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REPORT

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THE AUDITOR-GENERAL

ON

COUNTY EXECUTIVE OF WAJIR

FOR THE YEAR ENDED  
30 JUNE, 2025

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*COUNTY GOVERNMENT OF WAJIR*  
*WAJIR COUNTY EXECUTIVE*

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
30<sup>TH</sup> JUNE 2025**

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**Transitional IPSAS Financial Statements**

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*County Government of Wajir*  
*Wajir County Executive*  
*Annual Report and Financial Statements for the year ended June 30, 2025*

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**1. Acronyms, Abbreviations and Definition of Key Terms**

**A. Acronyms and Abbreviations**

<i>ADP</i>	<i>Annual Development Plan</i>
<i>AIE</i>	<i>Authority to Incur Expenditure</i>
<i>CA</i>	<i>County Assembly</i>
<i>CARA</i>	<i>County Allocation of Revenue Act</i>
<i>CBK</i>	<i>Central Bank of Kenya</i>
<i>CECM</i>	<i>County Executive Committee Member</i>
<i>CE</i>	<i>County Executive</i>
<i>CG</i>	<i>County Government</i>
<i>CIDP</i>	<i>County Integrated Development Plan</i>
<i>COG</i>	<i>Council of Governors</i>
<i>CRA</i>	<i>Commission on Revenue Allocation</i>
<i>CRF</i>	<i>County Revenue Fund</i>
<i>CT</i>	<i>County Treasury</i>
<i>IPSAS</i>	<i>International Public Sector Accounting Standards</i>
<i>MCA</i>	<i>Member of County Assembly</i>
<i>OAG</i>	<i>Office of the Auditor General</i>
<i>OCOB</i>	<i>Office of the Controller of Budget</i>
<i>OSR</i>	<i>Own Source Revenue</i>
<i>PFM</i>	<i>Public Finance Management</i>
<i>PSASB</i>	<i>Public Sector Accounting Standards Board</i>
<i>NT</i>	<i>National Treasury</i>
<i>WB</i>	<i>World Bank</i>
<i>KRB</i>	<i>Kenya Roads Board</i>
<i>Kshs</i>	<i>Kenya Shillings</i>
<i>FY</i>	<i>Financial Year</i>

**B. Definition of Key Terms**

Fiduciary Management	The key management personnel who had financial responsibility
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## **2. Key Entity Information and Management**

### **a) Background information**

The County is constituted as per the Constitution of Kenya is headed by the County Governor, who is responsible for the general policy and strategic direction of the County.

The County Government is charged with the responsibility of providing a variety of services to residents within its area of jurisdiction. These include the services that were hitherto provided by the defunct Municipal Council and the ones that have been transferred from the national government.

#### **Vision**

A peaceful and cohesive county affording quality life for all our citizenry.

#### **Mission**

To spearhead participative, transformative, equitable and sustainable development through efficient systems to achieve quality life for all.

#### **Our Mandate**

The County Government of Wajir as per Article 174 of the Constitution of Kenya 2010 is mandated to carry out exclusive, concurrent and residual functions. Our operations are not however mutually exclusive from those of the national government as we work in close cooperation and consultation with one another. Currently the national government is playing a facilitating role while the County Government of Wajir is adopting the implementation function

The county is headed by the County Governor, who is responsible for the general policy and strategic direction of the County. The Governor is supported by an Executive Committee in carrying out the mandate as stipulated in the Constitution. The County Executive Committee Member for Finance and Economic Planning is in charge of the County Treasury. One of the functions of County Executive Committee Member for Finance and Economic Planning is financial reporting at the County level.

The County Executive is comprised of the following departments:

*County Government of Wajir*  
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No.	Department	Major Responsibility
1.	Public service, Special Programmes and County Administration.	Ensure effective and efficient service delivery to the people of the county.
2.	Finance and Economic Planning	Management of County Treasury and Planning.
3.	Roads, Transport, Public works and Housing	Promote quality infrastructure through construction and maintenance of roads and buildings.
4.	Water services	Ensure sustainable access to safe water.
5.	Energy, Environment & Climate Change	Promote, conserve and protect the environment, and ensure sustainable access to cost effective energy.
6.	Health Services	Provide integrated high quality promotive, preventive, curative and rehabilitative health care services.
7.	Education, Social Welfare and Family affairs	Promote and coordinate quality early childhood education and vocational training for sustainable development.
8.	Agriculture and Livestock and Fisheries	Facilitate Agriculture and Livestock production for socio-economic development and industrialization.
9.	ICT, Trade, Investment and Industry	Utilizing modern information and communications technology to drive productivity and economic prosperity.
10.	Lands, Spatial Planning and Urban Development	Ensure sustainable land management, planned urban and rural development and decent housing for all.

**b) Key Management team**

The Wajir County day-to-day management is under the County Executive committee.

The Executive committee arm is charged with the responsibility of policy formulation and implementation of legislations.

On the other hand, County Assembly is responsible for passing and oversight of various policy implementation statuses by the County organs.

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**COUNTY EXECUTIVE COMMITTEE MEMBERS**

No.	Name	Designation
1.	H.E FCPA Ahmed Abdullahi	The Governor.
2.	H.E Ahmed Muhumed	Deputy Governor.
3.	Hillow Issack Mumin	County Secretary.
4.	Yaqub M Dahiye	CECM Energy, Environment & Climate Change.
5.	Habiba Ali Maalim	CECM Health Services.
6.	CPA Mohamed Hassan Hussein	CECM Finance & Economic planning.
7.	Saadia Ahmed Abdi	CECM Lands, Spatial Planning and Urban Development.
8.	Issa Garore Irobe	CECM Roads, Transport, Public works and Housing.
9.	Farah Abdi Saman	CECM Agriculture, Livestock and Veterinary Services.
10.	Farhiya Abdille Maalim	CECM Public service, Special Programmes and County Administration.
11.	Khalif Abdi Ali	CECM ICT, Trade, Investment and Industry.
12.	Ahmed Mohamed Wardere	CECM Education, Social Welfare and Family affairs.
13.	Mohamud Abdiraham Abdi	CECM Water services.

**c) Fiduciary Management**

The key management personnel who held office for the financial year ended 30<sup>th</sup> June 2024 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	CECM Finance and Economic Planning.	CPA Mohamed Hassan Hussein
2.	CCO Budget, Statistics, Economic Planning, Audit And Compliance.	Ahmed Hussein Elmi
3.	CCO Accounting Services, Pending Bills Resolution, Revenue And Resources Mobilization.	Yahya Mohamed Dahiye
4.	CCO Vocational and Technical Training, Culture, Social Services, Gender and Family Affairs	Fatuma Olow Ali.
5.	CCO Youth, Sports & Talent.	Adanweli Hashi Abdullahi.

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No.	Designation	Name
6.	CCO Education & Early Childhood Development.	Habiba Hussein Abdi.
7.	CCO Intergovernmental Relationship, Development Partners And NGOs Coordination	Abdirahman Mohamed Ahmed.
8.	CCO Special programmes, Disaster Management and Public Participation	Abdi Abdille Adan.
9.	CCO Decentralized Administration & Inspectorate Services.	Issa Osman Mohamed.
10.	CCO Executive Office of the Governor, Public Service, Labour and social Protection.	Farah Ahmed Osman.
11.	CCO Environment, Climate Change Energy, Mining, Natural Resources, Forestry & Wildlife Conservation.	Mohamed Abdullahi Guhad.
12.	CCO Water Infrastructure Development	Hussein Mohamed Olow.
13.	CCO Water Systems Rehabilitation & Maintenance.	Rashid Mohamud Alasi.
14.	CCO Trade, investment Manufacturing, Industry, Cooperative and SME Development	Khatra Hussein Abdow.
15.	CCO Roads & Transport	Birik Osman Abdille.
16.	CCO Public works and Housing	Abdikher Ali Mohamed
17.	CCO ICT & Innovation.	Zeinab Abdi Noor
18.	CCO Land, spatial planning, Urban Areas and Municipality Development	Abdullahi Issack Mohamed.
19.	CCO Agriculture, Crop Farming And Irrigation Services.	Omar Hussein Ibrahim.
20.	CCO Livestock Development Veterinary Services, Rangeland Management And Fisheries	Mohamed Kahiye Bulle.
21.	CCO Public Health & Sanitation	Rukia Maalim Kahiya.
22.	CCO Medical Services	Fardosa Bishar Mohamed.
23.	Managing Director, WAJWASCO.	Roble Ahmed Subow.
24.	CEO, County Public Service Board.	Adow Osman Ahmed.
25.	County Secretary	Hilow Issack Mumin.
26.	Chief Finance Officer	John Maina Mwangi
27.	Director, Accounting Services.	Hussein Hassan Ali.

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No.	Designation	Name
28.	Director, supply chain management.	Abdi Abdullahi Hassan.
29.	Ag. Director Revenue	Ali Sharif Ibrahim.
30.	Director, Economic Planning.	Ahmed Maalim Omar.
31.	Director, Budget.	Mohamed Yunis Sheikh
32.	Director, Internal Audit.	Abdi Guhad Omar.

**d) Fiduciary Oversight Arrangements**

During the period under review, the County's management and operations were supported by a number of institutions which were established within the county to provide oversight role and ensure prudent management.

These key fiduciary oversight bodies at the County for the year ended 30<sup>th</sup> June 2025 were:

**Internal Institutions:**

1. County Assembly of Wajir.
2. Public Accounts Committee.
3. Budget and Appropriations Committee.

**External Institutions**

1. Office of the Controller of Budget.
2. Public Sector Accounting Standards Board.
3. Commission on Revenue Allocation.
4. The National Treasury.
5. Office of the Auditor General.

The Public Accounts Committee follows up on the audit reports from the auditor general.

The County has established an audit committee and there is the Internal Audit unit which reports on:

- 1) Adequacy and effectiveness of CGE's internal control system.
- 2) Adequacy and effectiveness of the entity's risk management.
- 3) Likely causes of any weaknesses observed implications and agreed remedies.

The County Controller of Budget also monitors and controls on the budget limits.

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e) **County Executive Headquarters**

County Government of Wajir  
P.O. Box 9-70200  
County Government Headquarters,  
**WAJIR, KENYA.**

f) **County Executive Contacts**

E-mail: [info@wajir.go.ke](mailto:info@wajir.go.ke)  
Twitter [@WajirCountyKE](https://twitter.com/WajirCountyKE)  
Website: [www.wajir.go.ke](http://www.wajir.go.ke)

g) **County Executive Bankers**

1. Central Bank of Kenya

Haile Selassie Avenue  
P.O. Box 60000  
City Square 00200  
**NAIROBI, KENYA.**

2. Kenya Commercial Bank, Wajir.

Mandera Road  
P.O. Box 201-70200  
Tel: +254-46421536/0711087000  
Email: [Contactcentre@kcb.co.ke](mailto:Contactcentre@kcb.co.ke)  
**WAJIR, KENYA.**

3. National Bank of Kenya, Wajir.

Garissa-Mandera Road  
P.O. Box 597-70200  
Tel: 0711038000/020-2828000  
Email: [Callcentre@nationalbank.co.ke](mailto:Callcentre@nationalbank.co.ke)  
**WAJIR, KENYA.**

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4. Premier Bank, Wajir.

Garissa- Manderu Road

P.O. Box 426-70200

Tel: 0700382282

Email: [infor.wajirbaranch@fcb.co.ke](mailto:infor.wajirbaranch@fcb.co.ke)

**WAJIR, KENYA.**

**h) Independent Auditor**

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

**NAIROBI, KENYA.**

**i) Principal Legal Adviser**

The Attorney General

State Law Office and Department of Justice

Harambee Avenue

P.O. Box 40112

City Square 00200

**NAIROBI, KENYA.**

**j) County Attorney**

County Government of Wajir

P.O. Box 9-70200

County Government Headquarters,

**WAJIR, KENYA.**



### 3. Governance Statement

The County Government of Wajir is constituted as per the Constitution of Kenya, 2010. The County is headed by the Governor, who is responsible for the general policy and strategic direction of the County.

The County is made up of a County Assembly, County Executive and two County Government Entities. The County Executive is structured in terms of departments, headed by a County Executive Committee Member (CECMs). The CECMs support the Governor and the Deputy Governor in executing the mandate of the County Government as stipulated in the Constitution. The County Secretary heads county public service and is responsible for arranging the business of county executive committee.






#### The County Executive






##### a) County Executive Governance Structure:


No.	Photo	Name	Designation
1.		H.E FCPA Ahmed Abdullahi	The Governor
2.		H.E Ahmed Muhumed	Deputy Governor

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3.		Hillow Issack Mumin	County Secretary
4.		Khalif Abdi Ali	CECM Energy, Environment & Climate Change
5.		Habiba Ali Maalim	CECM Health Services
6.		CPA Mohamed Hassan Hussein	CECM Finance & Economic planning
7.		Saadia Ahmed Abdi	CECM Lands, Spatial Planning and Urban Development

8.		Farah Abdi Saman	CECM Agriculture, Livestock and Veterinary Services
9.		Farhiya Abdille Maalim	CECM Public service, Special Programmes and County Administration.
10.		Issa Garore Irobe	CECM ICT, Trade, Investment and Industry
11.		Ahmed Mohamed Wardere	CECM Education, Social Welfare and Family affairs
12.		Yaqub M Dahiye	CECM Roads, Transport, Public works and Housing,

13.		Mohamud Abdiraham Abdi	CECM Water services
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**b. Communication with all Stakeholders**

The County has been engaging its citizens in all its development programmes through public participation in all the county plans, Budget and legislations. This participation ensures that the views of the citizen are included from planning to implementation stages. Participation is done by the county through its established participation structures such as, the County.

The County Assembly Subjected the following bills to public participation; Wajir county Enterprise Development bill, Wajir County Public Participation bill, Wajir County Livestock Marketing Bill, Wajir County Water Management Bill, Wajir County Drug Control Bill And Wajir County Rangeland Management Bill among others

**c) Safeguards against unethical conduct and corruption.**

The County embraces diversity and offers services to all county residents without discrimination. All county fees and charges are levied after wide consultation with the citizens through public participation. The county maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

The county government has declared its premises corruption free environment and guarantees the rights and interests of its citizens as stewardship in service delivery.

**d. Engagement with the County Assembly**

Article 185 of the constitution of Kenya provides for the legislative authority of county Assemblies, vesting the legislative authority of a county and the exercise of that authority in its county assembly.

During year, the County Government had engagements with the county assembly as outlined on section 8 the County Governments act, 2012.

The County Government presented for approval to the County Assembly the County annual development plan. Further, the engagements extended to the budget implementation and performance.

The County Government also presented several bills to the Assembly. The bills include: Wajir County Livestock Marketing Bill, Wajir County Water Management Bill, Wajir County Drug Control Bill, Wajir County Rangeland Management Bill.

**e. Risk management**

The county Government has a risk management strategy and policy framework and is committed in its endeavour to manage risks to acceptable level across all areas of its operation and departments. The county pursues a structured approach to the effective management of risk and further institutionalize risk management practices to identify, prioritize, develop and implement appropriate risk treatment.

This policy supports the attainment of the following objectives:

- i. Enhanced risk awareness- A culture where employees in the county government have a greater understanding of risks and their responsibility to manage them.
- ii. Result-Based Management- Improved decision making through the consideration of risks and their potential impact on the County Government objectives and budget allocations.
- iii. Protection of reputation- Anticipation of risks which could negatively affect the count Government's reputation, impacting its ability to achieve its objectives.
- iv. Strengthening of Accountability- Enhanced management accountability and performance management through the definition of clear risk management roles and responsibilities.
- v. Transparency- Improved transparency within the County Government employees and other stakeholders, as risks are clearly communicated internally and externally.
- vi. Compliance with law requirements- Ensuring that the count Government fully complies with the legal requirement.

**f) Brief descriptions of appointment operation and membership of the audit committee and its charter.**

The Audit Committee was set up to provide oversight on the public financial management systems and assist the Top management in fulfilling their responsibilities for the financial reporting process, Internal Control System, risk management, the internal and external audit process, and the government entity's process for monitoring compliance with laws and regulations.

The County audit committee assumed office in May 2022 and is composed of the following members:

S/NO	NAME	POSITION
1.	Mohamed Abey	Ag. Chairman
2.	Mohamed Abdullahi	Member
3.	Maryan Abdisalan	Member
4.	Ahmed Sheikh Abdullahi	Member
5.	Abdi Guhad Omar	Secretary

The Audit Committee Charter is complete in draft form pending approval by the committee for official endorsement.

**f. Compliance**

The County Government is constituted by chapter 11 of the Constitution of Kenya, 2010. The County Government Act, No- 17 of 2012 provides for the powers, functions and responsibilities of the county governments to deliver services and development to the Kenyan people.

