

REPUBLIC OF KENYA



REPUBLIC OF KENYA



REPORT

OF

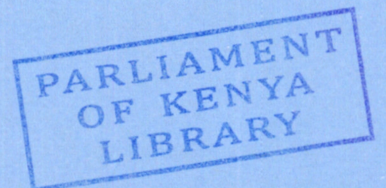
THE AUDITOR-GENERAL

ON

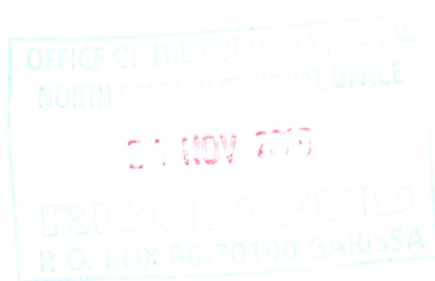
EQUALISATION FUND

FOR THE YEAR ENDED
30 JUNE, 2025

COUNTY GOVERNMENT OF WAJIR



PAPERS LAID	
DATE	4/14/2025
TABLED BY	M.C.L
COMMITTEE	—
CLERK AT THE TABLE	Abdirahman



County Government of Wajir
Equalisation Fund

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30TH JUNE 2025

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

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

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1. Acronyms and Definition of Key Terms

A: Acronyms

AGPO	Access to Government Procurement Opportunities
CA	County Assembly
CBK	Central Bank of Kenya
CDF	Constituency Development Fund
CEO	Chief Executive Officer
CECM	County Executive Committee Member
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CT	County Treasury
EF	Equalisation Fund
EFAB	Equalisation Fund Advisory board
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
NGO	Non-Governmental Organisation
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PIIC	Project Identification and Implementation Committee
PPE	Property, Plant & Equipment
PPPs	Public Private Partnerships
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
WB	World Bank

B: Definition of Key Terms

Fiduciary Management- Members of Management are directly entrusted with the responsibility of the financial resources of the organization.

Comparative Year- Means the prior period.

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2. Key Entity Information and Management

(a) Background information

The Equalisation Fund was established under Article 204 (1) of the Constitution of Kenya (CoK), 2010 and operationalized by the Public Finance Management (Equalisation Fund Administration) Regulations, 2021. The Wajir County Equalisation Fund (EF) is domiciled in Wajir County, Kenya.

(b) Principal Activities

The Equalisation Fund shall be used to provide basic services, including water, roads, health facilities, and electricity, to marginalized areas to the extent necessary to bring the quality of those services to the level generally enjoyed by the rest of the nation.

(c) Key Management

The Equalisation Fund's management is under the following key organs:

No.	Designation
1.	County Technical Committee
2.	Sub County Technical Committee
3.	Project Identification and Implementation Committee

(d) Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 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.	CPA Ahmed Hussein Mohamed
3.	CCO Accounting Services, Pending Bills Resolution, Revenue And Resources Mobilization.	Yahya Mohamed Dahiye
4.	County Secretary	Hilow Issack Mumin.
5.	Chief Finance Officer	John Maina Mwangi
6.	Director, Accounting Services.	Hussein Hassan Ali.
7.	Director, supply chain management.	Abdi Abdullahi Hassan.
8.	Director, Internal Audit.	Abdi Guhad Omar.

(e) Fiduciary Oversight Arrangements

During the period under review, Equalisation Fund'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 30th June 2025 were:

Internal Institutions:

1. County Assembly of Wajir.
2. Public Accounts Committee.
3. Budget and Appropriations Committee.
4. Equalisation Fund Board

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.

(f) Wajir County Equalisation Headquarters

County Government of Wajir

P.O. Box 9-70200

County Government Headquarters,

WAJIR, KENYA.

(g) County Executive Contacts

E-mail: info@wajir.go.ke

Twitter @WajirCountyKE

Website: www.wajir.go.ke

(h) 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

WAJIR, KENYA.

(i) Independent Auditor

Auditor-General

Office of the Auditor General

Anniversary Towers, University Way

P.O. Box 30084

GPO 00100

NAIROBI, KENYA.

(j) Principal Legal Adviser

The Attorney General

State Law Office and Department of Justice

P.O. Box 40112

City Square 00200

NAIROBI, KENYA.

County Government Of Wajir

Equalisation Fund

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(k) County Attorney

County Government of Wajir

P.O. Box 9-70200

County Government Headquarters,

WAJIR, KENYA.

County Government Of Wajir
Equalisation Fund

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3. Key Management Team

Name	Details
CECM Finance and Economic Planning.	CPA Mohamed Hassan Hussein
CCO Budget, Statistics, Economic Planning, Audit And Compliance.	CPA Ahmed Hussein Mohamed
Director, Accounting Services.	Hussein Hassan Ali.
Director, supply chain management.	Abdi Abdullahi Hassan.

4. Report of the County Executive Committee Member for Finance and Economic Planning

The Equalization Fund is established under Article 204 of the Constitution of Kenya, 2010, with the objective of bringing basic services such as water, roads, health, and electricity to marginalized areas to the level generally enjoyed by the rest of the country. The County Treasury, through the office of the County Executive Committee Member (CECM) for Finance, is responsible for the coordination, oversight, and financial management of projects funded through this instrument. This report provides an overview of the operational and financial performance of the Equalization Fund within the county during the reporting period. It highlights key achievements, challenges faced, and strategic interventions to enhance effective implementation and sustainability of Equalization Fund initiatives.

Revenue and Disbursements

During the reporting period, the County was appropriated a total of Ksh 730,167,615 from the National Treasury as part of the Equalization Fund allocation. The approved project work plans and budget ceilings were aligned with the appropriation

The funds were primarily targeted toward improving access to basic services in marginalized wards, as identified in the Equalization Fund Implementation Framework.

Breakdown of allocations:

Sector	Allocation	% of Total
Road projects	238,331,892	33%
Water projects	140,190,811	19%
Health facilities	164,000,352	22%
Energy	44,550,828	6%
Education facilities	143,093,732	20%
Total Expenditure	730,167,615	100%

Expenditure Performance

As of the end of the reporting period, total expenditure stood at KSh, 442,554,368 representing 60% absorption rate.

Key drivers of expenditure include ongoing construction of rural access roads and bridges,

Rehabilitation of boreholes and installation of solar-powered water pumps, Construction and/or

Equipping of health centers in marginalized wards.

Breakdown of Expenditure performance:

County Government Of Wajir
Equalisation Fund

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

Sector	Allocation	% of Total
Education	76,581,761	17%
Energy	13,062,198	3%
Health	69,966,498	16%
Roads	172,046,868	39%
Water	110,897,043	25%
Total Expenditure	442,554,368	100%

Strict adherence to the Public Finance Management (PFM) Act and procurement regulations was maintained to ensure accountability and value for money.

Operational Performance

Implementation of Equalization Fund projects was coordinated jointly between the County Treasury, sector departments, local implementation committees and the national Government. Regular field monitoring visits are conducted to assess progress, ensure compliance with work plans and resolve emerging bottlenecks

The County Treasury prioritized participatory planning and engagement with community leaders, civil society organizations, and sector departments. Public consultations helped identify priority areas and promote transparency and ownership at the community level.

Further, all financial transactions under the Equalization Fund were accounted for in line with the governing laws.

These interventions will contribute to tangible improvements in living standards and local economic development in marginalized communities.

Challenges

Despite the progress made, several challenges affected the smooth implementation of the Equalization Fund projects: key among the m is the Delayed Disbursement of Funds which affected project implementation timelines. Also, Coordination challenges between national and county agencies occasionally resulted in delayed programming and activity implementations.

