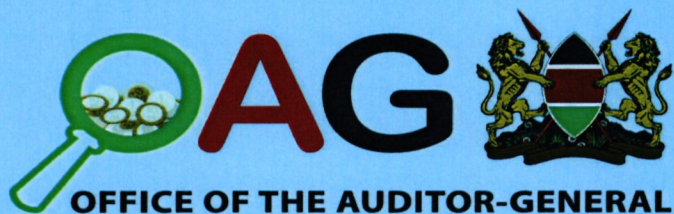


REPUBLIC OF KENYA



Enhancing Accountability

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THE NATIONAL ASSEMBLY	
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TABLED BY:	Majority Whip
CLERK-AT THE TABLE:	Christine

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND - WAJIR WEST CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2021**



WAJIR WEST CONSTITUENCY

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2021**

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

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
Reports and Financial Statements for the Year Ended June 30, 2021*

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I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NGCDF) (hereafter referred to as the Fund) formerly Constituencies Development Fund (CDF), is a fund established in 2003 through an Act of Parliament, the Constituencies Development Fund Act, 2003. The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013. The latter was subsequently succeeded by the current NGCDF Act, 2015. At cabinet level, NGCDF is represented by the Cabinet Secretary for Devolution, who is responsible for the general policy and strategic direction of the Fund.

Mandate

The mandate of the Fund as derived from sec (3) of NGCDF Act, 2015 is to:

- a) Recognize the constituency as a platform for identification, performance and implementation of national government functions;
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination and protection of the marginalized pursuant to Article 10 (2) (b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10 (2) (d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21 (2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to deliberate on and resolve issues of concern to the people as provided for under Article 95 (2) of the Constitution;
- h) provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201 (b) (iii) of the Constitution;
- i) Authorize withdrawal of money from the Consolidated Fund as provided ' under Article 206 (2) (c) of the Constitution;

- j) Provide mechanisms for the National Assembly to facilitate the involvement of the people in the identification and implementation of projects for funding by the national government at the constituency level; and
- k) Provide for mechanisms for supplementing infrastructure development at the constituency level in matters falling within the functions of the national government at that level in accordance with the Constitution.

Vision

Equitable Socio-economic development countrywide.

Mission

To provide leadership and policy direction for effective and efficient management of the Fund.

Core Values

1. **Patriotism** – we uphold the national pride of all Kenyans through our work
2. **Participation of the people**- We involve citizens in making decisions about programmes we fund
3. **Timeliness** – we adhere to prompt delivery of service
4. **Good governance** – we uphold high standards of transparency, accountability, equity, inclusiveness and integrity in the service of the people
5. **Sustainable development** – we promote development activities that meet the needs of the present without compromising the ability of future generations to meet their own needs.

(b) Key Management

The NGCDF Wajir West 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)

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(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2021 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	A.I.E holder	Mohamed Osmail
2.	Sub-County Accountant	Sammy Malova
3.	Chairman NGCDFC	Mohamed A. Mohamud
4.	Member NGCDFC	Kaha Mohamed Bulle.

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Wajir West Constituency Headquarters

The physical and postal address of National Government Constituency Development Fund (NGCDF) Wajir West is:

NGCDF Wajir West Offices

Along Wajir -Griftu Road

P.O. BOX 23-70202 Griftu

(f) NGCDF Wajir West Constituency Contacts:

Telephone: (+254) 0721-827370

E-mail: wajirwest@ngcdf.go.ke

Website: www.ngcdf.go.ke

(g) NGCDF Wajir West Constituency Bankers

First Community Bank, Wajir branch

Account No. 80001203

P.O. Box 426 -70200 Wajir, Wajir County, Kenya.

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(h) Independent Auditors

The Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

II. NGCDF CHAIRMAN'S REPORT

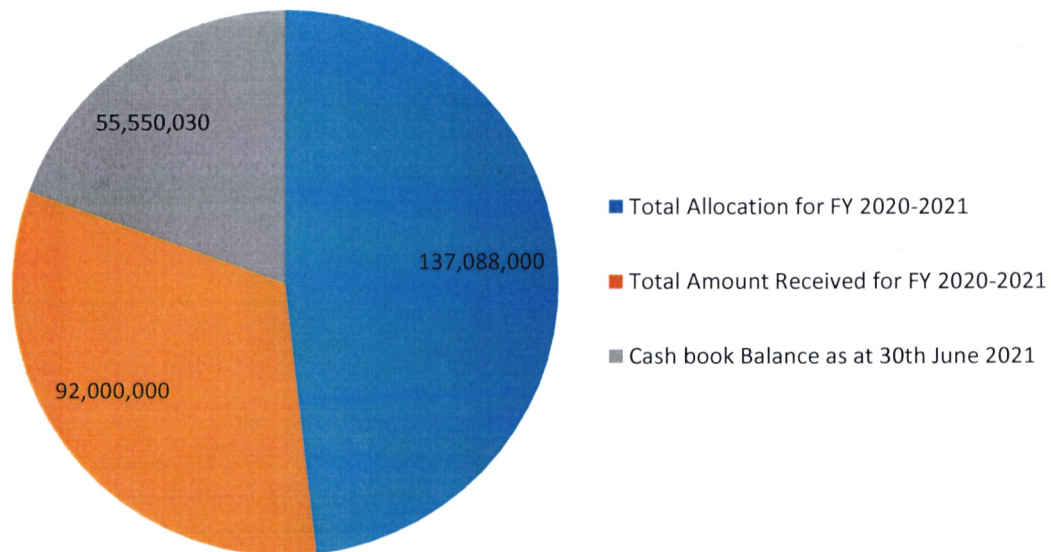


Mr. Mohamed Abdi Mohamud, Wajir West NGCDF Chairman

The National Government Constituencies Development Fund (NGCDF) which is a program meant to promote poverty eradication through decentralization was enacted through the NGCDF Act 2015. The main aim of its establishment was to iron out imbalances brought about by patronage politics by providing funds to parliament jurisdictions, that is, Constituencies to fight poverty. The program is designed to fight poverty through the implementation of development projects which are National government functions at the local level and particularly those that provide basic needs like education, social welfare, security and education bursaries.

During the Financial year under review, National Government Constituency Development Fund Wajir West Constituency was allocated a total of Kshs.137,088,879. From the summary of appropriation statement, the overall budget performance stood at 59.1%. The absorption of funds on development expenditure was low at 61%. The low performance is as a result of the Corona pandemic which has engulfed the country in March 2020. The release of funds for the financial year 2020/2021 was erratic attributed mainly to the economic slowdown as a result of the pandemic which has caused economic crises across the globe.

WAJIR WEST NGCDF BUDGET UTILIZATION FOR FY 2020/2021



However, all was not lost. The National Government Constituency Development Fund Wajir West has undertaken some key projects during the financial year under review. The major beneficiary was the education sector. For instance, 930 needy and poor students in various Tertiary institutions and 2,193 needy and poor students in secondary schools benefitted from the bursary disbursement of 33.9 million disbursed during the period. Secondly, to mitigate against land grabbing, one primary and one secondary school were fenced. To enhance the government agenda of ensuring 100% transition from primary to secondary, two new secondary schools were constructed. To increase transition improve education infrastructure and hence access, 15 new classrooms in 18 primary schools, 12 toilets in seven primary schools were constructed. To improve secondary school performance, two new modern science laboratories were constructed in two secondary schools. To boost security in the constituency, a new police station was constructed in Barmish town. New police houses and toilets were constructed in Hadado Police station and others renovated in Adhibohol and Lolkuta North Police stations. To enhance service delivery to the residents of the constituency, Deputy County Commissioner's residence was constructed and Sub- County headquarters fully furnished in the newly launched Hadado Sub-County in Wajir West Constituency.

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Hudhile Secondary School was started with funding from NGCDF Wajir West during the FY 2019-2020 and FY 2020-2021. It is complete with four classrooms, Administration block, Shallow well with a hand pump and toilets. It has opened its doors this year and has an enrolment of about 150 students in Form 1.

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A well-equipped Modern twin Science Laboratory, two classrooms and an underground water tank with gutters for rain harvesting at Makaror Mixed Day Secondary School implemented by NGCDF Wajir West during the FY 2020/2021.

