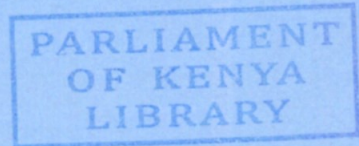


REPUBLIC OF KENYA



REPORT




OF

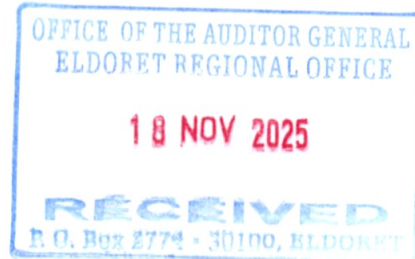
THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – CHESUMEI
CONSTITUENCY**

**FOR THE YEAR ENDED
30 JUNE, 2025**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 17 FEB 2026	
DAY: TUESDAY	
TABLED BY:	DEPUTY MAJORITY LEADER
CLERK-AT-THE-TABLE:	FINLAY



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

CHESUMEI CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

Transitional IPSAS Financial Statements /Prepared in accordance with the Accrual Basis of Accounting Method Under International Public Sector Accounting Standards (IPSAS)

National Government Constituencies Development Fund (NGCDF)
Chesumei Constituency
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

AIE	Authority to Incur Expenditure
AC	Audit Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
NSCA	National Sub-County Accountant
PFM	Public Finance Management
PMCs	Project Management Committees
PWD	Persons with Disability
FY	Financial Year

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (amended 2023). The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;

- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;
- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;
- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

1. Transparency and Accountability
2. Professionalism and Integrity
3. Commitment and Teamwork
4. Neutrality and Objectivity
5. Timeliness and Excellence
6. Advocacy for Citizen Participation

Functions of NG-CDF Committee

The functions of the NG-CDF Committee are outlined in section 11 of The National Government Constituencies Development Fund Regulations, 2016.

(b) Key Management

The NGCDF Chesumei Constituency's day-to-day management is under the following key organs:

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

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.	AIE holder	Harun K. Chebii
2.	National Sub-County Accountant	Sabina Chemutai
3.	Chairman NGCDFC	Nomilif Kipkemboi
4.	Member NGCDFC	Paul K. Tiongik
5.	Member NG CDFC	Simon Serem

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Chesumei Constituency. The reports and recommendations of the Audit Committee, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

(d) NGCDF Chesumei Constituency Headquarters

NG-CDFC Building-Chemundu,
Chepterit- BaratonRoad
Kapsabet, KENYA

(e) NGCDF Chesumei Constituency Contacts

P.O. Box 40-30300
Telephone: (254) 772922143
E-mail: cdfchesumei@ngcdf.go.ke
Website: www.go.ke

(f) NGCDF Chesumei Constituency Bankers

1. Bank A. (Operations Account).
Equity Bank, Kapsabet Branch
A/C No. 0490261189435
P.O Box 272-30300
Kapsabet, Kenya

2. Bank B. (Deposit account).
Equity Bank, Kapsabet Branch
A/C No. 0490286513923
P.O Box 272-30300
Kapsabet, Kenya

(g) Independent Auditor

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

(h) Principal Legal Adviser

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


3. NGCDF Committee

Name	Details
 Nomilif Kipkemboi- Chairman	Date of Birth: 18.08.1997 Academic Qualification: KCSE Work Experience: Farmer
 Gladys J, Rotich- Secretary	Date of Birth: 03.03.1989 Academic Qualification: Diploma Work Experience: Farmer
 Paul Tiongik Male Adult representative	Date of Birth: 04.04.1964 Academic Qualification: KCSE Work Experience: Farmer
 Simom Serem Male adult representative	Date of Birth: 01.01.1973 Academic Qualification: KCSE Work Experience: Business man
 Joseph K. Rop PWD representative	Date of Birth: 12.12.1973 Academic Qualification: KCSE Work Experience: Farmer

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 <p>Janet Vigehi Kashievera Female Adult representative</p>	<p>Date of Birth: 01.01.1958 Academic Qualification: KCSE</p> <p>Work Experience: Farmer</p>
 <p>Gilbert Cheruiyot Rotich Co opted member</p>	<p>Date of Birth: 15.04.1989 Academic Qualification: Diploma</p> <p>Work Experience: Farmer</p>
 <p>Joan Cherubet Female youth representative</p>	<p>Date of Birth: 07.07.2000 Academic Qualification: Degree Work Experience: Business Lady</p>
 <p>Fredrick Ogolla Deputy County Commissioner</p>	<p>Date of Birth: 01.01.1968 Academic Qualification: Degree Work Experience: Civil Servant</p>

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	<p>Date of Birth: 01.01.1974 Academic Qualification: Degree Work Experience: Civil Servant</p>
<p>Harun Chebii Fund Account Manager</p>	

Outgoing Member (s)

No.	Name	Years served
1.	Lineth J. Kirwa	2 Years

4. NG-CDFC Chairman's Report



During the year under review, the Constituency was able to absorb funds up to **43%** of the total budget. This was mainly due to late disbursement of funds from the Board.

