

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

Paper laid on the Table of the House by the Majority Party Leader on Wednesday

THE AUDITOR-GENERAL

ON

15th August 2018 (Afternoon)

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
TIGANIA EAST CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2017





**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND
TIGANIA EAST CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2017**

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



**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NGCDF) was set up under the CDF Act, 2003 now repealed by the NGCDF Act, 2015. The National Government Constituencies Development Fund is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the National government Constituencies Development Fund.

(b) Key Management

The Tigania East day-to-day management is under the following key organs:

- i. National government 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	Danson Njogu
3.	Accountant	Paul Odiero

(d) Fiduciary Oversight Arrangements

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

(e) Tigania east NGCDF Headquarters

P.O. Box 17-60605
NG-CDF office-Muriri.
Meru-maua Road,
Muthara, Meru.



**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

(f) Tigania east NGCDF Contacts

Telephone: (254) 0703-780-482

(g) Tigania east NGCDF Bankers

1. Co-operative bank of Kenya
Meru-Makutano avenue
P.O. Box
Meru ,Kenya

(h) Independent Auditors

Auditor General
Office of the auditor general
Anniversary Towers, University Way
P.O. Box 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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



**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

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

INTRODUCTION

Tigania East constituency is situated along Meru-Maua road behind the hills of Nyambene and borders Tharaka on the south, Isiolo on the north and Tigania East on the east regions. The main economic stay of the constituency is mainly farming of food crops with a small portion that cuts across Nyambene hills involving in Tea farming and coffee in minimal productions .There is a large area in the south which is dry and the community majors on livestock keeping as their main economic activities. The constituency is vast with five wards and approximately has 300,000 population. The constituency is wholly developed by CDF in about 70% together with other partners, mainly national government and nongovernmental organizations.

TIGANIA EAST CONSTITUENCY NGCDF PERFORMANCE

The constituency received ksh.146,084,721.12 in the financial year 2016/2017 and has efficiently absorbed ksh.141,852,226.90 which translate into 97% rate .All the projects started in the financial year under consideration are complete and the constituents are enjoying the benefits of the kitty. Various projects have been accomplished ranging from almost all sectors i.e.Roads, schools infrastructure, health and water.

KEY ACHIEVEMENTS OF THE FUND

NGCDF has transformed many lives of Tigania east residents.The empirical data available coupled with actual observations reveal an enormous impact on the residents in improved standard of living which was never witnessed before the inception of NGCDF.The current year has seen completion of 39 classrooms,8 roads and 10 security projects .The many poor children who have been to school under the courtesy of the fund is a milestone reached in enabling every needy students access education.Various places where residents walked for long distances to seek water commodity is also a great achievement which has saved energy and time to pursue other activities.We stand united in prayer and thanks giving that NGCDF may live long enough to transform many lives.

EMERGING ISSUES

NGCDF being a community fund has so far been identified with the constituents needs which changes every now and then.With the establishment of the devolved functions ,various sectors have been taken by the county governments which has stripped off residents the very pertinent projects centre in their economic life.County governments have slowly taken off with residents agitating for various projects formally funded by NGCDF and this has brought great discontent on the side of the residents who think such functions should be handled by NGCDF.

IMPLEMENTATION CHALLENGES.

There various challenges meted in the implementation of the kitty namely:

- a) Lack of management skills by the project implementation committees.
- b)Thinly allocation of project funds
- c) Political interferences

WAY FORWARD

NGCDF should be added more funds enough to complete projects. Again PMC should be trained frequently on good management practices. MPs and their opponents should not interfere with projects.



CHAIRMAN NGCDFC



**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

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 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 Tigania east 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 2015.2016 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 Tigania east NGCDF accepts responsibility for the NGCDF's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the NGCDF's financial statements give a true and fair view of the state of NGCDF's transactions during the financial year ended June 30, 2016, and of the NGCDF's financial position as at that date. The Accounting Officer charge of Tigania east NGCDF further confirms the completeness of the accounting records maintained for the NGCDF, which have been relied upon in the preparation of the NGCDF's financial statements as well as the adequacy of the systems of internal financial control.

