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**REPORT**

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**OF**

TABLED  
BY:

KHIP. WANGWE

CLERK-AT  
THE TABLE:

J. G. INO

**THE AUDITOR-GENERAL**

**ON**

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

**FOR THE YEAR ENDED  
30 JUNE, 2019**



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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND—WAJIR EAST  
CONSTITUENCY

REPORTS AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED  
JUNE 30, 2019

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**WAJIR EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

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**I. KEY CONSTITUENCY INFORMATION AND MANAGEMENT**

**(a) Background information**

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 The Act was later reviewed through the enactment of the CDF (Amendment) Act 2007, and repealed through CDF Act, 2013.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

**Mandate**

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

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

**Vision**

Equitable Socio-economic development countrywide

**Mission**

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

### Core Values

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

### (b) Key Management

The NGCDF WAJIR EAST Constituency day-to-day management is under the following key organs:

- i. National Government Constituencies Development Fund Board (NGCDFB)
- ii. National Government Constituency Development Fund Committee (NGCDFC)

### (c) Fiduciary Management

The key management personnel who held office during the financial year ended 30<sup>th</sup> June 2019 and who had direct fiduciary responsibility were:

No.	Designation	Name
1.	A.I.E holder	ABDISALAN BILLOW
2.	Sub-County Accountant	RASHID AHMED
3.	Chairman NGCDFC	ISSA GARAD ADAN
4.	Member NGCDFC	RASHID ABDI ADAN

### (d) Fiduciary Oversight Arrangements

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

### (e) NGCDFWAJIR EAST Constituency Headquarters

P.O. Box 417-70200  
Opposite Wajir County Commissioners office  
Along Wajir - Manderu Highway  
Nairobi, KENYA.

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)**  
**WAJIR EAST CONSTITUENCY**  
**Reports and Financial Statements**  
**For the year ended June 30, 2019**

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**(f) NGCDF Wajir East Constituency Contacts**

Telephone: (254) 708581358  
E-mail: cdfwajireast.go.ke  
Ngcdf: www.go.ke

**(g) NGCDF WAJIR EAST Constituency Bankers**

1. Kenya Commercial Bank  
WAJIR EAST NGCDF  
A/C NO. 1105254224  
WAJIR BRANCH  
...

**(h) Independent Auditors**

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

**(i) Principal Legal Adviser**

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

**II. FORWARD BY THE CHAIRMAN NGCDF COMMITTEE**

The constituency was able to absorb funds up to 84.9%. This was partly due to late disbursement of fund for the financial year 2018/2019.

The constituency has done well in terms of project implementation. Among the successful projects include timely disbursement of bursary funds both for secondary and tertiary institutions, construction works in secondary and primary schools 'projects, security and emergency activities.

Some challenges include late disbursements of fund include; delayed approval of project proposals and reallocations of projects by the NGCDF board. The constituency is very sparse with poor educational infrastructure and insecurity problems.

The fund has made considerable progress in mitigating the educational challenges through constructions of school facilities both in primary and secondary schools. In the financial year 207/2018 and 2018/2019 .Wajir East NGCDF has established three fully funded girls' secondary schools.

The number of public primary schools rose to 35 and secondary schools 15 courtesy of the fund input in infrastructure development.

The constituency has already developed a five-year strategic plan to address the above challenges. The plan will assist timely implementations of projects and prudent use of the financial resources as stipulated in the Act and the constitution.

The constituency has conducted NGCDFC and PMC trainings, carried out public participations and ensured proper branding of all projects with the board logo.

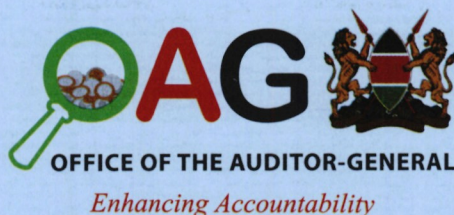
**CHAIRMAN NGCDFCOMMITTEE**



*Sign*

# REPUBLIC OF KENYA

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Website: www.oagkenya.go.ke



**HEADQUARTERS**  
Anniversary Towers  
Monrovia Street  
P.O. Box 30084-00100  
NAIROBI

## **REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – WAJIR EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2019**

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### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Wajir East Constituency set out on pages 6 to 39, which comprise of the statement of assets and liabilities as at 30 June, 2019, statement of receipts and payments, statement of cash flows and the summary statement of appropriation - recurrent and development combined for the year then ended, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Wajir East Constituency as at 30 June, 2019, and of its financial performance and its cash flows for the year then ended, in accordance with the International Public Sector Accounting Standards (Cash Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

#### **Basis for Qualified Opinion**

##### **1. Inaccuracies in Cash and Cash Equivalentents**

As disclosed in Note 10A to the financial statements, the statement of assets and liabilities reflects cash and cash equivalent totalling to Kshs.880,923. However, review of the bank reconciliation statement for the month of June, 2019 reflected unrepresented cheques amounting to Kshs.378,352 which were all stale some dating back to 2012 paid to various learning institutions as bursaries, individuals and Kenya Revenue Authority. However, the cheques were not reversed in the cash book.

Further, the Management omitted the heading of the statement as 'statement of assets and liabilities' as per the reporting template.

Consequently, the accuracy, completeness and validity of the cash and cash equivalent balance of Kshs.880,923 reflected in the financial assets as at 30 June, 2019 could not be confirmed.

## **2. Transfer to Other Government Entities**

As disclosed in Note 6 to the financial statements, the statement of receipts and payments reflects transfers to other Government Entities totalling to Kshs.85,081,831. The following observations were noted:

### **2.1 Unsupported Transfer to Primary Schools**

The balance includes transfers to primary schools amount of Kshs.42,851,831 disbursed to various Project Management Committees. Review of records revealed that Management directly awarded contract amounting to Kshs.3,000,000 to a construction firm for supply of primary school desks. However, counter receipt voucher S13, issue voucher (S11) and inspection and acceptance report were not provided.