Achievements and Major Undertakings

During the year, the Committee disbursed a total of Kshs**57.6 M** as bursary to needy students in secondary and tertiary institutions and this benefitted over 7000 students in various institutions. Major physical facilities funded are educational infrastructure such as classrooms, administration blocks, laboratories, dormitories and toilets. The committee is also funding the construction of Chiefs' offices as a way of enhancing security of our people. The continued funding towards the education sector in the Constituency has contributed to increased enrolment in primary, secondary and tertiary institutions whilst increasing retention and transition rates while equally reducing the burden of education for low-income families.

During the year under review, several projects were implemented to completion despite delayed disbursement of funds:





AIC Cheptwolio Secondary school- Completion of Dining Hall



AIC Kapnyamisa Secondary- Construction and Equipping of 2 classrooms



Belekenya Junior School- Construction to completion of 1 Classroom

Budgetary Appropriations

During the financial year 2024/2025, the overall budget utilization stood at 43% percent based on the funds received against the total budget for the year. During the period, Kshs275,488,756 was received against the total expected budget of Kshs324,981,710. Out of the received amount, a total of Ksh186,623,827 was spent on various programmes,

Development Planning

The National Government Constituency Development Funds continue to draw a lot of interest from the community and various stakeholders. This has seen the receipt of many proposals from the community spanning various sectors. To ensure focus and fast track Constituency development, the Committee is planning to develop a five-year strategic plan as a blue print that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal.

Challenges

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2024/2025. These includes, inadequate record keeping by PMCs, failure by some project management committees to comply with the public procurement procedures and regulations as well as delayed submission of the required returns for funds disbursed.

The NG-CDFC plans to continue with the capacity building as well as monitoring and evaluation programmes during the ensuing financial year so as to strengthen service delivery to the constituents.



.....
Name: Nomilif Kipkemboi
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY2024/25

Introduction

Section 81 (2) (f) of the Public Finance Management Act, 2012 requires that, at the end of each financial year, the Accounting Officer, when preparing financial statements of each National Government entity in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government entity's performance against predetermined objectives.

The key development objectives of the *NGCDF Chesumei Constituency 2023-2027* plan are to:

Strategic issue	Strategic objective(s)
Education	<ul style="list-style-type: none"> • To achieve 100% transition of pupils in primary schools • To achieve 100% transition of students in secondary schools • To achieve 100% transition of students to Universities or and other tertiary institutions • To attain a sub-county mean score of 6 and above in KCSE • To have adequate and quality infrastructure in all educational institutions
Security & Administration	<ul style="list-style-type: none"> • To have peace and tranquility in the constituency • To have administration and security personnel work and live in a conducive environment.
Environment	<ul style="list-style-type: none"> • To have the environment preserved for posterity • To have a clean environment • To have a better environment
Sports	<ul style="list-style-type: none"> • To have the talented in the constituency realize their full potential • To have adequate facilities for different sports within the constituency
Gender/Youth/ Women/PLWDs	<ul style="list-style-type: none"> • To empower the youth • To empower the women • To have people living with disability (PLWDs) lead quality lives
ICT	<ul style="list-style-type: none"> • To have ICT hubs in place • To have constituents easily access ICT training facilities
Housing	<ul style="list-style-type: none"> • To have adequate housing in educational institutions • To have security and administration personnel living in descent houses
Health	<ul style="list-style-type: none"> • To have more retrained health professionals • To have constituents register for insurance fund
Manufacturing	<ul style="list-style-type: none"> • To have more investments within the constituency
Food security	<ul style="list-style-type: none"> • To have adequate & extra production of food for all • To have knowledgeable farmers

Progress on the attainment of Strategic development objectives

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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:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have adequate and quality infrastructure in all educational institutions	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	-number of usable physical infrastructure build in primary, secondary, and tertiary institutions -number of bursary beneficiaries at all levels	-During FY 2024/2025, we increased the number of new classrooms as well as renovating several others. - Over 6,000 students benefited from bursary award
Security	• Construct more offices for administrators	-More offices for administrators - Reduced crime rates	-No of administrative offices constructed	-No of administration offices increased from 15 to 16
Environment	• Organize for training of constituents on conservation of the environment	<ul style="list-style-type: none"> • To have the environment preserved for posterity • To have a clean environment 	-No. Of sensitisation workshops -No of institutions receiving funding for environment activities	- 2 sensitisation workshops organised for both the NGCDFC and the PMCs -Funds allocated for tree planting in 24 learning institutions
Disaster Management	-Organise training for the NGCDFC and Staff on disaster management	-To mitigate the effects of an emerging disaster	-No. Of trainings organised	- 2 trainings sessions organised for both the NGCDFC and the Staff

6. Governance Statement

THE NATIONAL GOVERNMENT CONSTITUENCY DEVELOPMENT FUND COMMITTEE

Composition

The NGCDF Committee is composed of the following;

1. The National Government Official responsible for coordination of National Government Functions.
2. Two men each nominated in accordance with regulations to be formulated, one of whom shall be a youth at the date of appointment.
3. Two Women each nominated in accordance with regulations to be formulated, one of whom shall be a youth at the date of appointment.
4. One person with disability nominated by a registered group representing persons with disabilities in the constituency.
5. Two persons nominated by the constituency office
6. The officer of the Board seconded to the constituency.
7. One person co-opted by the CDF Board in accordance with regulations made by the Board.