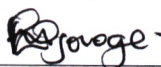
The Accounting Officer in charge of Tigania east NGCDF confirms that the NGCDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF's funds received during the year under audit were used for the eligible purposes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

Approval of the financial statements

The NGCDF's financial statements were approved and signed by the Accounting Officer on 29/6 2017.



Chairman NGCDFC



Fund account manager
FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-60605, Muramba
Date.....



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REPUBLIC OF KENYA

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NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – TIGANIA EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2017

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituency Development Fund – Tigania East Constituency set out on page 6 to 17, which comprise the statement of assets as at 30 June 2017, 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.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Tigania East Constituency as at 30 June 2017, and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Cash Basis) and comply with the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

In addition, as required by Article 229(6) of the Constitution, except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, based on the procedures performed, I confirm that, nothing else has come to my attention to cause me to believe that public money has not been applied lawfully and in an effective way.

Basis for Qualified Opinion

1.0 Cash and Cash Equivalents

The Statement of Assets reflects bank balance of Kshs.4,252,494 as at 30 June, 2017. However, the bank reconciliation statements reflected unrepresented cheques totaling to Kshs.3,900,631 which included stale cheques totaling to Kshs.298,811 which had not been adjusted in the cashbook. Further, the statement of assets, the statement of cash flows and note 8 of the notes to the financial statements for the year under review reflected prior year adjustments of stale cheques of Kshs.1,635,641 which were not

presented for audit verification so as to ascertain their authenticity, existence and accuracy.

In addition, Annex 2 to the financial statements reflected sixty-four (64) Project Management Committee (PMC) bank accounts with balances totaling to Kshs.3,746,117. However, the Fund did not provide the bank statements, cash books and bank reconciliation statements for these accounts.

In the circumstance, the accuracy and completeness of the cash and cash equivalents balance of Kshs.4,252,494 could be ascertained.

2.0 Irregular Implementation of Road Projects

During the financial year under review, the Fund budgeted, funded and implemented road projects totaling to Kshs.15,000,000 as reflected in Note 5 to financial statements. However, the road projects did not fall within the functions of the Fund as per Section 24 (1) of the National Government Constituencies Development Fund Act, 2015.

In the circumstances, the Fund was in breach of Section 24 (1) of the National Government Constituencies Development Fund Act, 2015.

3.0 Construction of Muthara Chief's Camp

During the financial year under review, the Fund through minute numbers Min4/CDFC/IGC/2/16 and MIN5/CDFC/TG/30/8 of the Constituency Development Fund Committee (CDFC) meetings held on 16 February 2017 and 30 August 2016 respectively granted Kshs.500,000 through cheque No. 3627 dated 09/07/2016 and cheque No. 4071 of Kshs.300,000 both totaling to Kshs.800,000 to Muthara Chief's Office Project for the construction and completion of Chief's Office. However, a physical verification of the project done on 11 May 2018 established that although the Office had been constructed and completed, it was not in use.

Consequently, it was not possible to ascertain that the Fund received value for money for the Kshs.800,000 expenditure.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituency Development Fund – Tigania East Constituency in accordance with ISSAI 30 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion and Other Matter sections of my report, I have determined that there are no other Key Audit Matters to communicate in my report.

Other Matter

1. Budgetary Control and Performance

During the financial year under review, the Fund had an approved budget of Kshs.146,084,721 comprising of Kshs.81,896,552 for financial year 2016/2017 and Kshs.64,188,169 being funds brought forward from financial year 2015/2016. The total expenditure by the Fund in the financial year 2016/2017 was Kshs.142,660,662 representing an absorption rate of 98% of the total approved budget as follows;

Expenditure Analysis	Budget (Kshs.)	Actual (Kshs.)	Variance (Kshs.)	Absorption (Kshs.)
Compensation of Employee	3,508,376	1,977,952	1,530,424	56%
Use of Goods and services	6,916,866	6,140,160	776,706	89%
Transfer to Other Government Unit	52,084,103	52,955,173	(871,070)	102%
Other Grants and Transfers	83,575,377	81,587,377	1,988,000	98%
Total	146,084,721	142,660,662	3,424,059	98%

In the circumstances, the Constituents did not receive promised and expected service equivalent to the Kshs.3,424,059 under-expenditure as at 30 June 2017.