Strategic Interventions

To enhance the effectiveness and sustainability of Equalization Fund projects, the County Treasury proposes the following strategies:

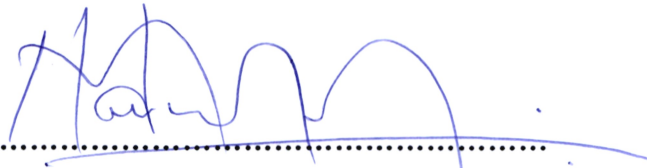
1. Timely Disbursement: Engage the National Treasury and the Equalization Fund board to ensure predictable and timely flow of funds.

2. Sustainability Planning: Integrate Equalization Fund projects into the county plan and budgets to ensure maintenance and continuity.
3. Community Ownership: Strengthen local participation to ensure the projects address priority needs and are well maintained after completion.

Conclusion

The Equalization Fund remains a critical instrument for addressing disparities and promoting inclusive growth in marginalized areas. The County Treasury, under the leadership of the CECM for Finance, continues to uphold the principles of fiscal prudence, transparency, and accountability in the management of these funds.

Going forward, focus will be on improving fund absorption, strengthening monitoring and evaluation, and deepening collaboration with development partners to leverage additional resources. The CECM for Finance expresses appreciation to the Governor, the County Assembly, the National Treasury, the Equalisation fund board and all stakeholders for their continued support in realizing the objectives of the Equalization Fund.



CECM Finance and Economic Planning

County Government of Wajir.

5. Statement of Performance against Predetermined Objectives for FY 2024/2025

Section 164 Subsection 2 (f) of the Public Finance Management Act, 2012 requires the accounting officer to present a statement of performance against predetermined 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. Increase access to quality health services;
2. Provision of efficient and quality maternal and new-born services;
3. To prevent and treat against TB/HIV;
4. To protect and improve the health of individuals, communities and greater populations;
5. Promote Sustainable Development of Water Resources for Domestic and Livestock Use;
6. Ensuring Sustainable Development of water resources for Wajir Municipality and other settlements;
7. Efficient Transport System enhances the standards & quality of county buildings & structures and provides quality, safe, and affordable housing
8. Sustainably Manage the impact of climate change on community and environment
9. Ensure the Conservation, Restoration and Sustainable Use of Natural Resources;
10. Increase Access to Affordable, Reliable, Sustainable and Modern Energy for All;
11. Well planned urban and rural settlements with adequate infrastructure and services;
12. To Ensure Effective Economic Policies for County Development and economic Growth and to have efficient resource allocation, expenditure Management and Reporting;

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:

Program	Strategic Objective	Outcome	Output	Output Indicator	Achievement for the FY			Remarks
					Target	Actual	Variance	
Road Works Services	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	Water Supplies Overhaul and Maintenance Services	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
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

			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
	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
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
			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 physical violence	10	13	3	Slightly below achievement

	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	Health Research	Non communicable diseases screening	No of Cervical cancer screening camps	4	0	-4	Not achieved
				No of Diabetes screening camps	4	0	-4	Not achieved
			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	No. of quarterly Support Supervision	4	3	-1	75% achievement

			continuous basis					
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

6. Corporate Governance Statement

a) Composition of Committees.

County Technical Committee

1. County Commissioner-Chairperson
2. County Executive Committee Member for Finance.
3. Constituency Development Fund managers.
4. Representative of County Assembly.
5. Representatives of implementing sectors with prioritized Projects.
6. Chairperson of the Constituency Development Fund (CDF)

Sub-County Technical Committee

1. Sub-County Commissioner-Chairperson.
2. Four technical officers from ministries relevant to funding priorities.
3. Chairpersons of Project Identification and Implementation Committees within the sub-county.
4. Secretary of the Constituency.

Project Identification and Implementation Committee

1. Assistant Sub-County Commissioner-Chairman
2. The village administrators of areas defined by the Commission on Revenue Allocation as marginalized.
3. Representative of the women, youth, minorities and persons with disabilities from marginalized areas.
4. A representative of the Constituency Development Fund committee member at the sub-county level; A representative of religious group or local Non-Governmental Organisation (NGO) with office at ward level

b) Functions of Committees

County Technical Committee

1. Approving all projects to be financed from the Fund.

Sub-County Technical Committee.

1. Receive project funding proposals from respective Project Identification and Implementation committees.

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

2. Evaluate and prioritize all development proposals from the Project Identification and Implementation Committees.
3. Assess the feasibility and cost all project proposals received from the Project Identification and Implementation Committees.
4. Submit project proposals and funding requests received from the Project Identification and Implementation Committees to the county government.
5. Monitor all projects being undertaken and ensure they meet the objectives they are originally meant to achieve.
6. Prepare quarterly reports on funds received and implementation status of all projects financed by the Fund to the county technical committee with a copy to the County Executive Committee Member responsible for matters relating to finance.
7. Prepare and submit annual reports on implementation of all projects financed by the Fund to the county technical committee with a copy to the County Executive Committee Member for Finance.

Project Identification and Implementation Committee.

1. Undertake public participation, in beneficiary areas.
2. Identify and prioritize project in beneficiary areas in line with guidelines issued by the administrator of the Fund.
3. Prepare and submit project funding proposals to sub-county technical committee.
4. Provide oversight on project implementation.

7. Management Discussion and Analysis

The Management Discussion and Analysis (MD&A) provides an overview of the operational and financial performance of the Wajir County Equalization Fund for the Financial Year 2024/2025. It highlights the Fund's key projects, compliance with requirements, risks encountered, and emerging opportunities. The MD&A also reviews the economic and sectoral context within which the Fund operated and sets out forward-looking plans.

During the year under review, the Wajir County Equalization Fund focused on addressing disparities in access to basic services in Wajir County. The Fund implemented all the planned projects in the strategic areas of Water and Sanitation, Roads Infrastructure, Health and Education.

The total allocation to the Wajir Equalization Fund in Financial Year 2024/2025 was Kshs. 730,167,615. The Fund complied with the requirements of the Public Finance Management Act, 2012 by preparing and submitting Annual Financial Statements within the statutory timelines, Quarterly Budget Implementation Reports to the County Treasury, and Project implementation progress reports to oversight bodies. Additionally, all procurement processes were guided by the Public Procurement and Asset Disposal Act, 2015 to ensure transparency and value for money.

Despite the progress made, several challenges affected the smooth implementation of the Equalization Fund projects: key among the m is the Delayed Disbursement of Funds which affected project implementation timelines. Also, Coordination challenges between national and county agencies occasionally resulted in delayed programming and activity implementations

Mitigation measures included early engagement with the National Treasury, capacity building of local project committees, and prioritization of climate-resilient infrastructure.

Going forward, focus will be on improving fund absorption, strengthening monitoring and evaluation, and deepening collaboration with development partners to leverage additional resources. The Management expresses appreciation to the Governor, the County Assembly, the National Treasury, the Equalisation fund board and all stakeholders for their continued support in realizing the objectives of the Equalization Fund.

8. Environmental and Sustainability Reporting

i) Sustainability strategy and profile

The Wajir County Equalization Fund 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 fund 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 fund 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.

The Fund aligns its interventions with international sustainability frameworks, notably the United Nations Sustainable Development Goals (SDGs), specifically: SDG 6 (Clean Water and Sanitation), SDG 9 (Industry, Innovation, and Infrastructure), SDG 13 (Climate Action), and SDG 16 (Peace, Justice, and Strong Institutions).

ii) 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.

iii) 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

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

under a medical cover as stipulated by the Salaries and Remuneration Commission's guideline of Employee Medical benefits.

iv) *Marketplace 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 practices of Corruption free environment

c) *Stewardship of goods and services*

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

9. Statement of Management Responsibilities

Section 167 of the Public Finance Management Act, 2012 and Sec 20 of the Public Finance Management (Equalisation Fund Administration) Regulations, 2021 requires that, at the end of each financial year, the Administrator of a County Fund shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Management of the County Equalisation Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on June 30, 2025. This responsibility includes:

- (i) Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period;
- (ii) Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund;
- (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 Fund;
- (v) Selecting and applying appropriate accounting policies; and
- (vi) Making accounting estimates that are reasonable in the circumstances.