Names of the above persons shall be submitted by the Board to the National Assembly for approval before publication by the Board.

Their term of office shall be 2 years and shall be renewable, but shall expire upon appointment of a new constituency committee.

The quorum of the Constituency Committee shall be one-half of the total membership.

The Fund Account Manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

Removal of Committee Member

A member of the Constituency Committee may be removed from office on any one or more of the following grounds:

- (a) lack of integrity;
- (b) gross misconduct;(objectionable action that is willful and cannot be described as mistake or negligence)
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) promoting unethical practices;
- (f) causing disharmony within the committee;

(g) Physical or mental infirmity.

A decision to remove a member shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. (Rules of Natural Justice must apply i.e. No man can judge his own case, right to a fair and impartial hearing)

The functions of a Constituency Committee shall be to –

- ✓ build the capacity of project management committees and sensitize the Community on the operations of the Fund;
- ✓ consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- ✓ ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- ✓ Ensure project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans.
- ✓ Satisfy itself that the projects submitted to the board fall under the functions of the National Government under the constitution.
- ✓ Consult with relevant government departments to ensure cost estimates for projects are realistic.
- ✓ Enter into memoranda of understanding for joint projects.
- ✓ Rank projects in order of priority but ensure that on-going projects take precedence.
- ✓ Ensure all projects receive adequate funding and are completed within 3 years.
- ✓ Where project involves the purchase of land or buildings, ensure ownership documents are authenticated with relevant government agencies.
- ✓ Monitor the implementation of projects in accordance with a framework issued by the Board.
- ✓ Ensure project reports are prepared and submitted to the Board.
- ✓ Ensure formation of PMC's, opening of accounts, implementation of projects and closure of projects.

The committee is being inducted through NGCDFC trainings organised by both the board and the Constituency for purposes of building capacity on project management and good governance.

NG-CDF Act stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In Chesumei Constituency, the NG-CDF Committee conducted 12 meetings and 6 sub-committee meetings.

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NG-CDFC Members:

- | | |
|----------------------|-------------------------|
| 1. NomilifKipkemboi | Chairman |
| 2. Harun K. Chebii | F.A.M. |
| 3. Gladys Rotich | Secretary |
| 4. Paul Tiongik | Member |
| 5. SimionSerem | Member |
| 6. LinethKirwa | Member |
| 7. Gilbert Cheruiyot | Member |
| 8. JanethVigehi | Member |
| 9. Fredrick Ogolla | D.C.C Chesumei (Member) |

	Name of Committee member	Meetings held										25 /0 4/ 20 25	22 /0 5/ 20 25
		20/7/ 2024	12/9 /202 4	21/9/ 2024	31/1 0/2 024	16/ 11/ 20 24	20/12 /2024	30/01 /2025	07/ 02/2 025	09/ 03/2 025	21/03 /2024		
1.	NomilifKip kemboi- chairman	√	√	√	√	√	√	√	√	√	√	√	√
2.	Harun k. Chebii - FAM	√	√	√	√	√	√	√	√	√	√	√	√
3.	Gladys Rotich- secretary	√	√	√	√	√	√	√	√	√	√	√	√
4.	Joseph Rop- member	√	√	√	√	√	√	√	√	√	√	√	√
5.	LinethKirw a-member	√	√	√	√	√	√	√	√	√	√	√	√
6.	Gilbert Rotich- member	√	√	√	√	√	√	√	√	√	√	√	√
7.	Simon Serem- member	√	√	√	√	√	√	√	√	√	√	√	√
8.	JanethVige hi-member	√	√	√	√	√	√	√	√	√	√	√	√
9.	Fredrick Ogolla-	√	√	√	√	√	√	√	√	√	√		

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	DCC												
10.	Paul Tiongik- member	√	√	√	√	√	√	√	√	√			

a. Remuneration Rates

Members are remunerated as follows;

	Ksh
Chairperson	7,000
8 members	5,000 each

b. Disclose the policy on conflict of interest

The Members are required to declare any conflict during meetings, which whenever declared, would be recorded in the minutes and in the register.

c. Succession plan

Vacancies arising as a result of the removal or end of tenure of the members of the Constituency Committee, the vacancy shall be filled in the manner set out in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of members.

d. Ethics and code of conduct

The NG-CDFC members shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record. Members shall not indulge in any act in contravention the act and other law, policy regulations that govern operations of NG-CDF.

e. Risk Management

The constituency has a risk policy, which they observe and are required to maintain a risk register. The committee has the following responsibilities

- Identify risks likely to affect the operations of the constituency
- Rank the risks in order of prevalence
- Formulate mitigation measures