The main emerging issue during the year under review was interclan clashes between the people of Isiolo county and Wajir west Constituency. The corona pandemic has also completely changed the normal way of life of people and how affairs are run. Masking up, social distancing and staying at home were the order of the day. I hope we will overcome.

In conclusion, let me take this opportunity to sincerely register my appreciation to all those who have worked relentlessly in the entire financial statements' preparation process. In particular, I would thank the Fund Account Manager, Wajir West who has taken a lead role in the process and the support provided by the Sub-County Treasury, Wajir West.

Mohamed Abdi Mohamud
CHAIRMAN NGCDF COMMITTEE

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III. STATEMENT OF PERFORMANCE AGAINST CONSTITUENCY'S PREDETRMINED OBJECTIVES

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of NGCDF-Wajir West Constituency's 2018-2022 plan are to:

- a) To improve access, affordability and availability of quality education
- b) To harness talent and empower youth
- c) To cater for any unforeseen occurrences in the constituency
- d) To promote environmental sustainability in the constituency
- e) To enhance security in the constituency
- f) To improve tracking of implementation of NGCDF programmes
- g) To promote performance management and smooth running of the NGCDF office

Progress on attainment of Strategic development objectives

For purposes of implementing and cascading the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement: Below we provide the progress on attaining the stated objectives:

Constituency Program	Objective	Outcome	Indicator	Performance
Education Accessibility	To improve access, affordability and availability of quality education	Expansion of schools through rehabilitation/ renovation/ construction of classrooms in various primary schools in the constituency	No. of class rooms ('0) rehabilitated/renovated	3
			No. of class rooms constructed	15
		Expansion of schools through rehabilitation/ renovation/ construction of classrooms in various secondary schools in the constituency	No. of class rooms ('0) rehabilitated/renovated	0
			No. of class rooms constructed	2
		Purchase and supply of desks ('0')	No. of desks provided ('0')	200
		Purchase and supply of double decker beds	No. of double decker beds	0

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Constituency Program	Objective	Outcome	Indicator	Performance
		Construction of staff houses in primary schools	No. of schools benefited	1
		Construction of laboratories in secondary schools in the constituency	No. of laboratories constructed	2
		Rehabilitation/ Renovation/Construction of toilet blocks in both primary and secondary schools	No. of toilet blocks constructed	9
		Provision of bursary to needy and bright secondary school/tertiary institutions' students	Amount of funds disbursed (Kshs. millions)	33.9
		Rehabilitation/ Renovation/Construction of Administration Blocks	No. constructed/renovated	2
		Provision of water harvesting structures to schools	No. of institutions benefited with water tanks	3
Youth and Sports	To empower the youth and harness their talent	Creating awareness among the youth on the establishment of youth groups, and accessing devolved funds	No. of forums held	0
		Funding of youth sporting initiatives	No. of sporting initiatives supported	0
Environment	To promote environmental sustainability	Organizing tree planting days	No. of tree seedlings planted	0
Security	To enhance security in the constituency	Rehabilitation/ Renovation/Construction of chief's offices	No. of chief's offices constructed	0
		Construction/rehabilitation of Police Stations/AP Offices and police/AP houses	No. of AP camps constructed	1
			No. of police/AP housing units	1
			No. of police stations rehabilitated	2
		No. of police stations fenced	1	

IV. CORPORATE SOCIAL RESPONSIBILITY STATEMENT/SUSTAINABILITY REPORTING

NGCDF Wajir West Constituency exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Constituents with various disabilities and previously marginalized communities.

1. SUSTAINABILITY STRATEGY AND PROFILE

The National Government Constituencies Development Fund Wajir West has consistently received funds from the Exchequer which it has used to transform lives of its people. As stipulated in the National Government Constituencies Development Fund Act, 2015, the constituency leadership is committed to availing the Wajir West community with prospective benefits that are available to a widespread cross-section of the inhabitants. This is to be achieved through the provision of services and coordination of activities geared towards the empowerment of Wajir West Constituency residents through prudent management, and effective and efficient utilization of the Fund.

As has been stipulated in NGCDF Act 2015, the Wajir West Chairperson of the NGCDFC, has been convening open forum public meetings in the four (4) wards of the constituency to deliberate on development matters in the ward and the constituency. Each Ward prepares a list of priority projects and submits to the NGCDF for deliberations. All the NGCDF projects are implemented by the project management committee with the assistance of the relevant department of Government officers in line with its strategic plan.

2. ENVIRONMENTAL PERFORMANCE

Global warming and climate change have negatively affected the constituency economy due to their adverse effects on productive sectors. There is need to enhance capacity for environmental planning to mitigate against global warming and adaptation to climatic changes. Wajir West NGCDFC allocates 2% of its total budget towards afforestation and mitigation against the impacts of environmental degradation. Areas where we have invested in include rain water harvesting at schools.

3. EMPLOYEE WELFARE

The quality of human resource is critical in achieving the mandates and goals of an organization. Recruitment and selection play an important role in ensuring that the Service has the right staff and skills mix. The Constitution requires that recruitment and selection in Public Service organizations, be based on meritocracy, diversity, equity, non-discrimination, gender balance, consideration for persons with disabilities and minorities, in employment opportunities. Wajir West National Government Constituencies Development Fund is guided by the Constitution of Kenya, labour laws and the Norms and Standards for Management of Human Resources in the Public Service. Vacant positions are competitively filled through advertisement and based on merit. Annual trainings and workshops are conducted for the NGCDFC and NGCDFC staff to improve their skills and competencies so as to enhance performance and productivity.

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A conducive work environment and employee welfare programmes are prerequisites for enhanced organizational and individual performance and productivity. Welfare and wellness programmes are necessary in enhancing employee performance and productivity. The Government through the Occupational Safety and Health Act (OSHA), 2007 has set the minimum conditions for a work environment. Wajir West National Government Constituencies Development Fund has the necessary steps to comply with OSHA requirements. We adhere to the provisions of the Public Sector Workplace Policy on HIV and AIDS, Public Service Substance Abuse Workplace Policy and Public Service Guidance and Counselling Policy; and Provide adequate working tools/facility.

4. MARKET PLACE PRACTICES

Wajir West National Government Constituencies Development Fund is a public sector institution involved in the management of public funds by implementing projects. The projects are implemented using structures defined under the NGCDF Act 2015.

The Acquisition of goods, Services and Works is done in the most cost effective manner including the right price (lowest evaluated price), in the right quantities, at the right quality, from the right source, at the right time and delivered at the right place. Procurement is done in strict compliance with the Public Procurement and Asset Disposal Act 2015 and the Public Finance Management Act 2012. This process is initiated once funds have been received and hence there are no pending bills to suppliers or contractors.

Anticorruption clauses and penalties are part of the contract management documents. There is compliance with the Public Officers Ethics Act 2003 and Leadership and Integrity. All measures have been put in place to ensure there are no incidences of corruption. There are committees which have been constituted to deal with all complaints and reported cases of corruption in Wajir West NGCDFC.

a) Responsible competition practice.

During projects implementation the office transfers funds to the Project Management Committees who are thereafter guided during tendering process, to ensure that the locals benefit competitively in the provision of services and materials to the projects.

How the organization ensures responsible competition practices with issues like anti-corruption, responsible political involvement, fair competition and respect for competitors.

b) Responsible Supply chain and supplier relations

Payments to suppliers are done promptly upon presentation of requisite supporting documents.

c) Responsible marketing and advertisement-outline efforts to maintain ethical marketing practices.

Advertisement for tenders is done publicly and no form of discrimination is applied to unfairly lock out interested bidders.

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d) Product stewardship

In order to safeguard consumer rights and interests, the Wajir West NGCDF came up with a service charter and the complaints handling policy, principles and procedures brochure. The service charter points out our commitment in ensuring that we provide quality services to our customers with high level professionalism, dignity, integrity and courtesy, whereas complaints handling policy, principles and procedures shows our commitment to consistent, fair and confidential complaint handling and to resolve complaints as quickly as possible.

5. COMMUNITY ENGAGEMENTS

At the level of project identification, the NGCDF Chairman calls for ward meetings to deliberate on development priorities of the ward. Here, there is community participation and consultation with local leaders as provided for under regulation 13 of the NGCDF Regulations 2016. The notice for these meetings are published so as to reach as many constituents as possible. The community social investment undertaken by NGCDF Wajir West is in the form of bursary where needy students are sponsored either fully or partially to complete their education.