Further, the Management awarded a contract for the supply of seven hundred and fifty (750) school desks to a firm at a contract sum of Kshs.5,250,000 but paid an amount of Kshs.5,520,000 resulting an unexplained overpayment amounting to Kshs.270,000.

In the circumstances, the accuracy, completeness and validity of the expenditure for supply of school desks totalling to Kshs.8,250,000 for the year ended 30 June, 2019 could not be ascertained.

### **2.2 Unsupported Transfer to Secondary Schools**

The balance also includes transfers to secondary schools' amount of Kshs.42,230,000 disbursed to various Project Management Committees. Management awarded grants totalling to Kshs.12,910,000. However, signed tender evaluation minutes, bank statements, bank reconciliations and cash books held by the various Project Management Committees, acknowledgments from the beneficiary schools, inspection and acceptance committee reports and procurement professional opinion were not provided.

Further, a contract for supply and delivery of eight hundred (800) chambers and chairs to eight (8) secondary schools was awarded to a firm at contract sum of Kshs.5,600,000. However, the project was procured through local notice instead of advertising in the newspapers of nationwide circulation contrary to Section 96(2) of the Public Procurement and Asset Disposal Act, 2015.

In view of the above, the accuracy, completeness and validity of the expenditure of school desks totalling to Kshs.12,910,000 for the year ended 30 June, 2019 could not be ascertained.

## **3. Other Grants and Other Payments**

As disclosed in Note 7 to the financial statement, the statement of receipts and payments reflects other grants and other payments balance of Kshs.38,314,000. The following observations were made:

### **3.1. Unsupported Procurement of Emergency Projects**

The balance includes an amount of Kshs.4,500,000 incurred on emergency projects. However, review of records revealed that contract for the supply of 11,200 liters of diesel as fuel subsidy to various boreholes and water trucking exercises within the Constituency was awarded to a firm at contract sum of Kshs.1,400,000. However, the expenditure was not supported with; tax compliance certificate, requisitions letters from the community, area chiefs or water user's, tender opening and evaluation minutes, updated work tickets, water trucking schedules/acknowledgment letters and a report to the National Government Constituencies Development Board within thirty (30) days.

### **3.2 Unsupported Procurement of Environmental Project**

The balance also includes an amount of Kshs.1,000,000 incurred on environmental projects. However, the Management did not provide signed tender opening committee minutes, tender award committee minutes, list of prequalified suppliers and date of final submission for tenders.

### **3.3 Unsupported Procurement of Security Projects**

Further, included in the balance is an amount of Kshs.10,170,000 incurred on security projects. However, review of records revealed that an amount Kshs.1,900,000 for the renovation and extension of Assistant County Commissioner's Office was not supported with tender notice, tender opening minutes and letters of award and acceptance and signed tender opening committee.

In the circumstances, the accuracy, completeness and validity of the above expenditures totalling to Kshs. 4,300,000 for the year ended 30 June, 2019.

## **4. Lack of Land Title Deed**

As disclosed in Annex 4 to the financial statements, the summary of fixed assets register reflects a balance of Kshs.8,686,941. However, as previously reported, included in the balance is an amount of Kshs.5,000,000 in respect of the Fund's land. However, the ownership documents of the land were not provided.

Consequently, the legality and ownership of the land valued of Kshs.5,000,000 as at 30 June, 2019 could not be ascertained.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund – Wajir East Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

## **Key Audit Matters**

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

## **Other Matter**

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

The summary statement of appropriation - recurrent and development combined reflects final receipts budget and actual on comparable basis of Kshs.154,100,047 and Kshs.136,519,171 respectively, resulting to an under-funding of Kshs17,580,047 or 11% of the budget. Similarly, the statement reflects final expenditure budget and actual on comparable basis of Kshs.154,100,047 and Kshs.135,053,248 respectively, resulting to an under expenditure of Kshs.19,046,799 or 12% of the budget.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

### **2. Unresolved Prior Year Matters**

In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury's Circular Ref: PSASB/1/12 Vol.1(44) of 25 June, 2019.

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

### **Conclusion**

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

During the period under review, the Fund budgeted to implement a total of seventy (70) projects comprising of sixty-four (64) projects on education and six (6) projects on security. However, thirty-one (31) projects were implemented leaving thirty-nine (39) projects unimplemented.

In the circumstances, I am unable to confirm whether the public obtained value for money from the allocated expenditure on unimplemented projects for the year ended 30 June, 2019.

## **2. Transfer to Other Government Entities**

As disclosed in Note 6 to the financial statement, the statement of receipts and payments reflects transfers to other Government Entities totalling to Kshs.85,081,831. The balance includes an amount of Kshs.42,851,831 transferred to various Project Management Committees (PMCs) as transfers to primary schools. Management awarded contracts totalling to Kshs.13,750,000 to two (2) firms for the supply of solid timber school desks. However, the desks were procured through local tender notice instead of advertising in the newspapers for nationwide circulation contrary to Section 96(2) of the Public Procurement and Asset Disposal Act, 2015.

Further, the projects were procured without obtaining signed professional opinion on the procurement as required by Section 84 of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, the probity of the expenditure for supply of school desks of Kshs.13,750,000 as at 30 June, 2019 could not be ascertained.