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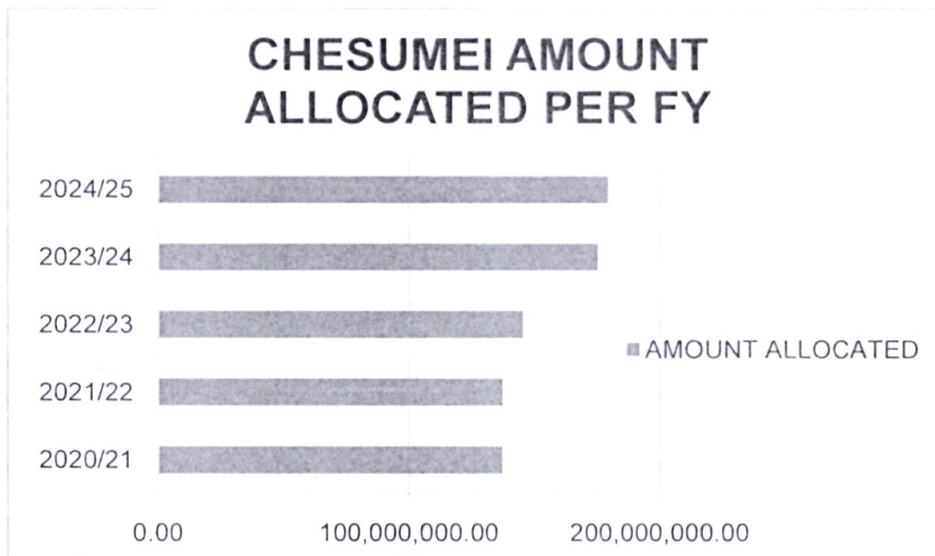
7. Management Discussion and Analysis

Chesumei National Government Constituency Development Fund Committee (NGCDFC) pursuant to the provisions of the National Government CDF Act of 2015 allocates funds to various projects with reference to the priorities of the public participation meetings held across the constituency.

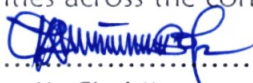
The main purpose of the NG-CDF is enhancing infrastructural and social-economic development at constituency level particularly in the areas of education, security, sports and environment/Climate change and Mitigation.

Over the last five years, Chesumei Constituency has been allocated a total of Kshs774,069,125.78 as illustrated in the table below:

S/NO.	FINANCIAL YEAR	AMOUNT ALLOCATED
1.	2020/21	137,088,879.31
2.	2021/22	137,088,879.00
3.	2022/23	145,087,603.00
4.	2023/24	175,361,810.00
5.	2024/25	179,441,954.47
TOTAL		774,069,125.78



The NGCDF Committee undertakes to expedite disbursement of funds to earmarked projects in accordance with the provisions of the NGCDF Act of 2015 and the requirements of the Annual Performance Contract. Timely disbursements facilitate implementation of approved project activities across the constituency.



.....
Harun K. Chebii
Fund Account Manager

8. Environmental and Sustainability Reporting

Chesumei NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

1. Sustainability strategy and profile -

To ensure the sustainability of Chesumei Constituency, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Chesumei Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalized groups, including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars, NGCDF has security as a priority area with the intention to provide a better working environment for the security providers within the constituency as well as a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for law enforcement agencies while collaborating with the community in trust on matters of security.
- c. **Climate change mitigation:** The Constituency acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget to climate change mitigation activities such as afforestation, re-afforestation, grassroot sensitization, and tree seedling production.

2. Environmental performance

Chesumei NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It's what guides us to deliver our strategy, which is founded on social sector, namely, Education & Training, Security Sector Support, Environment, and Sports. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

3. Employee welfare

We invest in providing the best working environment for our employees. Chesumei constituency recruitment is guided by Employment Act, NGCDF Act, and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one-third gender rule and special groups. We also Recognize and appreciate our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Chesumei constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

The committee has a safety policy in compliance with the Occupational Safety and Health Act of 2007 (OSHA) and has ensured the work environment is conducive to everybody's movement and accessibility within the office, including PWDs. The Constituency has also put in place disaster-mitigating measures, including fire extinguishers and accessible escape routes in case of emergency.

4. Marketplace practices-

Chesumei Constituency is committed to fair and ethical market practices.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local vendors drawn from the constituency to lift them economically. Our ethical market practices ensure the fund gets value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers, which are enhanced through organized sensitization forums on the procurement legal framework and ethical subject matters. We are dedicated to honouring all contracts and settling payments promptly.

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption.
- b) Good business practices, including cordial Supply chain and supplier relations, by honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests.

5. Community Engagements-

Chesumei Constituency has endeavored to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through community projects.

Public Participation in Project Identification, Implementation, and Monitoring

Chesumei Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituents, considering the national development plans and policies and the constituency strategic development plan. The identified list of priority projects, both immediate and long-term, was submitted to the NGCDF Board in accordance with the Act.

Public participation is a process that directly engages the concerned stakeholders in decision-making and fully considers public input.

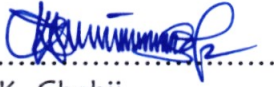
The NG-CDFC engaged the community through community leaders during the bursary program to identify the needy students to be awarded the bursary.

Public Awareness

This includes mechanisms for participation and cooperation with local, regional, and national agencies, as well as for conducting community-based needs assessments, public awareness campaigns, and community meetings.

