxx	xxx

15.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	xxx	xxx
Middle management	xxx	xxx
Unionisable employees	xxx	xxx
Others (specify)	xxx	xxx
	xxx	xxx

15.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	xxx	xxx
Amounts due to other grants and other transfers (see attached list)	xxx	xxx
Others (specify)	xxx	xxx
	xxx	xxx

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

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

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

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

NATIONAL GOVERNMENT ENTITY - (Indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2016 (Kshs'000)

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
		a	b	c	d=a-c	
Amounts due to other Government entities						
1.						
2.						
3.						
	Sub-Total					
Amounts due to other grants and other transfers						
4.						
5.						
6.						
	Sub-Total					
	Sub-Total					
Others (specify)						
7.						
8.						
9.						
	Sub-Total					
	Grand Total					

NATIONAL GOVERNMENT ENTITY - (indicate actual name of the entity)
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost	Historical Cost
	(Kshs)	(Kshs)
Land	126	134
Buildings and structures		
Transport equipment		
Office equipment, furniture and fittings		
ICT Equipment, Software and Other ICT Assets		
Other Machinery and Equipment		
Heritage and cultural assets		
Intangible assets		
Total	1,969,426	1,969,426

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