The Public finance Management Act, 2012 and The Public finance Management regulations (County Government) 2015, provide for the effective management of public finances by the county government. The Public Procurement and Asset Disposal Act, 2022 and Public Procurement and Asset Disposal Regulations, 2020 provide procedures for efficient public procurement and for assets disposal by the County Government. The County Government is also in compliance with various National treasury and Controller of Budget circulars that are issued from time to time.

**4. Foreword by CECM Finance and Economic Planning**

Section 164 of the Public Finance Management Act, 2012 requires that, County Governments prepare quarterly financial statements with respect to the entity by 30<sup>th</sup> September every year and submit the same to the auditor general with copies to the County Treasury, COB, and CRA and The National Treasury.

The County Governments Act, 2012 requires that the county government shall be responsible for:

- (a) County legislation in accordance with Article 185 of the Constitution;
- (b) Exercising executive functions in accordance with Article 183 of the Constitution;
- (c) Functions provided for in Article 186 and assigned in the Fourth Schedule of the Constitution;
- (d) Any other function that may be transferred to county governments from the national government under Article 187 of the Constitution;
- (e) Any functions agreed upon with other county governments under Article 189 (2) of the Constitution; and
- (f) Establishment and staffing of its public service as contemplated under Article 235 of the Constitution.

During the year, the county implemented key activities and developmental projects including the upgrading the Wajir referral hospital to level Five, Up scaling the modernization of the Wajir dump-site, Construction Of County Aggregation & Industrial Park, Construction of Four level Four Sub-county hospitals, among others.

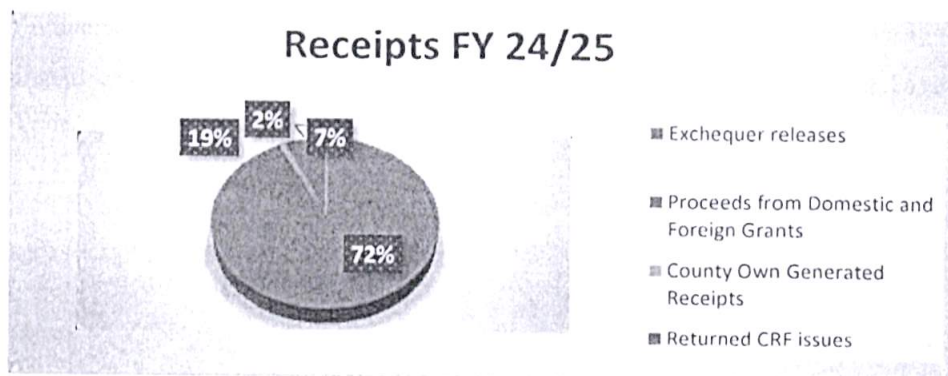
During the financial year, the county faced many challenges which negatively impacted on its activities. The main challenge being delayed disbursement of funds; The County faced challenges of disbursement of funds owing to the slow approvals by the office of the controller of budget and the national treasury leading to low absorption of the budgets and delay in the implementation of the county government objectives.

In view of the above, it is my pleasure to present the Wajir County Government financial statements for the year ended 30<sup>th</sup> June 2025. The financial statements present the financial performance of the County Government over the past year. The statements are prepared in accordance with the Accrual Basis of Accounting Method under International Public Sector Accounting Standards (IPSAS).

The Statements presented include a statement of Financial Performance, a statement of Financial Position, Cash flow Statement, a statement of Comparative budget and actual amount and the Notes to the Financial Statements. The Financial Year 2024/2025 is the twelfth full financial year under the devolved governance structure after the County government came into office in March 2013.

### Analysis of Receipts

In this financial year, the County government started with a budget estimate of Kshs 12,733,180,597. The county had a budget funded by Kshs 9,118,354,969 being exchequer releases share of the revenue allocated by Commission on Revenue Allocation (CRA), Kshs 270,000,000 being the local revenue collection in the county, Kshs 2,408,203,726 being Donor Grants disbursed through CARA and Kshs 936,621,902 being balance brought forward from previous financial year.



### Analysis of Expenditure

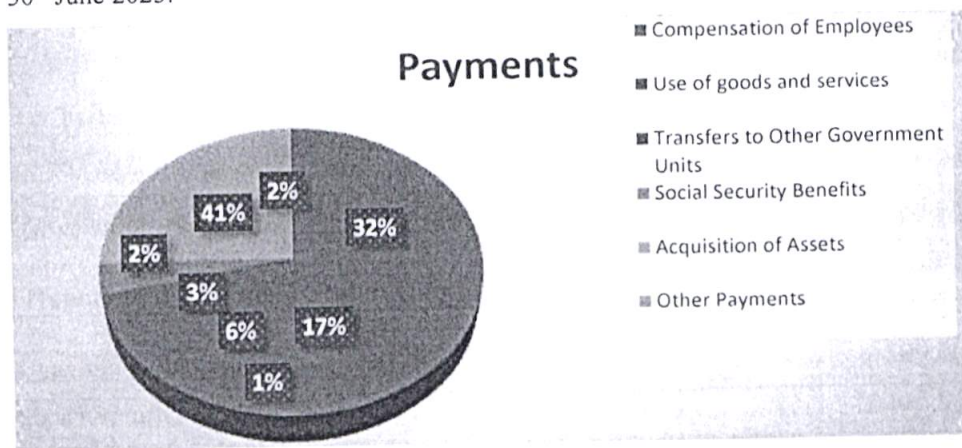
60% of the budget was allocated to Recurrent Expenditure while 40% went to Development Expenditure. This compares well with 2023/2024 where 66% and 34% were allocated to Recurrent and Development Expenditures respectively. Below is graphical representation;

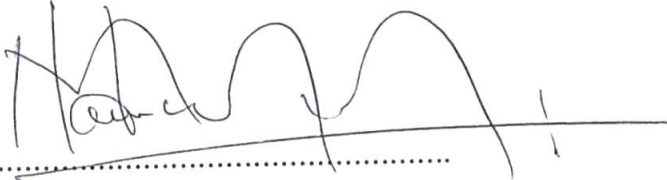
PAYMENTS	AMOUNTS
Compensation of Employees	4,132,782,597
Use of goods and services	2,119,434,760
Transfers to Other Government Units	744,051,982

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Other grants and transfers	209,000,000
Social Security Benefits	115,959,656
Acquisition of Assets	5,211,951,602
Other Payments	200,000,000
<b>TOTAL</b>	<b>12,733,180,597</b>

The diagram shows a pie chart summarizing the expenditure for the period ended 30<sup>th</sup> June 2025.



  
.....  
CECM Finance and Economic Planning  
County Government of Wajir

## **5. Statement of Performance against Predetermined Objectives**

### **Introduction**

Section 164 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the accounting officer when preparing financial statements of each County Government Entity Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the county government entity's performance against predetermined objectives

### **Wajir County has a vision to be**

'A Secure, Resilient and Globally Competitive First Class County in Service Delivery for All'

This vision will be achieved through the county's strategic objectives in the various sectors listed here after; The County Government prepared the CIDP 2023-2027 which is the county development blue print for the five years plan period from 2023-2024 to 2027-2028. Tracking of programmes and projects implementation status is done through a number of activities including: field inspection reports, quarterly M&E reports and annual M&E reports. Annual reports are carried out as per Section 164 (2) (f) of the Public Finance Management Act, 2012.

Moreover, the CIDP 2023-2027 is tracked through a CIDP Mid Term Review which indicates performance of the 2nd Generation County Government. Similarly, we also prepare County Annual Progress Reports (C-APR) on Yearly basis from the data collected during the M & E exercise. Yet, the County has developed a Counter Indicator Handbook from the Wajir CIDP 2023-2027 Indicator that is used to review performance outcomes against the CIDP target outcomes.

### **Strategic development objectives**

The County's CIDP 2023-2027 has identified 44 key strategic development objectives. Broadly, these objectives have been identified through a participatory process that reviewed the development priorities of the Governor's Manifesto, the National Government's Vision 2030, MTP III, SDGs and the Sectorial Plans

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks.

The strategic objectives are a synthesised product of the afore-mentioned planning frameworks that amalgamate the thematic focus and development aspirations in these policy frameworks and plans, and are summarised here-in-under;

The key development objectives of the Wajir County's CIDP are to:

1. Provision of quality veterinary services to increase livestock productivity and safeguard human health in a sustainable environment;
2. Enhance livestock productivity, market linkages and income for farmers;

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3. Meet food and nutrition security through increased crop production and the productivity;
4. Increase access to quality health services;
5. Provision of efficient and quality maternal and new-born services;
6. To prevent and treat against TB/HIV;
7. To protect and improve the health of individuals, communities and greater populations;
8. To improve the quality and access to Early Childhood Education;
9. To provide quality social services to the vulnerable members of the community and to preserve and promote the culture;
10. To scale up the provision of technical and vocational training skills;
11. To Promote sports, arts and talent development;
12. To address disparities and challenges facing girls and women;
13. Protect and preserve cultural diversity and enhance availability of information
14. Promote Sustainable Development of Water Resources for Domestic and Livestock Use;
15. Ensuring Sustainable Development of water resources for Wajir Municipality and other settlements;
16. Improve water access and sanitation infrastructure in Wajir Municipality and its neighbourhood;
17. Improve the Standards & Quality of County Road Networks;
18. Efficient Transport System enhances the standards & quality of county buildings & structures and provides quality, safe, and affordable housing;
19. Enhance the standards & quality of county buildings & structures and Provide quality, safe, and affordable housing;
20. To increase capacity and access to credit;
21. To develop and grow cooperatives in the county;
22. Create enabling environment for business and industrial sector growth;
23. Facilitate trade in the county;
24. Improve ICT infrastructure and enhance staff skills on ICT;
25. To reduce rangeland degradation and increase tree cover;
26. Sustainably Manage the impact of climate change on community and environment
27. Ensure the Conservation, Restoration and Sustainable Use of Natural Resources;
28. Increase Access to Affordable, Reliable, Sustainable and Modern Energy for All;
29. Well planned urban and rural settlements with adequate infrastructure and services;
30. To ensure proper county spatial planning and development;
31. To improve access to basic services and land tenure security of residents in urban informal settlements and strengthen institutional capacity for slum upgrading in Wajir;
32. Ensure well planned urban infrastructure development in the county;

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33. Effective and efficient municipal services;
34. To improve conflict prevention, mitigation and response for sustainable development;
35. Promote good governance and ethics;
36. To enhance efficiency, accountability and transparency in county departments and agencies;
37. To fully operationalize all Devolved Structures;
38. To reduce the effects of disasters to the community;
39. Ensure inclusive and sustainable towns;
40. To facilitate cooperation consultations and conflict resolution between the national and county governments and amongst county governments;
41. To improve staff performance;
42. To strengthen participation of citizens in county governance;
43. To Ensure Effective Economic Policies for County Development and economic Growth and to have efficient resource allocation, expenditure Management and Reporting;
44. To ensure prudent management of financial resources, To Increase OSR and Ensure Value for Money in Procurement of Public Goods and Services.

**Progress on Attainment of Development Objectives from Annual Development Plan for FY 2024/2025**

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

*Table xx1: Programme performance*

Program	Strategic Objective	Outcome	Output	Output indicator	Achievement for the FY			Remarks
					Target	Actual	Variance	
<b>Coordination and Supervisory Services</b>	Coordination and Supervisory Services	Executive	Coordination and Supervisory Services	No of Bills approved	5	5	0	Achieved
			Approval of County Budgets	No of Budgets approved	2	2	0	Achieved
			Cabinet Meetings	No of Cabinet Meetings	10	10	0	Achieved
			Approval County Plans	No of Plans approved	2	2		Achieved
			Adoption of County Policies	No of Policies approved	3	3	0	Achieved
<b>Public Finance Management</b>	Accounting Services	Treasury	Annual Financial Reports	No of Reports	1	1	0	Achieved
			Quarterly Financial Reports	No of Reports	4	4	0	Achieved
			Monthly Financial Report	No of Reports	12	12	0	Achieved

			Proper Book of accounts	No of Books Maintained	3	3	0	Achieved
			Cash Flow Management	No of Plans Prepared	1	1	0	Achieved
			Fund Requisition	No of Requisition	24	24	0	Achieved
	Supply Chain services	Procurement	County Annual Procurement Plan	No of Procurement Plan	1	1	0	Achieved
			Project Implementation report	No of Reports	4	4	0	Achieved
			Prequalification of Suppliers	No of Companies Prequalified	200	200	0	Achieved
	Revenue Services	Revenue	Revenue Collected	Amount Collected (Million)	200	333	133	167% achievement
			Increased Revenue Base	No. of Streams Introduced	3	2	-1	67% Achievement
			Revenue Compliance	No of Barriers operationalized	3	1	-2	33% achievement
				No of Supervisions	12	12	0	Achieved
				No of Motor Bike Purchased	3	0	-3	Budget constraint
	Internal Audit	Internal Audit	Increased Internal Controls	No of Audits	12	12	0	Achieved
				Proportion of project visits	80	80	0	Achieved
	Budget	Budget	County Budget	No of County Budget prepared	1	1	0	Achieved

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				No of Supplementary Budget prepared	1	1	0	Achieved
			County Policies	No of CBROP prepared	1	1	0	Achieved
				NO of CFSP prepared	1	1	0	Achieved
				No of budget absorption report prepared	4	4	0	Achieved
<b>Economic Planning Services</b>	County Integrated Development Planning	Economic Planning	Development of plans	No of Development Plans developed	1	1	0	Achieved
				No of policies developed	1	0	-1	Budget constraint
				No of circulars developed	3	3	0	Achieved
	County Statistics	Economic Planning	Statistical surveys	No of surveys	1	0	-1	Budget constraint
				No of County Statistical Abstract disseminated	1	0	-1	Budget constraint
	County Monitoring and Evaluation services	Economic Planning	Effective Monitoring and Evaluation	No of field visits	2	0	-2	Budget constraint
				No of reports	2	0	-2	Budget

								constraint
				No of staff trained on M & E	5	1	-4	Budget constraint
				No of M & E Policy Developed	1	0	-1	Budget constraint
				No of CIDP indicator handbook developed	1	0	-1	Budget constraint
<b>Livestock Development and Alternative Livelihood</b>	Livestock Resource Management and Development	Livestock production	Farmers/ pastoralists reached in extension and trained	No Farmers/ pastoralists reached in extension and trained	1200	945	-255	77% achievement
			Educative Radio programmes developed and targeting livestock farmers	No. Educative Radio programmes developed and targeting livestock farmers	3	3	0	Achieved
			Staff trained on climate smart livestock farming	No. Staff trained on climate smart livestock farming	20	12	-8	60% achievement
			Degraded rangelands reseeded	Ha Degraded rangelands reseeded	200	10	-190	5% achievement

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			Acreage of land under irrigate fodder production	Acre of Irrigated pasture under production	200	100	100	50% achievement
			Hay Harvested	No. Hay harvested	8,500	20	-8,480	under-achievement
			strategic hay/barn constructed	No. of strategic hay/barn store in place	23	0	-23	Not achieved
			Strategic feed reserves for emergencies constructed	No. Strategic feed reserves for emergencies	100 Ha	100 Ha	0	Achieved
			Rangeland committees for management established	No. Rangeland committees for management established	5	5	0	Achieved
			Livestock policies, laws developed	No. Livestock policies, laws	1	0	-1	Not achieved
			Feed lots operationalized	No. Feed lots operational	1	0	0	Not achieved

			Market holding grounds developed	No of holding grounds developed	1	0	-1	Not Achieved
			Camel Marketed	No of Camel Marketed	150,000	100,800	-49,200	Not achieved
			Climate information Shared	No of Climate information Shared	weekly	Weekly	0	Achieved
			TLUs covered under Livestock insurance	NO. OF TLUs Uptake of insurance	4500	2500	-2000	56% achieved
<b>Irrigation</b>	Irrigation Management	Irrigation	Farmers covered under irrigation	Number of farmers practicing irrigation	3200	3200	0	Achieved
			Area under watermelon	Area under watermelon (Ha)	100	120	20	Achieved
			Area under kales production	Area under kales production(Ha)	40	67	27	Achieved
			Area under Tomatoes production	Area under Tomatoes production(Ha)	80	40	-40	50% achievement
			Area in Other Horticulture	Area in Ha under Other Horticulture	120	146	26	Achieved

