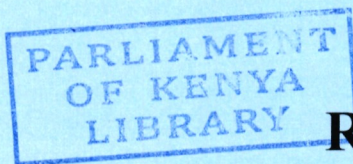


*Paper laid by
the Hon B-W. Mutai
14/3/2018*

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 2016**



**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND-
WAJIR SOUTH CONSTITUENCY**

REPORTS AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
JUNE 30, 2016**

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

NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND +
WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

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CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT

(a) Background information

The Constituencies Development Fund (NG-CDF) was set up under the NG-CDF Act, 2003 now repealed by the NG-CDF Act, 2013. The Constituencies Development Fund is represented by the Cabinet Secretary for Devolution and Planning, who is responsible for the general policy and strategic direction of the Constituencies Development Fund. The objective of the fund is to ensure that specific portion of the national annual budget is devoted to the constituency for the purposes of infrastructural development, wealth creation and in the fight against poverty at the constituency level.

(b) Key Management

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

- i. Constituencies Development Fund Board (NG-CDFB)
- ii. NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND Committee (NG-CDFC)

(c) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2015 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	Accounting Officer	Yusuf Mbuno
2.	A.I.E holder	Shafee Hassan
3.	Accountant	G.N.Kinuthia
4.		

(d) Fiduciary Oversight Arrangements

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

(e) Wajir South NG-CDF Headquarters

NG-CDF Office Building.
P.O Bo 90-70201
Habaswein
Wajir County

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

(f) WAJIR SOUTHNG-CDF Contacts

Telephone: (254) 0729 224 379
E-mail:wajirsouth@NG-CDF.go.ke
Website: www.wajir south.go.ke

(g) WAJIR SOUTHNG-CDF Bankers

First Community Bank
P.O Box 476-70200
Wajir

(h) Independent Auditors

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

(i) Principal Legal Adviser

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

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

**II. FORWARD BY THE CHAIRMAN NATIONAL GOVERNMENT CONSTITUENCY
DEVELOPMENT FUND COMMITTEE (NG-CDFC)**

The NG-CDF board disbursed amount of kshs 75,400,000 in 2015-16 to the constituency of which NGDCFCs Utilised an amount of ksh115,347,958.17 which include previous financial year balances. Disbursement was made to the PMCs promptly and the projects were implemented well.

The main challenge was insecurity witnessed from time to time, has caused delay in project monitoring and evaluation.

By and large the impact of NG-CDF is felt and appreciated in the constituency



Sign.....
CHAIRMAN NG-CDFC
GEDI MOHAMUD

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

III. STATEMENT OF NG-CDF MANAGEMENT RESPONSIBILITIES

Section 81 (1) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer for a National Government NG-CDF shall prepare financial statements in respect of that NG-CDF. 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.

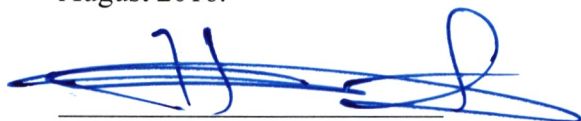
The Accounting Officer in charge of the WAJIR SOUTH NG-CDF is responsible for the preparation and presentation of the NG-CDF's financial statements, which give a true and fair view of the state of affairs of the NG-CDF for and as at the end of the financial year (period) ended on June 30, 2016. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the NG-CDF; (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 NG-CDF; (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 WAJIR SOUTH NG-CDF accepts responsibility for the NG-CDF'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 NG-CDF's financial statements give a true and fair view of the state of NG-CDF's transactions during the financial year ended June 30, 2015, and of the NG-CDF's financial position as at that date. The Accounting Officer in charge of the WAJIR SOUTH NG-CDF further confirms the completeness of the accounting records maintained for the NG-CDF, which have been relied upon in the preparation of the NG-CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the WAJIR SOUTH NG-CDF confirms that the NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the NG-CDF'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 NG-CDF'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 NG-CDF's financial statements were approved and signed by the Accounting Officer on 25th August 2016.



**Fund Account Manager
SHAFEE HASSAN**



**Chairman
GEDI MOHAMUD**

REPUBLIC OF KENYA

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



P.O. Box 30084-00100
NAIROBI

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 2016

REPORT ON THE FINANCIAL STATEMENTS

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Wajir South Constituency set out on pages 5 to 36, which comprise the statement of assets as at 30 June 2016, and the statement of receipts and payments, statement of cash flows and summary statement of appropriation for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

Management's Responsibility for the Financial Statements

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

The management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of Section 47 of the Public Audit Act, 2015.

Auditor-General's Responsibility

My responsibility is to express an opinion on these financial statements based on the audit and report in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. The audit was conducted in accordance with Standards of Supreme Audit Institutions. Those standards require compliance with ethical requirements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial

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

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

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my Adverse Audit Opinion.

Basis for Adverse Opinion

1.0 Inaccurate Opening Balances

The opening balances for the financial statements for 2015/2016 are supposed to be the balances from the audited accounts for 2014/2015. However, the account balances which are reflected as comparative information under the financial year 2014/2015 in the statements presented for audit differ with the balances reflected in the audited financial statements for 2015/2016 as reflected below:

Account	Comparative Balance Shown Under 2014/2015 (Kshs) in the year under review	2014/2015 Audited Balances (Kshs.)	Difference (Kshs.)
Compensation of Employees	1,735,887	1,719,487	-16,400
Use of Goods & Services	6,308,249	4,575,789	-1,732,460
Committee Expenses	-	1,470,460	1,470,460
Other Grants & Transfers	58,253,920	58,515,920	262,000
Social Security Benefits	-	16,400	16,400
Outstanding Imprest	-	50,000	50,000
Adjustment during the Year	501,642	-	501,642
Cash & Cash Equivalents At the end of the year	46,997,242	47,047,242	50,000

Therefore, the correct balances were not carried to the financial statements for 2015/2016 and this has distorted the accuracy of the revenues and expenditures for the financial year under review.

