

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL STATEMENTS OF
NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND
WAJIR SOUTH CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE 2018



THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 19 SEP 2019 THURSDAY
TABLED BY: Hon. Adu Duale
CLEARED BY: Moses Lembo

PARLIAMENT
OF KENYA
LIBRARY



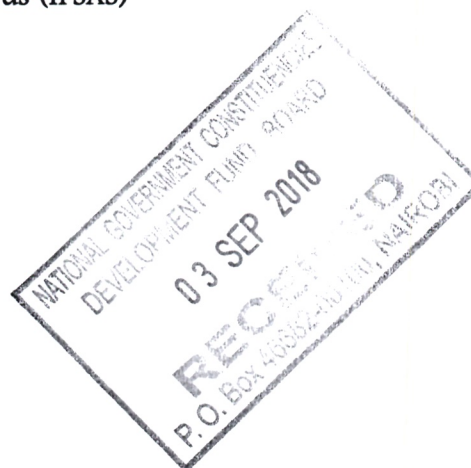


NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND WAJIR SOUTH CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2018**

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



**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) WAJIR
SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

Table of Content	Page
I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT	1
II. FORWARD BY THE NGCDF COMMITTEE CHAIRMAN	4
III. STATEMENT OF NGCDF COMMITTEE MANAGEMENT RESPONSIBILITIES	5
IV. STATEMENT OF RECEIPTS AND PAYMENTS	6
V. STATEMENT OF ASSETS AND LIABILITIES	7
VI. STATEMENT OF CASHFLOW	8
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED.....	9
VIII. SIGNIFICANT ACCOUNTING POLICIES.....	11
IX. NOTES TO THE FINANCIAL STATEMENTS.....	15

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) (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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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 NG-CDF Act, 2015. At cabinet level, NG-CDF 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 NG-CDF 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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

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 SOUTH 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 2018 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder Sub-County Accountant	Shafee Hassan
3.	Chairman NGCDFC	Geoffery N. Kinuthia
4.	Member NGCDFC	Abdiweli Mohamed
5.		Nima Elmoge

(d) Fiduciary Oversight Arrangements

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

(e) NGCDF Wajir South Constituency Headquarters

P.O. Bo- 90-70200
Wajir South NG-CDF Office
Habaswein, KENYA

(f) NGCDF Wajir South Constituency Contacts

Telephone: (254) 729-224-379
E-mail: cdfwajirsouth@ngcdf.go.ke
Website: www.ngcdf.go.ke

(g) NGCDF Wajir South Constituency Bankers

1. First Community Bank
Wajir branch
A/c No. 9535102
P.o Box 267-70201
Wajir, Kenya

(h) Independent Auditors

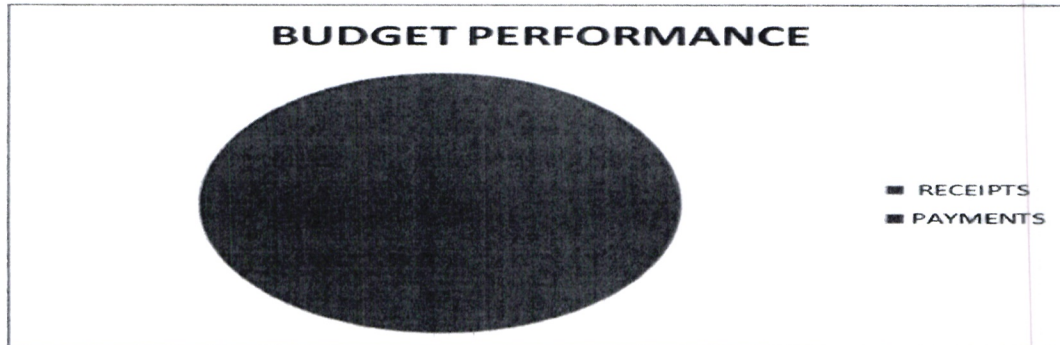
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Bo- 30084
GOP 00100
Nairobi, Kenya

(i) Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

II.FORWARD BY THE CHAIRMAN NGCDF COMMITTEE



The budget performance against the actual amount was not impressive with 47% absorption rate for the financial year 2017/2018. However, for the amount receipt the absorption rate was 100% meaning the funds received during the year under review was properly utilized. This can be seen on page 9 (summary statement of appropriation) of the financial statement. Amount receipts were Ksh 43,405,172 out of Ksh 98,189,655 which was budget for the financial year 2017/2018.