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			Area under Food crop production	Area under Food crop production (acreage)	9800	12600	2800	Achieved
Crop Production		Crop Production	Land tilled mechanically	Land tilled mechanically (acreage)	1700	1400	-300	82% achieved
		Crop Production	Machinery in AMS- Farm tractors procured	No. Machinery in AMS- Farm tractors	3	4	1	Achieved
	Agricultural Mechanization on Services(AMS)	Crop Production	Farmers using AMS	No. Farmers using AMS	200	750	550	Achieved
			Trainings undertaken	No. Trainings undertaken	25	14	-11	56% achieved
			New advanced technologies Adopted	No of new advanced technologies adopted	7	4	-3	57% achieved
			Yield for Melons	Yield for Melons (MT)	1230	560	-670	46% achieved
			Yield for kales	Yield for kales (MT)	2600	3200	600	Achieved
			Yield for tomatoes	Yield for tomatoes (MT)	340	74	-266	22% achieved
			Yield for cereals	Yield for cereals (MT)	4500	2340	-2160	52% achieved

			Yield for pulses	Yield for pulses (MT)	150	1870	1720	Achieved
			Value chains developed	NO. Value chains developed	5	5	0	Achieved
			Average income/ Acre Horticulture	Average income/ Acre Horticulture	34000	36000	2000	Achieved
			Average income/ Acre – cereals	Average income/ Acre – cereals	42000	13,300	-28700	32% achieved
			Post-harvest losses	%Post-harvest losses	35	35	0	Achieved
			Agricultural land under agroforestry	Agricultural land under agroforestry (Acreage)	1.3	1.3	0	Achieved
			Area under fruit trees in the county	Area under fruit trees in the county (acreage)	9	9	0	Achieved
			climate information shared	No. Frequency of sharing climate information	100	100	0	Achieved
			Dissemination forums/ training conducted	No. Dissemination forums/ trainings	20	24	4	Achieved
Alternative Livelihoods	Apiculture	Apiculture	Honey marketed	Honey marketed (KGS)	8000	3,568	-4432	44% achievement
			Beehives colonized	No. active beehives	900	446	-454	50% achievement
			Income from honey	Amount in KES	3,200,000	2,854,400	-345600	89% achievement

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			Birds raised by youth and women	No. Birds in production by youth and women	31250	460	-30790	Budget constraint
			Income from poultry	Income from poultry (KES)	5	80,400	80395	Budget constraint
			Eggs Produced	No. Eggs Produced	12000	5360	-6640	Budget constraint
<b>Alternative livelihood</b>	Fisheries		Gums and resins harvesters trained	No. of Gums and resins harvesters trained	700	0	-700	Budget constraint
			Volume of gums produced	Volume of gums produced (KG)	3,000	184	-2816	60% achievement
<b>Veterinary Services</b>	Veterinary		strategic vaccine stocked	Stock of strategic vaccines	1	1	0	Achieved
			sheep and goats vaccinated	No of sheep and goats Vaccinated	450,000	1,500,000	1,050,000	Over-achieved through ELRP support
			camels vaccinated	No of camels vaccinated	40,000	200,000	160,000	Achieved
			cattle vaccinated	No. cattle vaccinated	20,000	26000	6,000	Achieved
<b>Road Works Services</b>	Maintenance & Rehabilitation of County Roads and Bridges	Roads	Well Graded roads	No of KMs graded	505	425	-80	84%achievement
			Well Graveled roads	No of KMs graveled (spot improved)	100	7	-93	7% achievement
			Well Expanded Road	No of KMs cleared	1100	269	-831	24% achievement

			Drift	No of Drifts constructed	98	0	-98	Not achieved
			Culvert	No of culverts constructed	5	1	-4	20% achievement
			Maintenance of Tarmacked roads	No of KMs of maintained	31	0	-31	Not achieved
		Transport	Well maintained vehicles	No of vehicles maintained	132	132	0	Achieved
			well managed fleet	Value of insurance premium	25	0	-25	Not achieved
Water Services	<b>Water Supplies Overhaul and Maintenance Services</b>	Water Supplies Overhaul and Maintenance	Boreholes maintained throughout the year	No of boreholes maintained	285	337	52	Over-achievement
			borehole breakages reported and addressed	Proportion of reported cases of broken boreholes addressed.	100	100	0	Achieved
			Water Supply Systems Refurbished	No of Water Supply Systems Refurbished	10	0	-10	Not achieved
			Hybrid solar systems for boreholes Constructed	No of Hybrid solar systems for boreholes Constructed	8	0	-8	Not achieved

			desalination machine/Plant installed	No of desalination machines /Plants installed	3	1	-2	Not achieved
			Field water service vehicles procured	No of Field water service vehicles procured	2	0	-2	Not achieved
			boreholes repaired in a timely manner	Average time response	10h	10h	0	100% achievement
	Infrastructure development services	Infrastructure development services	Geological surveys conducted	No of sites surveyed	60	60	0	100% achievement
			Boreholes Drilled	No of boreholes drilled	18	35	17	194% achievement
			Boreholes Equipped and operational	No of Boreholes Equipped	18	5	-13	28% achievement
			Boreholes extension water works constructed	No of borehole water works constructed	10	10	0	Achieved
			Water pans rehabilitated	No of water Pans rehabilitated	11	10	-1	91% achievement
<b>Energy, Environment and Natural Resources</b>	Energy Services	Energy Services	Level 4 hospitals installed with solar back-up	No of solar back-ups installed	5	10	5	200% achievement

	Environment Conservation Services	Environment Conservation Services	Controlled gullies	No of gabions constructed	2	0	-2	Not achieved
			Afforestation programs established	No of wards with afforestation programs	30	3	-27	10% achievement
			Trainings carried out	No of environmental trainings carried	1	0	-1	Not achieved
			Climate fund allocated	Amount of money set for climate change	186M	75M	-111	40% achievement
	General Administration	environment	Offices Maintained	No of offices maintained	1	0	-1	Not achieved
			Staff Trained	No of staff trained	15	0	-15	Not achieved
	Public Participation Services	Civic Education Services	Public Participation Services	Public forums	No of forums held	6	5	-1
Trained staff				No of staff trained	10	0	-10	Budget constraint
Baraza Sheds				No of sheds constructed	1	1	0	Achieved
Radio talks				No of talks carried out	5	0	-5	Budget constraint
Civic Trainings				No of trainings carried out	3	0	-3	Budget constraint

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Inter-governmental Relations	Inter-governmental Relations	Inter-governmental Relations	Inter government forums	No of forums held/attended	6	6	0	Achieved
Efficiency Monitoring	Efficiency Monitoring	Efficiency Monitoring	M&E Exercises	No of M&E exercises carried	4	1	-3	25% Achievement
			Trained staff	No of staff trained	5	0	-5	Budget constraint
			Audit reports	No of system audits carried out	5	1	-4	20% achievement
			Performance management system	No Of PCs developed	10	10	0	Achieved
<b>Human Resources Management and Capacity Building</b>	<b>Human Resources Management and Capacity Building</b>	<b>Human Resources Management and Capacity Building</b>	Training Reports	No of trainings conducted	5	3	-2	60% achievement
			Trained staff	No of people trained	30	10	-20	Budget constraint
Decentralized Services and Town Administration	Decentralised Units	Decentralized Units	Operational sub-county offices	No of offices fully operationalized	6	6	0	Achieved
			Operational ward offices	No of offices fully operationalized	30	30	0	Achieved
			Renovated sub-county & Ward offices	No of offices renovated	3	2	-1	67% Achievement
			Trained staff	No of staff trained	15	0	-15	Budget constraint
Special Programs	Conflict resolution	Conflict Resolution	Strategic plan-ADP	No of plans prepared	1	1	0	Achieved

			Peace days	No of peace festivals held	1	1	0	Achieved
			Training reports	No of peace dialogues conducted	3	3	0	Achieved
			Training reports	No of CPMR trainings conducted	5	1	-4	20% achievement
			Trained staff	No of staff trained	10	10	0	Achieved
	Disaster Management and Coordination of Humanitarian Services	Disaster Management and Coordination of Humanitarian Services	Humanitarian coordination strategy	No of strategies developed	1	0	-1	Budget constraint
			Mainstreaming reports	No of workshops held	2	4	2	Achieved
			CC& adaptation Training reports	No of training conducted	3	2	-1	67% Achievement
			Community DRR Training reports	No of training conducted	2	0	-2	Budget constraint
			Hazard mapping reports	No of mapping activities undertaken	2	1	-1	50% Achievement
			Hunger free community	% of vulnerable families benefited from relief food	35%	25%	-10%	71% achievement

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Labour Services	Human Resource	Human Resources Management and Capacity Building	Trained staff	No of staff trained	20	10	-10	50% Achievement
Environment, Beautification and Sanitation services	Town improvement Services	Town Administration	Trained staff	No of staff trained	21	0	0	Budget constraint
			Operational offices	No of operational town offices	15	22	7	Achieved
		Town Sanitation	Cleaning programs	No of towns with sanitation programs	10	11	1	Achieved
			Dumpsites constructed	No of Dumpsite Constructed	4	0	-4	Budget constraint
			Slaughter houses constructed	No of Slaughter Houses constructed	3	0	-3	Budget constraint
			Garbage equipment	No of equipment purchased	3	0	-3	Budget constraint
Governance and Ethics	Governance and Ethics	Governance and Ethics	Forums	No of Forums held	4	0	-4	Budget constraint
			Publications	No of Publications done	2	0	-2	Budget constraint
			Staff sensitized	No of staff sensitized	30	0	-30	Budget constraint
Strategic Service Delivery	Strategic Service Delivery	Strategic Service Delivery	System improvement initiated	No of System improvement initiated	2	0	-2	Budget constraint

			Documentaries	No of documentaries recorded	1	0	-1	Budget constraint
			Performance award	No of ceremony held	2	0	-2	Budget constraint
Early Childhood Education Development Services	Early Childhood Education Development Services	Early Childhood Development Services	Child Friendly Classrooms Constructed	No of Child friendly Classrooms Constructed	354	363	9	Achieved
			Toilets Constructed	No of Toilets Constructed	255	295	40	Achieved
			Classrooms renovated	No of classrooms renovated	88	100	12	Achieved
			Outdoor play materials purchased	No of outdoor play materials purchased	35	0	-35	Budget constraint
			Leaners receiving Learning materials and course books	No of leaners receiving Learning materials and course books	24748	21548	-3200	87%achievement
			Tables and Chair Purchased	No of Tables and Chair Purchased	3000-Chairs 100 Tables	3380-Chairs 480 Tables -	380/380	Achieved
			Special Need Equipment Provided	No of Special Need Equipment Provided	20	0	-20	Budget constraint

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		Quality Assurance Assessment conducted	No of Quality Assurance Assessment conducted	3	0	-3	Budget constraint
		ECDE with Integrated Education	No of ECDE with Integrated Education	85	3	-82	Budget constraint
		Enrolment Drives undertaken	No of Enrolment Drives undertaken	3	0	-3	Budget constraint
		ECDE children benefiting from school Feeding Program	No of ECDE children benefiting from school Feeding Program	24748	28686	3938	Achieved
		Student Benefitted from Bursary	No of Student Benefitted from Bursary	32000	33100	1100	Achieved
	Culture and Heritage Services	cultural centres established	Number of cultural centres established	1	0	-1	Budget constraint
		cultural events conducted annually	Number of cultural events conducted annually	2	0	-2	Budget constraint
		Historical sites documented and gazetted.	No Historical sites documented and gazetted.	30	0	-30	Budget constraint
		Libraries equipped	No of Libraries equipped	6	1	-5	Budget constraint

			Libraries refurbished	No of Libraries refurbished	2	2	0	Achieved
	<b>Child Protection</b>	<b>Child Protection</b>	Children Supported at Child Rescue centre	No of Children Supported at Child Rescue centre	150	0	-150	Budget constraint
			Operationalization of child rescue center	No of Operationalization of child rescue center	1	0	-1	Budget constraint
			Girls benefiting from dignity kit	No of School Going girls benefiting from Pads & undergarment	35,000	60,000	25000	Achieved
			Foster Care Providers Supported	Proportion of Foster Cares Providers Supported	40	0	-40	Budget constraint
			Child protection volunteers supported	No of child protection volunteers supported	40	0	-40	Budget constraint
			Children given psychosocial support	No of children given psychosocial support	350	0	-350	Budget constraint
			Operationalized child rescue centre	No of children rescued	20	0	-20	Budget constraint

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Social Services	Social Services	Social Services	Empowerment of PWDs	No of beneficiaries supported with cash transfer	630	630	0	Achieved
			Quranic competition	No of quranic competition held	7	7	0	Achieved
				No of participant	200	251	51	Achieved
	Vocational Training	Vocational Training	VT workshops established	No. of VTC workshops established	12	0	-12	Budget constraint
			Disability friendly toilets	No. of disability friendly toilets	7	0	-7	Budget constraint
			New VTC established	Number of new VTC established	0	0	0	Budget constraint
			ICT workshop upgraded	No. of ICT workshop upgraded	2	0	-2	Budget constraint
			Centres supported	No of centres receiving Tailoring, Beauty Therapy, Hair Dressing, Masonry, Carpentry, ICT, ARC welding, Plumbing, and Electrical materials	8	8	0	Achieved

		Centres Receiving food Support	No of Centres Receiving food Support	8	8	0	Achieved
	Sports Services	Wajir Stadium upgraded	No. of stadium upgraded	1	0	-1	Budget constraint
		Athletic championship conducted	No of athletic championship conducted	1	0	-1	Budget constraint
		Teams supported to participate.	No of teams supported to participate in Kenya Youth Intercountry Sports Association games KYiSA	12	1	-11	Budget constraint
		Sub county Leagues organized	No of Sub County Leagues organized	6	1	-5	Budget constraint
		National Holidays Tournaments organized	No of National Holidays Tournaments organised	20	0	-20	Budget constraint
		Coaches and referees trained	No of Coaches and Referees trained	30	30	0	Achieved
		Sports equipment procured	No. of Teams supported	40	40	0	Achieved

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	<b>Gender and Women Empowerment</b>	Gender and Women Empowerment	Women supported with Sewing machines provided	No of women supported with Sewing machines provided	70	60	-10	86% achievement
Wajir Gender Technical Working Group meetings held			No of Meeting of Wajir Gender Technical Working Group (WGTWG)	4	5	1	Achieved	
Champions trained			No of Wajir anti FGM champions Trained	12	0	-12	Budget constraint	
Cutters sensitized against FGM			No of Cutters sensitized against FGM	90	0	-90	Budget constraint	
<b>Trade Services</b>	Business Support & Investment Services	Business Support & Investment Services	Markets/stalls	No. of market stalls refurbished	5	0	-5	Budget constraint
			Markets constructed	No of market constructed	1	0	1	Budget constraint
<b>Cooperative Development Services</b>	Capacity Building Services	Co-operative development Services	Vibrant and self-sustainable Saccos in place	No of Saccos/marketing cooperative promoted and trained	15	4	11	Achieved

			Cooperative tools purchased	No of cooperative tools purchased and distributed	20	0	-20	Budget constraint
			Business start-ups kits provided to youth and women	No of business start-up kits provided	10	5 tents with 50 plastic chairs two washing machines	-5	50% achievement
			cooperative members trained	No of cooperative members trained	300	70	230	17% achievement
<b>Industrialization and Investment Services</b>	Investment and Industry Services	Investment and Industry Services	Cottage industries	No of cottage industries developed	0	0	0	Budget constraint
			Industrial show and exhibition held	No of exhibition	1	0	1	Budget constraint
			Industrial Park established	No of parks	1	1	0	Achieved
ICT Infrastructure Services	ICT Infrastructure Services	ICT Infrastructure Services	Installation of Local Area Network (LAN), IP telephony & CCTV systems to offices	No of offices connected	1	1	0	Achieved
			Installation of ICT Security Systems power back-ups	No of offices connected with power back-ups	0	0	0	Budget constraint
			Well trained staff	No of staff	5	5	0	Achieved

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				trained					
Curative, Rehabilitative and Referral Services	Curative & Rehabilitative Services	WCRH	Level 5 Hospital upgraded – phase 2	% of Completion	100	98	2	98% achievement	
			Specialized services	Number of Laparoscopic operations done	5	0	-5	Not achieved	
				No of major Orthopedic surgeries done	85	90	5	106% achievement	
				No of major Ophthalmic surgeries done	80	65	-15	81% achievement	
			WCRH units	No. of wards/units refurbished	4	4	0	Achieved	
			Mortuary constructed	% of Completion	100	100	0	Achieved	
		Medical Services	Health facilities upgraded to level IV	No of hospitals upgraded	8	2	-6	25% achievement	
			Automation	No of Hospital automated	1	1	0	Achieved	
			Medical Equipment procured and installed	Value of Medical Equipment's procured in KSH	20M	100M	80M	80% achievement	
			Operationalization of Theatres	No operationalized	2	2	0	Achieved	