To tap existing talent among the youth, there are sports tournaments organized by the relevant authorities with financial support from NGCDF Wajir West. These tournaments also improve cohesion among the different communities living in the constituency.

V. STATEMENT OF 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 the National Government Constituency Development Fund (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 by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of National Government Constituency Development Fund Wajir West is responsible for the preparation and presentation of the NGCDF Wajir West financial statements, which give a true and fair view of the state of affairs of the NGCDF Wajir West for and as at the end of the financial year (period) ended on June 30, 2021. 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 NGCDF Wajir West accepts responsibility for the NGCDF Wajir West 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 Wajir West financial statements give a true and fair view of the state of NGCDF Wajir West transactions during the financial year ended June 30, 2021, and of the NGCDF Wajir West financial position

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as at that date. The Accounting Officer in charge of the NGCDF Wajir West further confirms the completeness of the accounting records maintained for the NGCDF Wajir West, which have been relied upon in the preparation of the NGCDF Wajir West financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Wajir West confirms that the NGCDF Wajir West has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NGCDF Wajir West 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 Wajir West 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 Wajir West financial statements were approved and signed by the Accounting Officer on 29th July 2021.



Chairman NGCDF Committee
Mohamed Abdi Mohamud



Fund Account Manager
Mohammed Maalim Osmail

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WAJIR WEST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2021

PREAMBLE

I draw your attention to the contents of my report which is in three parts:

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure Government achieves value for money and that such funds are applied for intended purpose.
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

An unmodified opinion does not necessarily mean that an entity has complied with all relevant laws and regulations, and that its internal controls, risk management and governance systems are properly designed and were working effectively in the financial year under review.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution and the Public Audit Act, 2015. The three parts of the report, when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Wajir West Constituency set out on pages 16 to 50,

*Report of the Auditor-General on National Government Constituencies Development Fund - Wajir West Constituency
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which comprise of the statement of assets and liabilities as at 30 June, 2021 and the statement of receipts and payments, statement of cash flows and summary statement of appropriation - recurrent and development combined 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, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund - Wajir West Constituency as at 30 June, 2021 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 the Public Finance Management Act, 2012 and the National Government Constituencies Development Fund Act, 2015.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Wajir West Constituency Management in accordance with ISSAI 130 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 opinion.

Emphasis of Matter

Lack of Land Ownership Documents

Annex 2 to the financial statements reflects summary of fixed assets register amount of Kshs. 22,241,480 (historical cost) which includes an amount of Kshs.500,000 for an unregistered parcel of land. Further, the allotment letter was not provided for audit.

In the circumstances, the ownership of the parcel of land could not be confirmed.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, are of most significance in the audit of the financial statements. There were no key audit matters to report in the year under review.

Other Matter

1. Budget Control and Performance

The summary statement of appropriation reflects a final receipts budget and actual amounts on comparable basis of Kshs.246,651,240 and Kshs.201,562,361 respectively

resulting to an under funding of Kshs.45,088,879 or 18% of the budget. Similarly, the Fund spent Kshs.146,012,331 against approved budget of Kshs.246,651,240 resulting to under expenditure of Kshs.100,638,909 or 41% of the budget.

The under-funding and under-expenditure imply that some planned programs were not implemented which may have negatively impacted on service delivery to the citizens.

2. Projects Implementation Status

During the year under review, the Board approved a budget of Kshs.221,100,000 for the implementation of one hundred and thirteen (113) projects. However, an analysis of the status report provided for audit revealed that only fifty (50) projects with a budget of Kshs.138,750,000 were implemented while sixty-three (63) projects with a budget of Kshs.82,350,000, being 37% of budgeted projects were not implemented.

The underperformance in project implementation affected the planned activities and may have impacted negatively on service delivery to the citizens.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 4000. The standard requires that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements are in compliance, in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, I confirm that, nothing has come to my attention to cause me to believe that internal controls, risk management and overall governance were not effective.

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal control, risk management and overall governance were operating effectively, in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of Management and those Charged with Governance

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 maintaining effective 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 and for its assessment of the effectiveness of internal control, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue to sustain its services, disclosing, as applicable, matters related to sustainability of services and using the applicable basis of accounting unless Management is aware of the intention to terminate the Fund or to cease operations.

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.

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements, ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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.

In addition to the audit of the financial statements, a compliance audit is planned and performed to express a conclusion about whether, in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way, in accordance with the provisions of Article 229(6) of the Constitution and submit the audit report in compliance with Article 229(7) of the Constitution.

Further, in planning and performing the audit of the financial statements and audit of compliance, I consider internal control in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. My consideration of the internal control would not necessarily disclose all matters in the internal control that might be material weaknesses under the ISSAIs. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Because of its inherent limitations, internal controls may not prevent or detect misstatements and instances of non-compliance. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the Fund's policies and procedures may deteriorate.

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 controls.
- 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 applicable 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 Fund'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 Fund 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 Fund 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.


CPA Nancy Gatirunga, CBS
AUDITOR-GENERAL

Nairobi

19 September, 2022

*Wajir West Constituency
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VII. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts			
Transfers from NGCDF board-AIEs' Received	1	161,367,724	123,040,876
Other Receipts	2	0	215,914
Total Receipts		161,367,724	123,256,790
Payments			
Compensation of employees	3	4,584,510	3,583,314
Use of goods and services	4	5,777,419	4,830,523
Transfers to Other Government Units	5	76,511,070	46,769,941
Other grants and transfers	6	59,139,332	49,288,367
Acquisition of Assets	7		1,899,200
Total Payments		146,012,331	106,371,345
SURPLUS/DEFICIT		15,355,393	16,885,444

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF Wajir West constituency financial statements were approved on 29th July 2021 and signed by:



Fund Account Manager
Mohamed Osmail



National Sub-County
Accountant
Sammy Malova



Chairman NGCDF Committee
Mohamed Abdi

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
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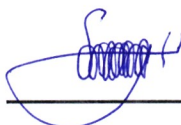
VIII. STATEMENT OF ASSETS AND LIABILITIES

	Notes	2020-2021	2019-2020
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8	55,550,030	40,194,637
Cash Balances (Cash at hand)		-	-
Totals of Cash and Cash equivalents		55,550,030	40,194,637
Current Receivables			
Outstanding imprests		-	-
Total Financial Assets		55,550,030	40,194,637
Financial Liabilities			
Accounts Payable		-	-
Retention		-	-
Gratuity		-	-
Total Financial Liabilities		-	-
Total Financial Assets		55,550,030	40,194,637
Represented By			
Fund Balance b/fwd 1st July 2020	9	40,194,637	23,309,193
Surplus/Deficit for the year		15,355,393	16,885,444
NET FINANCIAL POSITION		55,550,030	40,194,637

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF Wajir West financial statements were approved on 29th July 2021 and signed by:



Fund Account Manager
Mohamed Osmail



National Sub-County
Accountant
Sammy Malova



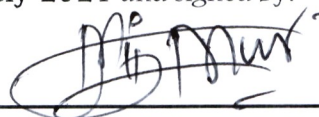
Chairman NGCDF Committee
Mohamed Abdi

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
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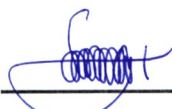
STATEMENT OF CASHFLOW

		2020 - 2021	2019 - 2020
		Kshs	Kshs
Receipts from operating activities			
Transfers from NGCDF Board	1	161,367,724	123,040,876
Other Receipts	2	0	215,914
Total Receipts		161,367,724	123,256,790
Payments for operating expenses			
Compensation of Employees	3	4,584,510	3,583,314
Use of goods and services	4	5,777,419	4,830,523
Transfers to Other Government Units	5	76,511,070	46,769,941
Other grants and transfers	6	59,139,332	49,288,367
Total Payments		0	104,472,145
Adjusted for:		146,012,331	
Adjustments during the year		0	0
Net cash flow from operating activities			18,784,644
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of Assets	7		(1,899,200)
Net cash flows from Investing Activities			(1,899,200)
NET INCREASE IN CASH AND CASH EQUIVALENT		15,355,393	16,885,444
Cash and cash equivalent at BEGINNING of the year	9	40,194,637	23,309,193
Cash and cash equivalent at END of the year		55,550,030	40,194,637