In view of the incorrect opening balances, the completeness, accuracy and validity of the balance, the financial statements for 2015/2016 cannot be ascertained.

2.0 Irregular Award of Capital Projects

The National CDF Board approved a total project allocation for 2015/2016 of Kshs.190,767,396 for National Government Constituency Development Fund - Wajir South out of which Kshs.175,200,754 was allocated to various projects ranging from education, water, roads and security. However, examination of payment vouchers and other records such as project files, bills of quantities and requests for quotations revealed that projects worth Kshs.16,554,482.00 had anomalies as explained below:

- (i) Tender notices did not provide for criteria to be used to evaluate the tenders.
- (ii) No evidence was made available to show that the contracts were properly evaluated since there were no evaluation reports attached to the payment vouchers or availed to support the projects.
- (iii) Bills of the quantities for some of the projects were not properly filled since they were not signed on one or two pages by members of tender committees as required by section 60(1) of Public Procurement and Disposal Regulation 2006.
- (iv) In one case the tender opening and award minutes, by the project management committee was not signed by both the Chairman and Secretary of the respective committee. Further, there were no letters of notification to the unsuccessful bidders as required by Section 87 subsection 3 of the Public Procurement and Asset Disposal Act, 2015.

In view of the a foregoing, it is not possible to confirm the propriety and value-for-money of the expenditure totalling Kshs.16,554,482 incurred on the projects.

3.0 Supply and Installation of 30 KVA Perkin Genset, Grandfos Pump 7.5 KW Head 250, 7.5 Control Panel and 250m 4CORE Drop Cable

National Government Constituency Fund-Wajir South procured 30 KVA Perkin Genset, Grandfos, Pump 7.5 Kw Head 250, 7.5 Control Panel And 250m 4CORE Drop Cable at a cost of Kshs.2,500,000. The goods were procured through request for quotations. All the tender documents, delivery notes, counter receipt vouchers (S13), counter requisition and issue vouchers (S11) and inspection and acceptance certificates showed that the goods were delivered. However, physical verification carried out on 2 January 2017 revealed that only the 30 KVA Genset was delivered. The 7.5KW pump control panel and 250M drop cable had not been delivered by the time the audit inspection was carried out. Further, the quotations, the Local Purchase Orders and stores card S13 did not specify or indicate respective prices of each of these items hence the audit could not establish the value of the goods not delivered.

As a consequence, the expenditure of Kshs.2,500,000 cannot be confirmed to have been proper charge on public funds.

4.0 Unaccounted for Administration/Monitoring and Evaluation Expenses

The National Government Constituency Development Fund Board approved a budget of Ksh.1,530,792 for monitoring and Evaluation for the financial year 2015/2016 for Wajir South National Government Constituency Development Fund. Out of the expenditure incurred, Kshs.660,000 was not supported since temporary work tickets and copies of the logbooks for the hired vehicles were not maintained. It was therefore not possible to confirm whether the vehicles were indeed hired for the exercise. Further, the payments were not supported with a list of projects visited; reports and the payment schedules attached did not indicate details of the period when the monitoring and evaluation exercise was conducted.

As a result, the expenditure of Kshs.660,000 was not accounted for and therefore its propriety cannot be confirmed.

5.0 Non-Maintenance of Bank Accounts for Project Management Committee

Section 15(10)(a) and 10(b) of National Government Constituency Development Fund Regulations, 2016 requires the Fund to maintain records of bank accounts opened by Project Management Committees and to prepare and table quarterly reports. However, contrary to the regulations, records of bank accounts held by the various project management committees such as bank statements and cashbooks were not maintained by the National Government Constituency Development Fund Wajir South office. There was no bank reconciliation statement for the Project Management Committee accounts. Under the circumstances, it was not possible to ascertain whether the funds disbursed to the Project Management Committee accounts were used for the intended purpose and accounted for as at 30 June 2016.

6.0 Constituency Oversight Committee

During the period under review, Constituency Oversight Committee was not appointed as required by section 53(1) of the National Government Constituency Development Fund Act, 2015. No proper explanation was given for the failure to appoint the committee. Consequently, the NG-CDF Wajir South breached the law.

7.0 Budget and Budgetary Control

7.1 Budget Performance

During the year under review, National Government Constituency Development Fund - Wajir South had a budget of Kshs.190,297,646 comprised of Kshs.135,800,404 for the financial year 2015/2016 and an unspent balance (AIE not received) of Kshs.54,966,992 brought forward from the financial year 2014/2015.

Comparison of budgeted against actual expenditures for the year under review was given as follows:

7.2 Under/Over Expenditure

Item	Budgeted (Kshs)	Actual (Kshs)	Under
Compensation of Employees	3,474,431	1826412	1,648,019
Use of goods and services	12,092,211	7034522	5,057,689
Transfers to Other Government Units	87,139,330	33,074,123	54,065,207
Other grants and transfers	87544424	72,895,901	14,648,523
Acquisition of Assets	517,000	517,000	0
Total	190,767,396	115,347,958	75,419,438

As the data shows, the National Government Constituency Development Fund Wajir South spent Kshs.115,347,958 (or 60.5% of the total budgeted allocation) resulting in an under-expenditure of Kshs.75,419,438 during the year under review.