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Chesumei Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



.....
Harun K. Chebii
Fund Account Manager.

9. Statement Of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012, requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NGCDF-Chesumei Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; 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; Safeguarding the assets of the entity; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Chesumei Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF-Chesumei Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF-Chesumei Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of

*National Government Constituencies Development Fund (NGCDF)
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external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

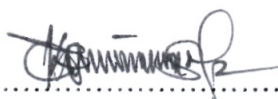
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NGCDF-Chesumei Constituency financial statements were approved and signed by the Accounting Officer on 17/11 2025.



.....
Name: Nomilif Kipkemboi
Chairman – NGCDF Committee



.....
Name: Harun K. Chebii
Fund Account Manager

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 NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - CHESUMEI CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituency Development Fund - Chesumei Constituency set out on pages 1 to 74, which comprise of the statement of financial position as at 30 June, 2025 and

Report of the Auditor-General on National Government Constituencies Development Fund - Chesumei Constituency for the year ended 30 June, 2025

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

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituency Development Fund - Chesumei Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) including the transitional provisions permitted under IPSAS 33 and comply with the Public Finance Management Act, 2012, the National Government Constituencies Development Fund Act, 2015 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies in Presentation and Disclosure in Financial Statements

Review of the financial statements revealed the following anomalies;

- 1.1 The statement of financial performance reflects surplus of Kshs.39,718,630. However, the results of downward casting disclosed surplus for the year of Kshs.39,550,419 resulting to an unexplained variance of Kshs.168,211.
- 1.2 The statement of changes in net assets reflects surplus of Kshs.39,718,630 which differs with the recomputed balance of Kshs.39,550,419 in the statement of financial performance resulting into an unexplained variance Kshs.168,211.

In the circumstances, the accuracy and completeness of financial statements could not be confirmed.

2. Unconfirmed Project Management Committee (PMC) Bank Accounts

Annex 2 to the financial statements reflects Project Management Committee (PMC) accounts balance of Kshs.11,562,722 in respect to seventy-six (72) bank accounts which had not been utilized at the end of the financial year. However, cashbooks, certificates of bank balance, bank reconciliation statements and board of survey reports supporting the bank balances were not provided for audit review.

Further, it was noted from the audited accounts for 2023/20204 that the closing balance for Project Management Committee (PMC) balance was Kshs.2,464,150. However, the opening balances in 2024/2025 financial statements reflects as Kshs.40,809,277 resulting to an unexplained variance of Kshs.38,345,127.

In the circumstances, accuracy and completeness of PMC balances of Kshs.40,809,277 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2025 reflects final receipts budget and actual on a comparable basis amount of Kshs.324,981,710 and Kshs.275,488,756, respectively, resulting in an under-funding of Kshs.49,492,954 or approximately 15% of the budget. Similarly, the Fund incurred recurrent expenditure of Kshs.139,727,472 against an actual receipts of Kshs.275,488,756 resulting to an under-expenditure of Kshs.135,761,284 or approximately 49% of the actual receipts.

The underfunding and under absorption of the budget may have negatively affected implementation of the planned programmes and thus adversely affecting service delivery in the constituency.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect of the matters described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, one (1) issue was raised under report on Financial Statements, and another one (1) issue was raised under Report on Lawfulness and Effectiveness in the use of Public Resources. However, the issues remain unresolved. See **Appendix I**

Other Information

The Management is responsible for the Other Information set out on page ii to xxv which comprise of Acronyms and Definition of Key Terms, Key Constituency Information and Management, NGCDF Committee, Environmental and Sustainability Reporting, Statement of Performance Against Predetermined Objectives, NG-CDF Chairman's

Report, Governance Statement, Management Discussion and Analysis and 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. Failure to Carry Out Staff Appraisals

Examination of the personnel records revealed that the Fund had a total of five (5) employees during the period under review. However, Management did not perform performance appraisal for the staff. This was contrary to Section G.5 of Public Service Commission Human Resource Policies and Procedures Manual for the Public Service of May, 2016 which states that Staff Performance Appraisal is a critical component of the human resource management function in the Public Service.

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

2. Non-Compliance with Ethnic Diversity

Review of the Fund's personnel records revealed that the Constituency had a total of Five (5) employees all of whom were from the local dominant community. This was contrary to Section 7(1) and (2) of the National Cohesion and Integration Act, 2008 which states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff and that no public establishment shall have more than one third of staff from the same ethnic community.

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

3. Delayed Project Funding-Receivables from Non-Exchange Transactions

Review of the Fund's approved budget and the approved project code list for the 2024/2025 financial year revealed the total amount of AIE expected was Kshs.228,766,697. However, review of the transfers from NG-CDF board revealed that Chesumei NG-CDF had received Kshs.179,273,743 as at 30 June 2025, leading to a variance of Kshs.49,492,954.

Delays in funding jeopardizes the operations of the Fund's ability to implement projects as planned resulting into harming the public interest of the constituents.