The Management of the County Equalisation Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Public Finance Management (Equalisation Fund Administration) Regulations, 2021.

The Management of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of the Fund's transactions during the financial year ended June 30, 2025 and of the Fund's financial position as at that date.

The Management further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

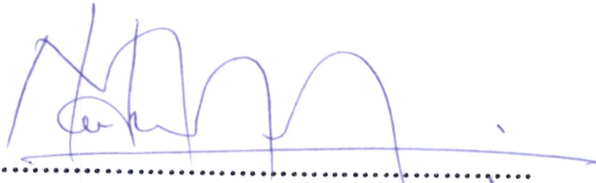
In preparing the financial statements, the Management of the County Equalisation Fund has assessed the Fund's ability to continue as a going concern and nothing has come to the attention of the Management to indicate that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

County Government Of Wajir
Equalisation Fund

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

Approval of the financial statements

The Fund's financial statements were approved by the Management on 18th August 2025 and signed on its behalf by:

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke at the end, positioned above a dotted line.

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

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

REPORT OF THE AUDITOR-GENERAL ON EQUALISATION FUND FOR THE YEAR ENDED 30 JUNE, 2025 - COUNTY GOVERNMENT OF WAJIR

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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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

Opinion

I have audited the accompanying financial statements of Equalisation Fund - County Government of Wajir set out on pages 1 to 21, 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 statement of comparison of budget and actual amounts for the year then ended and a summary of significant

Report of the Auditor-General on Equalisation Fund for the year ended 30 June, 2025 - County Government of Wajir

accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Equalisation Fund - County Government 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) and comply with the Public Finance Management Act, 2012.

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the County Government of Wajir - Equalisation Fund 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 opinion.

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. There were no key audit matters to report in the year under review.

Other Information

The Management is responsible for the Other Information set out on page iii to xxix which comprise of Key Entity Information and Management, Key Management Team, Report of the County Executive Committee Member for Finance and Economic Planning, Statement of Performance against Predetermined Objectives for FY 2024/2025, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, 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 Fund'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. Late Submission of Financial Statements

The annual financial statements for the year ended 30 June, 2025 were submitted on 17 November, 2025, contrary to paragraph 1.8 of the National Treasury Circular Ref. No.AG.3/88 Vol.II (41) issued on 4 December, 2024, which requires all public sector entities, both at the National and County levels, to prepare and submit annual financial statements by 31 August, 2025.

In the circumstances, Management was in breach of The National Treasury Circular.

2. Non-Compliance with Article 204(1) of the Constitution on the Equalisation Fund

Review of the financial statements of the Equalisation Fund revealed that no funds were received during the year against the expected entitlement of Kshs.730,167,615. This amount represents the County's share of one-half percent (0.5%) of the National Government's revenue for the year under review from the Equalisation Fund established under Article 204(1) of the Constitution. Failure to disburse these funds denied the County basic services necessary to bring the quality of those services in the County to the level generally enjoyed by the rest of the Nation. This was contrary to Article 204(2) of the Constitution of Kenya, 2010 which requires the National Government to use the Equalisation Fund only to provide basic services including water, roads, health facilities and electricity to marginalized areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the Nation, so far as possible

In the circumstances, The National Treasury was in breach of the law

3. Unauthorized Opening of Commercial Account

During the year under review, the County Government of Wajir, through the Equalisation Fund, opened a Kenya Commercial Bank account. However, no evidence was provided to confirm that the opening of this commercial account was duly authorized. This was contrary to Regulation 82(1) of the Public Finance Management (County Governments) Regulations, 2015, which requires all County Government Bank accounts to be opened at the Central Bank of Kenya, except for imprest accounts used for petty cash.

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

Auditor-General's Responsibilities for the Audit

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

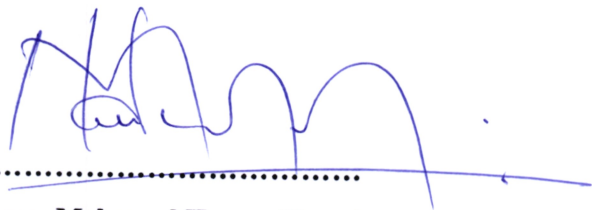
25 November, 2025

County Government Of Wajir
Equalisation Fund
Annual Report and Financial Statements for the year ended June 30, 2025.

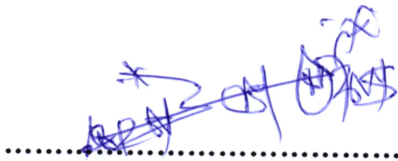
11. Statement of Financial Performance for the year ended 30 June 2025

	Note	2024/2025	2023/2024
		Kshs	Kshs
Revenue from Non-Exchange Transactions			
Transfers from Equalisation Fund	6	730,167,615	-
Total Revenue		730,167,615	-
Expenditure			
Use of goods and services	7	442,554,368	-
Total Expenditure		442,554,368	-
Surplus for the year		287,613,247	-

The notes set out on pages 6 to 20 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 37 were signed by:



Name: Mohamed Hassan Hussein
CECM Finance and Economic Planning
Date: 18/08/2025

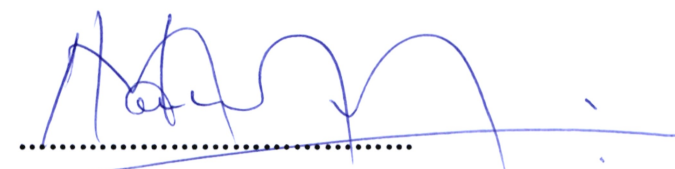


Name: Ahmed Hussein Mohamed
Fund Manager
ICPAK M/No: 13766
Date: 18/08/2025

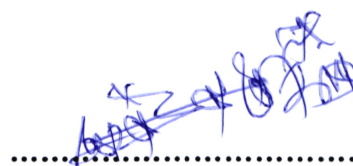
12. Statement of Financial Position as at 30 June 2025

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	8	-	-
Receivables non-exchange transactions	9	730,167,615	-
Total Current Assets		730,167,615	-
Total Assets (A)		730,167,615	-
Liabilities			
Current Liabilities			
Certificates Payable	10	442,554,368	-
Retention	11	-	-
Total Current Liabilities		442,554,368	-
Total Liabilities (B)		442,554,368	-
Net Assets (A-B)		287,613,247	-
Represented By:			
Accumulated Surplus		287,613,247	-
Net Assets		287,613,247	-

The financial statements set out on pages 1 to 5 were signed by:



Name: Mohamed Hassan Hussein
CECM Finance and Economic Planning
Date: 18/08/2025



Name: Ahmed Hussein Mohamed
Fund Manager
ICPAK M/No: 13766
Date: 18/08/2025

County Government Of Wajir
Equalisation Fund

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

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

Description	Accumulated surplus
	Kshs
Prior Year	
Balance As At 1 July 2023	-
Surplus/(Deficit) For the Year	-
Balance As At 30 June 2024	-
Current Year	
Balance As At 1 July 2024	-
Surplus/(Deficit) For The Year	287,613,247
Balance As At 30 June 2025	287,613,247

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

Description	Note	2024/2025	2023/2024
		Kshs	Kshs
Cash flows from operating Activities			
Receipts			
Receipt from Equalisation Fund		-	-
Total Receipts		-	-
Payments			
Use of goods and services		-	-
Net cash flows (to)/from operating activities (a)	12	-	-
Movement in cash and cash equivalents			
Net increase/ decrease in cash and cash equivalents. (d) = (a) + (b) +(c)		-	-
Cash and cash equivalents at July 1st 2024	8	-	-
Cash and cash equivalents at June 30th 2025	8	-	-

County Government Of Wajir
 Equalisation Fund
 Annual Report and Financial Statements for the year ended June 30, 2025.