Management has not explained why it failed to spend the whole budget allocation to benefit the constituents.

7.3 Budgeted Development Projects

A total of Kshs.177,509,050 was allocated for implementation of sixty four (64) development projects during the year under review as detailed below:

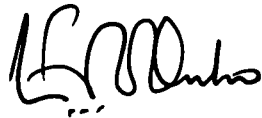
Item	No. Of Projects Budgeted	Budgeted Allocation (Kshs)	Actual Expenditure (Kshs)	No. of Projects Implemented	No. of Projects Not Implemented
Transfers to Other Government Units	34	87,139,330	33,074,123	33	1
Other grants and transfers	30	88,061,424	73,412,901	29	1
Total	64	175,200,754	106,487,024	62	2

As the table shows, National Government Constituency Development Fund - Wajir South implemented and completed all the projects except two during the financial year. However, the projects were not fully paid hence the under-absorption of the funds and this resulted to pending bills amounting to Kshs.75,419,438.

No proper explanation was given for the failure to pay for all the projects that were undertaken and completed during the period.

Adverse opinion

In my opinion because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the financial statements do not present fairly, the financial position of National Government Constituency Development Fund - Wajir South as at 30 June, 2016, 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 do not comply with National Government Development Fund Act, 2015.



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

Nairobi

07 February 2018

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH
CONSTITUENCY**

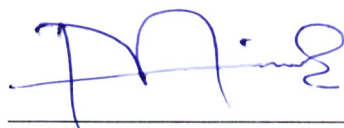
Reports and Financial Statements

For the year ended June 30, 2016

IV. STATEMENT OF RECEIPTS AND PAYMENTS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
RECEIPTS			
Transfers from CDF board-AIEs' Received	1	75,400,000	120,488,112
Proceeds from Sale of Assets		-	
Other Receipts	2	97,547	58,410
TOTAL RECEIPTS		75,497,547	120,546,522
PAYMENTS			
Compensation of employees	3	1,826,412	1,735,887
Use of goods and services	4	7,034,522	6,308,249
Transfers to Other Government Units	5	33,074,123	63,870,820
Other grants and transfers	6	72,895,901	58,253,920
Acquisition of Assets	7	517,000	-
TOTAL PAYMENTS		115,347,958	130,168,876
SURPLUS/DEFICIT		(39,850,412)	(9,622,354)

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WAJIR SOUTHNG-CDF financial statements were approved on 26th August 2016 and signed by:



**Chairman –NG-CDFC
GEDI MOHAMUD**



**Fund Account Manager
SHAFEE HASSAN**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH
CONSTITUENCY**

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

V. STATEMENT OF ASSETS

	Note	2015 - 2016 Kshs	2014 - 2015 Kshs
FINANCIAL ASSETS			
Cash and Cash Equivalents			
Bank Balances (as per the cash book)	8	7,469,034	46,997,242
Cash Balances (cash at hand)		-	-
Outstanding Imprests	9	50,000	
TOTAL FINANCIAL ASSETS		7,519,034	46,997,242
REPRESENTED BY			
Retention			
Fund balance b/fwd 1st July...	10	46,997,242	56,619,596
Surplus/Deficit for the year		(39,850,412)	(9,622,354)
Prior year adjustments	11	372,204	
NET LIABILITIES		7,519,034	46,997,242

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Wajir South NG-CDF financial statements were approved on 26th August 2016 and signed by:



**Chairman - NG-CDFC
GEDI MOHAMUD**



**Fund Account Manager
SHAFEE HASSAN**

**NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND- WAJIR SOUTH
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

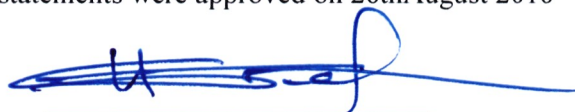
VI. STATEMENT OF CASHFLOW

Receipts for operating income		2015 - 2016	2014 - 2015
Transfers from CDF Board	1	75,400,000	120,488,112
Other Receipts	2	97,547	58,410
		75,497,547	120,546,522
Payments for operating expenses			
Compensation of Employees	3	1,826,412	1,735,887
Use of goods and services	4	7,034,522	6,308,249
Transfers to Other Government Units	5	33,074,123	63,870,820
Other grants and transfers	6	72,895,901	58,253,920
		115,347,958	130,168,876
Adjusted for:			
Adjustments during the year	14	372,204	501,642
Net cash flow from operating activities		(39,850,412)	(9,622,354)
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	2	-	-
Acquisition of Assets	7	(517,000)	
Net cash flows from Investing Activities			
NET INCREASE IN CASH AND CASH EQUIVALENT		(39,850,412)	(9,622,354)
Cash and cash equivalent at BEGINNING of the year	10	46,997,242	56,619,596
Cash and cash equivalent at END of the year		7,519,034	46,997,242

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The WAJIR SOUTHNG-CDF financial statements were approved on 26th August 2016 and signed by:



**Chairman NG-CDFC
GEDI MOHAMUD**



**Fund Account Manager
SHAFEE HASSAN**

CONSTITUENCIES DEVELOPMENT FUND WAJIR SOUTH CONSTITUENCY

Reports and Financial Statements

For the year ended June 30, 2016

VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED

Receipt/Expense Item	Original 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 CDF Board	135,800,404.00	54,497,241.65	190,297,645.65	122,397,241.65	67,900,404.00	64.3%
Proceeds from Sale of Assets			-		-	
Other Receipts	97,546.58		97,546.58	97,546.58	-	100.0%
TOTAL	135,897,950.58	54,497,241.65	190,395,192.23	122,494,788.23	67,900,404.00	64.3%
PAYMENTS						
Compensation of Employees	2,050,000.00	1,424,431.00	3,474,431.00	1,826,412.00	1,648,019.00	52.6%
Use of goods and services	5,882,757.00	6,209,453.95	12,092,210.95	7,034,522.17	5,057,688.78	58.2%
Transfers to Other Government Units	49,000,000.00	38,139,329.83	87,139,329.83	33,074,123.00	54,065,206.83	38.0%
Other grants and transfers	78,867,647.00	8,676,777.00	87,544,424.00	72,895,901.00	14,648,523.00	83.3%
Acquisition of Assets		517,000.00	517,000.00	517,000.00	-	100.0%
Other Payments			-		-	
TOTAL	135,800,404.00	54,966,991.78	190,767,395.78	115,347,958.17	75,419,437.61	60.5%

NOTE: Adjustment for receipt is composed of Kshs46,997,242 being the bank balances as at June 30 2016 and kshs 7,500,000 being the AIE not received as at June 30 2015.

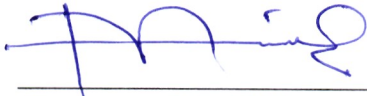
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH
CONSTITUENCY**

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

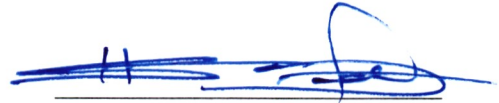
- (a) [For the revenue items, indicate whether they form part of the AIA by inserting the “AIA” alongside the revenue category.]
- (b) [Provide below a commentary on significant underutilization (below 50% of utilization) and any overutilization]

Transfers to Other Government Units was underutilised .this was occasioned by the delay on formation of the NG-CDFCs who were supposed to transfer the monies to PMCs accounts.

The WAJIR SOUTHNG-CDF financial statements were approved on 26th August 2016 and signed by:



**Chairman NG-CDF
GEDI MOHAMUD**



**Fund Account Manager
SHAFEE HASSAN**

VIII. SIGNIFICANT ACCOUNTING POLICIES

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

1. Statement of compliance and basis of preparation

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

The financial statements are presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF and all values are rounded to the nearest shilling. The accounting policies adopted have been consistently applied to all the years presented.

The financial statements have been prepared on the cash basis following the Government's standard chart of accounts. The cash basis of accounting recognises transactions and events only when cash is received or paid by the NG-CDF.

2. Recognition of revenue and expenses

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

3. In-kind contributions

In-kind contributions are donations that are made to the NG-CDF 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 NG-CDF includes such value in the statement of receipts and payments both as revenue and as an expense in equal and opposite amounts; otherwise, the contribution is not recorded.

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year. For the purposes of these financial statements, cash and cash equivalents also include short term cash imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year.

5. Pending bills

Pending bills consist of unpaid liabilities at the end of the financial year arising from contracted goods or services during the year or in past years. As pending bills do not involve the payment of cash in the reporting period, they recorded as ‘memorandum’ or ‘off-balance’ items to provide a sense of the overall net cash position of the NG-CDF at the end of the year. When the pending bills are finally settled, such payments are included in the statement of receipts and payments in the year in which the payments are made.

6. Budget

The budget is developed on the same accounting basis (cash basis), the same accounts classification basis, and for the same period as the financial statements. The NG-CDF’s budget was approved as required by Law and as detailed in the Government of Kenya Budget Printed Estimates. A high-level assessment of the NG-CDF’s actual performance against the comparable budget for the financial year under review has been included in an annex to these financial statements.

7. Comparative figures

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

8. Subsequent events

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH
CONSTITUENCY**

Reports and Financial Statements

For the year ended June 30, 2016

IX. NOTES TO THE FINANCIAL STATEMENTS

1 TRANSFERS FROM OTHER GOVERNMENT ENTITIES

Description		2015 - 2016	2014 - 2015
		Kshs	Kshs
Normal allocation			
	AIE NO A724034	7,500,000.00	31,997,028
	AIE NO.A759717	10,000,000.00	15,198,217
	AIE NO.A796394	10,000,000.00	16,798,811
	AIE NO.A820509	20,000,000.00	31,997,028
	AIE NO.A820665	20,000,000.00	24,497,028
	AIE NO.A825506	7,900,000.00	-
TOTAL		75,400,000	120,488,112

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR
SOUTH CONSTITUENCY
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For the year ended June 30, 2016**

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2. OTHER RECEPTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Interest Received	97,547	58,410
Rents	-	-
Receipts from Sale of tender documents	-	-
Other Receipts Not Classified Elsewhere		-
Total	97,547	58,410

3. COMPENSATION OF EMPLOYEES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Basic wages of contractual employees	1,808,812	1,719,487
Basic wages of casual labour	-	-
Personal allowances paid as part of salary	-	-
House allowance	-	-
Transport allowance	-	-
Leave allowance	-	-
Other personnel payments	-	-
Employer contribution to NSSF gratuity	17,600	16,400
Total	1,826,412	1,735,887