4. Project Implementation Status

Review of sampled projects undertaken by the Constituency Development Fund Committee, and physical verification of projects revealed the following unsatisfactory matters;

4.1 Construction of One Classroom at Kipsasuron Primary

Review of the Fund's records revealed that one (1) classroom was constructed at Kipsasuron Primary at a contract sum of Kshs.1,200,000. The classroom was complete and in use, however, it was noted that the machine-cut stones used in wall construction were of poor quality. The blocks easily disintegrate when slightly scratched or pressed by hand, indicating low density and poor bonding strength. This suggests that the materials used do not meet the required structural quality and durability standards. In addition, some window panes were either missing or broken, exposing the interior to weather elements and posing safety hazards to learners. Further, the classrooms were not fitted with access ramps, thereby making them inaccessible to learners with disabilities.

4.2 Construction to Completion of Dining Hall and Kitchen at AIC Cheptwolio Secondary School

Review of the Fund's records revealed that there was construction to completion of a dining hall and kitchen at AIC Cheptwolio Secondary School at contract sum of Kshs.1,000,000 in then year under review. Physical verification of the completed dining hall revealed that although the facility is in use, it lacks essential furniture, such as dining tables and chairs, limiting its intended functionality. In addition, signs of water damage were noted; roof water leakage has caused paint to peel from the lower parts of the external walls, indicating poor drainage or poor roof finishing. It was further observed that rainwater gutters were not installed to collect and direct roof runoff away from the building.

In the circumstances, there was no value for money on the two (2) projects due to poor workmanship.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and 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 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

02 December, 2025

Appendix I: Unresolved Prior Year Audit Matters

No	Issue
	Report on the Financial Statements
1	Unsupported Project Management Committee) Balances
	Report on Lawfulness and Effectiveness in the Use of Public Resources
2	Unsupported Emergency Projects


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11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	2024/2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,273,743
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		179,273,743
Expenses		
Employee costs	10	2,940,576
Committee expenses	11	4,195,106
Use of Goods and Services	12	5,732,270
Other Government Units Actual expenditure	13	40,432,511
Other Grants and Transfers Actual expenditure	14	86,422,861
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		139,723,324
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		39,718,630

The Constituency financial statements were approved by the NGCDFC on 17/11/2025 and signed by:


Chairman NG-CDF
Committee
Name: Nomilif Kipkemboi


National Sub-County
Accountant
Name: Sabina Chemutai
ICPAK M/No:


Fund Account Manager
Name: Harun K. Chebii

(Paragraph 79 of IPSAS33 allows for the election by an MDA to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position, and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made; therefore, there are no comparatives in the first year of transition.

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12. Statement Of Financial Position As At 30th June, 2025

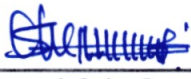
	Not e	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	137,130,873	96,215,013
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	49,492,954	49,324,743
Prepayments	22	-	-
Total Current Assets		186,623,827	145,539,756
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		186,623,827	145,539,756
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	1,369,590	-
Lease Liabilities	28	-	-
Gratuity provision	29	625,357	629,505
Total Current Liabilities		1,994,947	629,505
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		1,994,947	629,505
Net Assets (A-B)		184,628,881	144,910,252
Represented by:			
Revaluation Reserves		184,628,882	144,910,252
Accumulated Surplus			
Total Net Assets		184,628,882	144,910,252

*National Government Constituencies Development Fund (NGCDF)
Chesumei Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

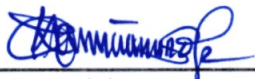
The Constituency financial statements set out on pages 2 to 5 approved by NG CDFC on 17/11/
2025 and signed by:



Chairman NG-CDF
Committee
Name: Nomilif Kipkemboi



National Sub-County
Accountant
Name: Sabina Chemutai
ICPAK M/No:



Fund Account Manager
Name: Harun K. Chebii

National Government Constituencies Development Fund (NGCDF)
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13. Statement of Changes in Net Assets for the year ended 30 June 2025

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	55,405,736		55,405,736
Adjustments			
Recognition of Assets	90,134,020		90,134,020
Recognition of Liabilities	629,505		629,505
As at July 1, 2024	144,910,252		144,910,252
Surplus/(Deficit) For the Period	39,718,630		39,718,630
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	184,628,882	-	184,628,882

Note:

1. For items that are not common in the financial statements, the Entity should include a note on what they relate to – either on the face of the statement of changes in equity/net assets or among the notes to the financial statements.
2. Prior year adjustment should have an elaborate note describing what the amounts relate to. In such instances, a restatement of the opening balances needs to be done.

*National Government Constituencies Development Fund (NGCDF)
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Annual Report and Financial Statements for The Year Ended June 30, 2025*

14. Statement Of Cash Flows for The Year Ended 30th June 2025

	Notes	2024/2025
		Kshs
Cashflowsfromoperatingactivities		
Receipts		
Transfers from the NGCDF Board		179,273,743
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		179,273,743
Payments		
Employee costs		2,944,724
Committee expenses		4,195,106
Use of Goods and Services		5,732,270
Other Government Units Certified Works		40,432,511
Other Grants and Transfers		86,422,861
Digital Hubs Expenses		-
Total Payments		139,727,472
Net Cash Flows from/ (used in) Operating Activities	30	39,546,271
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Netincrease/(decrease)incash& Cash equivalents		39,546,271
Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		39,546,271
Cash and cash equivalents at 1 July 2024	19	96,215,013
Cash and cash equivalents at 30 June 2025		135,761,285

(PSASB has prescribed the direct method of cash flow preparation/ presentation for all entities under the IPSAS accrual basis of accounting.)