During the financial year under review the constituency was able to issue bursary to deserving and needy student within the constituency with 95% distribution of the amount received as at 30/6/2018. Three projects were implemented and were complete and in use; constituency strategic plan, purchase and distribution of laboratory equipment and mattresses to various secondary schools

Constituents are well informed on the NG CDF function and coming forward with their proposal to improve the general wellbeing of residents. Peace and security are the major concern due scarce resource within the pastoral communities along the constituency boundary as a result of climatic changes.

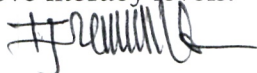
All projects are of urgency in nature to constituency, hence it becomes difficult to implement them since funds are received quarterly and like in financial year 2017/2018 more than 50% of the budget was received in the financial year 2018/2019 thus interfering with annual constituency program.

To rip the maximum benefits to the residents NG CDF funds should be disbursed within the financial year to ensure smooth transformation of the area covered.

As way forward, Wajir south NG-CDFC should do continuous monitoring of projects and roll out proper capacity building programs to project management committees
More resources should be allocated to peace building activities both by County Government and Wajir south NG-CDF.

Programs and projects should be designed to mitigate the effect of climate change both in the short time and long term.

More public education should be carried out to encourage pastoralists to take their children to school to improve literacy levels.

Sign 

**ABDIWELI MOHAMED BARKATLE
CHAIRMAN NGCDF COMMITTEE**

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

III. STATEMENT OF ENTITY MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2013 requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Wajir South Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2018. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; (iii) designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; (iv) safeguarding the assets of the entity; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Wajir South Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Cash Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *entity's* financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2018, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF-Wajir South Constituency further confirms the completeness of the accounting records maintained for the *entity*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-Wajir South Constituency confirms that the entity has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further the Accounting Officer confirms that the entity'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.

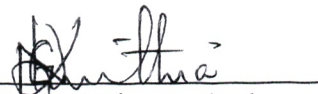
Approval of the financial statements

The NGCDF-Wajir South Constituency financial statements were approved and signed by the Accounting Officer on 31st August, 2018.



Fund Account Manager

Name: Shafee Hassan



Sub-County Accountant

Name: G.N. Kinuthia

ICPAK Member Number: 18855

REPUBLIC OF KENYA

Telephone: +254-20-342330
Fax: +254-20-311482
Mail: oag@oagkenya.go.ke
Website: www.kenao.go.ke



P.O. Box 30084-00100
NAIROBI

OFFICE OF THE AUDITOR-GENERAL

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - WAJIR SOUTH CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2018

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Wajir South Constituency set out on pages 6 to 32, which comprise the statement of financial assets as at 30 June 2018 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, 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 – Wajir South Constituency as at 30 June 2018, and 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 National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1. Cash and Cash Equivalents

A review of the bank reconciliation statement for the month of June 2018 availed for audit review revealed payments in cash book not in bank statement (unpresented cheques) of Kshs.1,811,067. Out of this amount, Kshs.113,499 were stale cheques, some dating back to 2016 which were issued to various learning institutions for bursaries, NHIF, NSSF and Kenya Revenue Authority continued being reflected as unpresented cheques. No explanation was given why the cash book had not been updated. Consequently, it has not

Report of the Auditor-General on the Financial Statements of National Government Constituencies Development Fund - Wajir South Constituency for the year ended 30 June 2018

been possible to confirm that the cash and cash equivalents balance of Kshs.3,783,023 as at 30 June 2018 is fairly stated.

2. Other Grants and Other Payments

Included in other grants and other payments balance of Kshs.25,720,519 reflected under note 7 to the financial statements is an expenditure of Kshs.21,151,500 incurred on payment of bursary for secondary schools and tertiary institutions. However, Kshs.7,562,500 had not been supported with acknowledgement letters or receipts from the learning institutions. The payments were also not supported with minutes of the Fund Committee meetings approving the payments.