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4. USE OF GOODS AND SERVICES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Utilities, supplies and services	283,510	169,720
Office rent		
Communication, supplies and services	40,000	66,960
Domestic travel and subsistence	527,600	1,235,000
Printing, advertising and information supplies & services		20,000
Rentals of produced assets	922,000	1,399,470
Training expenses		64,950
Hospitality supplies and services		
Other committee expenses	2,145,000	-
Committee allowance	797,000	1,483,000
Insurance costs		
Specialised materials and services		903,000
Office and general supplies and services	89,000	461,150
Fuel ,oil & lubricants	1,487,950	-
Other operating expenses	42,462	504,999
Routine maintenance – vehicles and other transport equipment		-
Routine maintenance – other assets	700,000	
Total	7,034,522	6,308,249

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR
SOUTH CONSTITUENCY
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2015 - 2016	2014 - 2015
	Kshs	Kshs
Transfers to National Government entities	-	-
Transfers to primary schools (see attached list)	26,887,931	42,030,000
Transfers to secondary schools (see attached list)	5,710,000	11,834,820
Transfers to tertiary institutions (see attached list)	-	-
Transfers to health institutions (see attached list)	476,192	10,006,000
-TOTAL	33,074,123	63,870,820

6. OTHER GRANTS AND OTHER PAYMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bursary – secondary schools (see attached list)		
Bursary – tertiary institutions (see attached list)	7,085,000	5,950,000
Bursary – special schools (see attached list)		
Mock & CAT (see attached list)		
Water projects (see attached list)	41,008,436	30,574,070
Agriculture projects (see attached list)		-
Electricity projects (see attached list)		
Security projects (see attached list)	7,852,465	4,610,000
Roads projects (see attached list)	11,200,000	11,299,995
Sports projects (see attached list)		-
Environment projects (see attached list)		
Other Projects (see attached list)		
Emergency Projects (specify)	5,750,000	5,819,855
		-
Total	72,895,901	58,253,920

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. ACQUISITION OF ASSETS

<u>Non-Financial Assets</u>	2015 - 2016	2014 - 2015
	Kshs	Kshs
Purchase of Buildings	-	-
Construction of Buildings	-	
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	517,000	
Purchase of ICT Equipment, Software and Other ICT Assets	-	
Purchase of Specialized Plant, Equipment and Machinery	-	-
Rehabilitation and Renovation of Plant, Machinery and Equip.	-	-
Acquisition of Land	-	-
Acquisition of Intangible Assets	-	-
Total	517,000	

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

8: Bank Accounts (cash book bank balance)

Name of Bank, Account No. & currency	2015 - 2016	2014 - 2015
	Kshs	Kshs
First Community Bank, Habaswein Branch A/c No. 9535102 Ksh	7,519,034	46,997,242
	-	-
	-	-
	-	-
	7,519,034	46,997,242

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

9: OUTSTANDING IMPRESTS

Name of Officer or Institution	Date Imprest Taken	Amount Taken	Amount Surrendered	Balance
		Kshs	Kshs	Kshs
Boniface OtienoAgoro	2007	50,000		50,000
				<u>50,000</u>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. BALANCES BROUGHT FORWARD

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	46,997,242	56,619,596
Cash in hand		
Imprest	-	-
Total	<u>46,997,242</u>	<u>56,619,596</u>

[Provide short appropriate explanations as necessary]

11. PRIOR YEAR ADJUSTMENTS

	2015 - 2016	2014 - 2015
	Kshs	Kshs
Bank accounts	372,204	58,410
Cash in hand	-	-
Imprest	-	-
Total	<u>372,204</u>	<u>58,410</u>

Note. Prior adjustments of Ksh 372, 204 and ksh58,410 is the bank profit distribution

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR
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12. OTHER IMPORTANT DISCLOSURES

12.1: PENDING ACCOUNTS PAYABLE (See Annex 1)

	2015- 2016	2014 - 2015
	Kshs	Kshs
Construction of buildings	xxx	xxx
Construction of civil works	xxx	xxx
Supply of goods and services	4,282,757	xxx
	<hr/>	
	4,282,757	xxx
	<hr/> <hr/>	

12.2: PENDING STAFF PAYABLES (See Annex 2)

	Kshs	Kshs
Senior management	Xxx	xxx
Middle management	Xxx	xxx
Unionisable employees	Xxx	xxx
All employees	1,750,000	xxx
	<hr/>	
	1,750,000	xxx
	<hr/> <hr/>	

12.3: OTHER PENDING PAYABLES (See Annex 3)

	Kshs	Kshs
Amounts due to other Government entities (see attached list)	37,900,000	
	23,967,647	xxx
Amounts due to other grants and other transfers (see attached list)		xxx
Others (specify)	Xxx	xxx
	<hr/>	
	61,867,647	xxx
	<hr/> <hr/>	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
For the year ended June 30, 2016

ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
	a	b	c	d=a-c		
Construction of buildings						
1.						
2.						
3.						
Sub-Total						
Construction of civil works						
4.						
5.						
6.						
Sub-Total						
Supply of goods						
7.	2,000,000.0			2,000,000		
8.						
9.						
Sub-Total	2,000,000			2,000,000		
Supply of services						
10.	2,282,757			2,282,757		
11.						
12.						
Sub-Total	2,282,757			2,282,757		
Grand Total	4,282,757			4,282,757		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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For the year ended June 30, 2016 (Kshs'000)

ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2015	Outstanding Balance 2014	Comments
		A	b	c	d=a-c		
Senior Management							
1.							
2.							
3.							
Sub-Total							
Middle Management							
4.							
5.							
6.							
Sub-Total							
Unionisable Employees							
7.		1,750,000			1,750,000		
8.							
9.							
Sub-Total		1,750,000			1,750,000		
Others (specify)							
10.							
11.							
12.							
Sub-Total							
Grand Total		1,750,000			1,750,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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ANNEX 3 - ANALYSIS OF OTHER PENDING PAYABLES

Name	Brief Transaction Description	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance	Outstanding Balance	Comments
		a	b	c	d=a-c		
Amounts due to other Government entities				0			
Leheley Primary School	Completion of fencing of the school	1,500,000			1,500,000		
Qarurah Primary school	Construction of 2 new classrooms	1,800,000		0	1,800,000		
	Construction of 2 new toilets	300,000		0	300,000		
Abdille Gab Primary School	Construction of 2 new classrooms	1,800,000		0	1,800,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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	Construction of 2 new toilets	300,000		0	300,000		
Sala Primary School	Construction of 2 new classrooms	1,800,000		0	1,800,000		
	Construction of 2 new toilets	300,000		0	300,000		
Dahabley Primary School	Construction of 2 new classrooms	700,000		0	700,000		
	Construction of 2 new toilets	300,000		0	300,000		
Abaqijaba Primary School	Construction of 2 new classrooms	200,000		0	200,000		
	Construction of 2 new toilets	300,000		0	300,000		
Kulmis Primary School	Construction of 2 new classrooms	1,800,000		0	1,800,000		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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	Construction of 2 new toilets	300,000		0	300,000	
Muqdere Primary School	Construction of 2 new classrooms	1,800,000		0	1,800,000	
	Construction of 2 new toilets	300,000		0	300,000	
Ildalata Primary School	Construction of 2 new classrooms	1,800,000		0	1,800,000	
	Construction of 2 new toilets	300,000		0	300,000	
Elgal Primary School	Construction of 2 new classrooms	500,000		0	500,000	
	Construction of 2 new toilets	300,000		0	300,000	
Alidumal Primary School	Construction of 2 new classrooms	900,000		0	900,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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	Construction of 2 new toilets	300,000		0	300,000	
Dadajabula Primary School	Construction of 2 new classrooms	1,800,000		0	1,800,000	
Shidley Primary School	Construction of 2 new classrooms.	1,800,000		0	1,800,000	
Ndege Primary School	Construction of 2 new classrooms.	900,000		0	900,000	
Abore Primary School	Construction of 2 new classrooms.	1,800,000		0	1,800,000	
Mathahlibah Primary School	Construction of 2 new classrooms.	1,800,000		0	1,800,000	
Hubsoy Primary school	Construction of 2 new classrooms			0		
Kursin Primary School	Construction of 1 classroom	900,000		0	900,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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Rababale Primary School	Construction of 1 new classroom and two toilets	1,200,000		0	1,200,000	
Fadiwein Primary School	Construction of 1 new classroom and two toilets	1,200,000		0	1,200,000	
Sarif Primary School	Fencing of the school	3,000,000		0	3,000,000	
Machesa Primary School	Construction of Head teacher's office and store	900,000		0	900,000	
Wajir South Technical Training Institute.	Completion of project balances for TTI.	5,000,000		0	5,000,000	
Sub-Total		37,900,000			37,900,000	
Amounts due to other grants and other transfers					-	
Gerille Borehole	Completion of drilling of a new borehole	1,300,000			1,300,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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Warsan Borehole	drilling of a new borehole	4,300,000	4,300,000				4,300,000	
Hambalash Dam	Desilting of the Water pan	5,000,000	5,000,000				5,000,000	
Laghbogol South Dam	Fencing of the dam	1,500,000	1,500,000				1,500,000	
Kursin old dam	Fencing of the dam	1,500,000	1,500,000				1,500,000	
Adheyder Dam	Fencing of the dam	1,500,000	1,500,000				1,500,000	
Ibrahim Ure AP camp	Construction of two toilets	300,000	300,000				300,000	
Burder AP camp	Construction of two toilets	300,000	300,000				300,000	
Bursary for Tertiary Institutions	Payment of bursary to needy students in colleges and universities.	7,700,000	7,700,000				7,700,000	

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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Emergency	To cater for any unforeseen occurrences in the constituency during the financial year	67,647	67,647		
4.					
Sub-Total		23,467,647	23,467,647		
Others (specify)					
7.					
8.					
9.					
Sub-Total			61,867,647		
Grand Total			67,900,404		

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
 Reports and Financial Statements
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ANNEX 4.0 – SUMMARY OF FIXED ASSET REGISTER

Asset class	Historical Cost (Kshs) 2015/16	Historical Cost (Kshs) 2014/15	Historical Cost (Kshs) 2013/14
Land			
Buildings and structures	6,300,000.00	6,300,000.00	6,300,000.00
Transport equipment			
Office equipment, furniture and fittings	2,657,140.00	2,140,140.00	2,140,140.00
ICT Equipment, Software and Other ICT Assets	369,000.00	369,000.00	369,000.00
Other Machinery and Equipment			
Heritage and cultural assets			
Intangible assets			
Total	9,326,140.00	8,809,140.00	8,809,140.00

Prepared by:



Shafee Hassan
Fund Account Manager
WAJIR SOUTHING-CDF

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
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ANNEX 4.1 –FIXED ASSET REGISTER