*National Government Constituencies Development Fund (NGCDF)
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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	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Revenue							
Transfers From the NGCDF Board	179,441,954	96,215,013	49,324,743	324,981,710	275,488,756	49,492,954	85%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	179,441,954	96,215,013	49,324,743	324,981,710	275,488,756	49,492,954	85%
Expenses							
Employee costs	4,310,000	4,273,738	-	8,583,738	2,944,724	5,639,014	34%
Committee expenses	4,348,000	3,364,210	-	7,712,210	4,195,106	3,517,104	54%

*National Government Constituencies Development Fund (NGCDF)
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Annual Report and Financial Statements for The Year Ended June 30, 2025*

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Use of Goods and Services	6,523,701	5,272,626	-	11,796,327	5,732,270	6,064,057	49%
Other Government Units Certified Works	38,901,558	53,221,489	45,096,700	137,219,747	40,432,511	96,787,236	29%
Other Grants and Transfers	85,158,695	30,082,950	2,722,043	117,963,688	86,422,861	31,540,827	73%
Digital Hubs Expenses	40,200,000	-	1,506,000	41,706,000	-	41,706,000	
Funds Pending Approval**	-	-	-	-	-	-	
Total Expenditure	179,441,954	96,215,013	49,324,743	324,981,710	139,727,472	185,254,386	
Surplus for the period					137,130,873		



***Funds pending approval are sums not yet approved by the board for utilization and include approved allocations and/or AIA not yet allocated for specific projects.*

*National Government Constituencies Development Fund (NGCDF)
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Explanatory Notes.*

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	186,623,827
Less undisbursed funds receivable from the Board as at 30 th June 2025	49,492,954
Cash and Cash Equivalents at the end of the 30 th June 2025	137,130,873

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 17th Jul 2025 and signed by:

National Sub-County Accountant Chairman NG-CDF Committee

Name: Harun K. Chebii Name: Harun K. Chebii
 ICPAK M/No: Name: Sabina Chemutai

National Government Constituencies Development Fund (NGCDF)
Chesumei Constituency

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16. Budget Execution by Sectors And Projects For The Year Ended 30th June 2025

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,310,000	4,273,738		8,583,738	2,940,576	5,643,162
1.2 Committee allowances	1,948,000	2,747,555		4,695,555	3,200,000	1,495,555
1.3 Use of goods and services	3,542,000	3,466,376		7,008,376	2,341,000	4,667,376
<i>(Itemize as per the code list)</i>						
Sub-total						
2.0 Monitoring and evaluation						
2.1 Capacity building	950,000	543,225		1,493,225	659,000	834,225
2.2 Committee allowances	2,400,000	616,655		3,016,655	995,106	2,021,549
2.3 Use of goods and services	2,031,701	1,263,025		3,294,726	1,413,306	1,881,420
Sub-total	5,381,701	2,422,905	-	7,804,606	3,067,412	4,737,194
3.0 Emergency						
3.1 Primary Schools						
unutilized	6,437,746	6,995,841	-	13,433,587		13,433,587

*National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
				-		-
AIC KABILO PRY	302,430			302,430	302,430	-
ST STEPHEN KAPKURUNJO PRY	300,000			300,000	300,000	-
AIC SANIAK PRY	300,000			300,000	300,000	-
NDAPTABWA PRY	300,790			300,790	300,790	-
KIPSIRWO PRY	299,914			299,914	299,914	-
AIC SIRGOI ACADEMY	210,000			210,000	210,000	-
TANGATON PRY SCHOOL	300,160			300,160	300,160	-
KIPCHABO PRIMARY	287,170			287,170	287,170	-
OLBUTENERT PRY	671,103			671,103	671,103	-
ackstpaulscheirot primary school	-			-	-	-
SAMOO PRIMARY	35,000			35,000	35,000	-
Sub-total	9,444,313	6,995,841	-	16,440,154	3,006,567	13,433,587

National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
3.2 Secondary schools	57,000,000	10,550,679		67,550,679	55,265,481	12,285,198
3.3 Tertiary institutions	10,531,124	2,439,679		12,970,803	2,284,813	10,685,990
3.4 Security projects	1,200,000	130000		1,330,000	1,070,000	260,000
Sub-total						
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools						
4.3 Tertiary Institutions						
4.4 Universities						
4.5 Social Security	1,800,000	3,606,881		5,406,881	1,206,000	4,200,881
Sub-total	70,531,124	16,727,239	-	87,258,363	59,826,294	27,432,069
5.0 Climate Change and Mitigation	3,383,258			3,383,258		3,383,258
Climate Change and Mitigation			2,722,043	2,722,043		2,722,043
AIC Baraton primary school		120,000.00		120,000		120,000
Namgoi primary School		120,000.00		120,000		120,000