15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025

	Original budget(s) As Appropriated in current Year	Balance from Previous Years	Final budget of Total funds appropriated	Actual on comparable basis	Performance difference	% of utilization
	Kshs	Kshs	Kshs	Kshs	Kshs	
Receipts	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Transfers from EF	-	730,167,615	730,167,615	-	730,167,615	-
Expenses						
Road projects	-	238,331,892	238,331,892	-	238,331,892	-
Water project	-	140,190,811	140,190,811	-	140,190,811	-
Health facilities	-	164,000,352	164,000,352	-	164,000,352	-
Energy	-	44,550,828	44,550,828	-	44,550,828	-
Education facilities	-	143,093,732	143,093,732	-	143,093,732	-
Total Expenditure	-	730,167,615	730,167,615	-	730,167,615	-
Surplus/Deficit	-	-	-	-	-	-

Budget notes

1. The utilization of budget is as a result of non-disbursement to the Fund.

Budget Reconciliation

	Amount in Kshs
Actual Surplus Amounts as per the statement of Budget	730,167,615
Timing differences	(730,167,615)
Closing Cash and Cash Equivalent as per the statement of Cash flows	-

16. Notes to the Financial Statements

1. General Information

Equalisation Fund as an entity is established by and derives its authority and accountability from Article 204 of the Constitution of Kenya. The Entity is wholly owned by the Government of Kenya and is domiciled in Kenya. The Entity's principal activity is to provide basic services including water, roads, health facilities and electricity to marginalised areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation so far as possible.

2. Statement of Compliance and Basis of Preparation

The County Equalisation Fund Financial Statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The Financial Statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The Financial Statements are prepared on the accrual basis.

3. Adoption of New and Revised Standards

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

There were no new and amended standards issued in the financial year.

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

IPSAS 43	<i>Applicable 1st January 2025</i>
Leases	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 cashflows of an Entity. The new standard requires entities to recognise, measure and present information

County Government Of Wajir
Equalisation Fund

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

Standard	Effective date and impact:
	on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> 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.
IPSAS 45- Property Plant and Equipment	<i>Applicable 1st January 2025</i> 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.
IPSAS 46 Measurement	<i>Applicable 1st January 2025</i> The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value.
IPSAS 47-	<i>Applicable 1st January 2026</i>

Standard	Effective date and impact:
Revenue	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 1st 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 1st 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.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year 2024/2025.

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 Equalisation Fund and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized in the statement of financial performance upon fulfilling the conditions set. Revenue shall be recognised upon submission and approval of the payment request by the transferring agency (Equalisation Fund).

b) Certified Works

Certified works are recognized when the works can be measured reliably and/ or when certificates of work done are received and approved by the Equalisation Fund.

c) Budget information

The Appropriation Act for the F/Y was passed by Parliament. The allocation shall continue in force until all projects identified are completed.

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. Included in the budget statement are balances of appropriations from previous years, not yet disbursed.

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 cash flows.

i) Financial assets

Classification of financial assets

The Fund classifies its financial assets as subsequently measured at amortised 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 Fund 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.

ii) Financial liabilities

Classification

The Fund classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

d) Changes in accounting policies and estimates

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

e) Related parties

The Fund regards a related party as a person or an Entity with the ability to exert control individually or jointly, or to exercise significant influence over the Fund, or vice versa. Members of key management of the Fund are regarded as related parties.

f) Cash and cash equivalents.

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya special purpose account and the deposit account at the end of the financial year.

g) Comparative figures

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

h) 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 Fund'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. IPSAS 1.140.

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Equalisation Fund

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6. Transfers from Equalisation Fund

Description	2024/2025	2023/2024
	Kshs	Kshs
Transfers for roads	238,331,892	-
Transfers for water projects	140,190,811	-
Transfers for health facilities	164,000,352	-
Transfers for energy	44,550,828	-
Transfers for education facilities	143,093,732	-
Total	730,167,615	-

7. Use of Goods and Services

Description	2024/2025	2023/2024
	Kshs	Kshs
Works for roads	76,581,761	-
Works for water project	13,062,198	-
Works for health facilities	69,966,498	-
Works for energy	172,046,868	-
Works for education facilities	110,897,043	-
Total	442,554,368	-

8. Cash and Cash Equivalents

Description	Bank	Account Number	2024/2025	2023/2024
			Kshs	Kshs
Wajir County Equalisation fund Account	CBK	1000737317	-	-
Wajir County Equalisation fund Operations	KCB	1337203092	-	-
Total Cash and cash equivalents			-	-

9. Receivables from non-exchange transactions

Description	2024/2025	2023/2024
	Kshs	Kshs
Receivables from Equalisation Fund	730,167,615	-
Total receivables	730,167,615	-

Ageing analysis for Receivables from non-exchange transactions

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Description	2024/2025		2023/2024	
	Kshs		Kshs	
	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	730,167,615	100%	-	%
Over 3 years	-	%	-	%
Total	730,167,615	100%	-	%

10. Certificates Payable

Description	2024/2025	2023/2024
	Kshs	Kshs
Certificates payables	442,554,368	-
Total Payables	442,554,368	-

Ageing analysis of certificates payable

Description	2024/2025		2023/2024	
	Kshs		Kshs	
	Current FY	% of the total	Comparative FY	% of the total
Less than 1 year	442,554,368	100%	-	-
Total	442,554,368	100%	-	-

11. Retention

Description	2024/2025		2023/2024	
	Kshs		Kshs	
Retention monies	-		-	
Total retention money	-		-	
Ageing analysis: (Retention deposits)	Current FY	% of the Total	Comparative FY	% of the Total
Under one year	-	-	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	-	-	-	-

12. Cash Generated from Operations

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Description	2024/2025	2023/2024
	Kshs	Kshs
Surplus for the year before tax	-	-
Adjusted for:		
Working capital adjustments		
Increase in receivables	-	-
Increase in payables	-	-
Net cash flow from operating activities	-	-

13. Financial Risk Management

The Fund'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 fund 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 fund'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, as well as receivables. 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.

Financial Risk Management

The carrying amount of financial assets recorded in the financial statements representing the entity's maximum exposure to credit risk without taking account of the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from non-exchange transactions	730,167,615	-	730,167,615	-
Bank balances	-	-	-	-
Total	730,167,615	-	730,167,615	-
As at 30 June 2024				
Receivables from non-exchange transactions	730,167,615	-	730,167,615	-
Bank balances	-	-	-	-
Total	730,167,615	-	730,167,615	-

Financial Risk Management

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 entity 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 Fund'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. The table below represents cash flows payable by the entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows.

iii) Market risk

The Entity has put in place an internal audit function to assist it in assessing the risk faced by the entity on an on-going 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 entity's income or the value of its holding of 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 Entity'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 way it manages and measures the risk.

a) Interest rate risk

Interest rate risk is the risk that the entity's financial condition may be adversely affected as a result of changes in interest rate levels. The entity's interest rate risk arises from bank deposits. This exposes the entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the entity's deposits.

Management of interest rate risk

To manage the interest rate risk, management has endeavoured to bank with institutions that offer favourable interest rates.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The fund considers relevant and observable market prices in its valuations where possible.

There were no transfers between levels 1, 2 and 3 during the year. Disclosures of fair values of financial instruments not measured at fair value have not been made because the carrying amounts are a reasonable approximation of their fair values.

iv) Capital Risk Management

The objective of the Fund's capital risk management is to safeguard the entity's ability to continue as a going concern.