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF Wajir West financial statements were approved on 29th July 2021 and signed by:



Fund Account Manager
Mohamed Osmail



National Sub-County
Accountant
Sammy Malova



Chairman NGCDF Committee
Mohamed Abdi

IX. SUMMARY STATEMENT OF APPROPRIATION

Receipts/Payments	Original Budget	Adjustments		Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilization
	a	b	c= a+b				
RECEIPTS		Opening Balance (C/BK) and AIA	Previous Years Outstanding Disbursements	2020/2021	30/06/2021		
Transfers from NGCDF Board	137,088,879	40,194,637	69,367,724	246,651,240	201,562,361	45,088,879	81.7%
Proceeds from Sale of Assets							
Other Receipts							
TOTAL	137,088,879	40,194,637	69,367,724	246,651,240	201,562,361	45,088,879	81.7%
PAYMENTS							
Compensation of Employees	4,092,000	1,429,506	2,267,724	5,521,506	4,584,510	936,996	83.0%
Use of goods and services	6,064,199	2,868,888	57,800,000	11,200,811	5,777,419	5,423,392	51.6%
Transfers to Other Government Units	70,150,000	16,100,000	9,300,000	144,050,000	76,511,070	67,538,930	53.1%
Other grants and transfers	56,782,680	19,796,243		85,878,923	59,139,332	26,739,591	68.9%
TOTAL	137,088,879	40,194,637	69,367,724	246,651,240	146,012,331	100,638,909	59.2%

From the summary of appropriation statement, the overall budget performance stood at 59.2%. The low absorption of funds is explained below:

- i. Compensation of Employees were below 90% because of delay in funding from the NGCDF Board. In addition, a provision for service gratuity was made. Also, there is a need to make a provision of at least 3 months' staff salary. It usually takes at least 5 months before the next financial year funding is received.
- ii. Use of goods and services were below 90% because funding from the NGCDF Board delayed. The corona virus pandemic has slowed down the overall activities of Wajir West NGCDFC leading to low utilization of funds.
- iii. Transfer to other government units were below 90% because funding from the NGCDF Board delayed because of corona virus pandemic that has hit the country and the entire globe hence delay in procurement and utilization of funds.
- iv. Other grants and transfers below 90% because funding from the NGCDF Board delayed because of corona virus pandemic that has hit the country and the entire globe hence delay in procurement and utilization of funds.

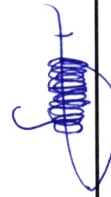
*Wajir West Constituency
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	100,638,909
Less undisbursed funds receivable from the Board as at 30 th June 2021	45,088,879
	55,550,029
Add Accounts payable	0
Less Accounts Receivable	0
Add/Less Prior Year Adjustments	0
Cash and Cash Equivalents at the end of the FY 2020/2021	55,550,029

The NGCDF Wajir West financial statements were approved on 29th July 2021 and signed by:



Fund Account Manager
Mohamed Osmail



National Sub-County Accountant
Sammy Malova



Chairman NGCDF Committee
Mohamed Abdi

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
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X. BUDGET EXECUTION BY SECTORS AND PROJECTS

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Gratuity		391,364		391,364		391,364
1.2 Employees Salaries	4,092,000	1,038,142		5,130,142	4,584,510	545,632
1.3 Goods and Services	1,500,000	1,437,517		2,937,517	1,351,119	1,586,398
1.4 Committee Expenses	1,460,063	578,063		2,038,126	1,429,500	608,626
Total	7,052,063	3,445,086		10,497,149	7,365,129	3,132,020
2.0 Monitoring, Evaluation and Capacity Building						
2.1 Goods and Services	1,004,136	253,308	767,724	2,025,168	1,048,000	977,168
2.2 Committee Expenses	600,000	600,000		1,200,000	450,000	750,000
2.3 CD/FC / PMC Capacity building	1,500,000		1,500,000	3,000,000	1,498,800	1,501,200
Total	3,104,136	853,308	2,267,724	6,225,168	2,996,800	3,228,368
3.0 Emergency- Water Trucking						
Total	7,192,207			7,192,207	6,393,006	799,201
4.0 Bursary						
4.1 Bursary for Secondary	11,790,474	215,914		12,006,388	11,786,000	220,388
4.2 Bursary for Tertiary	21,000,000	19,580,328		40,580,328	22,133,435	18,446,893
Total	32,790,474	19,796,242		52,586,716	33,919,435	18,667,281
5.0 Sports Activities						

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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
5.1 Sports Activities			1,000,000	1,000,000	999,600	400
Total			1,000,000	1,000,000	999,600	400
6.0 Primary Schools						
6.01 Kukale Primary School	600,000		1,600,000	2,200,000	1,530,000	670,000
6.02 Kalkacha West Primary School	1,100,000		800,000	1,900,000	760,000	1,140,000
6.03 Adan Awale Primary School	1,800,000	1,000,000		2,800,000	999,500	1,800,500
6.04 Arbajahan Primary School	1,200,000		6,500,000	7,700,000	6,499,850	1,200,150
6.05 Kara Primary school	1,700,000	2,150,000		3,850,000	294,980	3,555,020
6.06 Lanqot Primary School	1,450,000	50,000	850,000	2,350,000	857,450	1,492,550
6.07 Waberi Girls Primary School	600,000		1,600,000	2,200,000	1,520,000	680,000
6.08 Garsekhotu Primary School	1,200,000		1,200,000	2,400,000	1,139,940	1,260,060
6.09 Doble Primary School	1,000,000		600,000	1,600,000	570,000	1,030,000
6.10 Bukuma Primary School	1,100,000	1,100,000		2,200,000	1,054,890	1,145,110
6.11 Kubeysurur Primary School	1,200,000		1,700,000	2,900,000	1,520,000	1,380,000
6.12 Fatuma Nur Primary School	800,000	1,000,000		1,800,000	999,950	800,050
6.13 Boa Primary School	1,200,000		800,000	2,000,000	800,000	1,200,000
6.14 Garweine Primary School	800,000		1,600,000	2,400,000	1,519,880	880,120
6.15 Madina Primary School	1,000,000		1,150,000	2,150,000	969,650	1,180,350
6.16 Godey Primary School	1,600,000			1,600,000		1,600,000
6.17 Lolkuta North Primary school	800,000		1,100,000	1,900,000	1,054,250	845,750
6.18 Wachir Primary school	1,000,000			1,000,000		1,000,000
6.19 Ona Salat Primary school	800,000			800,000		800,000
6.20 Gubad Onle Primary School	800,000			800,000		800,000

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
6.21 Al-Hagar Primary school	1,600,000.00			1,600,000		1,600,000
6.22 Hadado Primary school	1,200,000			1,200,000		1,200,000
6.23 Busbus Primary school	800,000			800,000		800,000
6.24 Adhibohol Primary school	1,200,000			1,200,000		1,200,000
6.25 Omar Digile Primary school	800,000		800,000	1,600,000	1,559,520	40,480
6.26 Kanjara Primary School	5,500,000			5,500,000		5,500,000
6.27 Ademasajidda Primary School	1,500,000			1,500,000	1,499,965	35
6.28 Waso Grils Primary School	600,000			600,000		600,000
6.29 Maumau Primary school	1,600,000			1,600,000		1,600,000
6.30 Jira Primary School	600,000			600,000		600,000
6.31 Griftu Primary School	2,200,000		1,200,000	3,400,000	1,199,900	2,200,100
6.32 Lagbogol Primary School	1,200,000			1,200,000		1,200,000
6.33 Shandarua Primary School	1,600,000			1,600,000		1,600,000
6.34 Shantaabaq Primary School	1,200,000			1,200,000		1,200,000
6.35 Isakiah Primary School	1,600,000			1,600,000		1,600,000
6.36 Showli Primary School	1,600,000			1,600,000		1,600,000
6.37 Makaror Primary School	900,000			900,000		900,000
6.38 Bojiyare Primary School			1,200,000	1,200,000	1,140,000	60,000
6.39 Lagdima Primary School		600,000		600,000	599,800	200
6.40 Welathi Primary School		900,000		900,000	865,000	35,000
6.41 Baji Primary School			600,000	600,000	570,000	30,000
6.42 Turbani Primary School			600,000	600,000	569,800	30,200
6.43 Garabanshinle Primary Sch			600,000	600,000	569,970	30,030