## **3. Un-Surrendered Imprest**

As disclosed in Note 10 to the financial statements, the statement of assets and liabilities reflects outstanding imprest totalling to Kshs.585,000 which ought to have been surrendered and accounted for on or before 30 June, 2019. This is contrary to Section 93 Subsection 5 of the Public Finance Management Regulations, 2015 which requires imprest be surrendered or accounted for within seven days after return to the work station.

The Management is therefore in breach of the law.

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

## **REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE**

### **Conclusion**

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

## **Basis for Conclusion**

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

## **Responsibilities of Management and those Charged with Governance**

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

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

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

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

Those charged with Governance are responsible for overseeing the financial reporting process, reviewing the effectiveness of how the Fund 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 overall governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

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

The audit objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion in accordance with the provisions of Section 48 of the Public Audit Act, 2015 and submit the audit report in compliance with Article 229(7) of the Constitution. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement and weakness when it exists. Misstatements can arise from fraud

or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the Fund to cease to continue to sustain its services.

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

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

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

  
Nancy Gathungu  
**AUDITOR-GENERAL**

Nairobi

01 October, 2021

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
WAJIR EAST CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

<b>IV. STATEMENT OF RECEIPTS AND PAYMENTS</b>			
	Note	2018 - 2019 Kshs	2017 - 2018 Kshs
<b>RECEIPTS</b>			
Transfers from NGCDF board	1	104,839,310	85,310,345
Proceeds from Sale of Assets	2	-	-
Other Receipts	3	-	-
<b>TOTAL RECEIPTS</b>		<b>104,839,310</b>	<b>85,310,345</b>
<b>PAYMENTS</b>			
Compensation of employees	4	4,852,011	2,118,844
Use of goods and services	5	5,380,406	7,740,681
Transfers to Other Government Units	6	85,081,831	-
Other grants and transfers	7	38,314,000	37,160,000
Acquisition of Assets	8	-	-
Other Payments	9	1,425,000	6,640,537
<b>TOTAL PAYMENTS</b>		<b>135,053,248</b>	<b>53,660,061</b>
<b>SURPLUS/ (DEFICIT)</b>		<b>(30,213,938)</b>	<b>31,650,284</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- WAJIR EAST Constituency financial statements were approved on 14.09.2019 and signed by:



Fund Account Manager  
Name: Abdisalan Billow Abdi




Sub-County Accountant  
Name: Rashid Ahmed  
ICPAK Member Number: 17483

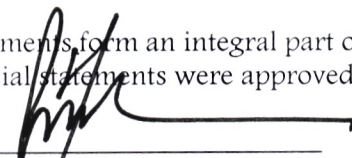
**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)  
WAJIR EAST CONSTITUENCY  
Reports and Financial Statements  
For the year ended June 30, 2019**

**V. STATEMENT OF ASSETS AND LIABILITIES**

	Note	2018-2019 Kshs	2017-2018 Kshs
<b>FINANCIAL ASSETS</b>			
<b>Cash and Cash Equivalents</b>			
Bank Balance( as par cash book)	10A	880,923	31,679,861
Cash Balances (cash at hand)	10B	-	-
<b>Total Cash and Cash Equivalents</b>		<b>880,923</b>	<b>31,679,861</b>
Current Receivables		-	-
Outstanding Imprests	11	585,000	-
<b>TOTAL FINANCIAL ASSETS</b>		<b>1,465,923</b>	<b>31,679,862</b>
<b>FINANCIAL LIABILITIES</b>			
Accounts Payable		-	-
Retention	12A	-	-
Gratuity	12B	-	-
<b>TOTAL FINANCIAL LIABILITES</b>			
<b>NET FINANCIAL ASSETS</b>		<b>1,465,923</b>	<b>31,679,861</b>
<b>REPRESENTED BY</b>			
Fund balance b/fwd	13	31,679,861	29,578
Surplus/Deficit for the year		(30,213,938)	31,650,284
Prior year adjustments	14	-	-
<b>NET FINANCIAL POSITION</b>		<b>1,465,923</b>	<b>31,679,861</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF-WAJIR EAST Constituency financial statements were approved on 14.09.2019 and signed by:


  
Fund Account Manager  
Name: Abdisalan billow Abdi

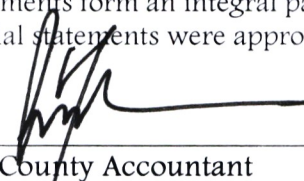
  
Sub-County Accountant  
Name: Rashid Ahmed  
ICPAK Member Number: 17483

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF)****WAJIR EAST CONSTITUENCY****Reports and Financial Statements****For the year ended June 30, 2019****VI. STATEMENT OF CASHFLOW**

CASH FLOWS FROM OPERATING ACTIVITIES		2018 - 2019	2017 - 2018
<b>Receipts</b>			
Transfers from NGCDF Board	1	104,839,310	85,310,345
Other Receipts	3	-	
<b>Total receipts</b>		<b>104,839,310</b>	<b>85,310,345</b>
<b>Payments</b>			
Compensation of Employees	4	4,852,011	2,118,844
Use of goods and services	5	5,380,406	7,740,681
Transfers to Other Government Units	6	85,081,831	-
Other grants and transfers	7	38,314,000	37,160,000
Other Payments	9	1,425,000	6,640,537
<b>Total payments</b>		<b>135,053,248</b>	<b>53,660,061</b>
<b>Total Receipts Less Total Payments</b>		<b>(30,213,938)</b>	<b>31,650,284</b>
<b>Adjusted for:</b>			
Retention Payable	12A		
Gratuity Payable	12B		
Prior year adjustments	14		
<b>Net Adjustments</b>			
<b>Net cash flow from operating activities</b>		<b>(30,213,938)</b>	<b>31,650,284</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>			
Proceeds from Sale of Assets	2		
Acquisition of Assets	9	-	-
<b>Net cash flows from Investing Activities</b>		<b>-</b>	<b>-</b>
		<b>-</b>	<b>-</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENT</b>		<b>(30,213,938)</b>	<b>31,650,284</b>
<b>Cash and cash equivalent at BEGINNING of the year</b>	13	<b>31,679,861</b>	<b>29,578</b>
<b>Cash and cash equivalent at END of the year</b>		<b>1,465,923</b>	<b>31,679,861</b>