		Delivery of assorted medical drugs (Kshs)	Value of drugs (Kshs.)	180M	300M	120M	167% achievement	
		Product management	Level of stocking for essential supplies to attain optimality	90%	90	0	Achieved	
		Delivery of assorted non pharmaceuticals and laboratory materials	Value in Kshs	45	45	0	Achieved	
		Cash fund to health facilities	No of Facilities receiving AIEs	130	130	0	Achieved	
		Staff medical Insurance	Proportion of staff covered	100	100	0	Achieved	
		Food and rations for patients	No of facilities with food for inpatients	10	10	0	Achieved	
		Access to service delivery	Average distance in KM to nearest health facilities	20	15	-5	75% achievement	
			Population to Health Facility Ratio	1 to 5283	1 to 5000	-283	Slightly below the target	
	Emergency Referral Services	Emergency Referral Services	Operational Ambulances	No of operational Ambulance	21	17	-4	81% achievement

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			Proportion of referral undertaken	Proportion of referral undertaken against reported cases	100%	100	0	Achieved
Preventive and Promotive Services	Preventive and Promotive Services	Promotive Services	Health facilities Operational	No of health facilities operational	175	160	-15	91% achievement
			Health facilities fenced	No. of health facilities fenced	6	1	-5	16.7% achievement
			Roof catchment structures (gutters)	No of dispensaries Roof with gutters installed	17	0	-17	Not achieved
			Population access to basic drinking water	Proportion with access to at least basic drinking water (%)	55	40	-15	73% achievement
		Preventive	Water Quality testing	No of samples tested. (NPHL)	130	60	-70	46% achievement
			Toilets constructed for health facilities	No. of toilets constructed	20	3	-17	15% achievement
			Community Sensitization campaigns	No of people reached	680,000	500,000	-180000	74% achievement
			purchase of water testing kits	No of kits purchased	130	0	-130	Not achieved
		Community Health Strategy	Community strategy	No of active community units	119	119	0	Achieved

			Celebration of National and International days	No of days celebrated	10	4	-6	40% achievement
RMNCAH	RMNCAH	Immunization	Improved coverage for full immunization	% of under 1 fully Immunization	60.6	73	12.4	120% achievement
				No. of immunizing facilities	130	130	0	Achieved
				No of facilities using solar fridges	120	120	0	Achieved
				Infant mortality rate (No/1,000)	40	43	3	Slightly below the target
				Under 5 mortality rates	48	57	9	Slightly above the target
	Nutrition	Child Nutrition	GAM rate	GAM rate	14	11.2	-2.8	80% achievement
			Stunting rate	Stunting rate	13	12	-1	92% achievement
				No of facilities implementing surge approach	105	68	-37	65% achievement
		Reproductive Health	Women of reproductive age	Fertility rate	6.4	6.8	0.4	slight overachievement

			Deliveries under skilled HCW in facilities	% of deliveries conducted by skilled attendants in health facilities	65	57	-8	88% achievement
			Antenatal care	Proportion of Expectant women attending full (at least 4) ANC clinics	60	47	-13	78% achievement
			Post natal care	family planning utilization rate	8	7	-1	90% achievement
			Basic obstetrics services	No of facilities offering basic obstetrics services	115	100	-15	87% achievement
			Advanced obstetrics services	No of facilities offering advanced obstetrics services	7	5	-2	71% achievement
			Delivery of mama kits	No of kits purchased	10,000	10,000	0	Achieved
			Adolescence	Youth friendly centres established	1	0	-1	Not achieved
			GBV	No of women (age 15-49) who experience	10	13	3	Slightly below achievement

				physical violence				
	Special programs	TB/HIV	Outreach campaigns	No of integrated outreach done	12	0	-12	Under-achievement
Special programs			Maintenance of TB manyatta	No of facilities renovated	8	0	-8	Under-achievement
			Case finding	TB Case detection rate	8	2	-6	Under-achievement
			TB management	Cure rate	100	100	0	Achieved
			New Tb patients put on treatment	Proportion of new TB patients put on treatment	100	100	0	Achieved
			PMTCT	Proportion of HIV positive expectant women on ARV	52	52	0	Achieved
			HIV transmission	HIV transmission rate	0.1	0.1	0	Achieved
		Health Research	Health Research	Non communicable diseases screening	No of Cervical cancer screening camps	4	0	-4
Health Research				No of Diabetes screening camps	4	0	-4	Not achieved

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			Disease prevalence study	No of diseases studied	2	1	-1	50% achievement
	General Administration and Support Services	Administration	Strengthened framework for Monitoring and evaluation on continuous basis	No. of quarterly Support Supervision	4	3	-1	75% achievement
General Administration and Support Services				No of Facility Committees trained	30	2	-28	Under-achievement
			Staff establishment	Nurse to Population Ratio	1 to 1676	1.3333 33333	1 to 184	Below the standard ratio(Target)
				Doctor to Patient Ratio	1 to 12066	1:1081 0	1: 1,256	Over-achievement
			Salaries	No of staff in Health payroll	1202	1138	-64	Slightly lower than the target
				Health budget for salaries	1.7B	1.6B	0	Achieved
	Urban Physical Planning Services	Lands	Physical plans finalized	No of Physical Plans Finalized	1	1	0	Achieved
Land policy and Physical Planning Services			Rural Plans done	No of spatial plans completed	1	0		Not achieved
			KISIP Project	Value in Kshs	468.6 M	420M	(48.6M)	90% performance
			KISIP Project counter-part funding	Value in Kshs	46.9M	46.9M	0	Achieved

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	County Survey and Policy Services	Lands	Survey reports	No of plots surveyed	1000	1500	-40	6% complete
			Digital land records	Percentage completion	40	40%	0	Achieved
	Government Building and Housing	Housing	government houses maintained	No of government houses maintained	2	3	1	Achieved
<b>Government Building and Housing</b>	County Public Service Board Services	County Public Service Board	Timely interviews	No of interviews carried out;	20	1	-19	Budget constraint
<b>County Public Service Board Services</b>				No of Officers recruited	200	1	-199	Budget constraint
			Timely staff trainings	No of trainings conducted	10	5	-5	Budget constraint
			Legislative and oversight services	County Assembly	Approval of County Bills	No of Bills approved	12	3
<b>Legislative and oversight services</b>	Legislative and oversight services	County Assembly	Approval of County Budgets	No of Budgets approved	2	2	0	Achieved
			Approval County Plans	No of Plans approved	3	3	0	Achieved
			Adoption of County Policies	No of Policies approved	3	0	-3	Budget constraint
			Capacity Improvement for effective oversight	No of Staff Capacity Built	25	22	-3	Achieved
			Enhanced Oversight	NO of Statements brought on the floor of the house	40	18	-22	Partially achieved

**6. Environmental and Sustainability Reporting**

**a) Sustainability strategy and profile**

The Wajir County Development Agenda is informed by the need to increase and expand sustainable development opportunities and build people's capacities to enable them create wealth and transform their lives for growth and prosperity. The County Envisions being a competitive, industrialized and socio-economically self-sustaining and securing county. This will be attained by providing quality and efficient services through innovative and sustainable utilization of resources for a better quality of life of all citizens of Wajir County. The county intends to attain and sustain it through creation of a county culture anchored on; Transparency; Inclusiveness and Equity; Empowerment; Quality and result oriented in provision of the county services.

**b) Environmental performance**

As outlined in the County 2023-2027 CIDP, Environment is one of the key thematic areas that the county has put a lot of focus in its developments agendas. Land is a natural resource which can be sustainably used to satisfy man's unlimited needs and wants as long as the concept of scarcity is recognized. Cognizant of the need for responsible land use for environmental sustainability, The County has developed a number of policies, programmes and structures guiding environmental matters within the County.

**c) Employee welfare**

Wajir County Recognises the value of its employees in the implementation and long term sustainability of its development strategy. As a result, it has always ensured a fair recruitment process where competences and qualification have been key in hiring of its employees to ensure value from its human resource. All recruitments observe the one third Gender rule and the inclusivity. All senior management staff from the level of county directors and above are placed under performance Contract while the junior staff are under performance Appraisal system.

This is aimed at inculcating a results culture and also helps to identify skills Gap for capacity building and future development the County staff as they inform approvals for Promotion and training for carrier growth. For a better and health work force, the county has also placed all staff under a medical cover as stipulated by the Salaries and Remuneration Commission's guideline of Employee Medical benefits.

**d) Market place practices-**

The County embraces diversity and offers services to all county residents without discrimination. All county fees and charges are levied after wide consultation with the citizens through public participation.

**a) Responsible Supply chain and supplier relations-**

The County Government of Wajir maintains good business practices, treats its own suppliers responsibly by honouring contracts and respecting payment practices.

**b) Responsible ethical practices-**

The County Government of Wajir operates on the set practises of Corruption free environment

**c) Stewardship of goods and services**

The County Government of Wajir safeguards the rights and interests of its citizens

**e) Community Engagements**

The County has been engaging its citizens in all its development programmes through public participation in all the county plans, Budget and legislations. This participation ensures that the views of the citizen are included from planning to implementation stages. Participation is done by the county through its established participation structures such as, the County Budget and Economic Forum, The County Citizen education and Civic Education Unit etc.

## **7. Management Discussion and Analysis**

This Management Discussion and Analysis provides a comprehensive review of Wajir County Government's operational and financial performance highlighting key achievements, challenges, and future strategic directions. Despite operating in one of Kenya's most challenging environments, characterized by arid climatic conditions and infrastructural deficits, the county has demonstrated resilience and strategic progress in key development sectors. Our total budget allocation for FY 2024/2025 stands at Kshs. 13.5 billion, representing a 13.2% growth from the FY 2022/2023 baseline of Kshs. 11.66 billion. This growth reflects improved resource mobilization and enhanced development partner engagement, positioning us to accelerate transformative development initiatives across the county.

Our investment strategy aligns with the County Integrated Development Plan (CIDP) 2023-2027 strategic objectives, focusing on four critical pillars: infrastructure development, human capital enhancement, economic transformation, and institutional capacity building.

Water infrastructure remains our highest priority given the county's arid climate and CIDP target of 75% water coverage by 2027. We have successfully drilled and rehabilitated 147 boreholes across all sub-counties, constructed 23 water storage facilities, and established 89 water kiosks. These interventions have improved water access from 34% in 2022 to 52% in 2025, directly benefiting over 280,000 residents and achieving 69% of our CIDP mid-term target of 60% coverage by 2025.

Our health sector transformation strategy aligns with CIDP Strategic Objective 2, yielding significant improvements in service delivery indicators. We have upgraded 12 health facilities to higher levels, procured essential medical equipment worth Kshs. 450 million, and recruited 78 additional healthcare workers. The county's infant mortality rate has decreased from 89 per 1,000 live births in 2022 to 71 per 1,000 in 2025, achieving 64% progress toward our CIDP target of 45 per 1,000 by 2027.

Universal Health Coverage implementation has reached 67% of our target population, with 340,000 residents now accessing subsidized healthcare services through our expanded network of facilities

Supporting CIDP Strategic Objective 3, we have constructed 130 new Early Childhood Development centres classrooms and renovated existing ones. The county school feeding program now covers 45,000 pupils across 156 schools, contributing to improved enrolment rates that have increased from 68% to 78% over the review period and also improved the nutritional status of our children.

Our Climate Change Action Plan has allocated Kshs. 350 million for climate adaptation measures including drought-resistant crop varieties, solar energy systems, and ecosystem restoration programs. We have partnered with the national government and international climate funds to access additional financing over the next three years.

The county's economy has shown resilience despite external shocks including drought and global economic uncertainties. Key performance indicators demonstrate gradual but consistent improvement across critical sectors. As the backbone of our economy, the livestock sector contributes 68% of county GDP. Strategic interventions including veterinary services expansion, development of feedlot systems and market infrastructure development to increase livestock productivity by 23%.

Our County Monitoring and Evaluation framework tracks key performance indicators directly aligned with CIDP 2023-2027 strategic objectives. The framework includes quarterly performance reviews, annual CIDP implementation reports, and mid-term evaluation.

#### **Legal and Regulatory Compliance**

Wajir County maintains exemplary compliance with statutory requirements. Our adherence to the Public Finance Management Act 2012 is demonstrated through timely budget submissions, quarterly financial reports, and transparent procurement processes.

We have fully implemented the Public Participation Guidelines, conducting public participation forums across all sub counties during budget preparation processes. Our procurement procedures strictly adhere to PPADA 2015 requirements, with 100% of contracts above the prescribed thresholds subjected to competitive tendering.

The County Assembly has approved all statutory documents including the County Annual Development Plan (ADP), County Integrated Development Plan (CIDP) 2023-2027, and annual budgets within prescribed timelines.

#### **Governance Framework**

Our governance structure incorporates robust oversight mechanisms including the County Executive Committee, County Assembly, and various statutory committees.

### **Conclusion and outlook**

The past three years have marked a transformational period for Wajir County, characterized by strategic investments, improved governance, and measurable development outcomes. Despite operating in a challenging environment, we have demonstrated that effective leadership, strategic planning, and stakeholder engagement can drive sustainable development even in marginalized regions.

Our development trajectory focuses on consolidating gains achieved while launching transformative initiatives that will position Wajir as a regional economic hub, fully aligned with CIDP 2023-2027 strategic objectives and extending into the next planning cycle.

Our financial management has improved significantly, with enhanced revenue collection, better budget absorption, and strengthened fiscal discipline. The progressive shift reflects our commitment to transformative investments that will benefit current and future generations.

Moving forward, we remain committed to our vision of making Wajir a peaceful, cohesive county that affords quality life to all citizens. The foundations laid position us to accelerate development, enhance service delivery, and establish Wajir as a model for sustainable development in arid and semi-arid regions.

We acknowledge the continued support of our development partners, the national government, and most importantly, the resilient people of Wajir County who remain the driving force behind our development agenda.

**8. Statement of Management Responsibilities**

Sections 163,164 and 165 of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the County Treasury shall prepare financial statements of each County Government entity, receiver of receipts and consolidated financial statements for all County Government entities in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

- (i) The County Executive Committee (CEC) member for Finance and Economic planning of the County Government is responsible for the preparation and presentation of the County Executive's financial statements, which give a true and fair view of the state of affairs of the County Executive for and as at the end of the financial year ended on June 30, 2025. This responsibility includes: 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 county Executive;
- (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 county Executive;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The CEC member for Finance and Economic planning accepts responsibility for the County Executive'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 CEC member is of the opinion that the County Executive's financial statements give a true and fair view of the state of the County Executive's transactions during the financial year ended June 30, 2025 and of its financial position as at that date.

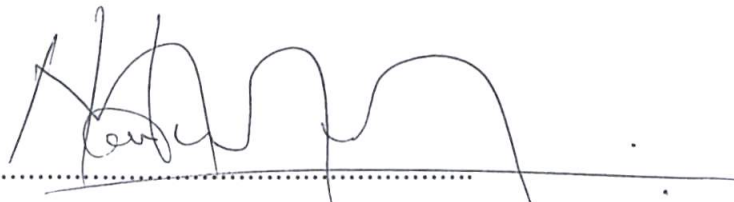
The CEC member further confirms the completeness of the accounting records maintained for the County Executive which have been relied upon in the preparation of its financial statements as well as the adequacy of the systems of internal financial control.

The CEC member confirms that the County Executive has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the County Executive'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 CEC member confirms that the County Executive'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 County Executive's financial statements were approved and signed by the CEC member for finance on 18/8/2025.



**County Executive Committee Member – Finance and Economic Planning**  
**COUNTY GOVERNMENT OF WAJIR.**

## REPORT OF THE AUDITOR-GENERAL ON COUNTY EXECUTIVE OF WAJIR FOR THE YEAR ENDED 30 JUNE, 2025

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### PREAMBLE

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

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

A Qualified Opinion is issued when the Auditor-General concludes that, except for material misstatements noted, the financial statements are fairly presented in accordance with the applicable financial reporting framework. The Report on Financial Statements should be read together with the Report on Lawfulness and Effectiveness in the Use of Public Resources and the Report on Effectiveness of Internal Controls, Risk Management and Governance.

The three parts of the report are aimed at addressing the statutory roles and responsibilities of the Auditor-General as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012 and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of County Executive of Wajir set out on pages 1 to 33, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and the statement of comparison of budget and actual amounts 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 transitional IPSAS financial statements present fairly, in all material respects, the financial position of County Executive of Wajir as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted Under IPSAS 33) and comply with the County Government Act, 2012, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

### **Basis for Qualified Opinion**

#### **1. Unsupported Use of Goods and Services**

The statement of financial performance reflects use of goods and services expenditure of Kshs.2,549,563,869 as disclosed in Note 8 to the financial statements. Included in the expenditure are payments of Kshs.551,955,862 for specialized materials and services, out of which an amount of Kshs.172,953,529 relates to expenditure on pharmaceutical drugs, non-pharmaceuticals, dressings and lab reagents from Kenya Medical Supplies Authority (KEMSA). However, the expenditure was not supported by way of requisitions from the respective health facilities, inspection and acceptance committee reports and stores ledger cards for the drugs supplied to the facilities.