14. Related Party Disclosures

a) Nature of related party relationships

Entities and other parties related include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions. Related parties include management personnel, their associates and close family members.

b) County Government of Wajir

The county Government of Wajir is the principal shareholder of the Fund, holding 100% of the Entity's equity interest. The County Government has provided full guarantees to all long-term lenders of the entity.

c) Other related parties include:

- i) The Parent Department.
- ii) County Governments
- iii) Other County Corporations
- iv) Key management.

15. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Assets		
Receivables from government entities	-	-
Total	-	-

Contingent Liabilities

Description	2024-2025	2023-2024
	Kshs	Kshs
Contingent Liabilities	-	-
Court case against the entity	-	-
Total	-	-

16. Events after the Reporting Period

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

17. Ultimate And Holding Entity

The Entity is a Fund under the Department of Finance and Economic Planning. Its ultimate parent is the County Government of Wajir.

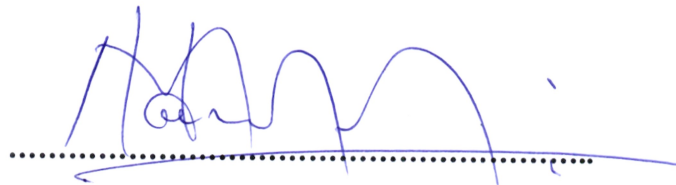
18. Currency

The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

17. Appendices

Appendix 1: Implementation Status of Auditor General's Recommendations

There was no prior year audit of the fund.

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, positioned above a dotted line.

County Executive Committee Member for Finance

Date: 18/08/2025

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Appendix II: Projects Implementation Status Report.

S/No.	Project Name (A)	Sector(B)	Constituency (C)	Ward (D)	Approved Budget/total allocation (E)	Contract Sum (F)	Amount Paid (H)	Payable amount I=(G-H)	% Status of implementation (J)
1	Proposed supply and delivery of Oxygen Concentrator for Khorof Harar Sub-County Hospital	Health	Wajir East	Kharof/Harar	861,990	861,990	-	861,990	Ongoing at 30.06.2025
2	Proposed construction of Two septic toilets at GarseKhoftu	Health	Wajir West	Arbajahan	1,000,000	997,905	-	997,905	Ongoing at 30.06.2025
3	Construction of 2 septic toilets at Kukala ECD Centre	Education	Wajir West	Wagalla/Ganyure	1,088,082	997,950	-	997,950	Ongoing at 30.06.2025
4	Proposed gravelling and spot filing of 1Km Sarman-Berjanay Road	Roads	Tarbaj	Sarman	1,000,000	998,180	-	998,180	Ongoing at 30.06.2025
5	Construction of 1 classroom at Elgal Primary School	Education	Wajir South	Lagbghol South	1,000,000	999,990	-	999,990	Ongoing at 30.06.2025
6	10cubic Meter Elevated Tank and Deepening of 1 shallow well at Kukala	Water	Wajir West	Wagalla/Ganyure	1,000,000	1,000,000	-	1,000,000	Ongoing at 30.06.2025
7	Proposed construction of 30metre cubic underground water tank at Adadijole Primary School.	Education	Wajir North	Bute	1,001,702	1,000,000	-	1,000,000	Ongoing at 30.06.2025
8	Proposed construction of 30,000 litres Underground masonry Water Tank at Handaraka Primary School	Education	Wajir North	Danaba	1,056,629	1,056,629	-	1,056,629	Ongoing at 30.06.2025
9	Proposed 7km grading & bush clearing of Sarman- Kabadulla Road.	Roads	Tarbaj	Sarman	1,400,000	1,397,800	-	1,397,800	Ongoing at 30.06.2025
10	Proposed construction of masonry tank 50m3, 2no. Livestock troughs in Wara borehole, Lolkuta South.	Water	Wajir West	Ademasajida	1,500,000	1,478,072	-	1,478,072	Ongoing at 30.06.2025
11	Proposed construction of a laboratory	Education	Wajir North	Bute					Ongoing at

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	at Adadijole Primary School, size 25fts by 30fts with 5fts verandah				1,500,000	1,499,663	-	1,499,663	30.06.2025
12	Proposed construction of two twin toilets with septic tank at Johwar dispensary	Health	Tarbaj	Tarbaj	1,500,000	1,499,690	-	1,499,690	Ongoing at 30.06.2025
13	Construction of 3 pit latrines at Danaba Primary School	Education	Wajir North	Danaba	1,500,000	1,499,990	-	1,499,990	Ongoing at 30.06.2025
14	Proposed digging of 1 No Shallow Well, Piping, 5 Cubic Metres elevated plastic tank and Solarisation with pump	Water	Wajir West	Wagalla/Ganyure	1,523,153	1,522,464	-	1,522,464	Ongoing at 30.06.2025
15	Proposed construction of 2 no twin toilet with septic tank at Handaraka Primary School	Education	Wajir North	Danaba	1,600,000	1,598,470	-	1,598,470	Ongoing at 30.06.2025
16	Construction of 2 latrines at classrooms at Garade Primary School	Education	Wajir North	Gurar	1,600,000	1,599,224	-	1,599,224	Ongoing at 30.06.2025
17	Proposed 10km grading of Tesorie-Taqisile road	Roads	Wajir South	Lagbghol South	1,700,000	1,698,240	-	1,698,240	Ongoing at 30.06.2025
18	Construction of 2 classrooms at Garkilo Primary School	Education	Wajir North	Gurar	1,800,000	1,799,550	-	1,799,550	Ongoing at 30.06.2025
19	Construction of 2 classrooms at Haradula Primary School	Education	Wajir North	Gurar	1,800,000	1,799,600	-	1,799,600	Ongoing at 30.06.2025
20	1km water piping and 1no kiosk at Wargadud town.	Water	Tarbaj	Wargadud	1,900,000	1,897,265	-	1,897,265	Ongoing at 30.06.2025
21	Proposed construction of 50m3 underground masonry tank at Hungai location.	Water	Tarbaj	Wargadud	1,900,000	1,897,878	-	1,897,878	Ongoing at 30.06.2025
22	Proposed construction of 3 rooms Staff Quarters at Gurar Secondary School	Education	Wajir North	Gurar	1,900,000	1,898,700	-	1,898,700	Ongoing at 30.06.2025
23	Construction of 1 classroom and 1no twin septic toilet in ElYunis primary school	Education	Tarbaj	Tarbaj	1,900,000	1,899,500	-	1,899,500	Ongoing at 30.06.2025