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The NGCDF- WAJIR EAST Constituency financial statements were approved on 14.9.2019 and signed by:

  
 Fund Account Manager  
 Name: Abdisalan Billow Abdi

  
 Sub-County Accountant  
 Name: Rashid Ahmed  
 ICPAK Member Number: 17483

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – GILGIL CONSTITUENCY**  
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**For the year ended June 30, 2019**

**VII. SUMMARY STATEMENT OF APPROPRIATION: RECURRENT AND DEVELOPMENT COMBINED**

Receipt/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilization Difference	% of Utilisation
	a	b	c=a+b	d	e=c-d	f=d/c %
<b>RECEIPTS</b>						
Transfers from CDF Board	109,040,876	45,059,171	154,100,047	136,519,171	17,580,875	88.6%
Proceeds from Sale of Assets						
Other Receipts						
<b>TOTAL RECEIPTS</b>	109,040,876	45,059,171	154,100,047	136,519,171	17,580,875	88.6%
<b>PAYMENTS</b>						
Compensation of Employees	4,800,000	-	4,800,000	4,852,011.00	(52,011)	101.1%
Use of goods and services	4,218,119	376,886	4,595,005	5,380,406.00	(785,401)	117.1%
Transfers to Other Government Units	67,183,764.00	33,679,862	100,863,626	85,081,831	15,781,795	85%
Other grants and transfers	28,738,993	11,002,423	39,741,416	38,314,000	1,427,416	96.4%
Acquisition of Assets	2,600,000	-	2,600,000	-	2,600,000	0.0%
Other Payments	1,500,000.00	-	1,500,000	1,425,000	75,000	95.0%
<b>TOTAL</b>	109,040,876	45,059,171	154,100,047	135,053,248	19,046,799	87.6%

*Note : The following has underutilisation below 90% which is as result of delayed disbursement of fund by the board*

- i. Compensation of employees
  - ii. Use of goods and Services
  - iii. Acquisition of assets – The funds was not disbursed
- The final budget is composed of the allocations for the financial year 2018/19 kshs 109,040,876 and the previous year balance brought forward kshs31,679,861.*

The NGCDF - ~~WEST~~ ~~EAST~~ Constituency financial statements were approved on ~~14.9.2019~~ and signed by:

Fund Account Manager  
 Name: Abdisalan Bilow Abdi

Sub-County Accountant  
 Name: Rashid Ahmed  
 ICPAK Member Number: 17483

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR EAST CONSTITUENCY**  
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**VIII. BUDGET EXECUTION BY PROGRAMMES AND SUB-PROGRAMMES**

Programme/Sub-programme	Original Budget 2018/2019 Kshs	Adjustments Kshs	Final Budget 2018/2019 Kshs	Actual on comparable basis 30/06/2019 Kshs	Budget utilization difference Kshs
<b>1.0 Administration and Recurrent</b>					
1.1 Compensation of employees	4,800,000	-	4,800,000		
1.2 Committee allowances	1,700,000	-	1,700,000	2,200,000	500,000
1.3 Use of goods and services	700,000	376,886	837,886	996,995	
<b>2.0 Monitoring and evaluation</b>					
2.1 Capacity building	1,000,000	-	1,000,000	1,000,000	
2.2 Committee allowances	400,000	-	400,000		
2.3 Use of goods and services	-	-	-		
<b>3.0 Emergency</b>					
3.1 Primary Schools	2,000,000		2,000,000	1,900,000	
3.2 Secondary schools					
3.3 Tertiary institutions					
3.4 Security projects					
3.5 other emergency projects	3,738,993.45			2,600,000	
<b>4.0 Bursary and Social Security</b>	<b>0.00</b>				
4.1 Primary Schools	0.00				
4.2 Secondary Schools	10,000,000.00	0.00	10,000,000.00	10,242,000	
4.3 Tertiary Institutions	10,000,000.00	0.00	10,000,000.00	9,408,000	
4.4 Universities			,738,993.45		
4.5 Social Security					
<b>5.0 Sports</b>					

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR EAST CONSTITUENCY**  
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Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
<b>8.0 Secondary Schools Projects (List all the Projects)</b>					
8.1 supply of lockers and chairs ( Various schools ) Wajir East School desks Pmc	6,460,000.00		6,460,000	5,600,000	860,000.
8.2 Wagberi Secondary School	2,900,000.00				
8.3 jugbaro Secondary School	2,800,000.00				
8.4 Jugbaro secondary school	900,000.00				
8.5 Jugbaro Secondary School	1,000,000.00				
8.6 Volunteer secondary school	1,200,000.00				
8.7 Jugbaro Secondary School	1,200,000.00				
8.8 Shalatey Secondary School	1,200,000.00				
8.9 Wajir girls secondary school	900,000.00				
9.0 Wagberi Secondary school	1,400,000.00			1,330,000	70,000
9.1 Volunteer secondary school	500,000.00		500,000	500,000	
9.2 Wajir girls Secondary School	900,000.00		900,000		
9.3 Riba girls secondary school	1,600,000.00		1,600,000	1,520,000	200,000
9.4 Riba girls secondary school	4,000,000.00		4,000,000	3,800,000	200,000
9.5 Riba girls secondary school	3,000,000.00		3,000,000	2,850,000	150,000
9.6 Riba girls secondary School	1,000,000.00		1,000,000	950,000	50,000
9.7 Volunteer secondary school	0.00	2,900,000.00	2,900,000.00	2,755,000	145,000
9.8 Volunteer secondary school		2,800,000.00	2,800,000.00	2,660,000.00	140,000
9.9 Volunteer secondary school		1,500,000.00	1,500,000.00	1,425,000.00	75,000
10.0 Volunteer secondary school		1,000,000.00	1,000,000.00	950,000.00	50,000
10.1 Volunteer secondary school		1,000,000.00	1,000,000.00	950,000.00	50,000
10.2 Volunteer Secondary School		900,000.00	900,000.00	855,000.00	45,000
10.3 Volunteer Secondary School		2,900,000.00	2,900,000.00	2,755,000.00	145,000
10.4 Jugbaru secondary school	0.00	1,400,000.00	1,400,000.00	1,330,000.00	70,000