2. Completeness of Financial Statements

The financial statements presented for audit included an Annex 2 containing the PMC bank balances as at 30 June 2017 and annex containing the progress report on follow up on the previous year's audit issues. However, the two annexes were not disclosed in the table of contents and did not have page numbers creating doubts as to whether they were meant to be part of the financial statements as at 30 June 2017.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern/ sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting.

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.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

Auditor-General's Responsibilities for the Audit of the Financial Statements

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

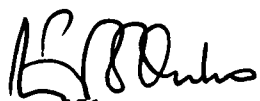
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and for the purpose of giving an assurance on the effectiveness of the Assembly's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Assembly's ability to continue to sustain its services. If I conclude that a material uncertainty exists, I am required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Assembly to cease to continue to sustain its services.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information and business activities of the Assembly to express an opinion on the financial statements.
- Perform such other procedures as I consider necessary in the circumstances.

I communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that are identified during the audit.

I also provide management with a statement that I have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



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

Nairobi

31 July 2018

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**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2017

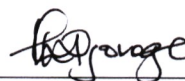
v. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2016-2017 Kshs	2015-2016 Kshs
RECEIPTS			
Transfers from Other Government Entities	1	140,865,928	85,621,296
Prior Year Adjustment			
TOTAL RECEIPTS		140,865,928	85,621,296
PAYMENTS			
Compensation of Employees	2	1,977,952	1,901,950
Use of goods and services	3	6,140,160	9,406,866
Transfers to Other Government Units	4	52,955,173	60,173,983
Other grants and transfers	5	81,587,377	37,115,454
Acquisition of Assets	6	-	475,500
TOTAL PAYMENTS		142,660,662	108,073,753
SURPLUS/DEFICIT		(1,794,734)	(23,452,457)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. National Government Constituency Development Fund-Tigania East Constituency financial statements were approved on 29/5 2017 and signed by:



Chairman - NGCDFC



Fund Account Manager

**FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-60635, Muthara
Date.....**


**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

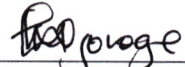
VI. STATEMENT OF ASSETS

	Note	2016-2017 Kshs	2015-2016 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per cash book)	6	4,252,494	4,411,587
TOTAL FINANCIAL ASSETS		4,252,494	4,411,587
REPRESENTED BY			
Fund balance b/fwd	7	4,411,587	26,635,194
Surplus/Deficit for the year		(1,794,734)	(23,452,457)
Prior year adjustments	8	1,635,641	1,228,851
NET FINANCIAL POSITION		4,252,494	4,411,587

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The National Government Constituency Development Fund- Tigania east Constituency financial statements were approved on 29/6 2017 and signed by:



Chairman - NGCDFC



Fund Account Manager

**FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-608 75, Ilmorog
Date.....**



Spring 2011


**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

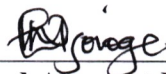
VII. STATEMENT OF CASHFLOW

		2016 – 2017	2015 - 2016
Receipts for operating income			
Transfers from CDF Board	1	140,865,928	85,621,296
Total Reciepts for operating income		140,865,928	85,621,296
Payments for operating expenses			
Compensation of Employees	2	1,977,952	1,901,950
Use of goods and services	3	6,140,160	9,406,866
Transfers to Other Government Units	4	52,955,173	60,173,983
Other grants and transfers	5	81,587,377	37,115,454
		(142,660,662)	(108,598,253)
Adjusted for:			
Prior year adjustments-stale cheques	9	1,635,641	1,036,080
NET CASH FLOW FROM OPERATING ACTIVITIES		(159,092)	(21,748,107)
CASHFLOW FROM INVESTING ACTIVITIES		-	
Acquisition of Asset -motorcycle	6	-	(475,500)
		-	
Net cash flows from Investing Activities			(475,500)
NET INCREASE IN CASH AND CASH EQUIVALENT		(159,092)	(22,223,608)
Cash and cash equivalent at BEGINNING of the year	8	4,411,586	26,635,194
Cash and cash equivalent at END of the year	7	4,252,494	4,411,586