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24	Construction of 2 classrooms at Ololdinle Primary School	Education	Wajir North	Bute	2,000,000	1,899,995	-	1,899,995	Ongoing at 30.06.2025
25	Construction of 1 classroom and 2 latrines at Ogorji primary school	Education	Wajir North	Bute	1,900,000	1,900,000	-	1,900,000	Ongoing at 30.06.2025
26	Proposed 7km bush clearing and grading at Harawa junction to Durwey.	Roads	Tarbaj	Elben	2,000,000	1,997,520	-	1,997,520	Ongoing at 30.06.2025
27	Two classrooms at Nyatta Primary School	Education	Wajir North	Korondile	2,000,000	1,998,920	-	1,998,920	Ongoing at 30.06.2025
28	Two classrooms at Kobole Primary School	Education	Wajir North	Korondile	2,000,000	1,999,180	-	1,999,180	Ongoing at 30.06.2025
29	Proposed construction of an Incinerator and Placenta Pit at Konton Health Centre	Health	Wajir East	Kharof/Harar	2,000,000	1,999,450	-	1,999,450	Ongoing at 30.06.2025
30	Construction of 1 ECDE Classroom in BojiHeri	Education	Wajir West	Wagalla/Ganyure	1,200,000	1,999,500	-	1,999,500	Ongoing at 30.06.2025
31	Construction of 2 classrooms at Chalalaga Primary	Education	Wajir North	Bute	2,000,000	1,999,500	-	1,999,500	Ongoing at 30.06.2025
32	Proposed grading 15Km of Burmiyo town road	Roads	Tarbaj	Elben	2,000,000	1,999,811	-	1,999,811	Ongoing at 30.06.2025
33	Proposed 10 km grading and bush clearing from Elben, Sangow, Hungai to Af ad Safaricom Mast	Roads	Tarbaj	Elben	2,000,000	1,999,840	-	1,999,840	Ongoing at 30.06.2025
34	Proposed 7km bush clearing and grading at Durwey to Abdi Gaaney road	Roads	Tarbaj	Elben	2,000,000	1,999,840	-	1,999,840	Ongoing at 30.06.2025
35	Construction of 2 classrooms at Eresteno Primary School	Education	Wajir North	Gurar	2,000,000	1,999,900	-	1,999,900	Ongoing at 30.06.2025
36	Two classrooms at Kulonta Primary School	Education	Wajir North	Korondile	2,000,000	1,999,900	-	1,999,900	Ongoing at 30.06.2025
37	Two classrooms at Unsille Primary School	Education	Wajir North	Korondile	2,000,000	1,999,900	-	1,999,900	Ongoing at 30.06.2025
38	Proposed contruction of 2no. Staff	Health	Tarbaj	Wargadud					Ongoing at

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	quarters at Boji Garas Dispensary.				2,030,894	1,999,905	-	1,999,905	30.06.2025
39	Construction of two classrooms at Dugo Primary School	Education	Wajir North	Godoma	2,000,000	1,999,990	-	1,999,990	Ongoing at 30.06.2025
40	Construction of 2 classrooms at Qarsabula Primary School	Education	Wajir North	Gurar	2,000,000	2,000,000	-	2,000,000	Ongoing at 30.06.2025
41	Proposed supply and delivery of a 15KVA Generator for Khorof Harar Sub-County Hospital.	Health	Wajir East	Kharof/Harar	2,000,000	2,000,000	-	2,000,000	Ongoing at 30.06.2025
42	Construction of two classrooms at Kunchure Primary School	Education	Wajir North	Godoma	2,048,409	2,047,995	-	2,047,995	Ongoing at 30.06.2025
43	Proposed supply and installation of 13no street lights in El-Adow town.	Energy	Wajir South	Ibrahim Ure	2,284,852	2,199,360	-	2,199,360	Ongoing at 30.06.2025
44	Proposed supply and installation of solarisation system for Ganyure Health Centre (2KVA) and staff quarters (1.5KVA)	Energy	Wajir West	Wagalla/Ganyure	2,200,000	2,199,882	-	2,199,882	Ongoing at 30.06.2025
45	Proposed construction of 10metres high 30,000 litres elevated steel tank at JaiJai	Water	Tarbaj	Sarman	2,300,000	2,298,960	-	2,298,960	Ongoing at 30.06.2025
46	Proposed installation of 7.5KW solar water pumping at old borehole.	Water	Wajir South	Lagbghol South	2,486,224	2,483,330	-	2,483,330	Ongoing at 30.06.2025
47	Proposed Supply and Installation of 5KVA solar panels to Katote Dispensary.	Energy	Tarbaj	Tarbaj	2,500,000	2,491,738	-	2,491,738	Ongoing at 30.06.2025
48	Proposed Supply and Installation of 5KVA solar panels in Lafaley Dispensary.	Energy	Tarbaj	Tarbaj	2,500,000	2,493,148	-	2,493,148	Ongoing at 30.06.2025
49	Proposed gravelling of Wajir Success Academy to 4 Miles ring road 1KM	roads	Wajir East	Wagber	2,500,000	2,494,000	-	2,494,000	Ongoing at 30.06.2025
50	Two classrooms at Watiti Day Secondary School	Education	Wajir North	Godoma	2,500,000	2,494,950	-	2,494,950	Ongoing at 30.06.2025
51	Proposed 10km bush clearing and	Roads	Tarbaj	Sarman					Ongoing at

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	grading at Dambas- Machineben access road.				2,500,000	2,495,160	-	2,495,160	30.06.2025
52	Proposed construction of 3no water kiosks and provision of its piping system for 1.5km for Sarman Town.	Water	Tarbaj	Sarman	2,500,000	2,497,802	-	2,497,802	Ongoing at 30.06.2025
53	Proposed construction of 1no 3rooms Staff Quarters at Ganyure Health Centre	Health	Wajir West	Wagalla/Ganyure	2,500,000	2,498,400	-	2,498,400	Ongoing at 30.06.2025
54	Proposed 12km bush clearing and grading from Wargadud to AusMudule.	Roads	Tarbaj	Wargadud	2,500,000	2,499,220	-	2,499,220	Ongoing at 30.06.2025
55	Proposed construction of a 20metre drift on Kutolo-Boji Garas road	Roads	Tarbaj	Wargadud	2,500,000	2,499,336	-	2,499,336	Ongoing at 30.06.2025
56	Proposed 15 km Bush clearing and grading from Hungai to Kajaja2	Roads	Tarbaj	Wargadud	2,500,000	2,499,655	-	2,499,655	Ongoing at 30.06.2025
57	Proposed construction of a 25 metres drift at Mansa town	Roads	Tarbaj	Elben	2,500,000	2,499,974	-	2,499,974	Ongoing at 30.06.2025
58	Proposed construction of 20m Long Drift along Lolkuta to Baragothey Road	Roads	Wajir West	Hadado/Athibohol	2,583,646	2,499,976	-	2,499,976	Ongoing at 30.06.2025
59	Proposed 1.0km Murram from Kutolo to Leheley.	Roads	Tarbaj	Wargadud	2,500,000	2,499,989	-	2,499,989	Ongoing at 30.06.2025
60	Construction of two classrooms at Hote Primary School	Education	Wajir North	Godoma	2,500,000	2,499,995	-	2,499,995	Ongoing at 30.06.2025
61	Construction of 3No water kiosk at Dunto	Water	Tarbaj	Sarman	2,553,253	2,540,335	-	2,540,335	Ongoing at 30.06.2025
62	Proposed gravelling of Musaab in Umeyr Mosque to Bula Qaranri Road – 1KM	roads	Wajir East	Wagber	2,583,480	2,561,280	-	2,561,280	Ongoing at 30.06.2025
63	Construction of 3 classrooms at Qarsasare Primary School	Education	Wajir North	Gurar	2,700,000	2,699,570	-	2,699,570	Ongoing at 30.06.2025
64	Proposed construction of 1km pipeline, elevated plastic tank	Water	Eldas	Elnur/ Tula Tula	2,900,000	2,899,800	-	2,899,800	Ongoing at 30.06.2025