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR EAST CONSTITUENCY**  
**Reports and Financial Statements**  
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Programme/Sub-programme	Original Budget 2018/2019	Adjustments	Final Budget 2018/2019	Actual on comparable basis 30/06/2019	Budget utilization difference
5.1 khorofhar secondary school	1,000,000		1,000,000	1,000,000	0
5.2 Wajir Bor Secondary School	1,000,000		1,000,000	1,000,000	0
<b>6.0 Environment</b>					
6.1 volunteer secondary school	500,000.00		500,000.00		
6.2 Wajir bor Secondary school	500,000.00		500,000.00	500,000.00	
<b>7.0 Primary Schools Projects (List all the Projects)</b>					
7.1 Konton primary school	1,200,000.00		1,200,000.00		
7.2 Boji garas primary school	1,300,000.00		1,300,000.00		
7.3 Elmi Primary school	1,600,000.00		1,600,000.00		
7.4 Lambib primary school	1,600,000.00		1,600,000.00		
7.5 kajaja II primary school	1,400,000.00		1,400,000.00		
7.6 Kutulo primary school	1,600,000.00		1,600,000.00		
7.7 wajir primary school	2,000,000.00		2,000,000.00	1,900,000	100,000
7.8 Wajir Girls primary school	900,000.00		900,000.00		
7.9 ICF primary school	1,400,000.00		1,400,000.00		
8.0 Wajir bor primary school	1,000,000.00		1,000,000.00	900,000	70,000
8.1 Boji Garas primary school	1,400,000.00		1,400,000.00	1,330,000	70,000
8.2 Halanle primary school	4,000,000.00		4,000,000.00	3,900,000	100,000
8.3 Furaha primary school	1,000,000.00		1,000,000.00	1,000,000	0
8.4 supply of desks( various schools )	5,250,000.00		5,250,000.00	5,520,000	0
8.5 kalkaja primary school	961,881.87		961,881.87		
8.6 wagberi primary school	1,311,881.71		1,311,881.71		
8.7 Township primary school	0.00	1,400,000.00	1,400,000.00	1,330,000	70,000
8.8 afarshante primary school	0.00	1,400,000.00	1,400,000.00	1,330,000	70,000
8.9 wajir bor primary school	0.00	1,000,000.00	1,000,000.00	900,000	100,000
9.0 Qarsa primary school	0.00	1,400,000.00	1,400,000.00	1,330,000	70,000
9.1 Khorofhar primary schools	0.00	1,400,000.00	1,400,000.00	1,330,000	70,000

## **SIGNIFICANT ACCOUNTING POLICIES**

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

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

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

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

### **2. Reporting Entity**

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

### **3. Reporting Currency**

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

### **4. Significant Accounting Policies**

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

#### **a) Recognition of Receipts**

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

##### **Tax Receipts**

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

##### **Transfers from the Exchequer**

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

## **SIGNIFICANT ACCOUNTING POLICIES**

### **External Assistance**

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

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

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

During the year ended 30<sup>th</sup> June 2019, there were no instances of non-compliance with terms and conditions which have resulted in cancellation of external assistance loans.

### **Other receipts**

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

### **b) Recognition of payments**

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

### **Compensation of Employees**

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

### **Use of Goods and Services**

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

### **Acquisition of Fixed Assets**

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

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

**SIGNIFICANT ACCOUNTING POLICIES**

**5. In-kind contributions**

In-kind contributions are donations that are made to the Entity in the form of actual goods and/or services rather than in money or cash terms. These donations may include vehicles, equipment or personnel services. Where the financial value received for in-kind contributions can be reliably determined, the Entity includes such value in the statement of receipts and payments both as receipts and as payments in equal and opposite amounts; otherwise, the contribution is not recorded.

**6. Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand and cash at bank, short-term deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the Central Bank of Kenya and at various commercial banks at the end of the financial year.

**7. Accounts Receivable**

For the purposes of these financial statements, imprests and advances to authorised public officers and/or institutions which were not surrendered or accounted for at the end of the financial year are treated as receivables. This is in recognition of the government practice where the imprest payments are recognized as payments when fully accounted for by the imprest or AIE holders. This is an enhancement to the cash accounting policy. Other accounts receivables are disclosed in the financial statements.

**8. Accounts Payable**

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

**9. Pending Bills**

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

**10. Unutilized Fund**

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

**11. Budget**

The budget is developed on a comparable accounting basis (cash basis except for imprest and deposits, which are accounted for on an accrual basis), the same accounts classification basis, and for the same period as the financial statements. The original budget was approved by Parliament on June 2018 for the period 1<sup>st</sup> July 2018 to 30<sup>th</sup> June 2019 as required by Law and there was one supplementary adjustment to the original budget during the year. Included in the adjustments are the unutilized funds.