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
Reports and Financial Statements for the Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
6.44 Taqwa Primary School			800,000	800,000	760,000	40,000
6.45 Bulla Forest Primary School			800,000	800,000	759,990	40,010
6.46 Wagalla Primary School		900,000		900,000	900,000	-
6.47 Guticha Primary School			800,000	800,000	759,990	40,010
Total	47,450,000	7,700,000	26,900,000	82,050,000	33,844,275	48,205,725
7.0 Secondary Schools						
7.01 Hudhile Mixed Day Secondary	2,300,000		11,700,000	14,000,000	11,709,295	2,290,705
7.02 Wagalla Memorial Secondary	1,800,000	700,000	2,600,000	5,100,000	4,208,320	891,680
7.03 Arbajahan Secondary School	2,800,000	2,400,000	5,000,000	10,200,000	7,063,700	3,136,300
7.04 Hadado Secondary School	800,000	700,000	4,500,000	6,000,000	4,974,480	1,025,520
7.05 Ademasajidda Mixed Day Seco	1,500,000			1,500,000	10,000	1,490,000
7.06 Makaror Mixed Day Seco	3,500,000	2,000,000		5,500,000	5,499,300	700
7.07 Waso Girls Secondary School	2,300,000	500,000	6,000,000	8,800,000	6,038,000	2,762,000
7.09 Hon. Khalif Girls Secondary	4,300,000			4,300,000	10,000	4,290,000
7.10 Garsekhofu Secondary School	1,700,000	700,000		2,400,000	700,000	1,700,000
7.11 Griftu Secondary School	1,700,000	700,000		2,400,000	699,000	1,701,000
7.12 Lagbogol Secondary School		700,000	1,100,000	1,800,000	1,754,700	45,300
Total	22,700,000	8,400,000	30,900,000	62,000,000	42,666,795	19,333,205
8.0 Security Projects						
8.01 Hadado DCC's Residence	6,700,000			6,700,000	6,699,531	469
8.02 Hadado DCC's Office	2,900,000			2,900,000	2,898,400	1,600
8.03 Griftu Police Station	3,000,000			3,000,000		3,000,000
8.04 Wajir West SCCIO staff house	1,500,000			1,500,000		1,500,000

*Wajir West Constituency
National Government Constituency Development Fund (NGCDF)
Reports and Financial Statements for the Year Ended June 30, 2021*

Programme/Sub-programme	Original Budget 2020/2021	Adjustments		Final Budget 2020/2021	Actual on comparable basis 30/06/2021	Budget utilization difference
		Opening Balance (C/BK) and AIA	Previous Years' Outstanding Disbursements			
8.05 Hadado Police Station	600,000		1,800,000	2,400,000	1,729,600	670,400
8.06 Lolkuta North Police Station	600,000		600,000	1,200,000	600,000	600,000
8.07 Arbajahan Police Station	1,500,000			1,500,000		1,500,000
8.08 Lagbogol ACC's Office			1,500,000	1,500,000	1,499,900	100
8.09 Griftu Administration Police			500,000	500,000	500,000	-
8.10 Barmish Police Camp			3,100,000	3,100,000	3,099,860	140
8.11 Adhibohol Police camp			800,000	800,000	800,000	-
Total	16,800,000		8,300,000	25,100,000	17,827,291	7,272,709
Grand Total	137,088,880	40,194,636	69,367,724	246,651,240	146,012,331	100,638,909

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 Cash-basis International Public Sector Accounting Standards (IPSAS) as prescribed by the Public Sector Accounting Standards Board (PSASB) and set out in the accounting policy note below. This cash basis of accounting has been supplemented with accounting for; a) receivables that include imprests and salary advances and b) payables that include deposits and retentions.

The financial statements comply with and conform to the form of presentation prescribed by the PSASB. The accounting policies adopted have been consistently applied to all the years presented.

2. Reporting Entity

The financial statements are for the NGCDF-Wajir West Constituency. The financial statements encompass the reporting entity as specified under section 81 of the PFM Act 2012

3. Reporting Currency

The financial statements are presented in Kenya Shillings (KShs), which is the functional and reporting currency of the Government and all values are rounded to the nearest Kenya Shilling.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in this section have been consistently applied by the Entity for all the years presented.

a) Recognition of Receipts

The Entity recognises all receipts from the various sources when the event occurs and the related cash has actually been received by the Entity.

Tax Receipts

Tax receipts are recognized in the books of accounts when cash is received. Cash is considered as received when notification of tax remittance is received. (Check if this policy is applicable to entity)

*Wajir West Constituency
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Transfers from the Exchequer

Transfers from the exchequer are recognized in the books of accounts when cash is received. Cash is considered as received when payment instruction is issued to the bank and notified to the receiving entity.

External Assistance

External assistance is received through grants and loans from multilateral and bilateral development partners.

Grants and loans shall be recognized in the books of accounts when cash is received. Cash is considered as received when a payment advice is received by the recipient entity or by the beneficiary.

In case of grant/loan in kind, such grants are recorded upon receipt of the grant item and upon determination of the value. The date of the transaction is the value date indicated on the payment advice. A similar recognition criteria is applied for loans received in the form of a direct payment.

During the year ended 30th June 2021, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

Other receipts

These include Appropriation-in-Aid and relates to receipts such as proceeds from disposal of assets and sale of tender documents. These are recognized in the financial statements the time associated cash is received.

b) Recognition of payments

The Entity recognizes all payments when the event occurs and the related cash has actually been paid out by the Entity.

Compensation of Employees

Salaries and wages, allowances, statutory contribution for employees are recognized in the period when the compensation is paid.

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Use of Goods and Services

Goods and services are recognized as payments in the period when the goods/services are paid for. Such expenses, if not paid during the period where goods/services are consumed, shall be disclosed as pending bills.

Acquisition of Fixed Assets

The payment on acquisition of property plant and equipment items is not capitalized. The cost of acquisition and proceeds from disposal of these items are treated as payments and receipts items respectively. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration and the fair value of the asset can be reliably established, a contra transaction is recorded as receipt and as a payment.

A fixed asset register is maintained by each public entity and a summary provided for purposes of consolidation. This summary is disclosed as an annexure to the financial statements.

5. 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 receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

6. 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 First Community Bank, Wajir branch at the end of the financial year.

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorized public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where

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the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

8. Accounts Payable

For the purposes of these financial statements, deposits and retentions held on behalf of third parties have been recognized on an accrual basis (as accounts payables). This is in recognition of the government practice of retaining a portion of contracted services and works pending fulfillment of obligations by the contractor and to hold deposits on behalf of third parties. This is an enhancement to the cash accounting policy adopted by National Government Ministries and Agencies. Other liabilities including pending bills are disclosed in the financial statements.

9. 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 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.

10. Unutilized Funds

Unutilized funds consist of bank balances in the constituency account and previous year(s) balances not yet disbursed by the Board to the constituency at the beginning of the financial year. These balances are available for use in the year under review to fund projects approved in the respective prior financial years consistent with sec 6(2) and sec 7(1) of NGCDF Act, 2015.

11. Budget

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2020 for the period 1st July 2020 to 30th June 2021 as required by Law. Included in the adjustments are the unutilized funds.

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A comparison of the actual performance against the comparable budget for the financial year under review has been included in the financial statements.

12. Comparative Figures

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

13. 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 30th June 2021.

14. Errors

Material prior period errors shall be corrected retrospectively in the first set of financial statements authorized for issue after their discovery by: i.e. restating the comparative amounts for prior period(s) presented in which the error occurred; or ii. If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.

During the year, errors that have been corrected are disclosed under note 14 explaining the nature and amounts.

15. Related Party Transactions

Related party relationships are a normal feature of commerce. Specific information with regards to related party transactions is included in the disclosure notes.