In the circumstances, the accuracy and completeness of expenditure on pharmaceutical drugs, non-pharmaceuticals, dressings and lab reagents of Kshs.172,953,529 could not be confirmed.

#### **2. Expenditure Relating to County Entity- Wajir Municipality**

During the year under review, the County Executive made payments amounting to Kshs.199,460,538 for salaries, goods, works and services relating to Wajir Municipality. The Municipality has separate management and structures, hence should carry its operations separately and independently from the County Executive to facilitate accountability of its own funds. Management did not provide justifiable reasons for the failure to transfer the funds to the Municipality to execute its operations.

In the circumstances, the accuracy and regularity of expenditure amounting to Kshs.199,460,538 incurred on behalf of the Municipality could not be confirmed.

#### **3. Unsupported Transfers to Health Facilities**

The statement of financial performance reflects transfers to other Government entities of Kshs.1,749,535,474 as disclosed in Note 9 to the financial statements. The expenditure includes current grants to Government agencies and other levels of Government amount of Kshs.301,146,792, out of which an amount of Kshs.12,706,500 was transferred to health facilities including dispensaries and health centres which were not clustered as Level 4 Hospitals. However, expenditure returns including cashbooks, ledgers, payment vouchers and procurement documents from the health facilities in support of the transfers were not provided for audit.

In the circumstances, the accuracy and validity of transfers to other Government entities amounting to Kshs.12,706,500 could not be confirmed.

#### **4. Unsupported Voided Payments**

Analysis of the Integrated Financial Management Information System (IFMIS) revealed that seventy-five (75) transactions totalling Kshs.38,710,198 were voided before final payment stage. However, supporting documents including voided payment vouchers, requests to void payments, The National Treasury approval and Exchequer requisitions from the Controller of Budget were not provided for audit. Further, no documentary evidence was provided to support authorization for voiding of the transactions which had been approved by the Controller of Budget.

In the circumstances, the accuracy and regularity of the voided transactions amounting to Kshs.38,710,198 could not be confirmed.

#### **5. Undisclosed Account Payables**

The statement of financial position reflects trade and other payables balance of Kshs.3,586,633,121 as disclosed in Note 17 to the financial statements. Included in the balance is an amount of Kshs.1,314,671,336 being additional payables which were not disclosed in the prior year's audited financial statements. Examination of payment records relating to various projects revealed that an amount of Kshs.202,671,592 was paid during the year in respect of projects that were initiated and procured in the previous financial years. However, the pending bills were not disclosed in the prior years audited financial statements. This was contrary to Paragraph 2.2.4 of The National Treasury Circular PSASB 1/12/Vol.1(44) dated 25 June, 2019 which requires the disclosure of pending bills to enhance transparency in their management. The Circular requires that pending bills movement should be disclosed to provide transparency in the handling of outstanding bills and to facilitate informed decision-making, particularly concerning long-outstanding pending bills.

In the circumstances, the accuracy and fair statement of trade and other payables balance of Kshs.3,586,633,121 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Executive of Wajir Management in accordance with ISSAI 130 on the 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.

#### **Emphasis of Matter**

##### **1. Budgetary Control and Performance**

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.12,733,180,597 and Kshs.10,719,507,094 respectively, resulting to an under-funding of Kshs.2,013,673,503 or 16% of the budget. Similarly, the statement reflects actual

expenditure of Kshs.10,465,936,544 against actual receipts of Kshs.10,719,507,094, resulting to an under expenditure of Kshs.253,570,550 or 2% of total available funds.

Further, the County Executive had an approved development budget of Kshs.5,140,139,752 against the actual expenditure of Kshs.3,894,298,288 resulting in an under-expenditure of Kshs.1,245,841,464, or 24% of the total development budget.

The under-funding and under-expenditure may have affected the planned activities and may have impacted negatively on service delivery to the residents of Wajir County.

## **2. Late Exchequer Releases**

The statement of comparison of budget and actual amounts reflects total actual receipts of Kshs.10,719,507,094. This receipt includes an amount of Kshs.2,248,004,891 that was received towards the end of the month of June, and in July, 2025.

Due to late remittances by The National Treasury, the County Executive could not undertake all the planned and budgeted programmes in time and may have negatively impacted on service delivery.

My opinion is not modified in respect of these matters.

### **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of 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**

### **Unresolved Prior Year Audit Matters**

In the prior year audit reports several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in the Use of Public Resources, and Report on Effectiveness of Internal Control and Governance as shown in **Appendix I**. However, the issues had not been resolved as at 30 June, 2025.

### **Other Information**

The Management is responsible for the Other Information set out on page ii to lvii which comprise of Key Entity Information and Management, Governance Statement, Foreword by the Chief Executive Committee Member Finance and Economic Planning, Statement of Performance against County Predetermined Objectives, Environmental and Sustainability Reporting, Management Discussion and Analysis and the Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the County Executive's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the Other Information and accordingly, I do not express an audit opinion or any form of assurance conclusion thereon.

## REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources 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**

#### **1. Non-Compliance with the Law on One-Third of Basic Salary Rule**

Review of the staff payroll for the month of June, 2025 revealed that sixty-seven (67) employees received net salary that was less than one-third of their respective basic pay. This was contrary to Section 19(3) of the Employment Act, 2007 which stipulates that without prejudice to any right of recovery of any debt due and notwithstanding the provisions of any other written law, the total amount of all deductions made by an employer from the wages of his employee at any one time shall not exceed two-thirds of such wages.

In the circumstances, Management was in breach of the law.

#### **2. Irregular Engagement of Casual and Interim Employees**

Review of employees' records revealed that five hundred and twenty-eight (528) casual employees were engaged continuously for more than three (3) months. This was contrary to the requirement of Section 37(1)(a) and (b) of the Employment Act, 2007 which provides that, where a casual employee works for a period or a number of continuous working days which amount in the aggregate to the equivalent of not less than one month or performs work which cannot reasonably be expected to be completed within a period or a number of working days amounting in the aggregate to the equivalent of three months or more, the contract of service of the casual employee shall be deemed to be one where wages are paid monthly.

Further, some of the casuals were engaged to perform tasks that are ordinarily performed by contractual and permanent employees including drivers, supply chain management assignments and revenue collection. In addition, two (2) employees were designated as interim employees. However, this cadre is not provided for in the County Human Resource Manual, 2013 and the nature of duties for which the staff were engaged in could not be established.

In the circumstances, Management was in breach of the law.

### **3. Non-Compliance with Law on Engagement of Persons with Disabilities**

Review of the payroll data revealed that the County Executive had a total of four thousand, five hundred and fifty (4,550) employees who included one hundred and seven (107) persons living with disabilities representing approximately 2% of all employees. This was contrary to Section 13 of the Persons with Disabilities Act, 2013, which provides for a reservation of five percent (5%) of all casuals, emergency and contractual positions in employment in the public and private sectors for persons with disabilities.

In the circumstances, Management was in breach of the law.

### **4. Non-Compliance with the Law on Staff Ethnic Composition and Diversity**

Review of the County Executive's human resource records revealed that seventy-five percent (75%) of its staff were from the same ethnic group. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which provides that no public establishment shall have more than one-third of its staff from the same ethnic community.

In the circumstances Management was in breach of the law.

### **5. Non-Compliance with Fiscal Responsibility Principle on Compensation of Employees**

The statement of financial performance reflects compensation of employees cost of Kshs.4,148,678,570 as disclosed in Note 7 to the financial statements. This represents 37% of the total revenue receipts for the year of Kshs.11,294,111,513. The County therefore surpassed the set limit of 35% by 2%. This was contrary to Regulation 25(b) of the Public Finance Management (County Governments) Regulations, 2015 which provides that the County Executive's expenditure on wages and benefits shall not exceed 35% of total County Executive revenue for the year.

In the circumstances, Management was in breach of the law.

### **6. Unremitted Statutory and Employees Benefits Deductions**

The statement of financial position reflects trade and other payables balance of Kshs.3,586,633,121 and as disclosed in Note 17 to the financial statements. Included in the balance is an amount of Kshs.732,615,329 in respect of unremitted statutory deductions to the National Social Security Fund and employees' contributions to Local

Authorities Pension Trust and Local Authorities Provident Fund, some dating back to 2014/2015 financial year as detailed below:

<b>Component</b>	<b>Amount (Kshs)</b>
Basic Salaries - Civil Service	75,778,565
Employer Contribution to Staff Pensions Scheme	535,904,297
Employer Contributions to National Social Security Fund	7,650,480
Gratuity - Civil Servants	113,281,987
<b>Grand Total</b>	<b>732,615,329</b>

This was contrary to Section 19(4) of Employment Act, Cap 226 which states that an employer who deducts an amount from an employee's remuneration shall pay the amount so deducted in accordance with the time period and other requirements specified in the law, agreement, court order or arbitration as the case may be.

In the circumstances, Management was in breach of the law.

#### **7. Irregular Payments to the Council of Governors and Frontier Counties Development Council Limited**

The statement of financial performance reflects use of goods and services amount of Kshs.2,549,563,869 which includes other operating expenses amounting to Kshs.437,313,074 as disclosed in Note 8 to the financial statements. The other operating expenses include amounts of Kshs.5,000,000 and Kshs.3,000,000 paid to the Council of Governors and Frontier Counties Development Council Limited, respectively. However, Management did not provide justification for the payments to the Council of Governors which is also funded from the national budget. In addition, the Frontier Counties Development Council Limited is not a public entity established by law, hence subscriptions made to the two (2) Councils may therefore not be considered as proper charge to public funds.

In the circumstances, it was not possible to confirm regularity of Kshs.8,000,000 paid to the two (2) organizations.

#### **8. Unserviceable Motor Vehicles and Equipment**

Review of the motor vehicles fleet register and physical inspection of assets in the month of October, 2025 revealed that ninety (90) motor vehicles of undetermined value were grounded or unserviceable. However, Management did not demonstrate any plans put in place to repair the vehicles or dispose them off. Further, the Executive did not have an annual disposal plan. This was contrary to Regulation 176(1) of the Public Procurement and Asset Disposal Regulations, 2020 which requires an accounting officer of a procuring entity to ensure that an annual assets disposal plan is prepared of items declared as unserviceable, surplus or obsolete, obsolescence stores, asset or equipment.

In the circumstances, the County Executive is likely to incur loss of substantial public resources if appropriate action is not taken to repair or dispose-off the unserviceable motor vehicles and equipment.

## **9. Irregular Operation of Standing Imprest and Deposits Accounts**

During the year under review, amounts of Kshs.53,790,500 and 95,573,678 were transferred from the Central Bank of Kenya recurrent and development accounts, to the standing imprest and deposit accounts respectively maintained at a commercial bank. The commercial bank accounts were thereafter used for normal payments. This was contrary to the Regulation 82(1) of the Public Finance Management (County Governments) Regulations, 2015 which requires all County Exchequer accounts and County Government bank accounts to be opened at the Central Bank of Kenya except for petty cash. The nature of payment and amounts involved could not be justified to be paid from petty cash.

In the circumstances, Management was in breach of the law.

## **10. Irregular Expenditure on National Government Functions**

During the year under review, an amount of Kshs.48,063,174 was incurred in respect of construction of chain-link perimeter fence in a police post, construction of staff quarters at a police station and construction of classrooms, toilets and administration block for a secondary school. These facilities fall within the functions of the National Government.

Further, there was no evidence that the National Government projects being implemented were either budgeted for or listed among the development projects identified during public participation. This was contrary to the provisions of the Fourth Schedule of the Constitution of Kenya, 2010 which sets out the functions and powers of the National Government and the County Governments.

In the circumstances, Management was in breach of the law.

## **11. Expenditure on Solar Installation and Water Reticulation System**

An amount of Kshs.1,504,122,914 was spent in development of infrastructure assets. Included in the payments is an amount of Kshs.57,299,870 incurred on solarization and water reticulation system for various farm groups. However, review of the project files and other records revealed that there were no reports to confirm the viability of the proposed solarization and water reticulation system in farming within the County.

In addition, there was no evidence provided to support the criteria used to identify the beneficiaries of the project including identifications, vetting, award minutes and attendance register for the farmers who benefitted from the program.

Further, no evidence was provided to confirm that monitoring and evaluation was subsequently undertaken by the County Agricultural Officers to assess the progress and provide assurance on the success and impact of the projects.

In the circumstances, the regularity of expenditure amounting to Kshs.57,299,870 could not be confirmed.

## 12. Expenditure on Drilling, Developing and Testing of Boreholes

During the year under review, an amount of Kshs.94,857,540 was spent on drilling, developing and testing of boreholes within the County. However, review of project files and inspection of project revealed that a contractor was awarded contracts worth Kshs.4,063,944 for drilling, developing and testing of borehole located at Baragothey BH2 in Wajir West. As at the time of audit, an amount of Kshs.2,771,704 had been paid to the contractor. Physical inspection of the project revealed that Borehole (BH1) was dry and not in use.

According to the hydrogeological survey report reviewed, the location of the project had history of dry boreholes and was only depending on one borehole with very low yield but the contractor was allowed to continue with drilling of the borehole despite the report indicating low potential of water at the site.

Further an amount of Kshs.3,734,040 was paid to a contractor for drilling, developing and testing of borehole located at Garseykhofu in Wajir West. Physical inspection of the project revealed that the borehole had been drilled but was yet to be equipped and thus not in use for the benefit of the local communities.

In the circumstances, value for money spent in the two projects could not be confirmed.

## 13. Idle Projects

Physical inspection of projects conducted in the month of October, 2025 revealed that the County Executive spent an amount of Kshs.694,916,095 in execution of development projects. However, the projects were complete but not equipped/furnished and remained unutilized as detailed below:

No.	Project Description	Contract Amount (Kshs)
1.	Proposed Installation and Commissioning of Plastic Waste Management Plant in Wajir Town	86,852,000
2.	Proposed Upgrading of Arbajahan Health Centre to Level 4	137,524,320
3.	Proposed Upgrading of Kutulo Health Centre to Level 4	41,168,956
4.	Proposed Upgrading of Sarif Health Centre to Level 4	24,755,975
5.	Proposed Completion of Wajir County Assembly in Wajir Town- Various contracts	404,614,844
	<b>Total</b>	<b>694,916,095</b>

In the circumstances, value for money for the Kshs.694,916,095 spent in the projects could not be confirmed.

## 14. Unutilized Wajir County International Abattoir

Physical inspection carried out in October, 2025 revealed that an international abattoir was constructed in Wajir County. The project, initiated by the Ministry of Northern Kenya and Arid Lands Development in 2011 was aimed at boosting the local economy through value addition in meat processing and export. However, the site inspection revealed that, although the abattoir was completed several years ago, it remained

unutilized and in a deteriorating state. In addition, no handover report, project files or payment records to determine the total amount paid by the National Government were provided for audit. During the financial years 2015/2016, 2016/2017 and 2018/2019, a total of Kshs.137,333,600 was paid to the contractor by Wajir County Executive.

In the circumstances, the facility did not fulfil its intended purpose and value for money invested in the project could not be confirmed.

#### **15. Delayed Construction of County Aggregation and Industrial Park**

Included in the expenditure on construction of buildings is an amount of Kshs.189,974,783 in respect to construction of County Aggregation and Industrial Park. The County entered into a contract for the construction of County Aggregation and Industrial Park with a local contractor at a contract sum of Kshs.601,000,973. Audit inspection of the project conducted in the month of October, 2025 revealed that the contractor was on site and the following works were incomplete:

- i) Various civil works worth - Kshs. 59,841,350
- ii) Mechanical installation - Kshs.106,983,500
- iii) Electrical installation - Kshs. 42,146,666
- iv) Finishes and painting - Kshs. 30,000,000

Information provided indicated that the contract period ended on 7 August, 2025. However, as at the time of the audit in October 2025, the project was still incomplete and no information or plans were provided for audit confirmation on the steps being taken to complete the project.

In the circumstances, value for money for the incomplete project could not be confirmed.

#### **16. Delayed Construction of Infrastructure Works to Bitumen Standards**

The County Executive engaged a local construction company for construction of infrastructure works in six (6) selected informal settlements within Wajir town at a contract sum of Kshs.779,862,423. The contract was awarded on 19 March, 2024 and commenced on 20 August, 2024 and was scheduled for completion in August, 2025 with a project completion period of twelve (12) months.

According to the project progress report, the percentage of physical completion status stood at 69% as at 30 September, 2025 with an amount of Kshs.508,513,626 certified for payment by the resident engineer as per interim payment Certificates No.1 to 4. As at the time of audit in October, 2025 an amount of Kshs.409,829,834 had already been paid to the contractor. Physical inspection of the project revealed that the contractor was on-site. However, the following works remained incomplete as at the time of inspection:

- |   |                        |
|---|------------------------|
| i) Installation of Cabro paved foot paths 12675m2 | Kshs. 3,168,750        |
| ii) Installation of 413 Street lights             | Kshs.58,253,650        |
| i) Road Marking 8.45Km                            | Kshs.25,350,000        |
| ii) Road bollards 413 in number                   | Kshs. 2,065,000        |
| <b>Total</b>                                      | <b>Kshs.88,837,400</b> |

In the circumstances, delayed implementation of the project negatively affected service delivery to the public and value for money spent on the project could not be confirmed.