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

**12. Comparative Figures**

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

**13. Subsequent Events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30<sup>th</sup> June 2019.

**14. Errors**

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

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

**15. Related Party Transactions**

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

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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**IX. NOTES TO THE FINANCIAL STATEMENTS**

**1. TRANSFERS FROM OTHER GOVERNMENT ENTITIES**

Description		2018-2019	2017-2018
		Kshs	Kshs
NGCDF Board			
B047522	1	37,960,000	5,500,000.00
BO42556	2	13,000,000	37,905,172.00
B042641	3	11,000,000	41,905,172.80
A699003	1	8,000,000	
B006254	2	12,000,000	
B030220	3	10,000,000	
		11,379,310	
B030010		1,500,000	
<b>TOTAL</b>		<b>104,839,310</b>	<b>85,310,345</b>

**2. PROCEEDS FROM SALE OF ASSETS**

	2018-2019	2017-2018
	Kshs	Kshs
Receipts from sale of Buildings	0.00	0.00
Receipts from the Sale of Vehicles and Transport Equipment	0.00	0.00
Receipts from sale of office and general equipment	0.00	0.00
Receipts from the Sale Plant Machinery and Equipment	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**3. OTHER RECEPTS**

	2018-2019 Kshs	2017-2018 Kshs
Interest Received	0.00	0.00
Rents	0.00	0.00
Receipts from Sale of tender documents	0.00	0.00
Other Receipts Not Classified Elsewhere	0.00	0.00
<b>Total</b>	0.00	0.00
	0.00	0.00

**4. COMPENSATION OF EMPLOYEES**

	2018-2019 Kshs	2017-2018 Kshs
Basic wages of contractual employees	4,852,011.00	2,118,844
Basic wages of casual labour		
<b>Personal allowances paid as part of salary</b>		
House allowance		
Transport allowance		
Leave allowance		
Gratuity – paid		
- Accrued	-	
Other personnel payments		
<b>Total</b>	4,852,011.00	2,118,844

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

5. USE OF GOODS AND SERVICES

	2018-2019	2017-2018
	Kshs	Kshs
Committee Expenses	2,585,000	4,770,000
Utilities, supplies and services	997,006	1,233,681
Communication, supplies and services		
Domestic travel and subsistence	723,400	500,000
Printing, advertising and information supplies & services		1,050,000
Rentals of produced assets		
Training expenses	1,000,000	1,050,000
Hospitality supplies and services		
Insurance costs		
Specialized materials and services		
Office and general supplies and services		
Other operating expenses	75,000	187,000
Routine maintenance – vehicles and other transport equipment		
Routine maintenance – other assets		
	<b>5,380,406</b>	<b>7,740,681</b>

6. TRANSFER TO OTHER GOVERNMENT ENTITIES

Description	2018-2019	2017-2018
	Kshs	Kshs
Transfers to National Government entities	42,851,831	18,414,812
Transfers to primary schools (see attached list)	42,230,000	18,200,000
Transfers to secondary schools (see attached list)		1,000,000
Transfers to tertiary institutions (see attached list)	-	0
Transfers to health institutions (see attached list)	-	18,414,812
<b>TOTAL</b>	<b>85,081,831</b>	<b>37,614,812</b>

7. OTHER GRANTS AND OTHER PAYMENTS

	2018-2019	2017-2018
	Kshs	Kshs
Bursary – secondary schools (see attached list)	10,242,000	12,289,000
Bursary – tertiary institutions (see attached list)	10,402,000	15,711,000
Bursary – special schools (see attached list)		
Mock & CAT (see attached list)		
Security projects (see attached list)	10,170,000	-
Sports projects (see attached list)	2,000,000	1,500,000
Environment projects (see attached list)	1,000,000	1,500,000
Emergency projects (see attached list)	4,500,000	6,160,000
<b>Total</b>	<b>38,314,000</b>	<b>37,160,000</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –  
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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**8. ACQUISITION OF ASSETS**

<u>Non Financial Assets</u>	2018-2019	2017-2018
	Kshs	Kshs
Purchase of Buildings	0.00	0.00
Construction of Buildings	0.00	0.00
Refurbishment of Buildings	0.00	0.00
Purchase of Vehicles and Other Transport Equipment	0.00	0.00
Overhaul of Vehicles and Other Transport Equipment	0.00	0.00
Purchase of Household Furniture and Institutional Equipment	0.00	0.00
Purchase of Office Furniture and General Equipment	0.00	0.00
Purchase of ICT Equipment, Software and Other ICT Assets	0.00	0.00
Purchase of Specialised Plant, Equipment and Machinery	0.00	0.00
Rehabilitation and Renovation of Plant, Machinery and Equip.	0.00	0.00
Acquisition of Land	0.00	0.00
Acquisition of Intangible Assets	0.00	0.00
	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**9. OTHER PAYMENTS**

	2018-2019	2017-2018
	Kshs	Kshs
Strategic plan	-	4,000,000
ICT Hub	-	-
NGCDF office	1,425,000	2,640,537
<b>Total</b>	<b>1,425,000.00</b>	<b>6,240,537.00</b>

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –**

**WAJIR EAST CONSTITUENCY**

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**10A: Bank Accounts (cash book bank balance)**

Name of Bank, Account No. & currency	2018-2019	2017-2018
Kenya commercial Bank	Kshs	Kshs
Wajir Branch	<b>880,923</b>	<b>31,679,861</b>
A/C NO .1105254224		
<b>Total</b>	<b>880,923</b>	<b>31,679,861</b>
<b>10B: CASH IN HAND</b>		
Location 1	0.00	0.00
Location 2	0.00	0.00
Location 3	0.00	0.00
Other Locations ( <i>specify</i> )	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<i>[Provide cash count certificates for each]</i>		