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The National Government Constituency Development Fund- Tigania East Constituency financial statements were approved on 29/6 2017 and signed by:



Chairman NGCDFC



Fund Account Manager

**FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-60605, Muthara
Date.....**




VIII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	81,896,551.72	64,188,169.4	146,084,721.12	141,852,226.90	4,232,494.22	97.1%
TOTAL RECEIPTS	81,896,551.72	64,188,169.4	146,084,721.12	141,852,226.90	4,232,494.22	97.1%
PAYMENTS						
Compensation of Employees	2,624,000	884,376	3,508,376	1,977,952	1,530,424	50.2%
Use of goods and services	4,746,689	2,170,176.60	6,916,865.60	6,140,160	776,706	66%
Transfers to Other Government Units	28,005,173.13	24,078,929.39	52,084,102.52	52,955,173	(871,070)	99.8%
Other grants and transfers	46,520,689.59	37,054,687.41	83,575,377	81,587,377	1,988,000	100%
TOTALS	81,896,551.72	64,188,169.4	146,084,721.12	(142,660,662)	3,424,059	97.1%

The National Government Constituency Development Fund- Tigania east Constituency financial statements were approved on 29/5
 2017 and signed by:


 Chairman NGCDF


 Fund Account Manager

FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-00605, Muhara
Date...9.....



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CONSTITUENCIES DEVELOPMENT FUND – TIGANIA EAST CONSTITUENCY


Reports and Financial Statements


For the year ended June 30, 2017

X. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisation f=d/c %
RECEIPTS						
Transfers from CDF Board	7,370,689	3,054,553	10,425,242	8,118,112	2,307,130	78%
TOTAL RECEIPTS	7,370,689	3,054,553	10,425,242	8,118,112	2,307,130	78%
PAYMENTS						
Compensation of Employees	2,624,000	884,376	3,508,376	1,977,952	1,530,424	50%
Use of goods and services	4,746,689	2,170,177	6,916,866	6,140,160	776,706	66%
TOTALS	7,370,689	3,054,553	10,425,242	8,118,112	2,307,130	78%

The National Government Constituency Development Fund- Tigania East Constituency financial statements were approved on 29/5 2017 and signed by:


Chairman NGCDF


Fund Account Manager

FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-60605, Muthara
Date.....





Reports and Financial Statements
For the year ended June 30, 2017

X. SUMMARY STATEMENT OF APPROPRIATION: DEVELOPMENT

Receipt/Expense Item	Original Budget a	Adjustments b	Final Budget c=a+b	Actual on Comparable Basis d	Budget Utilisation Difference e=c-d	% of Utilisatio n f=d/c %
RECEIPTS						
Transfers from CDF Board	74,525,863	61,133,167	135,639,480	134,542,550	1,116,930	97%
TOTAL RECEIPTS	74,525,863	61,133,167	135,639,480	134,542,550	1,116,930	97%
PAYMENTS						
Transfers to Other Government Units	28,005,173	24,078,929	52,084,105	52,955,173	(871,070)	100%
Other grants and transfers	46,520,680	37,054,688	83,575,377	81,587,377	1,988,000	100%
TOTALS	74,525,863	61,133,167	135,639,480	134,542,550	1,116,930	99%

The National Government Constituency Development Fund- Tigania east Constituency financial statements were approved on _____
2017 and signed by:


Chairman NGCDF


Fund Account Manager

FUND ACCOUNT MANAGER
TIGANIA EAST CDF
P. O. Box 17-60605, Muthera
Date.....