### **17. Accumulation of Pending Accounts Payable**

The statement of financial position reflects trade and other payables balance of Kshs.3,586,633,121 as reflected in Note 17 to the financial statements. However, examination of records and review of the Controller of Budget's County Governments Budget Implementation Review Report for 2024/2025 report, revealed that County Government had outstanding payables of more than one year amounting to Kshs.2,243,731,601. The pending bills relate to unpaid obligations to suppliers and contractors for goods and services delivered, some of which date back to the financial year 2015/2016. The Executive continued to incur new expenditures without prioritizing the settlement of the existing obligations. This was contrary to Regulation 41(2) of the Public Finance Management (County Governments) Regulations, 2015 which provides that debt service payments shall be a first charge on the County Revenue Fund and the Accounting Officer shall ensure this is done to the extent possible that the County Government does not default on debt obligations.

In the circumstances, Management was in breach of the law and continued accumulation of pending bills expose the Executive to potential losses of legal cases and penalties.

### **18. Irregular Management of Bursary Fund**

The statement of financial performance reflects payments on other grants and subsidies amount of Kshs.154,611,200 as disclosed in Note 11 to the financial statements which includes an amount of Kshs.130,000,000 for Scholarships and other educational benefits transferred as grant to Bursary Fund account for issuance of bursary and scholarship. This was contrary to the Fourth Schedule (Article 185 (2), 186 (1) and 187 (2)) on distribution of functions between the National Government and the County Governments, which state that the County Governments are responsible for pre-primary education, village polytechnics, homecraft centres and childcare facilities. The activities funded by the County Executive including provision of bursaries to needy students in secondary schools, colleges and universities fall under the mandate of the National Government.

Further, the County Bursary Fund was operational for more than ten (10) years. This was contrary to Regulation 197(1) of the Public Finance Management (County Governments) Regulations, 2015, which provides that the initial approval for establishment of a County Public Fund shall be for a maximum period of ten (10) years, beyond which the County Executive Committee and County Assembly approvals shall be sought.

In the circumstances, the Management was in breach of the law.

### **19. Excessive Drivers**

Review of the vehicles fleet revealed that the County Executive had a total of one hundred and forty-nine (149) serviceable vehicles and plants against two hundred and sixteen (216) drivers employed by the County. The variance of sixty-seven (67) drivers

translates to redundant work force which may lead to under-utilization of human resources and unnecessary expenditure on salaries and related costs. This was contrary to the requirement of Section 149(1) of the Public Finance Management Act, 2012 which provides that an accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is (a) lawful and authorized and (b) effective, efficient, economical and transparent.

In the circumstances, the Management was in breach of the law.

## **20. Lack of Sectoral Planning**

The County departments did not prepare sectoral plans as provided under Section 109 of the County Governments Act, 2012, which requires each department to develop a ten-year sectoral plan as part of the County Integrated Development Plan (CIDP). In addition, the sectors did not prepare annual work plans aligned to the Annual Development Plan to serve as road map for implementation for the annual sector programmes and projects.

In the circumstances, Management was in breach of the law.

## **21. Failure to Implement E-Procurement**

During the year under review, the County Executive acquired goods, works and services. It was, however, noted that the County Executive had not fully implemented E-Procurement system. This means that goods, works and services were procured through manual system. This was contrary to Executive Order No.2 of 2018 which directed all public procuring entities to conduct all procurement processes through the E-Procurement Module on the IFMIS system, starting from 1 January, 2019 and Regulation 49(2) of the Public Procurement and Asset Disposal Regulations, 2020, which provides that the conduct of E-procurement procedures for the supply of goods, works and services shall be carried out by a procuring entity using an e-procurement system which is integrated to the State Portal.

In the circumstances, Management was in breach of the law.

## **22. Failure to Prepare Procurement Progress Reports**

During the year under review, Management of the Executive did not prepare a Project Implementation Status Report as required by Section 152 of the Public Procurement and Asset Disposal Act, 2015 which requires the head of the procurement function to prepare monthly progress reports of all procurement contracts of the procuring entity and submit them to the accounting officer.

In the circumstances, Management was in breach of the law.

## **23. Failure to Prepare and Submit Financial Statements for Level 4 Sub-County Hospitals**

The financial statements for seven (7) Sub-County Level 4 Hospitals for the year ended 30 June, 2025 and prior years were not submitted to the Auditor-General as required by Section 164(4)(a) of the Public Finance Management Act, 2012 and

Section 47(1) of the Public Audit Act, 2015 which provide that within three (3) months after the end of each financial year, the accounting officer for an entity shall submit the entity's financial statements to the Auditor-General. The Hospitals include:

- i) Eldas Sub-County Level 4 Hospital
- ii) Tarbaj Sub-County level 4 Hospital
- iii) Bute Sub-County Level 4 Hospital
- iv) Griftu Sub-County level 4 Hospital
- v) Wajir TB Manyatta Sub County Level 4 Hospital
- vi) Abakore Sub-County level 4 Hospital
- vii) Leheley Sub-County level 4 Hospital

In the circumstances, Management was in breach of the law.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require 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 comply 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 effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Lack of Project Specifications in the Budget

The County Executive had an Annual Development Plan (ADP) that outlined programs and activities to be undertaken during the year. However, the County Budget did not contain specific projects earmarked for implementation during the year and amounts allocated to the projects. Lack of detailed budgeting made it challenging to verify whether the implemented projects were in line with the development priorities in the ADP. Although the budget was prepared in programme-based format as required, it was necessary to provide a clear link between the programmes and projects included in the ADP and the allocation of financial resources in the approved budget.

In the circumstances, the existence of effective internal controls on the budget and plans could not be confirmed.

#### 2. Weaknesses in the Payroll Systems

Review of the County Executive payroll revealed that salaries were processed through two (2) sets of payrolls: One (1) set of payroll was maintained on the Human Resource

Information System (HRIS), comprising a total of three thousand seven hundred and sixteen (3,716) employees and a manual payroll maintained in excel spreadsheets, with a total of eight hundred and forty-four (844) employees. During the year under review, a total of Kshs.633,021,164 was paid through the manual payroll. Manual payroll system can be susceptible to errors and irregularities such as ghost workers and unauthorized adjustments. Management did not provide satisfactory explanation for maintaining a large number of employees in manual payroll.

Further, there were discrepancies between the votes and department names. The misalignment was mainly due to the restructuring and consolidation of various departments within the County, which had not been updated or reflected in the IPPD/HRIS system.

In the circumstances, the existence of effective internal controls on the payroll could not be confirmed.

### **3. Weaknesses in Management of Non-Current Assets**

The County Executive owns land, buildings, motor vehicles, ICT equipment and furniture and fittings. However, a fixed asset register was not maintained. In addition, the County Executive did not have policies and procedures for management of assets. In addition, assets were not tagged for ease of identification and tracking of movement.

In the circumstances, the effectiveness internal controls on fixed asset management could not be confirmed.

### **4. Lack of Inventory Management System for Drugs and Medical Supplies**

The County Executive had several healthcare facilities. It was, however, noted that an inventory management system to manage the stock of drugs and medical supplies was not in place. Instead, inventory records were maintained manually in physical files by the stores staff. These records were not organized according to the item code number, arranged in date order and by fiscal year. This practice poses a risk of inefficiency, errors and loss of critical data, particularly with respect to monitoring expiry dates and the timely distribution of drugs.

In the circumstances, existence of an effective inventory management system for the Hospitals could not be confirmed.

### **5. Lack of Annual Recruitment Plans**

The County Executive recruited one hundred and twenty-five (125) staff during the financial year under review. However, the departments did not have annual recruitment plans to guide the recruitments. Further, no evidence was provided as proof for budgetary availability before recruitments were made. Failure to develop annual recruitment plans supported by budgetary evidence can result in overstaffing, understaffing, or hiring for roles that do not align with organizational priorities. This was contrary to the requirement of Section B4 of Wajir County Human Resource Policy and Procedures Manual, 2023 which states that: (1) each County department shall prepare a human resource plan to support the achievement of goals and objectives in their strategic plans.

In the circumstances, the effectiveness of internal controls on staff recruitment could not be confirmed.

## **6. Failure to Publish Finance Manual**

Review of manuals in place revealed that the County Treasury did not publish financial manuals during the year under review. This was contrary to Regulation 91(1) of the Public Finance Management (County Government) Regulations, 2015 that requires a County Treasury to publish financial manuals and forms which may be used by County Government entities to support implementation of these Regulations.

In the circumstances, the existence of proper financial management controls could not be confirmed.

## **7. Lack of Approved Disaster Recovery Plan and Risk Management Policy**

During the year under review, the County Executive did not have an approved disaster recovery plan to ensure continuity of operations in the event of a system failure, cyberattack or other disruptive incidents like fire and floods.

Further, Management initiated the development of a risk management policy during the year under review. However, the policy was still in draft form awaiting formal approval. This was contrary to Regulation 158(1)(a) of the Public Finance Management (County Government) Regulations, 2015, which requires the Accounting Officer to develop risk management strategies, which include fraud prevention mechanism and a system of risk management and internal control that builds robust business operations.

In the circumstances, the existence of proper financial controls could not be confirmed.

## **8. Failure to Implement the Annual Development Plan Activities**

Review of the statement of performance against County's predetermined objectives revealed significant under-achievement in the implementation of planned activities. Two hundred and eighty-nine (289) performance targets were set across nine (9) Departments, review of the status during the period under review revealed that;

- i) One hundred and nineteen (119) targets, representing 41%, were fully achieved.
- ii) Sixty-three (63) targets, representing 21%, were not achieved.
- iii) One hundred and seven (107) targets or 37%, were partially achieved.

This performance is inconsistent with the provisions of the County Government Act, 2012 which requires effective and efficient implementation of development plans and it undermines the realization of socio-economic benefits intended in the Annual Development Plan.

In the circumstances, existence of measures to ensure effective delivery of services as per the Annual Development Plan could not be confirmed.

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

## **Responsibilities of the 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 (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

In preparing the financial statements, Management is responsible for assessing the County Executive's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management is aware of the intention to cease operations.

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

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

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

### **Auditor-General's Responsibilities for the Audit**

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. 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 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 conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an

effective way. In addition, I consider the entity's control environment 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.

Further, I am required to submit the audit report in accordance with Article 229(7) of the Constitution.

Detailed description of my responsibilities for the audit is located at the Office of the Auditor-General's website at: <https://www.oagkenya.go.ke/auditor-generals-responsibilities-for-audit/>. This description forms part of my auditor's report.

  
FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

28 November, 2025

## APPENDICES

### Appendix 1: Unresolved Prior Year Matters

No.	Financial Year	Audit Issue
1	2023/2024	Expenditure Relating to Other County Entities
2	2023/2024	Employees Earning Less Than One Third of Basic Salaries
3	2023/2024	Irregular Engagement of Casual Employees
4	2023/2024	Non-Compliance with Engagement of Persons with Disabilities Requirement
5	2023/2024	Non-Compliance with Fiscal Responsibility Principle on Compensation of Employees
6	2023/2024	Irregular Payments to the Council of Governors and Frontier Counties Development Council Limited
7	2023/2024	Unserviceable Motor Vehicles and Equipment
8	2023/2024	Expenditure on National Government Functions
9	2023/2024	Farm Groups Projects
10	2023/2024	Accumulation of Pending Accounts Payable
11	2023/2024	Failure to Implement E Procurement
12	2023/2024	Lack of Project Implementation Status Report
13	2023/2024	Failure to Implement Audit Recommendations
14	2023/2024	Lack of Project Specifications in the Budget
15	2023/2024	Payment of Salary Through Manual Payroll
16	2023/2024	Weaknesses in Management of Non-Current Assets
17	2023/2024	Lack of Inventory Management System for Drugs and Medical Supplies

County Government of Wajir  
Wajir County Executive  
Annual Report and Financial Statements for the year ended June 30, 2025

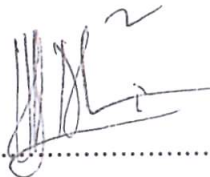
10. Statement of Financial Performance for the year ended 30 June 2025

	Notes	2024/2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from CRF	6	11,294,111,513
<b>Total</b>		<b>11,294,111,513</b>
<b>Expenses</b>		
Employee costs	7	4,148,678,570
Use of goods and services	8	2,549,563,869
Transfers to other Government Entities	9	1,749,535,474
Depreciation and amortization expense	10	455,760,042
Other Grants and Subsidies	11	154,611,200
Social Benefits	12	63,604,182
Other Payments	13	200,000,000
<b>Total expenses</b>		<b>9,321,753,337</b>
<b>Surplus for the year</b>		<b>1,972,358,176</b>
<b>Net Surplus</b>		<b>1,972,358,176</b>

The Financial Statements set out on pages 1 to 36 were signed by:



.....  
Name: Yahya Mohamed Dahiye  
County Chief Officer Accounting Services, Pending Bills  
Resolution, Revenue And Resources Mobilization.



.....  
Name: Hussein Hassan Ali  
Director Accounting Services  
ICPAK Member No: 7800

County Government of Wajir  
Wajir County Executive  
Annual Report and Financial Statements for the year ended June 30, 2025

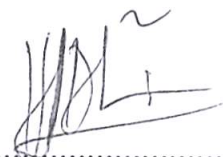
11. Statement of Financial Position as at 30 June 2025

	Notes	2024/2025	Opening Statement 1 <sup>st</sup> July 2025
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash equivalents	14	308,004,786	73,167,931
Receivables from Non-Exchange Transactions	15	647,772,350	-
<b>Total Current Assets</b>		<b>955,777,136</b>	<b>73,167,931</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	16	2,487,084,727	-
<b>Total Non- Current Assets</b>		<b>2,487,084,727</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>3,442,861,863</b>	<b>73,167,931</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	17	3,586,633,121	1,674,786,776
Refundable Deposits and Prepayments	18	127,214,725	72,562,430
<b>Total Current Liabilities</b>		<b>3,713,847,845</b>	<b>1,747,349,206</b>
Non-Current Liabilities		-	-
<b>Total Non- Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities (B)</b>		<b>3,713,847,845</b>	<b>1,747,349,206</b>
<b>Net Assets(A-B)</b>		<b>(270,985,982)</b>	<b>(1,674,181,275)</b>
<b>Represented By:</b>			
Accumulated Surplus		(270,985,982)	(1,674,181,275)
<b>Net Assets</b>		<b>(270,985,982)</b>	<b>(1,674,181,275)</b>

The financial statements set out on pages 1 to 36 were signed by:



.....  
Name: Yahya Mohamed Dahiye  
County Chief Officer Accounting Services, Pending Bills  
Resolution, Revenue And Resources Mobilization.