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) –**

**WAJIR EAST CONSTITUENCY**

**Reports and Financial Statements**

**For the year ended June 30, 2019**

*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**11: OUTSTANDING IMPRESTS**

<i>Name of Officer or Institution</i>	<i>Date Imprest Taken</i>	<i>Amount Taken</i>	<i>Amount Surrendered</i>	<i>Balance</i>
		<i>Kshs</i>	<i>Kshs</i>	<i>Kshs</i>
Abdisalan billow Abdi	7.8.2018	260,000.00	-	260,000.00
Rashid Abdi Adan	20.9.2018	325,000.00	-	325,000.00
<b>TOTALS</b>		585,000.00		585,000.00

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

**12A. RETENTION**

	2018 - 2019	2017-2018
	<i>Kshs</i>	<i>Kshs</i>
Supplier 1	0.00	0.00
Supplier 2	0.00	0.00
Supplier 3	0.00	0.00
<b>Total</b>	<u>0.00</u>	<u>0.00</u>

*[Provide short appropriate explanations as necessary]*

**12B. STAFF GRATUITY OUTSTANDING**

	2018 - 2019	2017-2018
	<i>Kshs</i>	<i>Kshs</i>
Name 1	0.00	0.00
Name 2	0.00	0.00
Name 3	0.00	0.00
Add as appropriate	0.00	0.00
<b>Total</b>	<u>0.00</u>	<u>0.00</u>

*[Provide short appropriate explanations as necessary]*

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**13. BALANCES BROUGHT FORWARD**

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	31,679,861	29,578
Cash in hand		-
Imprest		-
<b>Total</b>	<b>31,679,861</b>	<b>29,578</b>

*[Provide short appropriate explanations as necessary]*

**14. PRIOR YEAR ADJUSTMENTS**

	2018-2019 Kshs	2017-2018 Kshs
Bank accounts	0.00	0.00
Cash in hand	0.00	0.00
Imprest	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

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*NOTES TO THE FINANCIAL STATEMENTS (Continued)*

**15. OTHER IMPORTANT DISCLOSURES**

**15.1: PENDING ACCOUNTS PAYABLE (See Annex 1)**

	2018-2019	2017-2018
	Kshs	Kshs
Construction of buildings	-	31,511,030
Construction of civil works	-	-
Supply of goods	400,000	168,831
Supply of services	480,923	-
	<b>880,923</b>	<b>31,679,861</b>

**15.2: PENDING STAFF PAYABLES (See Annex 2)**

	Kshs	Kshs
NGCDFC Staff	0.00	0.00
Others ( <i>specify</i> )	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

**15.3: UNUTILIZED FUND (See Annex 3)**

	Kshs	Kshs
Compensation of employees	(52,011)	-
Use of goods and services	(785,401)	168,831
Amounts due to other Government entities (see attached list)	15,781,795	31,511,030
Amounts due to other grants and other transfers (see attached list)	1,427,416	
Acquisition of assets	2,600,000	
Others ( <i>specify</i> )	75,000	
	<b>19,046,799</b>	<b>31,679,861</b>

15.4: PMC account balances (See Annex 5)

	2018-2019	2017-2018
	Kshs	Kshs
PMC account Balances (see attached list)	0.00	0.00
	0.00	0.00
	0.00	0.00

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**ANNEX 1 - ANALYSIS OF PENDING ACCOUNTS PAYABLE**

Supplier of Goods or Services	Original Amount	Date Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
Construction of buildings	a	b	c	d=a-c	
1.	31,202,975		31,202,795	0	
2.					
3.					
<b>Sub-Total</b>					
Construction of civil works					
4.					
5.					
6.					
<b>Sub-Total</b>					
Supply of goods					
7. supply of office stationaries	400,000	11.5.2019	0	400,000	0
9.					
<b>Sub-Total</b>	<b>400,000</b>				
Supply of services					
8. Training and capacity building	480,923	13.5.2019	0	480,923	0
11.					
12.					
<b>Sub-Total</b>	<b>480,923</b>				
<b>Grand Total</b>	<b>32,183,898</b>			<b>880,923</b>	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR EAST CONSTITUENCY**  
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**ANNEX 2 - ANALYSIS OF PENDING STAFF PAYABLES**

Name of Staff	Job Group	Original Amount	Date Payable Contracted	Amount Paid To-Date	Outstanding Balance 2019	Comments
<b>Senior Management</b>		a	b	c	d=a-c	
1.						
2.						
3.						
	<b>Sub-Total</b>					
<b>Middle Management</b>						
4.						
5.						
6.						
	<b>Sub-Total</b>					
<b>Unionisable Employees</b>						
7.						
8.						
9.						
	<b>Sub-Total</b>					
<b>Others (specify)</b>						
10.						
11.						
12.						
	<b>Sub-Total</b>					
	<b>Grand Total</b>					

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND (NGCDF) – WAJIR EAST CONSTITUENCY**  
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**ANNEX 3 – UNUTILIZED FUND**

Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Compensation of employees	Salaries of casual workers employees that were not at the specific date though committed.it was paid later	(52,000)		Amount of salaries paid in excess of approved budget
Use of goods & services	Supplies of stationaries services but committed but paid at al ater date	(785,401)	376,886	Amount paid in excess of approved budget
<b>Amounts due to other Government entities</b>		15,781,795	31,679,862	
Primary School Projects .				
1.1 Wajir Primary School	Retention monies.	100,000		
1.2 ICF Primary School	Retention monies.	70,000		
1.3 Boji garas Primary	Retention monies.	70,000		
1.4 Halanle Primary School	Retention monies.	100,000		
1.5 Township Primary School	Retention monies.	70,000		
1.6 Afarsharle Primary School	Retention monies.	70,000		
1.7 Wajir primary School	Retention monies.	100,000		
1.8 Wajir Bor Primary School	Retention monies.	100,000		
1.9 Qarsa Primary School	Retention monies.	70,000		
2.0 Khorof harar Primary School	Retention monies.	70,000		
<b>SUB TOTAL FOR PRIMARY SCHOOL PROJECTS</b>		<b>820,000</b>		
<b>Secondary School Projects</b>				
Wajir East Desks PMC	Works in progress	860,000.00		
Waberi Secondary school	Retention monies.	70,000.00		
Riba girls secondary school	Retention monies.	200,000		
Riba girls secondary school	Retention monies.	150,000		
.Riba girls secondary school	Retention monies.	50,000		
Riba girls secondary School	Retention monies.	145,000		
Volunteer secondary school	Retention monies.	140,000		
Volunteer secondary school	Retention monies.	75,000		
Volunteer secondary school	Retention monies.	50,000		

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Volunteer secondary school	Retention monies.	50,000		
Volunteer secondary school	Retention monies.	45,000		
Volunteer Secondary School	Retention monies.	145,000		
Volunteer Secondary School	Retention monies.	70,000		
Jugbaru secondary school	Retention monies.	145,000		
Jugbaru Secondary School	Retention monies.	100,000.00		
Jugbaru Secondary School	Retention monies.	100,000.00		
Jugbaru Secondary School	Retention monies.	100,000.00		
Ahmedliban Secondary School	Retention monies.	70,000.00		
Shalatey Secondary School	Retention monies.	70,000.00		
Volunteer Secondary School	Works in progress	3,000,000.00		
Volunteer Secondary School	Works in progress	4,000,000.00		
Jugbaru Secondary school	Works in progress	3,761,795.00		
Jugbaru secondary school	Works in progress	2,385,000.00		
Sub total SECONDARY SCHOOL PROJECTS	Works in progress	14,961,795.00		
<b>Sub-Total for due to other government entities</b>		<b>15,781,795.00</b>		
<b>Amounts due to other grants and other transfers</b>				
Security Projects				
Khorof harar Ap camp	Retention money	150,000.00		
Wajir Bor Ap Camp	Retention money	90,000.00		
Riba Ap Camp	Retention money	90,000.00		
Riba Ap camp	Retention money	45,000.00		
Assistant County Commissioners Wajir Central	Retention money	100,000.00		
Khorofharar Ap Camp	Works in progress	1,052,416.00		
<b>Sub-Total for security projects</b>		<b>1,427,416.00</b>		
<b>Acquisition of assets</b>				
Wajir east NGCDF office	Supply of Computers and furniture.No supplies were made	2,600,000.00		
<b>Others (Other Operating activities)</b>	Office supplies .No payments was done and no supplies made	75,000.00		

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Name	Brief Transaction Description	Outstanding Balance 2018/19	Outstanding Balance 2017/18	Comments
Sub-Total		19,046,799.00	31,679,861	
Grand Total		19,046,799.00	31,679,861	

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-WAJIR EAST CONSTITUENCY**  
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**ANNEX 4 – SUMMARY OF FIXED ASSET REGISTER**

Asset class	Historical Cost b/f (Kshs) 2017/18	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2018/19
Land	5,000,000.00			5,000,000.00
Buildings and structures	0			0
Transport equipment	0			0
Office equipment, furniture and fittings	3,186,941.00			3,186,941.00
ICT Equipment, Software and Other ICT Assets	500,000.00			500,000.00
Other Machinery and Equipment	0			0
Heritage and cultural assets				
Intangible assets	0			0
<b>Total</b>	<b>8,686,941.00</b>			<b>8,686,941.00</b>

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**ANNEX 5 –PMC BANK BALANCES AS AT 30<sup>TH</sup> JUNE 2018**

PMC	Bank	Account number	Bank Balance 2018/19	Bank Balance 2017/18
Boji garas primary school	KCB - WAJIR BRANCH		50,000	0
wajir primary school	KCB - WAJIR BRANCH		5,000	0
Wajir Bor primary school	KCB - WAJIR BRANCH		50,000	0
Halanle primary school	KCB - WAJIR BRANCH		50,000	0
Wajir east desk project tender mngt committee	KCB - WAJIR BRANCH		9,000	0
township primary school Project mngt committee	KCB - WAJIR BRANCH		50,000	0
jugbaro secondary school PMC	KCB - WAJIR BRANCH		50,000	0
	KCB - WAJIR BRANCH		50,000	0
Volunteer secondary project management committee	KCB - WAJIR BRANCH		50,000	0
Riba secondary school project management committee	KCB - WAJIR BRANCH		8,000	0
khorofharar AP camp security management committee	KCB - WAJIR BRANCH		50,000	0
Riba AP camp security project managemnt committee	KCB - WAJIR BRANCH		50,000	0
Assistant Deputy county commissioners office PMC	KCB - WAJIR BRANCH		50,000	0

**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND-WAJIR EAST  
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**PROGRESS ON FOLLOW UP OF AUDITOR RECOMMENDATIONS**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue (Name and designation)	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
2-2	Unsupported training Expenses	No proper contract agreement was signed by the fund manager.	Provided the contract letter and the attendance register to the auditors	Not resolved	I have an appointment with the auditors to provide more information
3.0	Summary of fixed asset	Lack of ownership documents of the land where the ng-cdfc office is located.	The building was built in wajir in 2006 and there was no physical planning .	Not Resolved	The chair and the fund manager to liase with the country government for the necessary documents