1970-1971

XI. 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 -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

XII. NOTES TO THE FINANCIAL STATEMENTS

1: TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description	2016 - 2017 Kshs	2015-2016 Kshs.
CDF Board		
AIE NO 825894	58,969,376	
AIE NO 839515	4,094,828	
AIE NO 855133	36,853,449	
AIE NO 855570	40,948,275	
AIE NO 790813		27,066,089
AIE NO 790844		540,000
AIE NO 796381		10,000,000
AIE NO 759714		10,000,000
AIE NO DEPOSIT		15,207
AIE NO 820798		20,000,000
AIE NO 825501		18,000,000
TOTAL	140,865,927.70	85,621,296

2: COMPENSATION OF EMPLOYEES

	2016 - 2017 Kshs	2015 - 2016 Kshs
Social security benefit-employer cont. to NSSF	45,600	-
Basic wages of contractual employees	1,932,352	1,901,950
Total	1,977,952	1,901,950

3: USE OF GOODS AND SERVICES

	2016 - 2017 Kshs	2015-2016 Kshs.
Committee expences	4,005,000	6,282,000
Communication, supplies and services	-	48,000
Office and general supplies and services	148,060	125,310
Fuel,oil and lubricants	1,700,000	2,280,307
Routine maintenance – vehicles and other transport equipment	287,100	671,249
Total	6,140,160	9,406,866

**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4: TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2016 - 2017	2015-2016
	Kshs	Kshs.
Transfers to primary schools	45,405,173	42,287,931
Transfers to secondary schools	7,550,000	14,886,052
Transfer to health institutions	-	3,000,000
TOTAL	52,955,173	60,173,983

5: OTHER GRANTS AND OTHER PAYMENTS

	2016 – 2017	2015-2016
	Kshs	Kshs.
Bursary – secondary schools	14,880,500	7,920,000
Bursary – tertiary institutions	12,165,300	86,000
Water projects	200,000	3,150,000
Security projects	14,450,000	3,150,000
Roads projects	15,000,000	18,809,400
Sports projects	3,861,965	
Environment projects	3,861,965	
Emergency projects	5,167,647	4,000,000
Capacity building	2,000,000	
Polytechnic	10,000,000	
Total	81,587,377	37,115,400

6: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2016 - 2017	2015-2016
	Kshs	Kshs
Cash and Bank.	4,252,494	4,411,587
Total	4,232,494	4,411,587

**NATIONAL GOVERNMENT -CONSTITUENCY DEVELOPMENT FUND- TIGANIA EAST
CONSTITUENCY**

**Reports and Financial Statements
For the year ended June 30, 2017**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7: BALANCES BROUGHT FORWARD

	2016 - 2017	2015-2016
	Kshs	Kshs.
Bank accounts	4,411,587	26,635,194
Total	4,411,586.50	26,635,194

8: PRIOR YEAR ADJUSTMENTS

	2016 - 2017	2015-2016
	Kshs	Kshs
Stale cheques and reversals	1,635,641	1,228,851
Total	1,635,641	1,228,851

NG-CONSTITUENCIES DEVELOPMENT FUND – TIGANIA EAST CONSTITUENCY

Reports and Financial Statements
For the year ended June 30, 2017

ANNEX 1 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2016/17	Historical Cost (Kshs) 2015/16
Land	1,000,000	1,000,000
Buildings and Structures	3,000,000	3,000,000
Transport equipment	9,864,012	9,864,012
Office equipment, Furniture and Fittings	150,000	150,000
ICT Equipment, Software and Other ICT Assets	227,000	227,000
Other Machinery and Equipment	857,128	857,128
Total	15,098,140	15,098,140

NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

ANNEX 2 –PMC BANK BALANCES AS AT 30TH JUNE 2017

TIGANIA EAST SPORTS PROGRAMS	DHABITI SACCO BANK	4918-409-15542	1,488.00	-
TIGANIA EAST ENVIRONMENT PROG.	DHABITI SACCO BANK	4918-409-14544	-	-
NTIRUTU DAY SEC SCHOOL	DHABITI SACCO BANK	4918-409-13573	502.00	166.00
ANTUANUU PRY SCHOOL	DHABITI SACCO BANK	4918-409-02088	511.00	-
CHARURU PRY SCHOOL	DHABITI SACCO BANK	4918-409-13628	47,510.00	722.00
THUURIA PRY SCHOOL	DHABITI SACCO BANK	4918-409-00435	593.90	402.90
NGUTHIRU PRY SCHOOL	DHABITI SACCO BANK	4918-409-12125	566.00	-
RUMANTHI PRY SCHOOL	DHABITI SACCO BANK	4918-409-10344	507.00	1,868.00
LANYIRUU PRY SCHOOL	DHABITI SACCO BANK	4918-409-12124	614.00	178.00
NTAMICIU PRY SCHOOL	DHABITI SACCO BANK	4918-409-10738	505.00	-
MUTHARA CIRCUIT PRY SCHOOL	DHABITI SACCO BANK	4918-409-15889	484.00	-
MUTHARA PRY SCHOOL	DHABITI SACCO BANK	4918-409-12144	43,244.00	-
MWEROMUTHANGA PRY SCHOOL	DHABITI SACCO BANK	4918-409-12098	768.00	379.00
MATABITHI PRY SCHOOL	DHABITI SACCO BANK	4918-409-13020	75,797.00	271.00
MUKALAMATU PRY SCHOOL	DHABITI SACCO BANK	4918-409-15890	524.00	-



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

MATHIRITINE PRY SCHOOL	DHABITI SACCO BANK	4918-409-15887			132,208.00				-
KIITHE PRY SCHOOL	DHABITI SACCO BANK	4918-409-10349			647,030.00				430.00
LING'URI PRY SCHOOL	DHABITI SACCO BANK	4918-409-12108			524.00				-
MATUNDURU PRY SCHOOL	DHABITI SACCO BANK	4918-409-10351			76,749.00				-
ANTUANDURU PRY SCHOOL	DHABITI SACCO BANK	4918-409-12115			693.95				274.95
ANGILI PRY SCHOOL	DHABITI SACCO BANK	4918-409-08141			494.00				-
LAIBOCHA PRY SCHOOL	DHABITI SACCO BANK	4918-409-11185			347,931.45				474.00
LUTHIE PRY SCHOOL	DHABITI SACCO BANK	4918-409-12133			651.00				-
NTURUTU PRY SCHOOL	DHABITI SACCO BANK	4918-409-09704			555.00				20,554.00
MULA PRIMARY SCHOOL	DHABITI SACCO BANK	4918-409-13569			3,747.13				608.00
KARACHI AP POST	DHABITI SACCO BANK	4918-409-16996			196,890.00				-
MUTHARA ASSIST. CHIEF'S OFFICE	DHABITI SACCO BANK	4918-409-16994			494.00				-
MABURUA ASSIST. CHIEF'S OFFICE	DHABITI SACCO BANK	4918-409-17067			536.00				-
KALOTHELA ASSIST. CHIEF'S OFFICE	DHABITI SACCO BANK	4918-409-16995			524.00				-



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)

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For the year ended June 30, 2017 (Kshs'000)

RUURI - MUKUNGA PRIMARY SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16983	2,034.00	-
MULIKA -K.K MUTHANGENE PRY SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16984	500.00	-
GIKOONE-AKAIGA SEC. SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16985	966.00	-
NTHANGATHI PRY-KIGUMA SEC SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16986	966.00	-
KIGUCHWA MARKET-AKAIRU PRIMARY-ST.BENEDICT PRY SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16987	638.00	-
MULANGO-K.K MWENJELA PRY SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16988	500.00	-
KAATHI-KATHANENE-ANKAMIA PRY SCHOOL ROAD.	DHABITI SACCO BANK	4918-409-16989	634.00	-
KIOLO-KAMITHEGA PRY SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16990	302.00	-
KAGWATA - KIAMIUU PRY SCHOOL ROAD	DHABITI SACCO BANK	4918-409-16991	735.00	-
ST.BENEDICT PRY SCH	DHABITI SACCO BANK	511-00021	416.25	866.7
MAKORIOS PRY SCH	DHABITI SACCO BANK	502-11766	374	
AKAIRU PRY SCH	DHABITI SACCO BANK	513-00332	215354.15	563
ST.LUCY'S KIRIGWA PRY SCH	DHABITI SACCO BANK	502-00786	648970.45	296
NG'OMBENJIRU PRY SCH	DHABITI SACCO BANK	502-03817	210741.35	426
ANTUARIMATA PRY SCH	DHABITI SACCO BANK	515-01695	490.1	438.2