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XII. NOTES TO THE FINANCIAL STATEMENT

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2020-2021	2019-2020
AIE NO.		Kshs	Kshs
NGCDF BOARD			
B047228	1		54,540,876
B041243	2		4,000,000
B041351	3		18,000,000
B041431	4		500,000
B047767	5		5,000,000
B104182	6		15,000,000
B096518	7		26,000,000
B104530	1	69,367,724	
B124692	2	9,000,000	
B119681	3	10,000,000	
B119720	4	13,000,000	
B128314	5	6,900,000	
B132074	6	6,000,000	
B132074	7	6,000,000	
B126036	8	12,000,000	
B126328	9	7,100,000	
B105123	10	10,000,000	
B140767	11	12,000,000	
TOTAL		161,367,724	123,040,876

2. OTHER RECEIPTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Interest Received		215,914
Total		215,914

3. COMPENSATION OF EMPLOYEES

Description	2020-2021	2019-2020
	Kshs	Kshs
Basic wages of contractual employees	4,488,510	3,498,914
Employer Contributions Compulsory NSSF	96,000	84,000
Total	4,584,510	3,583,314

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4. USE OF GOODS AND SERVICES

Description	2020-2021	2019-2020
	Kshs	Kshs
Communication, supplies and services	224,610	
Domestic travel and subsistence	31,500	304,800
Printing, advertising and information supplies & services	324,216	
Rentals of Produced assets	1,048,000	159,000
Training Expenses	1,498,800	1,335,240
Other Committee expenses	1,848,000	2,497,000
Office and general supplies and services	266,800	268,000
Fuel, Oil and Lubricants	516,790	
Other Operating Expenses	18,703	23,483
Routine maintenance – other assets		243,000
Total	5,777,419	4,830,523

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2020-2021	2019-2020
	Kshs	Kshs
Transfers to primary schools	33,844,275	36,764,941
Transfers to secondary schools	42,666,795	10,005,000
TOTAL	76,511,070	46,769,941

6. OTHER GRANTS AND OTHER PAYMENTS

Description	2020-2021	2019-2020
	Kshs	Kshs
Bursary – secondary schools	11,786,000	12,006,300
Bursary – tertiary institutions	22,133,435	15,597,079
Security projects	17,827,291	14,299,988
Sports projects	999,600	390,000
Emergency projects	6,393,006	6,995,000
Total	59,139,332	49,288,367

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7. ACQUISITION OF ASSETS

Description	2020-2021	2019-2020
	Kshs	Kshs
Construction of Buildings		899,200
Purchase of Office Furniture and General Equipment		200,000
Purchase of Computers, Printers and Other ICT Assets		713,000
Purchase of Photocopier		87,000
Total		1,899,200

8. CASH BOOK BANK BALANCE

Name of Bank, Account No. & currency	2020-2021	2019-2020
	Kshs	Kshs
	30/06/2021	30/06/2020
<i>First Community Bank, Account No. 80001203, KSHS.</i>	55,550,030	40,194,637
Total	55,550,030	40,194,637

9. BALANCES BROUGHT FORWARD

Description	2020-2021 (1 st July 2020)	2019-2020 (1 st July 2019)
	Kshs	Kshs
Bank accounts	40,194,637	23,309,193
Total	40,194,637	23,309,193

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10. OTHER IMPORTANT DISCLOSURES

10.1 UNUTILIZED FUND (See Annex 1)

Description	2020-2021	2019-2020
	Kshs	Kshs
Compensation of employees	936,996	1,429,506
Use of goods and services	5,423,392	5,136,612
Amounts due to other Government entities (see attached list)	67,754,844	73,900,000
Amounts due to other grants and other transfers (see attached list)	26,739,591	28,880,329
Unallocated Amount -AIA		215,914
Total	100,854,823	109,562,361

10.2 PMC account balances (See Annex 3)

Description	2020-2021	2019-2020
	Kshs	Kshs
PMC account balances (see attached list)	85,410	85,416
Total	85,410	85,416

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ANNEX 1: UNUTILIZED FUNDS- CASHBOOK BALANCE

Name	Brief Transaction Description	Original Amount	Amount Paid To-Date	Outstanding Balance 2020/2021	Outstanding Balance 2019/20	Comments
		a	b	c=a-b	2019/20	
Gratuity	Provision for staff service gratuity	391,365		391,365		
Compensation of employees	Basic wages o contractual employees	5,130,142	4,584,510	545,632		
Use of Goods & Services	Use of Goods and Services- car hires	8,561,831	5,777,419	2,784,412		
Sub-Total		14,083,338	10,361,929	3,721,409		
Amounts due to other Government entities						
Adan Awale Primary School	Renovation of 4 classrooms- floors, doors, windows and Painting.	1,000,000	999,500	500		
Kara Primary school	Construction to completion of 3No Classrooms; Renovation of 4No Classrooms and 1-door pit Latrine	3,850,000	294,980	3,555,020		
Lagdima Primary School	Renovation of 3 classrooms- floors, walls, doors, windows, painting.	600,000	599,800	200		
Welathi Primary School	Renovation of 3 classrooms- floors, walls, doors, windows, painting.	900,000	865,000	35,000		
Bukuma Primary School	Construction to completion of 2No classrooms & 2-door pit Latrine	2,200,000	1,054,890	1,145,110		
Fatuma Nur Primary School	Renovation of 4 classrooms- floors, walls, doors, windows, painting.	1,000,000	999,950	50		
Kukale Primary School	Construction to completion of 2No classrooms & 2-door pit Latrine	2,200,000	1,530,000	670,000		
Kalkacha West Primary School	Construction to completion of one classroom	800,000	760,000	40,000		
Arbajahan Primary School	Fencing of the school compound with concrete posts and chain link, a total of 1,300 meters.	6,500,000	6,499,850	150		
Bojiyare Primary school	Construction to completion of two roomed staff house	1,200,000	1,140,000	60,000		
Lanqot Primary School	Construction to completion of one classroom	850,000	807,450	42,550		
Waberi Girls Primary School	Construction to completion of 2 classrooms	1,600,000	1,520,000	80,000		
Garsekhofftu Primary School	Construction to completion of a computer room	1,200,000	1,139,940	60,060		
Dobley Primary School	Construction to completion of two door pit latrine	600,000	570,000	30,000		

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Name	Brief Transaction Description	Original Amount a	Amount Paid To-Date b	Outstanding Balance 2020/2021 c=a-b	Outstanding Balance 2019/20	Comments
Baji Primary School	Construction to completion of two door pit latrine	600,000	570,000	30,000		
Turbani Primary School	Construction to completion of two door pit latrine	600,000	569,800	30,200		
Garabhanshinle Primary school	Construction to completion of two door pit latrine	600,000	569,970	30,030		
Taqwa Primary School	Construction to completion of one classroom	800,000	760,000	40,000		
Bulla Forest Primary School	Construction to completion of one classroom	800,000	759,990	40,010		
Kubeysurur Primary School	Construction to completion of 2 classrooms	1,700,000	1,520,000	180,000		
Garweine Primary School	Construction to completion of 2 classrooms	1,600,000	1,519,880	80,120		
Madina Primary School	Construction to completion of 1No classroom, 1-door Toilet & underground water tank	2,150,000	969,650	1,180,350		
Lolkuita North Primary school	Construction to completion of one classroom & 1-door Latrine	1,100,000	1,054,250	45,750		
Omar Digile Primary School	Construction to completion of 2No classroom	1,600,000	1,559,520	40,480		
Al-Hagar Primary school	Construction to completion of two classrooms	1,600,000		1,600,000		
Hadado Primary school	Renovation of 3 classrooms to completion	1,200,000		1,200,000		
Guticha Primary school	Construction to completion of one classroom	800,000	759,990	40,010		
Kanjara Primary School	Construction to completion of 2-door toilets & Fencing of the school	5,500,000		5,500,000		
Ademasajidda Primary School	Renovation of 5 classrooms to completion	1,500,000	1,499,965	35		
Griftu Primary School	Renovation of 2No dormitories & 7No Classrooms to completion	3,400,000	1,199,900	2,200,100		
Makaror Primary School	Renovation of 4 door toilets to completion	900,000		900,000		
Arbajahan Secondary school	Construction to completion of 2No classrooms & Science Laboratory	6,700,000	6,363,700	336,300		
Wagalla Memorial Secondary	Office Furniture, staff houses and Renovation of Kitchen	3,500,000	3,408,320	91,680		