.....  
Name: Hussein Hassan Ali  
Director Accounting Services  
ICPAK Member No: 7800

12. Statement of Changes in Net Assets for the year ended 30 June 2025

	Accumulated Surplus	Reserves	Capital Fund	Total
As at 30 <sup>th</sup> June 2024 (cash basis)	73,167,931			73,167,931
Recognition of assets	-	-	-	-
Recognition of liabilities	(1,747,349,206)	-	-	(1,747,349,206)
As at July 1, 2024	(1,674,181,275)	-	-	(1,674,181,275)
Prior Year Adjustment	81,425,557			81,425,557
Surplus/ deficit for the period	1,972,358,176	-	-	1,972,358,176
Returns to CRF	(3,634)	-	-	(3,634)
Additions during the period	(650,370,381)	-	-	(650,370,381)
Other changes- Transfer to Danida	(214,425)			(214,425)
As at 30th June, 2025	(270,985,982)	-	-	(270,985,982)

County Government of Wajir

Wajir County Executive

Annual Report and Financial Statements for the year ended June 30, 2025

13. Statement of Cash Flows for the year ended 30 June 2025

		2024/2025
	Notes	Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from CRF		10,646,339,163
<b>Total receipts</b>		<b>10,646,339,163</b>
<b>Payments</b>		
Employee costs		4,148,678,570
Use of goods and services		2,006,225,431
Transfers to other Government Entities		1,749,535,474
Other Grants and Subsidies		154,611,201
Social Benefits		63,604,181
Other Payments		200,000,000
<b>Total payments</b>		<b>8,322,654,856</b>
<b>Net cash flows from/(used in) operating activities</b>		<b>2,323,684,307</b>
<b>Cash flows from investing activities</b>		
Purchase of PPE		(2,088,629,393)
<b>Net cash flows from/(used in) investing activities</b>		<b>(2,088,629,393)</b>
<b>Cash flows from financing activities</b>		
Returns to CRF		(3,634)
Transfer to Danida		(214,425)
<b>Net cash flows from financing Activities</b>		<b>(218,059)</b>
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		<b>234,836,855</b>
Cash and cash equivalents at 1 July		73,167,931
<b>Cash and cash equivalents at 30 June</b>		<b>308,004,786</b>

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14. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025: Recurrent and Development Budgets Combined

Revenue/expense item	Original budget	Adjustments	Final budget	Actual on comparable basis	Budget utilization difference	% of utilization
	A	B	C=(a+b)	D	E=(c-d)	F=d/c *100
<b>Revenues</b>						
Opening balance	936,621,902	-	936,621,902	936,621,902	-	100%
Transfers from CRF	11,830,186,075	(33,627,380)	11,796,558,695	9,782,885,192	2,013,673,503	84%
<b>Total revenues</b>	<b>12,766,807,977</b>	<b>(33,627,380)</b>	<b>12,733,180,597</b>	<b>10,719,507,094</b>	<b>2,013,673,503</b>	<b>85%</b>
<b>Expenses</b>						
Employee costs	4,310,667,593	(177,884,996)	4,132,782,597	4,148,678,570	(15,895,973)	100%
Use of goods and services	2,058,373,990	132,872,620	2,191,246,610	2,006,225,431	185,021,179	92%
Transfers to other Government Entities	446,201,982	297,850,000	744,051,982	1,749,535,474	(1,005,483,492)	235%
Other Grants and Subsidies	299,000,000	(90,000,000)	209,000,000	154,611,201	54,388,799	74%
Other payments	200,000,000	-	200,000,000	200,000,000	-	100%
Social Benefits	166,534,660	(50,575,004)	115,959,656	63,604,181	52,355,475	55%
<b>Total</b>	<b>7,480,778,225</b>	<b>112,262,620</b>	<b>7,593,040,845</b>	<b>8,322,654,856</b>	<b>(729,614,011)</b>	<b>110%</b>
Acquisition of PPE	5,286,029,752	(145,890,000)	5,140,139,752	2,143,281,688	2,996,858,065	42%
<b>Total expenses</b>		<b>(145,890,000)</b>	<b>5,140,139,752</b>	<b>2,143,281,688</b>	<b>2,996,858,065</b>	<b>42%</b>
<b>Development</b>	<b>5,286,029,752</b>					
<b>Total Expenses</b>	<b>12,766,807,977</b>	<b>(33,627,380)</b>	<b>12,733,180,597</b>	<b>10,465,936,544</b>	<b>2,267,244,053</b>	<b>82%</b>
<b>Surplus/ deficit</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>253,570,550</b>	<b>-</b>	<b>-</b>

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**Reconciliation table**

	<i>Operating</i>	<i>Financing</i>	<i>Investing</i>	<i>total</i>
Actual amounts on comparable basis presented in the budget and actual comparative statement	<b>253,570,550</b>	-	-	<b>253,570,550</b>
Basis difference	54,652,295			54,652,295
Classification differences	(3,634)	(214,425)	-	(218,059)
Actual in the statement of cash flows	<b>308,219,211</b>	-	-	<b>308,004,786</b>

## **15. Notes to the Financial Statements**

### **1. General Information**

The County Government of Wajir is established by and derives its authority and accountability from The Constitution of Kenya 2010. The County Government is domiciled in Kenya and its principal activities are to deliver on devolved functions and local development to promote efficient service delivery and community empowerment.

### **2. Statement of Compliance and Basis of Preparation**

#### **Statement of compliance**

The financial statements have been prepared in accordance with the Public Finance Management Act, 2012 and the International Public Sector Accounting Standards (IPSAS). The entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1<sup>st</sup> year financial statements are transitional financial statements.

These financial statements were authorised for issue by the accounting officer on 18<sup>th</sup> August 2025.

#### **Basis of Preparation**

These financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period. The first accrual-based transitional financial statements prepared in accordance with IPSAS 33 (First-time Adoption of Accrual Basis IPSAS). The County Executive has elected to apply certain transitional provisions to facilitate a phased transition to full accrual compliance.

#### **Elements Successfully Recognized in FY 2024/25**

The following elements have been fully recognized in accordance with IPSAS:

- a) Cash and Cash Equivalents.
- b) Receivables from Non-Exchange Transactions.
- c) Property, Plant and Equipment acquired during the year and depreciation.
- d) Trade and Other Payables.
- e) Refundable Deposits and Prepayments.
- f) Revenue from Non-Exchange Transactions.
- g) All Operating Expenses - Fully recognized on accrual basis

#### **Elements Not Yet Recognized (Outstanding Items)**

The following elements have not been recognized in these transitional financial statements under the exemptions applied:

- a) Historical Property, Plant and Equipment acquired before 1 July 2024.
- b) Heritage assets.
- c) Intangible assets.
- d) Inventories.

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- e) Investment property.
- f) Long-term receivables.

**Transitional Exemptions Applied**

<b>Statement Element</b>	<b>Recognition Status</b>	<b>Specific Exemption Applied</b>	<b>Impact on Fair Presentation</b>	<b>Target Completion Date</b>
Property, Plant & Equipment	Partially recognized.	Only assets acquired/constructed during FY 2024/25 recognized. Historical assets acquired before 1 July 2024 excluded.	Materially affects fair presentation - Asset base significantly understated. Roads infrastructure, buildings, and equipment acquired pre-transition not recognized.	30 June 2027
Intangible Assets	Not recognized	Software, licenses, and development costs excluded.	Does not materially affect fair presentation - Value estimated below Kshs 50M.	30 June 2027
Heritage Assets	Not recognized	Cultural centers, historical sites, libraries not capitalized.	Does not materially affect fair presentation - Minimal monetary value for financial reporting purposes.	30 June 2027
Inventories	Not recognized	Medical supplies, fuel stocks, office supplies not recognized as assets.	Does not materially affect fair presentation - Fast-moving items with low carrying values.	30 June 2026

**Transition Plan:** The County is developing asset registers and conducting valuations to achieve full compliance by FY 2026/2027.

**Reporting period**

The reporting period for these financial statements is for the period ended 30<sup>th</sup> June 2025.

**Critical accounting judgements**

IPSAS requires accounting judgements to be made in determining accounting policies that impact the presentation of these financial statements. The most critical of these judgements, and their impact, are:

Recognition of revenue

Revenue is an increase in the net financial position, other than increases arising from ownership contributions. Revenue is required to be measured when the event occurs and when recognition criteria (probable inflow of resources and ability to reliably measure their value) are met. Judgment is required to

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determine if these criteria are met, particularly where limited evidence is available at the time the revenue is earned.

Recognition of non-exchange expenses and liabilities

A liability is a present obligation of an entity for an outflow of resources that results from a past event. Expenses (and other liabilities) are recognized when there is a present obligation (legal or constructive) as a result of a past event. An outflow of resources embodying economic benefits will probably be required to settle the obligation and a reliable estimate of the obligation can be made. Judgement is required in assessing each of these conditions, and therefore reporting if an expense and a present obligation should be reported.

County Government of Wajir pursues a number of policy targets and outcomes. However the commitment to these targets and outcomes, generally, do not of themselves constitute a present obligation and to whom and as a consequence has raised a valid expectation. As a consequence, liabilities are not reported for costs associated with the policy objectives and targets. Where a policy choice gives rise to an obligation that exists independently of the future actions, expenses (and other related liabilities) are recognized for that policy.

Purpose and nature of financial instruments

Judgment is required in determining whether financial assets (including investment in securities and advances) and financial liabilities are held for trading or to provide a return through interest and principal transactions. Depending on that judgment, financial instruments will be reported at fair value or on an amortized cost basis.

Climate change obligations

Kenya's current National Determined Contribution (NDC) to deliver on the goals of the Paris Agreement sets a headline target of a 32 per cent emission reduction by 2030 relative to the business-as-usual scenario of 143 MtCO<sub>2</sub>eq. Entities commitment to climate change action does not constitute a present obligation on the balance sheet but are disclosed separately.

Physical assets

An asset is a resource presently controlled by the county Government as a result of a past event. The primary reason for holding property, plant and equipment and other assets is for their service potential rather than their ability to generate cash flows. Because of the types of services provided, a significant proportion of assets used by public sector entities including roads, national parks, heritage buildings etc. are specialized in nature. There may be a limited market for such assets and so judgement is required on measurement. Judgment is also required whether assets are held for commercial purposes or public benefit purposes.

3. Adoption of New and Revised Standards

- i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2025.*

Standard	Effective date and impact:
IPSAS 43	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>
IPSAS 45- Property Plant and Equipment	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
IPSAS 46 Measurement	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ol style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS;</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ol>

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Standard	Effective date and impact:
	The standard also introduces a public sector specific measurement bases called the current operational value.

ii) *New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2025*

Standard	Effective date and impact:
IPSAS 47- Revenue	<i>Applicable 1<sup>st</sup> January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48- Transfer Expenses	<i>Applicable 1<sup>st</sup> January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49- Retirement Benefit Plans	<i>Applicable 1<sup>st</sup> January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.

iii) *Early adoption of standards*

The County Executive did not early – adopt any new or amended standards in the financial year.

**4. Summary of Significant Accounting Policies**

**a) Revenue recognition**

**i) Revenue from non-exchange transactions**

**Transfers from other government entities**

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Entity and can be measured reliably. Recurrent grants are recognized in the statement of financial performance. Development/Capital grants are recognized in the statement of financial performance after meeting revenue recognition criteria. Conditional grants are recognized as revenue upon fulfilment of the set conditions.

**b) Budget information**

The original budget for FY 2024/2025 was approved by the County Assembly on 2nd August 2024. Subsequent revisions were made to the approved budget in accordance with specific approvals from the appropriate authorities. The Entity's budget is prepared on a different basis to the actual income and expenditure disclosed in the financial statements.

The financial statements are prepared on accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial cash flows has been presented under section xxx of these financial statements.

**c) Investment property**

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a year period. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from

use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of de-recognition. Transfers are made to or from investment property only when there is a change in use.

**d) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Entity recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**e) Right of use asset**

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Whenever the entity incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under IPSAS 21 or IPSAS 26. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the entity expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. The right-of-use assets are presented as a separate line in the statement of financial position.

**f) Tangible Natural Resources**

The entity recognises a tangible natural resource recognized if, and only if: It is probable that service potential associated with the natural resource will flow to the entity; the entity controls the tangible natural resource as a result of past events; and the tangible natural resource can be measured reliably. Where this criterion is not met, the entity discloses the tangible natural resource in the notes to the financial statements. Where a tangible natural resource is recognized as an asset as the result of an event that is not a transaction in an orderly market, including non-exchange transactions, the asset shall be measured initially at its deemed cost. An entity shall apply IPSAS 46, Measurement, when measuring the deemed cost of such a recognized tangible natural resource. A recognized tangible natural resource

acquired through an exchange transaction shall be measured at its cost. Historical cost model is applied after initial recognition less any depreciation and impairment losses.

**Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Entity will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**g) Intangible assets**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite.

**h) Research and development costs**

The Entity expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the Entity can demonstrate:

- i) The technical feasibility of completing the asset so that the asset will be available for use or sale;
- ii) Its intention to complete and its ability to use or sell the asset;
- iii) How the asset will generate future economic benefits or service potential;
- iv) The availability of resources to complete the asset;
- v) The ability to measure reliably the expenditure during development.

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

**i) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The entity does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the entity measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

**i. Financial assets**

**Classification of financial assets**

The entity classifies its financial assets as subsequently measured at amortized cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the entity's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless an entity has made irrevocable election at initial recognition for particular investments in equity instruments.

**Subsequent measurement**

Based on the business model and the cash flow characteristics, the entity classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

**Amortized cost**

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is

de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through net assets/ equity**

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through net assets/ equity. Movements in the carrying amount are taken through net assets, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in surplus/deficit. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Trade and other receivables**

Trade and other receivables are recognized at fair values less allowances for any uncollectible amounts. Trade and other receivables are assessed for impairment on a continuing basis. An estimate is made of doubtful receivables based on a review of all outstanding amounts at the year end.

**Fair value through surplus or deficit**

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the entity manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

**Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note xx.

**ii. Financial liabilities**

**Classification**

The County Executive classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through surplus or deficit

**j) Inventories**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

**k) Provisions**

Provisions are recognized when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Entity expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

**l) Contingent liabilities**

The County Executive does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

**m) Contingent assets**

The County Executive does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

**n) Changes in accounting policies and estimates**

The County Executive recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

**o) Employee benefits**

**Retirement benefit plans**

The County Executive provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Entity pays fixed contributions into a separate Entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable. Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined benefit funds are actuarially valued tri-annually on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

**p) Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**q) Borrowing costs**

Borrowing costs are capitalized against qualifying assets as part of property, plant and equipment. Such borrowing costs are capitalized over the period during which the asset is being acquired or constructed and borrowings have been incurred. Capitalization ceases when construction of the asset is complete. Further borrowing costs are charged to the statement of financial performance.

**r) Related parties**

The County Executive regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence, or vice versa. Members of key management are regarded as related parties and comprise the Governor, Deputy governor, County

Secretary, County Executive Committee Members and Chief Officers, Speaker of the county assembly and, Clerk of the county Assembly, Directors and senior managers.

**s) Service concession arrangements.**

The County Executive analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the County Executive recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the County Executive also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

**t) 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.

**u) Comparative figures**

In preparing these financial statements the entity has elected to apply paragraph 79 of IPSAS 33, which allows for the election by an entity to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position and an opening statement of financial position as at the time of first time adoption of the accrual basis of accounting.

**v) 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, 2025.

**5. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of the County Executive's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all judgements, estimates and assumptions made:

**Estimates and assumptions.**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur.

**Useful lives and residual value**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a) The condition of the asset based on the assessment of experts employed by the Entity.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

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6. Transfers from CRF

Nature of Transfer	Amount recognized to Statement of financial performance.	Amount deferred under deferred income.	Total transfers 2024/2025
	Kshs	Kshs	Kshs
Recurrent	6,935,415,459	-	6,935,415,459
Development	2,970,237,799	-	2,970,237,799
Special purpose transfers	1,388,458,255	-	1,388,458,255
<b>Total</b>	<b>11,294,111,513</b>	<b>-</b>	<b>11,294,111,513</b>

7. Employee Costs

Description	2024/2025
	Kshs
Basic salaries of permanent employees	1,753,989,061
Basic wages of temporary employees	68,106,027
Personal allowances – part of salary	1,883,310,746
Employer contributions to compulsory national social security schemes	388,073,117
Social Benefit Schemes Outside Government	55,199,619
<b>Total Employee costs</b>	<b>4,148,678,570</b>

8. Use of Goods and Services

Description	2024/2025
	Kshs
Utilities, supplies and services	6,751,533
Communication, supplies and services	5,597,948
Domestic travel and subsistence	194,003,534
Printing, advertising, and information supplies & services	31,260,220
Rentals of produced assets	58,554,664
Training expenses	11,830,148
Hospitality supplies and services	113,997,290
Insurance costs	741,151,993
Specialized materials and services	551,955,862
Office and general supplies and services	71,435,597
Fuel Oil and Lubricants	160,490,189
Routine maintenance – vehicles and other transport equipment	95,230,072
Routine maintenance – other assets	29,120,758
Other operating expenses	437,313,074
Purchase of Certified Seeds, Breeding Stock and Live Animals	6,977,900
Rehabilitation of Civil Works	33,893,087

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Description	2024/2025
	Kshs
<b>Total</b>	<b>2,549,563,869</b>

9. Transfers to Other Government Entities

Description	2024/2025
	Kshs
Current Grants to Government Agencies and other Levels of Government	301,146,792
Capital Grants to Government Agencies and other Levels of Government	691,821,260
Other Current Transfers, Grants and Subsidies	45,454,897
Other Capital Grants and Transfers	711,112,525
<b>Total</b>	<b>1,749,535,474</b>

10. Depreciation and Amortization Expense

Description	2024/2025
	Kshs
Property, plant and equipment	455,760,042
<b>Total</b>	<b>455,760,042</b>

11. Other Grants and Subsidies

Description	2024/2025
	Kshs
Scholarships and other educational benefits	130,000,000
Emergency relief and refugee assistance	24,611,200
<b>Total Grants and Subsidies</b>	<b>154,611,200</b>

12. Social Benefits

Description	2024/2025
	Kshs
Government Pension and Retirement Benefits	63,604,182
<b>Total social benefit expenses</b>	<b>63,604,182</b>

13. Other Payments

Description	2024/2025
	Kshs
Civil Contingency	200,000,000
<b>Total Other Payments</b>	<b>200,000,000</b>