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)
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For the year ended June 30, 2017 (Kshs'000)

	BANK				
KAATHI DAY & BOARDING	DHABITI SACCO BANK	502-09933	147494	56	
KATHANENE PRY SCHOOL	DHABITI SACCO BANK	504-00099	465	465	
MUKUNGA PRY SCHOOL	DHABITI SACCO BANK	504-00102	2078.9	1874	
THATHI PRY SCHOOL	DHABITI SACCO BANK	502-03631	984.65	234	
KIRUMONE PRY SCHOOL	DHABITI SACCO BANK	502-09103	1530	184	
KALANTINA PRY SCHOOL	DHABITI SACCO BANK	502-03637	331947	1012	
NGUTU PRY SCHOOL	DHABITI SACCO BANK	502-05173	183173.03	467.68	
MUKONO PRIMARY SCHOOL	DHABITI SACCO BANK	502-08203	718.2	774.6	
MUTEWA PRY SCHOOL	DHABITI SACCO BANK	511-00384	102.25	102.25	
KIAMIKUU PRY SCHOOL	DHABITI SACCO BANK	502-03152	694.2	62	
K.K MUTHANGENE PRY SCH	DHABITI SACCO BANK	502-07923	633.6	212	
ATHWANA PRY SCHOOL	DHABITI SACCO BANK	511-08784	1186.32	2250.39	
KINOE PRY SCHOOL	DHABITI SACCO BANK	502-07925	2094.95	712	
KITHURAKU PRY SCHOOL	DHABITI SACCO BANK	502-07598	499346.1	10	
KIRIENE PRY SCHOOL	DHABITI SACCO BANK	502-02866	507.25	558.05	



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)

Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

A.I.P.CA MWENJELA PRY SCHOOL	DHABITI SACCO BANK	502-11764	546	120
K.K MWETHE ASSIT. CHIEF'S OFF	DHABITI SACCO BANK	502-11531	396	500000
MULIKA OCS	DHABITI SACCO BANK	502-08216	78632.8	54
GIKURUNE ASSIST CHIEF'S OFF.	DHABITI SACCO BANK	50211530	462	500000
KIGURU ASSIST.CHIEF'S OFFI	DHABITI SACCO BANK	50211896	476	60



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)
 Reports and Financial Statements
 For the year ended June 30, 2017 (Kshs'000)

ANNEX 3 – SUMMARY OF FIXED ASSET REGISTER

PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor. We have nominated focal persons to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
EH/AUD/NG-CDF/TIGANIA E./2015-2016/7	<p>1.0 BUDGETARY CONTROL AND PERFORMANCE CRITERIA The national Government constituency Development Fund (NGCDF) Act, 2015 section 6.(1) states that the cabinet secretary, with the approval of the relevant committee of the National Assembly allocate funds for every constituency in each financial year in accordance with section 32 of the National constituency Development Fund (NGCDF) Act ,2015.</p> <p>OBSERVATION During the financial year 2015/2016 Tigania east constituency had an approved</p>	<p>The constituency will request for funds on a timely basis from the board.</p>	FUND ACC. MANAGER	RESOLVED	ALREADY RESOLVED



NATIONAL GOVERNMENT ENTITY - (TIGANIA EASI NG-CDF)
 Reports and Financial Statements
 For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>budget of ksh.171, 246,658. However, summary statement of appropriation; recurrent and development reflected a total final budget of ksh.172,246,139 resulting to unexplained variance of ksh.1,000,081. The actual expenditure as at 30th June 2016 was ksh.109,073,753 (64%) utilized to fund projects in various sectors within the constituency. A component analysis for the budgeted amounts versus the actual is as indicated below:</p> <p>RISK Where funds are not received or not utilized in the budgeted financial year projects may be delayed to be funded and implemented.</p> <p>CAUSE The above was due to delay in disbursement of funds budgeted for and approved a per section 6(1) of the National government constituency development fund</p>				