TYPE OF FURNITURE/ EQUIPMENT	ASSET NUMBER	ASSET CODE	DATE OF ACQUISITION	COST	CURRENT CONDITION
Visitors chairs	3	CDF/WJRS/FAM/001, 002, 005	12/1/2009	45,000	GOOD
Leather chairs	2	CDF/WJRS/FAM/003, 004	12/1/2009	70,000	GOOD
Coffee table with two stools.	3	CDF/WJRS/FAM/006, 007, 008	12/1/2009	16,500	GOOD
Photocopy stand table	1	CDF/WJRS/FAM/009	13/02/2009	25,000	GOOD
Executive table with drawers for CPU & extension table.	1	CDF/WJRS/FAM/010	12/1/2009	100,000	GOOD
Photocopy machine KM1635	1	CDF/WJRS/FAM/011	30/12/2009	245,000	GOOD
Imported Four drawer cabinet	1	CDF/WJRS/FAM/012	12/1/2009	34,000	GOOD
Heavy duty stapler	1	CDF/WJRS/FAM/013	30/11/2009	22,500	GOOD
Heavy duty paper punch	1	CDF/WJRS/FAM/014	30/11/2009	24,000	GOOD
Heavy duty binding machine	1	CDF/WJRS/FAM/015	30/12/2009	25,000	GOOD
Dust blower	1	CDF/WJRS/FAM/016	30/11/2009	3,500	GOOD
Sony LCD 21" TV set	1	CDF/WJRS/FAM/017	19/02/2010	35,000	GOOD
HP laser jet printer duplex P2055d	1	CDF/WJRS/FAM/018	30/12/2009	65,000	GOOD
HP Color Laser jet CP1215	1	CDF/WJRS/FAM/019	26/07/2010	30,000	GOOD
HP scanner-scan jet G3010	1	CDF/WJRS/FAM/020	30/12/2009	35,000	GOOD
External speaker(big)	1	CDF/WJRS/FAM/021	31/12/2009	2,500	GOOD
External speakers(small)	1	CDF/WJRS/FAM/022	31/12/2009	2,500	GOOD
HP computer 1000X CPU, 17" HP TFT, Keyboard & Mouse	1	CDF/WJRS/FAM/023-024	31/12/2009	60,000	GOOD
Un-interruptible power supply	1	CDF/WJRS/FAM/025	31/12/2009	4,000	GOOD
Heavy duty paper trimmer	1	CDF/WJRS/FAM/026	30/11/2009	10,500	GOOD
Un-interruptible power supply	1	CDF/WJRS/FAM/027	3/12/2009	4,500	GOOD
Executive High back chair	1	CDF/WJRS/FAM/028	13/03/2008	7,500	POOR

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
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Table tray	1	CDF/WJRS/FAM/029	30/11/2009	2,000	GOOD
Casio calculator	1	CDF/WJRS/FAM/030	12/1/2009	2,000	GOOD
Executive High Back Leather Chair	1	CDF/WJRS/FAM/031	14/10/2012	30,000	POOR
Samsung Airconditioner 18BTU	1	CDF/WJRS/FAM/032	11/7/2013	200,000	GOOD
Toshiba 14" Laptop	1	CDF/WJRS/FAM/033	2/10/2013	70,000	GOOD
APC Battery Back ups-650A	2	CDF/WJRS/FAM/034-035	2/10/2013	30,000	GOOD
LCD Sony Projector DX100	1	CDF/WJRS/FAM/036	25/06/2014	60,000	GOOD
Three Drawer Book Cabinet	1	CDF/WJRS/FAM/037	14/09/2015	75,000	GOOD
Metallic Waiting Benches	1	CDF/WJRS/FAM/038	14/09/2015	28,000	GOOD
Leather Visitors Chairs	2	CDF/WJRS/FAM/039-040	14/09/2015	60,000	GOOD
High Back Executive Leather Chair	1	CDF/WJRS/FAM/041	14/09/2015	70,000	GOOD
Computer table	1	CDF/WJRS/REG/001	31/12/2009	18,000	GOOD
HP CPU, 17" HP TFT, Keyboard & mouse	1	CDF/WJRS/REG/002- 003	10/1/2010	75,000	GOOD
HP laser jet P2055d	1	CDF/WJRS/REG/004	10/1/2010	28,000	GOOD
Refrigerator	1	CDF/WJRS/REG/005	31/12/2009	25,000	GOOD
Un-interruptible power supply	1	CDF/WJRS/REG/006	10/1/2010	4,500	GOOD
Foldable coffee Table	1	CDF/WJRS/REG/007	31/12/2009	20,000	GOOD
Gas cylinder	1	CDF/WJRS/REG/008	31/12/2009	25,000	GOOD
Secretary's Chair	1	CDF/WJRS/REG/009	31/12/2009	7,500	GOOD
Black chairs	20	CDF/WJRS/B-ROOM/001 - 020	31/12/2009	100,000	GOOD
Berkley chairs in Maroon	15	CDF/WJRS/B-ROOM/021- 035	31/12/2009	150,000	GOOD
Conference table with connectors	4	CDF/WJRS/B-ROOM/036- 039	31/12/2009	140,000	GOOD
Plain Mahogany office Table	1	CDF/WJRS/B-ROOM/040	31/12/2009	50,000	GOOD
Executive High back chair	1	CDF/WJRS/ADMIN/001	31/12/2009	40,000	POOR
Four Drawer metallic Cabinet	1	CDF/WJRS/ADMIN/002	13/03/2008	9,640	GOOD
Medium Size Executive table with two drawers and CPU	1	CDF/WJRS/ADMIN/003	31/12/2009	60,000	GOOD