Under the circumstances, the probity of the expenditure of Kshs.7,562,500 as at 30 June 2018 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of National Government Constituencies Development Fund – Wajir South 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 judgment, are of most significance in the audit of the financial statements. Except for the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1. Budget Control and Performance

A review of the summary statement of appropriation revealed that during the year under review, the Fund had an approved budget amounting to Kshs.109,923,236 out of which Kshs.4,214,547 was unspent balance from the financial year 2016/2017. The budget utilization on receipts and expenditure is as follows: -

Item	Budget Kshs	Actual Kshs	Variance Kshs.	% of variance
Receipts	109,923,235	55,177,626	54,745,609	50%
Expenditure	109,923,236	51,394,604	58,528,632	53%

The above analysis reflects actual receipts of Kshs.55,177,626 against budgeted amount of Kshs.109,923,235 resulting to underfunding of Kshs.54,745,609 representing 50% of the funds budgeted for the year. Further, the Fund spent an amount of Kshs.51,394,604 against a budgeted amount of Kshs.109,923,236 resulting to under expenditure of Kshs.58,528,632 representing 53% of the approved budget. The under expenditure was recorded in all the components as detailed below; -

Item	Approved Budget Kshs	Actual Expenditure Kshs	Under Expenditure Kshs	% Under Utilisation
Compensation of Employees	4,266,246	1,452,423	2,813,823	66%
Use of goods and services	9,328,715	7,042,193	2,286,522	25%
Transfers to Other Government Units	54,535,861	17,154,469	37,381,392	68%
Other grants and transfers	34,776,724	25,720,519	9,056,205	26%
Acquisition of Assets	2,338,662	25,000	2,313,662	99%
Other Payments	4,677,027	0	4,677,027	100%
Totals	109,923,235	51,394,604	58,528,631	

No reason was given why the Fund failed to utilize all the funds allocated for the year.

2. Projects Status

According to the code list for the approved projects for the financial year 2017/2018, the Fund had budgeted to implement thirty-two (32) projects consisting of; seventeen (17) primary schools projects, nine (9) secondary school projects, one (1) security projects and five (5) other projects with a total allocation of Kshs.60,041,207. However, the financial statements and the supporting ledgers revealed that the Fund implemented only two (2) secondary school projects and one (1) constituency strategic plan. The remaining projects with a total allocation of Kshs.50,736,207 had not been implemented as detailed below: -

Project Name	Project Details	Project Cost
		Kshs.
Agtalahel Primary School	Construction of two classrooms	1,800,000
Gerille Primary School	Construction of two classrooms	1,800,000
Diff Olddam primary school	Construction of two classrooms	1,800,000
Abaqmadobe Primary School	Construction of two classrooms	1,800,000
Meygag Primary School	Construction of two classrooms	1,800,000
Ibrahim Ure Primary School	Construction of two classrooms	1,800,000
Shimbrilbul Primary School	Construction of two classrooms	1,800,000

Project Name	Project Details	Project Cost
		Kshs.
Welari Primary School	Construction of two classrooms	1,800,000
Buroni Primary School	Construction of two classrooms	1,800,000
Gulletdere Primary School	Construction of one classroom	1,800,000
Hubsoy Primary School	Construction of three Teachers Houses	1,500,000
Abulgab Primary School	Construction of one classroom	900,000
Karu Primary School	Construction of one classroom	900,000
Burder ward Primary School	Purchase and supply of 120 desks	600,000
Diff Primary School	Purchase and Supply o of 100 Desks	500,000
Ibrahim Ure Primary School	Construction of one classroom	1,000,000
Salalma Primary School	Construction of three classrooms	1,736,207
Secondary		
Dagahley Secondary school	Construction of two classrooms (900,000) and twin toilets (300,000)	2,100,000
Abakore day secondary School	Installation of Laboratory fittings (Experiment tables, tabs, gas fittings, tubes, pipes, sinks)	1,500,000
Sabuli mixed Secondary School	Construction of one classroom Kshs.900,000 and a kitchen Kshs.300,000	1,300,000
Elbay Secondary School	Construction of a library	1,000,000
Diff Secondary School	Construction of twin toilets	300,000
Sabuli mixed Secondary School	Renovation of 3 classrooms 700,000, Solar PV system 2,000,000, laboratory fittings and renovations 2,000,000	4,677,027
Snr Chief Ogle Girls Secondary School	Hydro-geological survey, drilling of borehole and pump testing Kshs.4,800,000. Laboratory fitting and Purchase of lab Equipment – Kshs.4,210,344.83	9,010,345
Security Projects		
Leheley Administration Police Camp	Construction of 3 AP Rooms	1,200,000
Other Projects		
Bulla Juu chief's office	Construction of chiefs office Kshs.900,000 & Twin Toilets Kshs.300,000	1,200,000
Leheley sub county Headquarters	Construction of Twin toilets 300,000 and Purchase of office Furniture 700,000	1,000,000
NG-CDF office Genset	Purchase, supply and installation of 10kva office Generator	576,421