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	10,000l, 2no water troughs and 1 water kiosk in TulaTula mega dam								
65	Proposed 1km graveling and spot improvements of Tarbaj- Haragal road (Abdi Wadere area of Haragal Sub- location)	Roads	Tarbaj	Tarbaj	3,000,000	2,987,000	-	2,987,000	Ongoing at 30.06.2025
66	Proposed construction of a 500metres pipeline & 1 water kiosk in Lagbogol town.	Water	Wajir South	Lagbghol South	1,000,000	2,998,926	-	2,998,926	Ongoing at 30.06.2025
67	Construction 3 classrooms at Quadama Primary School	Education	Wajir North	Danaba	3,000,000	3,000,000	-	3,000,000	Ongoing at 30.06.2025
68	Proposed 15km bush clearing & grading along Ibrahim Ure-Garas Alan road.	Roads	Wajir South	Ibrahim Ure	3,012,744	3,012,520	-	3,012,520	Ongoing at 30.06.2025
69	Proposed 25km Grading of Gurar-Kadaduma Road.	Roads	Wajir North	Gurar	3,117,511	3,097,780	-	3,097,780	Ongoing at 30.06.2025
70	Proposed 40 meters drift on Dimdimtu to Burmayow town road.	Roads	Tarbaj	Elben	3,362,347	3,248,882	-	3,248,882	Ongoing at 30.06.2025
71	Proposed piping of waterworks from Basir borehole to Basir centre, distance is 800metres, water kiosks 2no, and provision of 10metre high plastic tank, as well as provision of 10,000 litres water tank.	Water	Eldas	Lakoley/Basir	3,269,617	3,269,599	-	3,269,599	Ongoing at 30.06.2025
72	Proposed murraming of 6Km roads within Bullashair location	Roads	Eldas	Eldas	3,400,000	3,398,220	-	3,398,220	Ongoing at 30.06.2025
73	Proposed 15km bush clearing and and grading road from Mansa to Abdi Duhul.	Roads	Tarbaj	Elben	3,400,000	3,398,800	-	3,398,800	Ongoing at 30.06.2025
74	Proposed piping of 3Km from Lolkuta north borehole to Lolkuta north town and construction of 2no. water kiosks.	Water	Wajir West	Hadado/Athibohol	3,400,000	3,399,855	-	3,399,855	Ongoing at 30.06.2025

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75	Proposed gravelling 1.5KM Roads in Griftu Town	Roads	Wajir West	Arbajahan	3,500,000	3,487,830	-	3,487,830	Ongoing at 30.06.2025
76	Proposed 1.5km gravelling in Griftu town.(Bulla Forest)	Roads	Wajir West	Arbajahan	3,497,266	3,492,180	-	3,492,180	Ongoing at 30.06.2025
77	Extension of Pipeline of 2KM from the main tank to dispensary with a 5 cubic metres elevated tank of 4 metres high and construction 2no water troughs at the borehole.	Water	Wajir West	Arbajahan	3,504,625	3,493,920	-	3,493,920	Ongoing at 30.06.2025
78	Proposed 30km Grading of Adan Awale - Grase Qoftu Road	Roads	Wajir West	Arbajahan	3,500,000	3,493,920	-	3,493,920	Ongoing at 30.06.2025
79	Proposed 15km bush clearing and and grading road from from Mansa to Abdi Gaaney to Wagadud	Roads	Tarbaj	Elben	3,500,000	3,499,140	-	3,499,140	Ongoing at 30.06.2025
80	Proposed graveling of 1.2 Km road from Burmayow to Malbe	Roads	Tarbaj	Elben	3,500,000	3,499,256	-	3,499,256	Ongoing at 30.06.2025
81	Proposed 15km bush clearing and and grading road from Abdi Gaaney to Boji Garas	Roads	Tarbaj	Elben	3,500,000	3,499,430	-	3,499,430	Ongoing at 30.06.2025
82	Proposed bush clearing and Grading of Konton - Riba Road – 30KM	Roads	Wajir East	Kharof/Harar	3,600,000	3,598,610	-	3,598,610	Ongoing at 30.06.2025
83	Construction of 2no. 2 rooms staff quarters, and 1no twin toilet for Garsekhoftu dispensary	Health	Wajir West	Arbajahan	3,650,000	3,649,070	-	3,649,070	Ongoing at 30.06.2025
84	Proposed provision of 7.5Kw power solar module and accessories at AbdiDuhul Borehole	Energy	Tarbaj	Wargadud	3,700,000	3,678,070	-	3,678,070	Ongoing at 30.06.2025
85	Two Classrooms and Latrines at Bitowrebay Primary School	Education	Wajir North	Korondile	3,700,000	3,695,000	-	3,695,000	Ongoing at 30.06.2025
86	Proposed construction of a Drug Store	Health	Wajir East	Kharof/Harar	3,700,000	3,699,000	-	3,699,000	Ongoing at 30.06.2025
87	Two Classrooms and Latrines at Sakuno Primary School	Education	Wajir North	Korondile	3,766,222	3,699,800	-	3,699,800	Ongoing at 30.06.2025

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88	Proposed 17km bush clearing and grading of Handaki - Jilalow road.ad	Roads	Wajir South	Ibrahim Ure	3,766,630	3,760,662	-	3,760,662	Ongoing at 30.06.2025
89	Proposed drilling of borehole 300metres depth in Mansa	Water	Tarbaj	Elben	3,800,000	3,799,361	-	3,799,361	Ongoing at 30.06.2025
90	Proposed 1.5km gravelling along Abdiwako and Yaqo road	Roads	Eldas	Della	3,874,851	3,799,957	-	3,799,957	Ongoing at 30.06.2025
91	Proposed 2.5km piping and construction of 2 water kiosks from Elnur borehole to Elnur town	Water	Eldas	Elnur/ Tula Tula	3,867,837	3,866,240	-	3,866,240	Ongoing at 30.06.2025
92	Proposed construction of 2 roomed staff Quarters at Riba Health Center and provision of 5,000-liter plastic water tank at Riba Health Centre	Health	Wajir East	Kharof/Harar	3,900,000	3,892,000	-	3,892,000	Ongoing at 30.06.2025
93	Proposed 3km piping system from borehole to the village with a 10,000 liters water tank and Kiosk in Dowyarre village	Water	Wajir East	Kharof/Harar	3,923,542	3,898,061	-	3,898,061	Ongoing at 30.06.2025
94	Proposed construction of Outpatient Department at Wagalla Health Centre	Health	Wajir West	Wagalla/Ganyure	3,900,000	3,898,500	-	3,898,500	Ongoing at 30.06.2025
95	Proposed gravelling ad bush clearing 2.5km from borehole to kulaaley town	Roads	Wajir South	Ibrahim Ure	3,900,000	3,898,615	-	3,898,615	Ongoing at 30.06.2025
96	Proposed 20km bush clearing and grading from Sala town - Sala dam	Roads	Wajir South	Benane	3,900,000	3,899,917	-	3,899,917	Ongoing at 30.06.2025
97	Proposed 2.5 km Water Piping from Matho Dam to Village Settlements and construction of 2no water kiosk.	Water	Wajir West	Arbajahan	3,937,016	3,937,016	-	3,937,016	Ongoing at 30.06.2025
98	Proposed construction of 40M Drift at Khorof Harar CBD opposite Police Station.	Roads	Wajir East	Kharof/Harar	4,000,000	3,958,384	-	3,958,384	Ongoing at 30.06.2025
99	Proposed 35km Grading Arbajahan-Griftu road	Roads	Wajir West	Arbajahan	3,989,288	3,975,900	-	3,975,900	Ongoing at 30.06.2025
100	Proposed construction 40M Drift at	Roads	Wajir West						Ongoing at