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR SOUTH CONSTITUENCY
Reports and Financial Statements
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space							
HP Laser jet printer 1018	1	CDF/WJRS/ADMIN/004	13/03/2008	8,000	GOOD		
HP Compaq CPU, 17" HP TFT, key board and Mouse.	1	CDF/WJRS/ADMIN/005-006	31/12/2009	60,000	GOOD		
Un-interruptible power supply	1	CDF/WJRS/ADMIN/007	31/12/2009	5,000	GOOD		
External speakers	1	CDF/WJRS/ADMIN/008	31/12/2009	3,000	GOOD		
Plastic Table tray	1	CDF/WJRS/ADMIN/009	13/03/2008	1,000	GOOD		
Mahogany office table with two drawers	1	CDF/WJRS/ADMIN/010	31/12/2009	60,000	GOOD		
Executive High back Leather Chair	1	CDF/WJRS/ADMIN/011	31/12/2009	40,000	POOR		
Un-interruptible power supply	1	CDF/WJRS/ADMIN/012	31/12/2009	5,000	GOOD		
HP CPU, 17" DELL TFT, Keyboard & mouse	1	CDF/WJRS/ADMIN/013-014	13/03/2008	49,000	GOOD		
Compaq HP CPU, 17" HP TFT, Keyboard and Mouse	1	CDF/WJRS/ADMIN/015-016	25/05/2009	55,000	GOOD		
Mahogany Office table with two drawers.	1	CDF/WJRS/ADMIN/017	13/03/2008	19,000	GOOD		
External speakers	1	CDF/WJRS/ADMIN/018	31/12/2009	2,500	GOOD		
HP laser jet M1319MFP	1	CDF/WJRS/ADMIN/019	31/12/2009	80,000	GOOD		
Table tray	1	CDF/WJRS/ADMIN/020	3/12/2009	2,000	GOOD		
Modern Office block standing on a fenced one acre piece of land made up of 3 offices, a Registry, a Conference Hall, a water tank, two toilets and kitchen.	1	CDF/WJRS/ADMIN/021	3/12/2009	6,300,000	GOOD		
APC Battery Back ups-650A	2	CDF/WJRS/ADMIN/022-23	2/10/2013	30,000	GOOD		
Sony LCD 32" TV Set	1	CDF/WJRS/ADMIN/024	6/10/2014	45,000	GOOD		
Zuku Dish	1	CDF/WJRS/ADMIN/025	6/10/2014	6,000	GOOD		
13KG Gas Cylinder with Gas Cooker	1	CDF/WJRS/ADMIN/026	6/10/2014	25,000	GOOD		
Metallic Waiting Benches	1	CDF/WJRS/ADMIN/027	14/09/2015	28,000	GOOD		
High Back Executive Leather Chair	1	CDF/WJRS/ADMIN/028	14/09/2015	70,000	GOOD		
Executive Chairs	2	CDF/WJRS/ADMIN/029-030	14/09/2015	116,000	GOOD		
Four Drawer Steel Cabinet	2	CDF/WJRS/ADMIN/031-032	14/09/2015	70,000	GOOD		
				9,326,140.			

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ANNEX 5 – PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS

The following is the summary of issues raised by the external auditor, and NG-CDF committee comments that were provided to the auditor. The committee has responded the audit issues raised in the managements letter sufficiently and are waiting the feedback from the auditors. Below is the summary of the issues raised and the committee responses

Reference No.on the external audit report	Issues/Observations from Auditor	Management comments	Focal person to resolve the issue	Status (Resolved/Not resolved)	Time frame (Put a date when you expect the issue to be resolved)
3.5	<p>a) The tender notices used to advertise the projects did not set the criteria to be used for evaluation of tenders. The BQs were not signed or stamped by the biddersConfidential Business Questionnaires were not filled to show details of the contractors.</p> <p>b) Project Management Committees did the tendering processes for the desilting of the respective water pans before they were registered</p>	<p>➤ Tenders notices had sufficient information of the tender requirements, some of the bases on why bidders were disqualified are not signed BQs and lack filled CBQs. Instances where tender opening committee didn't endorsed the Bqs Pages was just an oversight and has been rectified.</p> <p>➤ All water Points have elected PMCs who manage the resources. It's the same PMCs who identify these projects to be funded the CDfCs during the proposal collection process. Water point committee late registration</p>	Fund Account Manager		

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		<p>was just a case of formal recognition and opening bank account but these PMCs were in operation over a period of time before</p>		
3.6	<p>i. An amount of Ksh.1,689,855 was paid in respect of hire services while carrying out water trucking services within the constituency with no work tickets</p> <p>ii. The water trucking services were procured before the CDFC Approval</p> <p>iii. Various borehole equipment worth Ksh.1,260,000 were procured for Lagboqol South borehole no stores ledger</p>	<p>➤ The expenditure is supported with waybill forms that has similar information as work tickets</p> <p>➤ The CDFC Approved the Purchase of the borehole materials on 7th march 2014</p> <p>➤ The items were recorded in the PMCs stores register and stores ledger for the borehole items</p> <p>➤ An Inspection and</p>		

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	<p>iv. No evidence to confirm that the equipment were delivered and fitted to the borehole. v. There was no end user requisition from the borehole management committee.</p>	<p>acceptance certificate signed by the PMC representative, CDFCs representative and the county water officer ➤ Requisition from Lagbogol water users association was provided for in the project</p>			
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