Project Name	Project Details	Project Cost
		Kshs.
Sports Activities	Carry out Constituency Sports tournament and the winning teams to be awarded with trophies, balls, and games kits	1,736,207
	Total	50,736,207

Non-implementation of development projects may affect service delivery to the constituents and the intended purposes of the projects may not have been realized.

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, except for the matters described in the Basis for Qualified Opinion section of my report, I confirm that, nothing else 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, except for the matters described in the Basis for Qualified Opinion section of my report, 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 1315 and ISSAI 1330. 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 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.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue to sustain services, disclosing, as applicable, matters related to sustainability of services and using the going concern basis of accounting unless the management either intends to liquidate the Fund or to close operations, or have no realistic alternative but to do so.

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 money is applied in an effective manner.

Those charged with governance are responsible for overseeing the Fund's financial reporting process, reviewing the effectiveness of how the entity 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 review is planned and performed to express a conclusion with limited assurance as to 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 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. The nature, timing and extent of the compliance work is limited compared to that designed to express an opinion with reasonable assurance on the financial statements.

Further, in planning and performing the audit of the financial statements and review 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 control may not prevent or detect misstatements and instances of noncompliance. 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.

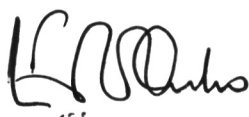
As part of an audit conducted in accordance with ISSAIs, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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 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 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 as a going concern or 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.



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

Nairobi

21 August 2019

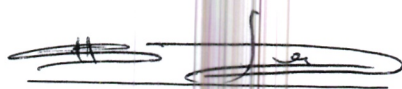
NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018

IV. STATEMENT OF RECEIPTS AND PAYMENTS

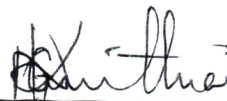
	Note	2017 - 2018 Kshs	2016 - 2017 Kshs
RECEIPTS			
Transfers from NGCDF board	1	43,405,172	149,796,956
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	38,874	-
TOTAL RECEIPTS		43,444,046	149,796,956
PAYMENTS			
Compensation of employees	4	1,452,423	2,884,001
Use of goods and services	5	4,241,793	3,973,460
Transfers to Other Government Units	6	2,800,400	6,074,000
Other grants and transfers	7	17,154,469	72,618,336
Acquisition of Assets	8	25,720,519	59,557,612
Other Payments	9	-	-
		25,000	475,000
TOTAL PAYMENTS		51,394,604	145,582,409
SURPLUS/(DEFICIT)		(7,950,558)	4,214,547

NB The deficit of ksh 7,950,558 aroused because cash book balances of ksh11, 733,581 carried forward in financial year 2016-2017 was not factor in statement of receipts and payments.

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Wajir South Constituency financial statements were approved on 31st August, 2018 and signed by:



Fund Account Manager
Name: Shafee Hassan



Sub-County Accountant
Name: G.N. Kinuthia
ICPAK Member Number: 18855

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)

WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

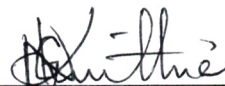
V. STATEMENT OF ASSETS

	Note	2017 - 2018	2016 - 2017
		Kshs	Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	10A	3,783,023	11,733,581
Cash Balances (cash at hand)	10B	-	-
Outstanding Imprests	11		
TOTAL FINANCIAL ASSETS		3,783,023	11,733,581
REPRESENTED BY			
Retention	12		
Fund balance b/fwd 1st July ..	13	11,733,581	7,519,034
Surplus/Deficit for the year		(7,950,558)	4,214,547
Prior year adjustments	14		
NET LIABILITIES		3,783,023	11,733,581

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Wajir South Constituency financial statements were approved on 31st August, 2018 and signed by:



Fund Account Manager
Name: Shafee Hassan



Sub-County Accountant
Name: G.N. Kinuthia 18855
ICPAK Member Number:

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)
WAJIR SOUTH CONSTITUENCY**

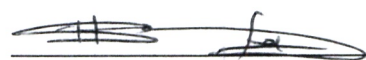
Reports and Financial Statements

For the year ended June 30, 2018

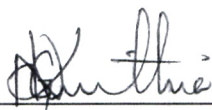
VI. STATEMENT OF CASHFLOW

Receipts for operating income		2017 – 2018	2016-2017
Transfers from NGCDF Board	1	43,405,172	149,796,956
Other Receipts	3	38,874	-
		43,444,046	149,796,956
Payments for operating expenses			
Compensation of Employees	4	1,452,423	2,884,001
Use of goods and services	5	4,241,793	3,973,460
Transfers to Other Government Units	6	2,800,400	6,074,000
Other grants and transfers	7	17,154,469	72,618,336
Other Payments	9	25,720,519	59,557,612
		51,369,604	145,107,409
Adjusted for:			
Adjustments during the year	14		
Net cash flow from operating activities		(7,925,558)	4,689,547
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2		
Acquisition of Assets	9	25,000	475,000
Net cash flows from Investing Activities		(25,000)	(475,000)
NET INCREASE IN CASH AND CASH EQUIVALENT		(7,950,558)	4,214,547
Cash and cash equivalent at BEGINNING of the year	13	11,733,581	7,519,034
Cash and cash equivalent at END of the year		3,783,023	11,733,581

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-Wajir South Constituency financial statements were approved on 31st August, 2018 and signed by:



Fund Account Manager
Name: Shafee Hassan



Sub-County Accountant
Name: G . N. Kinuthia
ICPAK Member Number: 18855

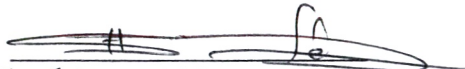
Reports and Financial Statements
For the year ended June 30, 2018

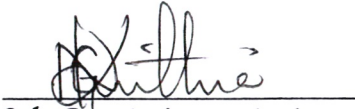
VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Transfers from NGCDF Board	86,810,345	23,112,891	109,923,235	55,138,753	54,784,483	50
Proceeds from Sale of Assets						
Other Receipts				38,874	-38,874	
	86,810,345	23,112,891	109,923,235	55,177,626	54,745,609	50
PAYMENTS						
Compensation of Employees	2,789,400	1,476,846	4,266,246	1,452,423	2,813,823	34
Use of goods and services	9,023,531	305,184	9,328,715	7,042,193	2,286,523	75
Transfers to Other Government Units	35,600,000	18,935,861	54,535,861	17,154,469	37,381,392	31
Other grants and transfers	32,407,759	2,368,966	34,776,724	25,720,519	9,056,205	74
Acquisition of Assets	2,312,628	26,034	2,338,662	25,000	2,313,662	1
Other Payments	4,677,027		4,677,027	0	4,677,027	0
TOTALS	86,810,345	23,112,891	109,923,236	51,394,604	58,528,632	47

There's overall underutilization of all budgets this was due the country going for two elections within the financial which occasioned formation new NGCDF committees henceforth subsequent delay in disbursement of fund by the NG-CDF Board to the constituency

The NGCDF-Wajir South Constituency financial statements were approved on 31st August, 2018 and signed by:


Fund Account Manager
Name: Shafee Hassan


Sub-County Accountant
Name: G.N. Kinuthia
ICPAK Member Number: 18855

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of Compliance and Basis of Preparation

The financial statements have been prepared in accordance with 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 South 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.

Ta- Receipts

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

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

SIGNIFICANT ACCOUNTING POLICIES

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 2018, 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 recognises 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.

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-e-change 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.

SIGNIFICANT ACCOUNTING POLICIES

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 Central Bank of Kenya and at various commercial banks at the end of the financial year.

7. Accounts Receivable

For the purposes of these financial statements, imprests and advances to authorised 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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
WAJIR SOUTH CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2018

practice where 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 fulfilment 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.

SIGNIFICANT ACCOUNTING POLICIES

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 2017 for the period 1st July 2017 to 30th June 2018 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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 2018.