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Name	Brief Transaction Description	Original Amount a	Amount Paid To-Date b	Outstanding Balance 2020/2021 c=a-b	Outstanding Balance 2019/20	Comments
Griftu Secondary School	Purchase of office furniture	700,000	699,000	1,000		
Hadado Secondary School	Purchase of office furniture & Construction of science Laboratory	5,200,000	4,974,480	225,520		
Waso Girls Secondary School	Construction to completion of 4No classrooms, Admin block, 2 toilets, fencing of the school & office furniture	8,500,000	5,738,000	2,762,000		
Hudhile Mixed Day Secondary school	Construction to completion of 2 classrooms, Administration block, fence, well, 2- door pit Latrine, 50 chairs, 50 lockers & Office furniture	12,400,000	11,709,295	690,705		
Lagbogol Secondary school	Construction to completion of one classroom & 1-door Latrine	1,100,000	1,054,700	45,300		
Ademsajida Mixed Day Secondary School	Purchase of office furniture	700,000	10,000	690,000		
Makaror Mixed Day Secondary	Renovation of 2 classrooms, Fitting of a Laboratory & Construction of Underground water tank.	5,500,000	5,499,300	700		
Hon. Khalif Girls Secondary	Construction to completion of 100 bed capacity dormitory & Office Furniture	3,500,000	10,000	3,490,000		
GarseKhoftu Secondary School	Renovation of 4 classrooms to completion- roofing, floors, walls,	900,000		900,000		
Sub-Total		99,650,000	71,561,070	28,088,930		
Amounts due to other grants and other transfers						
Bursary – Secondary	Payment of bursary to needy students in secondary schools.	12,001,914	11,786,000	215,914		
Bursary – Tertiary	Payment of bursary to needy students in colleges and universities.	40,584,901	22,133,435	18,451,466.41		
Emergency	To cater for unseen occurrences in the constituency	7,192,207	6,393,006	799,201		
Sports Activities	Conducting Sports tournaments for seven Secondary Schools	1,000,000	999,600	400		
Lagbogol Assistant County Commissioner's Office	Fencing of the office with concrete posts and chain link- a total of 250 meters.	1,500,000	1,499,900	100		

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Name	Brief Transaction Description	Original Amount a	Amount Paid To-Date b	Outstanding Balance 2020/2021 c=a-b	Outstanding Balance 2019/20	Comments
Barmish Police Camp	Construction to completion of Police camp- 3 staff houses, 2 police cells, Police Armory and 2 toilets	3,100,000	3,099,860	140		
Hadado Police Camp	Construction to completion of 2 roomed staff house & 2-door pit latrine	1,800,000	1,729,600	70,400		
Hadado Deputy County Commissioner's Residence	Construction to completion of 5-bedroom house with a lounge, kitchen, 2-door toilets	6,700,000	6,699,531	469		
Griftu Police Station	Construction to completion of 4 roomed staff house	3,000,000		3,000,000		
Hadado Deputy County Commissioner's Office	Purchase of Office Furniture	2,900,000	2,898,400	1,600		
Hadado Police Station	Construction to completion of 2 door toilets	600,000		600,000		
Arbajahan Police Station	Construction to completion of 2 door toilets	600,000		600,000		
Sub-Total		80,979,022	57,239,332	23,739,690		
Grand Total		194,712,360	139,162,331	55,550,029		

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AMOUNT NOT RECEIVED FROM NGCDF BOARD

Name	Brief Transaction Description	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
Monitoring, Evaluation and Capacity Building				
Goods and Services	Purchase of fuel, repairs and maintenance, printing, stationery, Airtime, travel and subsistence.	1,004,136		Not received from the NGCDFB
Committee Expenses	Payment of Committee sitting allowances, transport, conferences	134,743		Not received from the NGCDFB
NGCDFC / PMC Capacity building	Undertake training of the PMCs/NGCDFCs on NGCDF related issues.	1,500,000		Not received from the NGCDFB
Sub-Total		2,638,879		
Amounts due to other government entities				
Kalkacha West Primary School	Construction to completion of one classroom	800,000		Not received from the NGCDFB
Kalkacha West Primary School	Construction to completion of 1 -door toilet	300,000		Not received from the NGCDFB
Adan Awale Primary School	Construction to completion of 2-door toilets	600,000		Not received from the NGCDFB
Adan Awale Primary School	Construction to completion of two roomed staff house	1,200,000		Not received from the NGCDFB
Arbajahan Primary School	Renovation of 4 classrooms to completion- floors, doors, windows, painting	1,200,000		Not received from the NGCDFB
Lanqot Primary School	Construction to completion of one classroom	850,000		Not received from the NGCDFB

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Name	Brief Transaction Description	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
Lanqot Primary School	Renovation of 2 classrooms to completion- roofing sheets, floors, doors, windows, painting	600,000		Not received from the NGCDFB
Waberi Girls Primary School	Construction to completion of 2-door toilets	600,000		Not received from the NGCDFB
Garsekhoftu Primary School	Construction of Administration block comprising of head teacher's Office, staff room and book store to completion.	1,200,000		Not received from the NGCDFB
Dobley Primary School	Construction to completion of 20M3 underground tank.	1,000,000		Not received from the NGCDFB
Kubeyzurur Primary School	Construction of Administration block comprising of head teacher's Office, staff room and book store to completion.	1,200,000		Not received from the NGCDFB
Fatuma Nur Primary School	Construction to completion of one classroom	800,000		Not received from the NGCDFB
Boa Primary School	Construction to completion of two roomed staff house	1,200,000		Not received from the NGCDFB
Garweine Primary School	Renovation of 3 classrooms to completion- roofing, floors, walls, doors, windows, painting.	800,000		Not received from the NGCDFB
Godey Primary School	Construction to completion of two classrooms	1,600,000		Not received from the NGCDFB
Lolkuta North Primary school	Construction to completion of one classroom	800,000		Not received from the NGCDFB

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Name	Brief Transaction Description	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
Wachir Primary school	Renovation of 3 classrooms to completion- floors, doors, windows, painting	1,000,000		Not received from the NGCDFB
Ona Salat Primary school	Construction to completion of one classroom	800,000		Not received from the NGCDFB
Gubad Onle Primary School	Construction to completion of one classroom	800,000		Not received from the NGCDFB
Busbus Primary school	Construction to completion of one classroom	800,000		Not received from the NGCDFB
Adhibohol Primary school	Construction to completion of two roomed staff house	1,200,000		Not received from the NGCDFB
Waso Grils Primary School	Construction to completion of 2-door toilets	600,000		Not received from the NGCDFB
Maumau Primary school	Construction to completion of 2 classrooms	1,600,000		Not received from the NGCDFB
Jira Primary School	Construction to completion of 2-door toilets	600,000		Not received from the NGCDFB
Lagbogol Primary School	Construction to completion of two roomed staff house	1,200,000		Not received from the NGCDFB
Shandarua Primary School	Construction to completion of 2 classrooms	1,600,000		Not received from the NGCDFB

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Name	Brief Transaction Description	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
Shantaabaq Primary School	Construction to completion of two roomed staff house	1,200,000		Not received from the NGCDFB
Isakiah Primary School	Construction to completion of 2 classrooms	1,600,000		Not received from the NGCDFB
Showli Primary School	Construction to completion of 2 classrooms	1,600,000		Not received from the NGCDFB
Hudhile Mixed Day Secondary school	Construction to completion of 2 classrooms	1,600,000		Not received from the NGCDFB
Arbajahan Secondary school	Piping water from Arbajahan Primary School to Arbajahan Secondary School (1Kilometer).	1,000,000		Not received from the NGCDFB
Arbajahan Secondary school	Construction to completion of 20M ³ underground tank.	1,000,000		Not received from the NGCDFB
Wagalla Memorial Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB
Arbajahan Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB
Griftu Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB
Garsekhoftu Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB
Hadado Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB