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	Lagbogol - Koricha Road			Hadado/Athibohol	4,046,366	3,996,931	-	3,996,931	30.06.2025
101	Proposed construction of 24metre cubic elevated steel tank, 1km piping and 1no community water kiosk in El Kutolo Village	Water	Tarbaj	Wargadud	4,000,000	3,997,430	-	3,997,430	Ongoing at 30.06.2025
102	Extension of 2KM Pipeline from Main Tank and 2 No elevated Plastic Tanks each 10 cubic metres	Water	Wajir West	Arbajahan	4,000,000	3,997,780	-	3,997,780	Ongoing at 30.06.2025
103	Two classrooms and latrines at Kubedatacha Primary School	Education	Wajir North	Korondile	4,000,000	3,999,400	-	3,999,400	Ongoing at 30.06.2025
104	Construction of 2 classrooms at Handaraka Primary School	Education	Wajir North	Danaba	2,000,000	4,000,000	-	4,000,000	Ongoing at 30.06.2025
105	Construction of 4 classrooms at Karaduse Primary School	Education	Wajir North	Godoma	4,000,000	4,000,000	-	4,000,000	Ongoing at 30.06.2025
106	Proposed waterworks and piping, school kitchen & dinning hall at Anole Primary School.	Water	Eldas	Della	4,031,004	4,028,500	-	4,028,500	Ongoing at 30.06.2025
107	Proposed solarization of AusMudule Borehole and purchase of 30 KVA genset.	Water	Tarbaj	Wargadud	4,500,000	4,499,998	-	4,499,998	Ongoing at 30.06.2025
108	Proposed 2KM graveling of Hadado-Baragothey Road.	Roads	Wajir West	Hadado/Athibohol	4,600,495	4,577,215	-	4,577,215	Ongoing at 30.06.2025
109	Construction of 2no. 2 rooms staff quarters and 1no twin toilet for BojiHeri dispensary	Health	Wajir West	Wagalla/Ganyure	4,700,000	4,698,050	-	4,698,050	Ongoing at 30.06.2025
110	Proposed gravelling 2KM of Griftu - Jagahir Road	Roads	Wajir West	Arbajahan	4,741,803	4,721,200	-	4,721,200	Ongoing at 30.06.2025
111	Proposed construction of a 5 bed capacity maternity wing and 2kilowatts solarization at at Dela Dispensary.	Health	Eldas	Della	4,900,000	4,800,000	-	4,800,000	Ongoing at 30.06.2025
112	Proposed construction of Modern Outpatient Department at Wajir Bor	Health	Wajir East	Kharof/Harar	4,900,000	4,842,150	-	4,842,150	Ongoing at 30.06.2025

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	Health Center								
113	Proposed installation of solar water pumping system and purchase of 30kva generator set in Sarif.	Water	Wajir South	Benane	4,900,000	4,899,092	-	4,899,092	Ongoing at 30.06.2025
114	Proposed 52kms grading - Gulled Dere-Burder road	Roads	Wajir South	Bur-Der	5,000,000	4,997,976	-	4,997,976	Ongoing at 30.06.2025
115	Construction of 4 Classrooms at Dahuma Pri School	Education	Wajir North	Danaba	5,000,000	4,999,000	-	4,999,000	Ongoing at 30.06.2025
116	Proposed 50km grading along Abakdere- Bal Ad- Kursin Road	Roads	Wajir South	Bur-Der	6,084,267	5,533,200	-	5,533,200	Ongoing at 30.06.2025
117	Proposed gravelling 2.3 KM Tula - Mirgoharun Access Road	Roads	Eldas	Elnur/ Tula Tula	5,758,653	5,595,365	-	5,595,365	Ongoing at 30.06.2025
118	Proposed 1KM water pipeline from Barmish borehole to the town, construction of 50metre cubic elevated steel tank on 12metre high, rehabilitation of 2no water kiosk, and construction of 1no water kiosk.	Water	Wajir West	Wagalla/Ganyure	5,603,501	5,598,519	-	5,598,519	Ongoing at 30.06.2025
119	Proposed construction of 2no. 25meters drift on - Gulled Dere-Libidudunle road. This will improve movements of people, goods and emergency responses between the settlements.	Roads	Wajir South	Bur-Der	6,100,000	5,804,619	-	5,804,619	Ongoing at 30.06.2025
120	Proposed construction of 50m3 elevated steel tank on 10metre high tower, 1no water kiosk, and 1km pipeline distribution system in Tesorie town.	Water	Wajir South	Lagbghol South	5,000,000	5,853,971	-	5,853,971	Ongoing at 30.06.2025
121	Proposed 3 km gravelling of Ingirir-Buna Road.	Roads	Wajir North	Malkagufu	6,500,252	6,258,200	-	6,258,200	Ongoing at 30.06.2025
122	Proposed borehole drilling and equipping with solar powered water	Water	Tarbaj	Sarman	6,400,000	6,387,370	-	6,387,370	Ongoing at 30.06.2025

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	pump & elevated tank for irrigation at Dunto								
123	Proposed construction of a drug store, laboratory room, waste pit, incinerator and a patients ward all at Meri dispensary	Health	Wajir South	Habaswein	6,647,553	6,479,568	-	6,479,568	Ongoing at 30.06.2025
124	Proposed gravelling 2.8km Biyamathow Gumarjerin road.	Roads	Wajir South	Benane	7,000,000	6,599,095	-	6,599,095	Ongoing at 30.06.2025
125	Proposed Construction of Dotha dispensary(4rooms, and 2 twin septic toilets)	Health	Eldas	Elnur/ Tula Tula	6,792,849	6,600,500	-	6,600,500	Ongoing at 30.06.2025
126	Proposed construction of 2No. drifts along Kuro-Sala Road each 35metres	Roads	Wajir North	Batalu	7,577,448	6,921,882	-	6,921,882	Ongoing at 30.06.2025
127	Proposed construction of 10m high tower with 50m3 steel tank, 1km piping and 1no water kiosk at Shimbirbul.	Water	Wajir South	Benane	4,800,000	7,000,000	-	7,000,000	Ongoing at 30.06.2025
128	Proposed construction of a 10metre high of 50metre cubic elevated steel water tank and 4km water piping distribution lines.	Water	Wajir South	Dadaja Bulla	7,562,418	7,055,500	-	7,055,500	Ongoing at 30.06.2025
129	Proposed 2.5KM gravelling at Athibohol - Gubat Onle Road.	Roads	Wajir West	Hadado/Athibohol	7,377,040	7,203,600	-	7,203,600	Ongoing at 30.06.2025
130	Proposed construction of a Lab for Makaror Dispensary Construction of Staff Toilet for Makaror Dispensary Construction of a Drug Store Construction Incinerator Solar installation	Health	Wajir East	Barwaqo	7,780,863	7,600,370	-	7,600,370	Ongoing at 30.06.2025
131	Proposed construction of a 5 bed maternity wing at Kilkiley dispensary as well as proposed construction of	Health	Eldas	Eldas	8,259,840	7,949,950	-	7,949,950	Ongoing at 30.06.2025

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	2no 2 room staff quarter, construction of 1 twin septic toilets at Kilkiley dispensary.								
132	Proposed 4 Km gravelling of Batalu-Sala Road(spots).	Roads	Wajir North	Batalu	8,387,099	8,190,760	-	8,190,760	Ongoing at 30.06.2025
133	Proposed drilling of borehole, supply of complete submersible pump, draw pipes, and drop cable in Leheley.	Water	Wajir South	Lagbghol South	4,800,000	8,399,999	-	8,399,999	Ongoing at 30.06.2025
				Total	436,393,261	442,554,368	-	442,554,368	

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Appendix III: Transfers from Government Entities

Name of the Entity Transferring the funds	Date received as per bank statement	Total Amount - KES	Where Recorded/recognized		
			Statement of Financial Performance	Receivables	Total Transfers during the Year
Equalisation Fund	-	-	-	730,167,615	-
Total		-	-	-	-

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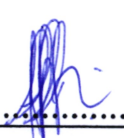
Appendix IV- Inter-Entity Confirmation Letter

Name of transferring entity: Equalisation Fund Board
Name of beneficiary entity: Wajir County Government

Confirmation of amounts received by County Government of Wajir as at 30 th June 2025			
Reference Number	Date Received	Total	Remarks
-	-	-	-
Total	-	-	-

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department - Beneficiary Entity:

Name: Hussein Hassan Ali **Sign:**..... **Date:** 18/08/2025

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Appendix V: Funding Summary

Financial Year	Appropriation during the FY	Funds received during the FY	Outstanding funds $c=a-b$
2022/2023	730,167,615	-	730,167,615
Total	730,167,615	-	730,167,615

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Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		
-	-	-	-	-	-	-	-	-	-

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Appendix VII: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments
-	-	-	-	-	-	-