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. 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.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

IX. NOTES TO THE FINANCIAL STATEMENTS

1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2017-2018	2016-2017
		Kshs	Kshs
NGCDF Board			
AIE NO A825777	1		67,400,404
AIE NO A825974	2		500,000
AIE NO A839621	3		4,094,828
AIE NO A839621	4		36,853,449
AIE NO A855665	5		40,948,275
AIE NO A892541	1	5,500,000	
AIE NO A892909	2	37,905,172	
TOTAL		43,405,172	149,796,956

2. PROCEEDS FROM SALE OF ASSETS

	2017-2018	2016-2017
	Kshs	Kshs
Receipts from sale of Buildings		
Receipts from the Sale of Vehicles and Transport Equipment	---	---
Receipts from sale of office and general equipment	---	---
Receipts from the Sale Plant Machinery and Equipment	---	---
Total	---	---

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 WAJIR SOUTH CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. OTHER RECEIPTS

	2017- 2018	2016-2017
	Kshs	Kshs
Interest Received	38,874	---
Rents	---	---
Receipts from Sale of tender documents	---	---
Other Receipts Not Classified Elsewhere	---	---
Total	38,874	---

4. COMPENSATION OF EMPLOYEES

	2017-2018	2016-2017
	Kshs	Kshs
Basic wages of contractual employees	1,431,157	1,986,016
Basic wages of casual labour	---	---
Personal allowances paid as part of salary		
House allowance	---	---
Transport allowance	---	---
Employer Contributions to Nssf	21,266	19,200
Gratuity	---	878,785.00
Other personnel payments	---	---
Total	1,452,423	2,884,001

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. USE OF GOODS AND SERVICES

	2017-2018	2016-2017
	Kshs	Kshs
Committee Expenses	2,800,400	6,074,000
Utilities, supplies and services	21,920	85,260
Communication, supplies and services	---	40,000.00
Domestic travel and subsistence	---	853,100.00
Printing, advertising and information supplies & services	---	---
Rentals of produced assets	100,000	330,000
Training expenses	---	1,000,000
Hospitality supplies and services	---	---
Insurance costs	---	---
Specialized materials and services	---	---
Office and general supplies and services	90,550	1,445,100
Other operating expenses	4,029,323	---
Routine maintenance – vehicles and other transport equipment	---	---
Routine maintenance – other assets	---	---
Total	4,0241,793	3,973,460

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2017-2018	2016-2017
	Kshs	Kshs
Transfers to National Government entities	4,154,469	57,618,336
Transfers to primary schools (see attached list)	13,000,000	5,000,000
Transfers to secondary schools (see attached list)		10,000,000
Transfers to tertiary institutions (see attached list)		
Transfers to health institutions (see attached list)	--	--
TOTAL	17,154,469	72,618,336

7. OTHER GRANTS AND OTHER PAYMENTS

	2017-2018	2016- 2017
	Kshs	Kshs
Bursary – secondary schools (see attached list)	7,562,500	2,300,000
Bursary – tertiary institutions (see attached list)	13,590,000	23,027,000
Bursary – special schools (see attached list)	--	--
Water projects (see attached list)	--	14,053,742
Security projects (see attached list)	--	12,237,449
Sports projects (see attached list)	--	1,637,840
Environment projects (see attached list)	--	1,637,500
Emergency projects (see attached list)	4,568,019	4,664,081
Total	25,720,519	59,557,612

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. ACQUISITION OF ASSETS

Non Financial Assets

	2017-2018	2016-2017
	Kshs	Kshs
Purchase of Buildings	--	--
Construction of Buildings	25,000	475,000
Refurbishment of Buildings	--	--
Purchase of Vehicles and Other Transport Equipment	--	--
Overhaul of Vehicles and Other Transport Equipment	--	--
Purchase of Household Furniture and Institutional Equipment	--	--
Purchase of Office Furniture and General Equipment	--	--
Purchase of ICT Equipment, Software and Other ICT Assets	--	--
Purchase of Specialised Plant, Equipment and Machinery	--	--
Rehabilitation and Renovation of Plant, Machinery and Equip.	--	--
Acquisition of Land	--	--
Acquisition of Intangible Assets	--	--
Total	25,000	475,000