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Name	Brief Transaction Description	Outstanding Balance 2020/2021	Outstanding Balance 2019/2020	Comments
Ademasajidda Mixed Day Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB
Hon. Khalif Girls Secondary School	Laboratory Equipment- 10 binocular microscope	800,000		Not received from the NGCDFB
Griftu Secondary School	Renovation of 4 classrooms to completion- floors, walls, doors, windows, painting.	900,000		Not received from the NGCDFB
Sub-Total		39,450,000		
Amounts due to other grants and other transfers				
Wajir West Sub-County Criminal Investigation Officer staff house	Construction to completion of two roomed staff house.	1,500,000		Not received from the NGCDFB
Lolkuta North Police Station	Construction to completion of 2 door pit latrine	600,000		Not received from the NGCDFB
Arbajahan Police Station	Renovation of 4 roomed staff house to completion- floors, walls, doors, windows, painting.	900,000		Not received from the NGCDFB
Sub-Total		3,000,000		
Grand Total		45,088,879		

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ANNEX 2- SUMMARY OF FIXED ASSETS REGISTER

Asset Class	Historical Cost b/f (Kshs) 2019/2020	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2020/2021
Land (Unregistered)	500,000			500,000
Buildings and structures	18,010,480			18,010,480
Office equipment, furniture and fittings	2,411,000			2,411,000
ICT equipment, software and other ICT assets	1,320,000			1,320,000
Total	22,241,480			22,241,480

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ANNEX 3. PMC BANK BALANCES AS AT 30TH JUNE 2021

NO	PROJECT NAME	BANK	A/C NO	Bank Balance 30/6/2021	Bank Balance 30/6/2020
1	Boa Primary School	KCB	111627332	443	542
2	Ganyurey Primary School	FCB	80006979	1,738	1,503
3	Kara Primary School	FCB	80006997	2,275	4,275
4	Korija Primary School PMC	FCB	80010451	1,233	2,595
5	Lolkuta South Primary School	FCB	70001193	1,754	1,237
6	Hadado Primary School	FCB	80005020	2,665	1,632
7	Baji Primary School	FCB	80010460	1,310	2,552
8	Kubeysurur Primary Sch	FCB	80004496	0	0
9	Dobley Primary School	FCB	80010450	1,255	1,117
10	Lanqoot Primary School	FCB	80009193	1,163	2,905
11	Waberi Girls Primary School	FCB	80006121	1,197	1,060
12	Adan Awale Primary School	FCB	80010481	402.00	1,127
13	Matho Primary School	FCB	80010499	265	627
14	Welathi Primary School	FCB	80008459	3,088	3,450
15	Arbajahan Primary School	FCB	80005007	2,433	2,260
16	Kalkacha West Primary School	FCB	80006438	2,528	3,033
17	Al-Hagar Primary School	FCB	80006437	2,013	1,303
18	LMD Primary School	FCB	80011204	1,210	0
19	Jira Primary School	KCB	1252582838	540	200
20	Hudhile Primary School	FCB	80009161	1,700	2,305
21	Kanjara Primary School	FCB	80005024	2,345	1,053
22	Ademsajida Primary School	FCB	80011325	638	0
23	Showli Primary School PMC	FCB	80008403	1,418	1,023
24	Garab Hanshinle Primary	FCB	80009191	1,218	1,322
25	Turbani Primary School	FCB	80009192	1,540	1,525
26	Makaror Primary School	KCB	1240220014	1,040	1,760
28	Lag-dima Primary School	FCB	80005075	2,030	1,755
29	Maumau Primary School	FCB	80005006	1,711	1,316
30	Busbus Primary School	FCB	80004773	2,608	1,608
31	Garweine Primary School	FCB	80011351	273	0
32	Griftu Primary School	FCB	80011329	2,838	0
33	Lagbogol Pry School	FCB	80006834	1,945	1,307
34	Garsekhoftu Pry School	FCB	80006992	1,287	3,631
35	Barmish Primary School	FCB	80005026	1,703	1,565
36	Isakhia Primary School PMC	FCB	80011316	1,205	0
37	Wagalla Memorial Secondary	FCB	80002444	15,855	6,218
38	Makaror Mixed Day Sec	FCB	80002427	3,827	1,525

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39	Arbajahan Secondary School	FCB	80006974	1,583	4,945
40	Griftu Secondary School	KCB	1133237312	254	691
41	Waso Girls Secondary School	FCB	80011633	1,500	0
42	Hadado Police PMC	FCB	80011007	2,000	0
43	Wagalla Police PMC	FCB	80009041	2,959	2,821
44	Hadado AP Camp PMC	FCB	80011284	1,625	0
45	Kukale Chief PMC	FCB	80011000	1,730	0
46	Griftu Police Station PMC	FCB	80011311	1,073	0
TOTAL				85,410	85,416

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PROGRESS ON FOLLOW UP OF AUDITORS 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 (<i>Name and designation</i>)	Status: (Resolve Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
WJR/INS/CDF/WE ST/VOL. 1/49	<p>1.0 Weaknesses in Internal Budgeting Processes</p> <p>An audit review of the budget proposals documents availed for audit revealed that there were no open forum public meeting minutes to show that deliberations on development matters took place in each ward, no programs of events for the public forums were attached. In addition, no list of priority projects from each ward was availed for audit review.</p>	<p>The NGCDF Act 2015 stipulates in part 5 section 27 subsection 1 and 2 that the chairperson of the NGCDF shall, within the first year of the commencement of a new Parliament and at least once every two years thereafter, convene open forum public meetings in every ward in the constituency to deliberate on development matters in the ward and in the constituency.</p> <p>Ward meetings were conducted for five days between 24th to 27th September 2020 covering all the four wards in the constituency namely Wagalla/Ganyure, Hadado/ Adhibohol, Ademasida and</p>	Fund Account Manager	Resolved	

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Reference No. on the external audit Report	Issue/ Observations from Auditor	Management Comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (Resolve Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		Arbajahan. As a matter of fact, the NGCDF Board does not approve project proposals which are not supported by ward reports complete with deliberations of open forum public meetings. Attached as Appendix 1 find the ward report.	Sub-County Accountant	Resolved	
	<p>2.0 Projects Implementation Status</p> <p>During the Year under review, the Fund budgeted to implement a total of seventy-one projects comprising of fifty-seven on education, three on emergency, ten on security and one on sports. From the analysis above, the Fund implemented only about 45% of the projects budgeted for leaving 55% of the budgeted projects not implemented. Non-implementation of development projects affects service delivery to the residents of Wajir West constituency.</p>	<p>As explained in the financial statements presented under the summary of the appropriation statement, page 4, paragraphs 1-5, the low absorption of funds is attributed to delay in disbursement of funds from the National Government Constituencies Development Fund (NGCDF) Board. The final funding from the NGCDF Board of Kshs. 69,367,724.10 was credited in the fund bank account on 28th September 2020 and the</p>	NGCDFC	Resolved	

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Reference No. on the external audit Report	Issue/ Observations from Auditor	Management Comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (Resolve Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>3.0 Funding of Projects under County Government Functions</p> <p>Observation</p> <p>During the year under review the Fund spent an amount Kshs 4,595,000 on water trucking services under the emergency allocation. However, the Fund did not provide justification for funding water projects which fall under the functions of the county governments. It was further not clear why water trucking was considered an emergency yet this is a problem that is expected every year within the region. The utilization of the emergency reserve was not reported to the Board within thirty days of occurrence of the emergency as required under Section 20 (2) of the National Government Constituencies Development Fund Act, 2015.</p>	<p>Authority to Incur Expenditure (AIE) was received on 12th October 2020 four months into the next financial year as per the AIE No. B104530. Attached as Appendix 2 find AIE NO. B104530 and Bank Statement for September 2020.</p> <p>Water trucking services under the emergency allocation was done to primary schools in settlements with no permanent water sources across the constituency. These schools were constructed with funding from NGCDF Wajir West. The government policy on free and compulsory basic education means that there are no levies charged on pupils to support schools in activities like water trucking. The Ministry of education officials and school administrators request for help</p>	NGCDFC	Resolved	

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Reference No. on the external audit Report	Issue/ Observations from Auditor	Management Comments	Focal Point person to resolve the issue (<i>Name and designation</i>)	Status: (Resolve Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>from NGCDF Wajir west to support these schools in Water trucking so that pupils can remain in school. The water is used for cooking food rations from the government in the form of school feeding programme. The need for water is compounded by the current Corona virus pandemic where there is need for frequent hand washing. The tools used in reporting to the NGCDF Board on the use of emergency fund include the Project Implementation Status Report and emails sent to the regional coordinator. Attached as Appendix 3 find the Project Implementation Status Report.</p>			