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14. Cash and Cash Equivalents

Description	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Recurrent Account	10,628	3,451
Development Account	48,604	183
Deposits Account	127,214,725	72,562,430
Wajir County Primary Health Care	13,254,536	330,036
Universal Health Account	-	214,425
KCB Imprest	-	57,406
Wajir County Second Devolution S Pr	19,303	-
Wajir County Aggreg Indust Park	76,923,076	-
Wajir County Road Maintenance Levy	90,533,914	-
<b>Total</b>	<b>308,004,786</b>	<b>73,167,931</b>

14 (a) Detailed Analysis of the Cash and Cash Equivalents

Name Of Bank, Account Name & Currency	Account Number	Type	2024/2025	2023/2024
			Kshs	Kshs
Recurrent Bank Account	1000170832	Recurrent	10,628	3,451
Development Bank Account	1000170778	Development	48,604	183
Universal Health Account	1000406194	Special Purpose Account	-	214,425
Road Maintenance Levy Fund	1000450808	Special Purpose Account	90,533,914	-
Kenya Devolution Support Programme	1000450819	Special Purpose Account	19,303	-
KCB Imprest	1141515873	KCB Imprest	-	57,406
Wajir County Deposit	1150932147	Wajir County Deposit	127,214,725	72,562,430
Wajir County Primary Health Care	1000578521	Special Purpose Account	13,254,536	330,036
Wajir County Aggreg Indust Park	1000738839	Special Purpose Account	76,923,076	-
		<b>Total</b>	<b>308,004,785.60</b>	<b>73,167,931</b>

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15. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Transfers from CRF	647,772,350		-	
<b>Total receivables from non- exchange transactions</b>	<b>647,772,350</b>		<b>-</b>	
Ageing Analysis- Receivables from non- exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	647,772,350	100%	-	-
<b>Total</b>	<b>647,772,350</b>	<b>100%</b>	<b>-</b>	<b>-</b>

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16. Property, Plant and Equipment

	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Specialized Plants	Total
Depreciation Rate	10%	12.5%	20%	12.5%	33.3%	12.5%	
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Additions	1,270,932,929.35	11,447,178.95	1,504,122,914.90	35,974,076.00	33,021,878.90	87,345,791.80	2,942,844,770
As At Jun 2025	1,270,932,929.35	11,447,178.95	1,504,122,914.90	35,974,076.00	33,021,878.90	87,345,791.80	2,942,844,770
Depreciation And Impairment							
Depreciation for the year	(127,093,292.94)	(1,430,897.37)	(300,824,582.98)	(4,496,759.50)	(10,996,285.67)	(10,918,223.98)	(455,760,042)
As At 30 Jun 2025	1,143,839,636.42	10,016,281.58	1,203,298,331.92	31,477,316.50	22,025,593.23	76,427,567.83	2,487,084,727

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17. Trade and Other Payables

Description	2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Use of Goods	674,629,756		999,082,039	
PPE	2,179,388,034		-	
Employee payables	619,333,343		-	
Social Security benefits	113,281,988		675,704,737	
<b>Total trade and other payables</b>	<b>3,586,633,121</b>		<b>1,674,786,776</b>	
<b>Ageing analysis: (Trade and other payables)</b>	<b>Current F/Y</b>	<b>% of the Total</b>	<b>Opening balance</b>	<b>% of the Total</b>
Under one year	1,342,901,519	38%	618,634,222.49	37%
1-2 years	377,983,338	10%	41,415,438.35	2%
2-3 years	137,360,669	4%	84,483,469	5%
Over 3 years	1,728,387,595	48%	930,253,647	56%
<b>Total (tie to above total)</b>	<b>3,586,633,121</b>		<b>1,674,786,776</b>	

18. Refundable Deposits and Prepayments

Description	2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Retention deposits	127,214,725		72,562,430	
<b>Total deposits</b>	<b>127,214,725</b>		<b>72,562,430</b>	
<b>Ageing analysis: (Refundable deposits)</b>	<b>Current FY</b>	<b>% of the Total</b>	<b>Opening Balance</b>	<b>% of the Total</b>
Under one year	127,214,725	100%	72,562,430	100%
<b>Total</b>	<b>127,214,725</b>		<b>72,562,430</b>	

#### **19. Financial Risk Management**

The County Executive's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. County Executive's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history.

The County Executive's financial risk management objectives and policies are detailed below:

##### **i) Credit risk**

The Entity has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Credit risk arises from cash and cash equivalents, and deposits with banks, as well as trade and other receivables and available-for-sale financial investments. Management assesses the credit quality of each customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external assessment in accordance with limits set by the directors. The amounts presented in the statement of financial position are net of allowances for doubtful receivables, estimated by the Entity's management based on prior experience and their assessment of the current economic environment.

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the County Executive has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts.

##### **ii) Liquidity risk management**

Ultimate responsibility for liquidity risk management rests with the County Executive's Management, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows.

##### **iii) Market risk**

The County Executive has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls.

Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the County Executive's income or the value of its holding of

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financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The County Executive's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the manner in which it manages and measures the risk.

**20. Related Party Disclosures**

**Nature of related party relationships**

Entities and other parties related to the County Executive include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions.

The following comprise of related parties to the County Executive:

- i) Key management personnel that include the Governor, the Deputy Governor Members of the County Assembly, CECs and Chief Officers for various County Ministries and Departments.
- ii) County Ministries and Departments.
- iii) The National Government.
- iv) Other County Governments Entities and
- v) State Corporations and Semi-Autonomous Government Agencies.

**21. Events after the Reporting Period**

There were no material adjusting and non- adjusting events after the reporting period.

**22. Ultimate And Holding Entity**

The Entity ultimate parent is the Government of Kenya.

**23. Currency**

The financial statements are presented in Kenya Shillings (Kshs).

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16. Appendix

**Appendix 1: Implementation Status of Auditor-General's Recommendations**

The following is the summary of issues raised by the external auditor, and management comments that were provided to the auditor.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
1.1	Unsupported Distribution of Medical Drugs	Store records including Delivery notes, receipt vouchers (S13), store ledgers and issue notes (S11) were availed for audit review.	Resolved	31 <sup>st</sup> December 2025
1.2	Wasteful Expenditure on Repair of Generator	The County Executive repaired 5 Generators i.e. 250 KVA for County Headquarters, 120 KVA (X-Ray), 12 KVA (Blood Bank), 150KVA for Afya House and 550 KVA for Wajir County Referral Hospital but not 1 Generator. The Assessment Reports and Payment Vouchers were availed for Audit review.	Resolved	31 <sup>st</sup> December 2025
2.0	Unconfirmed Delivery of ICT Equipment	The County Executive procured ICT equipment including laptops and printers for effective service delivery. The stores receipts and delivery notes with serial numbers were submitted for Audit review.	Resolved	31 <sup>st</sup> December 2025
3.0	Expenditure Relating to Other County Entities		Not Resolved	31 <sup>st</sup> December 2025
<b>Other Matter</b>				
1.1	Failure to Achieve Performance Objectives	Out of 10 planned mega pans, only 4 were built (smaller than planned), and only 27% of targets were achieved, while 55% were not met. No explanation was provided for the deviations - Performance target not met	Not Resolved	31 <sup>st</sup> December 2025
1.2	Unresolved Prior Year Matters	The county has implemented part of the recommendations issued by the Auditor and is in the process of implementing the outstanding recommendations.	Not Resolved	31 <sup>st</sup> December 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
<b>Report on lawfulness and effectiveness in use of public resources</b>				
1.1	Employees Earning Less Than One Third of Basic Salaries	Officers receiving less than a third of their respective basic salary is as a result of increase in statutory deductions such as NSSF and the Housing Levy which had adverse effect on the employees' earnings. These officers were on loans and the increase in the statutory deductions exacerbated the situation. The County Executive will enforce adherence to regulations in place regarding staff salary commitments by screening all loans applications and strict monitoring of the institution giving loans.	Not Resolved	31 <sup>st</sup> December 2025
1.2	Irregular Engagement of Staff on Interim Basis	The CPSB has initiated the process to regularize the interim staff through a competitive process.	Resolved	31 <sup>st</sup> December 2025
1.3	Irregular Engagement of Casual Employees	The County Executive is progressively addressing casuals performing contractual and permanent employees' assignments. The Muster rolls for the casuals at the departments was availed for Audit review.	Not Resolved	31 <sup>st</sup> December 2025
1.4	Non-Compliance with Engagement of Persons with Disabilities Requirement	The County Executive will progressively address the requirements relating to Persons with Disabilities employment from the current 2% to the desired 5% as per the Persons with Disabilities Act, 2013	Not Resolved	31 <sup>st</sup> December 2025
1.5	Non-Compliance with Fiscal Responsibility Principle on Compensation of	The Management is committed to ensuring compliance with the Public Finance Management regulations while maintaining efficient service delivery	Not Resolved	31 <sup>st</sup> December 2025
2.1	Irregular Payments to the Council of Governors and Frontier Counties	The County Executive contributes annual subscriptions to the Council of Governors and Frontier Counties Development Council Limited to	Not Resolved	31 <sup>st</sup> December 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
	Development Council Limited	compliment funding received from the Intergovernmental relations to support coordination, partnerships and cooperation across counties.		
2.2	Fuel, Oil and Lubricants	The County Treasury has since obtained and compiled the required ETR receipts which were availed for audit verification to confirm compliance with VAT regulations.	Not Resolved	31 <sup>st</sup> December 2025
2.3	Unserviceable Motor Vehicles and Equipment	The County Executive undertakes to prepare the disposal plan annually to forestall further depreciation of county assets	Not Resolved	31 <sup>st</sup> December 2025
3.0	Lease of Office for Nairobi Liaison Office	The County Liaison Office had to be relocated due to an abrupt notice of eviction for County Liaison Offices to move with immediate effect from the previous Landlord. The County Executive provided written letter of approval from the Landlord for Audit review	Resolved	31 <sup>st</sup> December 2025
4.1	Expenditure on National Government Functions	The County Executive implemented construction of classrooms and administration blocks in primary and secondary schools based on challenges schools are facing and a request from the affected schools through the County Education Board.	Not Resolved	31 <sup>st</sup> December 2025
4.2	Wajir County International Abattoir	This project was one of the incomplete assets inherited by the County Government of Wajir. The intended purpose and goals of the Wajir International Export Abattoir shall be realized in full scale once the remaining works are completed and the Abattoir is operationalized	Resolved	31 <sup>st</sup> December 2025
4.3	Construction of Perimeter Wall at Wajir Waste Disposal Site	The management notes the observation and undertakes to ensure that final payment will be based on final works completed as per the BQ.	Resolved	31 <sup>st</sup> December 2025
4.4	Delay in Construction of	The contract agreements and certificates of practical completion	Resolved	31 <sup>st</sup> December 2025

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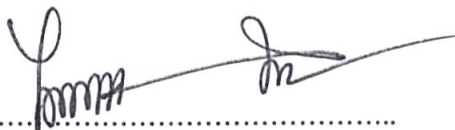
Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
	Wagalla Road	were availed for Audit review.		
4.5	Farm Groups Projects		Not Resolved	31st December 2025
5.0	Irregular Operation of Standing Imprest Account	The purpose of this account is to cater for essential and Recurrent payments. This payment are; Utilities and Office Imprest.	Resolved	31st December 2025
6.1	Pending Bills	Management commits to settle the pending bills through annual work plans, projections and cash flow provisions.	Not Resolved	31st December 2025
6.2	Payments Outside the Disclosed List of Pending Bills	The payments in question relate to legitimate obligations arising from projects undertaken in previous financial years.	Resolved	31st December 2025
7.0	Lack of Sectorial Planning		Resolved	31st December 2025
8.0	Failure to Implement E-Procurement		Not Resolved	31st December 2025
9.0	Lack of Project Implementation Status Report		Not Resolved	31st December 2025
10.0	Failure to Implement Audit Recommendations	The county has implemented part of the recommendations issued by the Auditor and and is in the process of implementing the outstanding recommendations.	Not Resolved	31st December 2025
<b>Report on the effectiveness of internal controls, risk management and governance</b>				
1.0	Lack of Project Specifications in the Budget	The County Budget is prepared in accordance with the Public Finance Management Act and accompanying regulation, in particular, regulation. The County Appropriation is accompanied by the budget estimates which gives the votes and the programmes to be funded each financial year and the economic items under each vote and programme.	Not Resolved	31st December 2025
2.0	Payment of Salary Through Manual	The County Executive will comply with the audit recommendations and	Not Resolved	31st December 2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe
	Payroll	ensure employees data transitions to the integrated payroll and personal database (IPPD) platform.		
3.0	Weaknesses in Management of Non-Current Assets	The County Executive has an ongoing initiative to develop and implement an asset management framework in compliance with Public Finance Management Act, 2012, and the Public Procurement and Asset Disposal Act, 2015.	Not Resolved	31st December 2025
4.0	Lack of Inventory Management System for Drugs and Medical Supplies	The County Executive notes the best practices in establishing an inventory management system to manage the stock of drugs and medical supplies.	Not Resolved	31st December 2025
5.0	Lack of Fire Suppression Systems	The County Executive commits to ensure full compliance with the relevant occupational health and safety laws including installation of fire extinguishers in County Offices.	Resolved	31st December 2025
6.0	Effectiveness of the Internal Audit Unit and Audit Committee	The County Government has committed to strengthening internal audit functions with increased number of internal auditors through internal departmental transfers of staff. Further, The County Treasury has commits to allocating additional resources to the Internal Audit Unit. The functionality of the Internal Audit Committee is being addressed to enhance governance and accountability.	Not Resolved	31st December 2025



Name: Yahya Mohamed Dahiye

County Chief Officer Accounting Services, Pending Bills

Resolution, Revenue And Resources Mobilization.

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Appendix II: Transfers from Other Government Entities

Name of the MDA/Donor Transferring the funds	Date received as per bank statement	Nature: Recurrent/Develo pment/Others	Total Amount - KES	Statement of Financial Performance	Where Recorded/recognized				Total Transfers during the Year
						Defer red Inco me	Recei vables	Othe rs - must be speci	
DANIDA - Universal Healthcare in Devolved Units Program	15-Nov-24	Recurrent	15,592,500	15,592,500	-	-	-	-	15,592,500
Word Bank-Kenya Devolution Support Program (KDSP 2)	6-Feb-25	Recurrent	5,000,000	5,000,000	-	-	-	-	5,000,000
(IDA) World Bank Credit- Financing locally Led climate programme (FFLoCA)1 CCIS Grant State Department of Environment	6-Feb-25	Development	59,481,291	59,481,291	-	-	-	-	59,481,291
IDA (World Bank) Credit: Water & Sanitation Development Project (WSDP)-Min. Water, Sanitation, and Irrigation	15-Jul-25	Development	505,969,262	505,969,262	-	-	-	-	505,969,262

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Word Bank-Kenya Informal settlement improvement project (KISIP 11)-State Department of Housing & Urban Development	15-Jul-25	Development	420,000,000	420,000,000	-	-	-	-	420,000,000
Word Bank-Food Systems Resilience Program (FSRP) State Department of Crop Development	15-Jul-25	Development	75,127,131.75	75,127,131.75	-	-	-	-	75,127,131.75
Word Bank-Kenya Urban Support Program (KUSP)- State Department of Housing & Urban Development	15-Jul-25	Development	32,309,300	32,309,300	-	-	-	-	32,309,300
DANIDA Grant -Primary Health care in devolved context -Ministry of Health	15-Jul-25	Recurrent	13,162,500	13,162,500	-	-	-	-	13,162,500
County Aggregated Industrial Park (CAIP)	3-Jul-25	Development	76,923,076	76,923,076	-	-	-	-	76,923,076
Road Maintenance Levy(RMLF) Fund	14-Jul-25	Development	90,533,914	90,533,914	-	-	-	-	90,533,914

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Appendix III: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities					Source Of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
Wajir county climate change adaptation.	Ward based climate change adaptive interventions.	Building community resilience through community prioritised climate adaptation projects such as water, agriculture and solar.	Installation of solar, construction of water infrastructure, establishment of irrigation systems to increase food production.	-	59,481,291		-	County Exchequer.	County Government of Wajir Climate Change Fund.
Financing locally led climate action (FLLOCA).	County Climate Change Institutional support grant.	Enhancing the capacity of the County Climate Change Unit.	Participatory Climate Risk Assessment, County Climate Change Action Plan, Office infrastructural support.	-	-	75,000,000		World Bank.	County Government of Wajir Climate Change Fund.

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Appendix IV: Disaster Expenditure Reporting Template

Programme	Sub-programme	Disaster Type	Category of disaster related Activity that requires expenditure reporting.	Expenditure item	Amount (Kshs.)	Comments
0707033360	3363000101	Food Insecurity	Response	2810205	200,000,000	-