9. OTHER PAYMENTS

	2017-2018	2016-2017
	Kshs	Kshs
		-

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –

WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2018

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10A: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2017-2018	2016-2017
	Kshs	Kshs
<i>First Community Bank, Habaswein Branch A/c No. 9535102 Ksh</i>	3,783,023	11,733,581
<i>Name of Bank, Account No.</i>	---	---
<i>Name of Bank, Account No.</i>	---	---
Total	3,783,023	11,733,581
10B: CASH IN HAND		
Location 1	---	---
Location 2	---	---
Location 3	---	---
Other Locations (<i>specify</i>)	---	---
Total	---	---
<i>[Provide cash count certificates for each]</i>		

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11: OUTSTANDING IMPRESTS

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
<i>Name of Officer or Institution</i>	dd/mm/yy	---	---	---
<i>Name of Officer or Institution</i>	dd/mm/yy	---	---	---
<i>Name of Officer or Institution</i>	dd/mm/yy	---	---	---
<i>Name of Officer or Institution</i>	dd/mm/yy	---	---	---
<i>Name of Officer or Institution</i>	dd/mm/yy	---	---	---
<i>Name of Officer or Institution</i>	dd/mm/yy	---	---	---
Total				---

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

12 RETENTION

	2017 - 2018	2016-2017
	Kshs	Kshs
Supplier 1	--	--
Supplier 2	--	--
Supplier 3	--	--
Total	--	--

[Provide short appropriate explanations as necessary]

13. BALANCES BROUGHT FORWARD

	2017-2018	2016-2017
	Kshs	Kshs
Bank accounts	11,733,581	7,519,034
Cash in hand	--	--
Imprest	--	--
Total	11,733,581	7,519,034

[Provide short appropriate explanations as necessary]

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14. PRIOR YEAR ADJUSTMENTS

	2017- 2018 Kshs	2016-2017 Kshs
Bank accounts	--	--
Cash in hand	--	--
Imprest	--	--
Total	--	--

15. OTHER IMPORTANT DISCLOSURES

15.1: PENDING ACCOUNTS PAYABLE (See Anne- 1)

	2017- 2018 Kshs	2016-2017 Kshs
Construction of buildings		
Construction of civil works	--	--
Supply of goods	--	--
Supply of services		
	--	--

15.2: PENDING STAFF PAYABLES (See Anne- 2)

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

15.3: UNUTILIZED FUNDS (See Anne- 3)

	Kshs	Kshs
Compensation of employees	2,089,400	1,476,846
Use of goods and services	2,972,933	305,184
Amounts due to other Government entities (see attached list)	37,610,345	9,925,516.00
Amounts due to other grants and other transfers (see attached list)	13,582,200	--
Acquisition of assets	2,312,628	26,034
Others (<i>specify</i>)	--	--
	58,528,632	11,733,580

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –
 WAJIR SOUTH CONSTITUENCY
 Reports and Financial Statements
 For the year ended June 30, 2018**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

15.4: PMC account balances (See Anne- 5)

	2017- 2018	2016-2017
	Kshs	Kshs
PMC account Balances (see attached list)	932	836
	932	836

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

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

ANNE- 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
	A	B	C	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.						
8.						
9.						
Sub-Total						
Supply of services						
10.						
11.						
12.						
Sub-Total						
Grand Total						

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

ANNE- 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2016	Outstanding Balance 2014	Comments
		A	B	C	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.							
8.							
9.							
Sub-Total							
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total							

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2014 (Kshs'000)

ANNE- 3 – UNUTILIZED FUNDS

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
Compensation of employees	Payment of staff salaries and gratuity	2,089,400	1,476,846	
Use of goods & services	Purchase of fuel, repairs and maintenance, printing, stationery, telephone, travel and subsistence, office tea, etc.	2,972,933	305,184	
Amounts due to other Government entities				
1 Agtalahel Primary School-	Construction of classrooms	1,800,000		
2. Geriile Primary School-	Construction of classrooms	1,800,000		
3. Diff Oiddam primary school-	Construction of classrooms	1,800,000		
4. Abaqmadobe Primary School-	Construction of classrooms	1,800,000		
5. Meygag Primary School-	Construction of classrooms	1,800,000		
6. Ibrahim Ure Primary School-	Construction of classrooms Construction of classrooms	1,800,000		
7. Shimbrilbul Primary School	Construction of classrooms	1,800,000		