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>act 2015.</p> <p>RECOMMENDATIONS</p> <p>The National government constituency development funds board should ensure that funds budgeted for and approved should be released in the approved financial year. Further, the fund manager should ensure that all funds received are utilized as budgeted.</p>				
EH/AUD/NG-CDF/TIGANIA E./2015-2016/7	<p>2.0 CONSTRUCTION OF ATHWANA DISPENSARY CRITERIA</p> <p>Section 66(d) of the public finance act 2012 ensuring proper management and</p>	<p>The should be taken over by the county.</p>	<p>FUND ACC. MANAGER</p>	<p>RESOLVED</p>	<p>ALREADY RESOLVED</p>



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)
Reports and Financial Statements
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>control of, and accounting for, their finances in order to promote the efficient and effective use of budgetary resources;</p> <p>OBSERVATION During the year under review Tigania east constituency through CDFC meeting held on 24TH JUNE 2015 vide MIN3/CDFC/TE/25/6: GENERAL PROJECT REPORT granted ksh.500,000 to Athwana Dispensary for the completion of treatment rooms, plastering, doors, windows and painting as per approved budget. The Athwana dispensary project management committee entered into a contract agreement on 27th November, 2015 with the contractor Mbame construction limited on the mode of payment as follows: i) Ksh.85,000 for cement</p>				



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)
Reports and Financial Statements
For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>and sand screed</p> <p>ii) Ksh.150, 000 for metal doors, metal windows, timber doors and ceiling.</p> <p>iii) Ksh.100,000 for labor</p> <p>iv) Ksh.8,000 project management and documentation</p> <p>The project management committee paid the contractor a total of ksh 343,000 vide Athwana payment voucher dated 10th December 2015. A physical verification on 1 February 2016 by the audit team and the CDF chairman established that although the dispensary had been completed by the contractor it was not equipped and had started depreciating before being used as a dispensary.</p> <p>RISK There is a risk that the</p>				



Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>dispensary may not be put into the intended use if it is not equipped for use by the health facility.</p> <p>CAUSE This is due to weak internal controls in project implementation for functions devolved to the county.</p> <p>RECOMMENDATION The CDF should liaise with the county government to ensure the dispensary is equipped and the dispensary does not result in waste of public funds. feedback.</p>				
<p>EH/AUD/NG-CDF/TIGANIA E./2015-2016/7</p>	<p>3.0 PROJECT IMPLEMENTATION CRITERIA According to section 3 of the constituency development fund act 2013, the objective of the fund is to ensure that specific portion of the national annual budget is</p>	<p>The projects that had not been implemented have been implemented in financial year 2016/17.</p>	<p>FUND ACCOUNT MANAGER.</p>	<p>REOLVED</p>	<p>ALREADY RESOLVED</p>



Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>devoted to the constituencies for purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.</p> <p>OBSERVATION</p> <p>During the period under review Tigania east national government constituency development fund(NGCDF) allocated ksh.106,961,221 to projects in various sectors including primary schools, secondary schools, health institutions, water projects,security,road,sports and environment within the constituency. Analysis as per the project implementation status indicated that projects amounting to ksh.91,161,221 had been completed during the financial year 2015/2016.Further projects amounting to ksh.11,450,000 were on-going while projects amounting to ksh.4,350,000 had not been started as at the end of the financial year. A detailed analysis of the project implementation status is as</p>				



Reports and Financial Statements

For the year ended June 30, 2017 (Kshs'000)

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>indicated in Appendix 1</p> <p>RISK Due to delay in funding of projects there is a risk of not implementing all budgeted projects.</p> <p>CAUSE The above was caused due to a delay in release of funds from the constituency development fund board and disbanding of CDFCs.</p> <p>RECOMMENDATION The constituency development fund board should ensure that the disbursement of funds is timely and efficient as required by the act.</p>				



NATIONAL GOVERNMENT ENTITY - (TIGANIA EAST NG-CDF)
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