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

Reports and Financial Statements

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

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
8. Welari Primary School	Construction of classrooms	1,800,000		
9. Buroni Primary School	Construction of classrooms	1,800,000		
10. Gulletdere Primary School	Construction of classrooms	1,800,000		
11. Hubsoy Primary School	Construction of classrooms	1,500,000		
12. Abulgab Primary School	Construction of classrooms	9,00,000		
13. Karu Primary School	Construction of classrooms	900,000		
14. Burder ward Primary School-	600 desks	600,000		
15. Diff Primary School	500 desks	500,000		
secondary School Projects				
1.Dagahley Secondary school	Construction of classrooms	2,100,000	5,100,000	
2. Abakore day secondary School-	Lab fittings	1,500,000		
3.Sabuli mixed Secondary School-	Construction of classrooms	1,300,00		
4.Elbay Secondary School-	Construction of library	1,000,000		
5.Diff Secondary School-	Construction of toilets	300,000		
Sub-Total		42,672,678	11,733,580	
Amounts due to other grants and other transfers				
1 Bulla juu chiefs office	Construction of chiefs offices	1,200,000		

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

Reports and Financial Statements

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

Name	Brief Transaction Description	Outstanding Balance 2017/18	Outstanding Balance 2016/17	Comments
2 Leheley Administration Police Camp-	Construction of staff houses	1,200,000		
3 Leheley subcounty Headquarters -	Construction of food store	1,000,000		
4 Wajir bor south chief office-		1,200,000		
Other Projects	Innovation hub	4,677,027		
Emergency	To cater for unforeseen	568,966		
Sports	Sports Activities	1,736,207		
	Sub-Total	13,582,200		
	Sub-Total			
Acquisition of assets	Purchase of Genset and office fence	2,312,628		
<i>Others (specify)</i>				
	Sub-Total	2,312,628		
	Grand Total	58,528,632	11,733,580	

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

Reports and Financial Statements

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

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

Reports and Financial Statements

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

ANNE- 4 – SUMMARY OF FI-ED ASSET REGISTER

Asset class	Historical Cost b/f (Kshs) 2016/17	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2017/18
Land	6,775,000	25,000		6,800,000
Buildings and structures				
Transport equipment	2,657,140			2,657,140
Office equipment, furniture and fittings	369,000			369,000
ICT Equipment, Software and Other ICT Assets				
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	9,801,140	2,5000		9,826,140

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2014 (Kshs'000)

ANNE- 4 –PMC BANK BALANCES AS AT 30TH JUNE 2018

PMC	Bank	Account number	Bank Balance 2017/18	Bank Balance 2016/17
Wajir south Education PMC	FCB	80002345	230	0
SNR Chief Ogle Sec PMC	FCB	80002124	102	0
Burder Secondary Sch PMC	FCB	80004352	180	0
Madhahlibah Primary Sch PMC	FCB	80001242	160	0
Alidumal Primary School PMC	FCB	80001332	260	0
Total			932	

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

Reports and Financial Statements

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

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)
4.1	<p>Examination of payment vouchers and other documents relating to Emergency water trucking revealed that an amount of Kshs. 4,091,500 was paid, however the following anomalies were noted.</p> <p>(i) Logbooks of water boozers were not attached to the payment voucher to support the expenditure. Payment vouchers were not supported with invoices and delivery notes</p>	<p><i>The issue raised in the management has been sufficiently addressed in audit query responses that has been submitted and received by your office on 18th December 2017. Please refer to the audit query response file that contains all the evidences, Attached a copy of the letter received by your office</i></p>	Fund account manager	Waiting feedback from audit office	
4.2	<p>In the financial year 2016/2017 NG CDF Wajir South Constituency had account balance of Kshs.14,053,742 for water projects which was unspent balance of financial year 2015/2016. However, examination of payments voucher no.41061 and 41064 of cheque no's 1170 and 1168 amounting to Kshs.2,968,194 paid to Kursin and Adheydher Water Users Association respectively as final payments were not supported with completion certificates and inspection report of the same</p>	<p><i>The issue raised in the management has been sufficiently addressed in audit query responses that has been submitted and received by your office on 18th December 2017. Please refer to the audit query response file that contains all the evidences, Attached a copy of the letter received by your office</i></p>	Fund account manager	Waiting feedback from audit office	