*National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Chemundu primary School		120,000.00		120,000		120,000
PAG Jerusalem academy primary School		120,000.00		120,000		120,000
Kiboswa primary school		120,000.00		120,000		120,000
SDA kapkonjusmo primary school		120,000.00		120,000		120,000
St peters chemamul primary school		120,000.00		120,000		120,000
St francisrongit primary School		120,000.00		120,000		120,000
Nduroto primary school		120,000.00		120,000		120,000
Chemuswo primary school		120,000.00		120,000		120,000
Kapkemel primary school		120,000.00		120,000		120,000
Kapkuto primary school		120,000.00		120,000		120,000
Talai primary school		120,000.00		120,000		120,000
Tuiyobei primary school		120,000.00		120,000		120,000
Kimondi primary school		120,000.00		120,000		120,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Siksiket primary school		120,000.00		120,000		120,000
Kechire primary school		120,000.00		120,000		120,000
Kaptobongen primary school		120,000.00		120,000		120,000
St Canius high school mateget		120,000.00		120,000		120,000
St. Emanuel Kapkoimet Primary		120,000.00		120,000		120,000
CHESUMEI DCC's OFFICE		200,000.00		200,000		200,000
				-		
Sub-total	3,383,258	2,600,000	2,722,043	8,705,301	-	8,705,301
Sub-total						
6.0 Primary Schools Projects (List all the Projects)						
Kaptildil Primary School	1,200,000			1,200,000		1,200,000
Tebeson Primary	1,200,000			1,200,000		1,200,000
Kingwal Primary	600,000			600,000		600,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Tuloi Primary	1,200,000			1,200,000		1,200,000
Kiptuiya Primary	600,000			600,000		600,000
Kimondi Primary	600,000			600,000		600,000
Holy family School	1,200,000			1,200,000		1,200,000
Kapsile Primary	600,000			600,000		600,000
Kipkongorwa Primary school	1,200,000			1,200,000		1,200,000
Tungururwet Primary school	1,200,000			1,200,000		1,200,000
Itigo Primary School	800,000			800,000		800,000
ACK St PaulsCheirot Primary	1,600,000			1,600,000		1,600,000
Chepkober Primary	600,000			600,000		600,000
Kapchepkok Primary	1,200,000			1,200,000		1,200,000
AicKaptel Primary	1,200,000			1,200,000		1,200,000
SDA Mlango Adventist Primary	500,000			500,000		500,000
Chepsogor Primary	600,000			600,000		600,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kapkemel primary School		400,000		400,000		400,000
Chepketei primary school		1,700,000		1,700,000		1,700,000
Kokwet primary School		1,000,394		1,000,394		1,000,394
Kipsasuron primary		800,000		800,000		800,000
Chepsui primary school		500,000		500,000		500,000
kaptabongen primary		500,000		500,000		500,000
kokwet pry		1,200,000		1,200,000		1,200,000
samoo pry		762,933		762,933		762,933
aicsirgoi academy		1,200,000		1,200,000		1,200,000
SDA BIREI PRIMARY SCHOOL			1,200,000	1,200,000	1,183,080	16,920
KISABEI PRIMARY SCHOOL			750,000	750,000	750,000	-
SIRONOI PRIMARY SCHOOL			762,933	762,933	760,744	2,189
SDA LELBOINET PRIMARY			500,000	500,000	498,669	1,332
EMSOS PRIMARY						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
			1,200,000	1,200,000	1,159,840	40,160
ststephenskapkurunjo primary school			1,200,000	1,200,000	1,087,305	112,696
KAPKONJUSMO PRY		1,201,794.50		1,201,795	1,087,956.50	113,838
CHEPSUI PRIMARY		1,651.00		1,651		1,651
KAPTIEN GAA PRIMARY SCHOOL		1,463.00		1,463	240.00	1,223
KIPSASU'RON PRIMARY SCHOOL		1,201,172.50		1,201,173	1,087,334.50	113,838
LELMOKWO ACADEMY		1,200,225.00		1,200,225	1,116,261.30	83,964
PAG JERUSALEM PRY SCHOOL		1,204,384.00		1,204,384	1,148,761.00	55,623
AgeNgeny		3,100,864.50		3,100,865	2,703,287.00	397,578
Fr Kuhn Academy		24,060.00		24,060	23,000.00	1,060
Kapkitara Pry		1,202,298.50		1,202,299	1,097,298.50	105,000
				-		-
Kaptobongen Pry		1,205,039.00		1,205,039	1,037,825.00	167,214

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIPTUIYA PRIMARY		1,315.00		1,315	-	1,315
SIKSIKET PRIMARY		1,447.00		1,447	-	1,447
TABONGENIK PRY				-	-	-
KAPKECHUI PRY SCHOOL		5,802.00		5,802	-	5,802
KAPTOROI PRIMARY SCHOOL		81,432.50		81,433	-	81,433
AckCheirot Pry		45,303.75		45,304	-	45,304
AicMosoriot Primary		19,083.00		19,083	-	19,083
Chomisia Pry		304,837.50		304,838	303,790.50	1,047
Kipsinende Pry		1,201,100.00		1,201,100	1,043,890.00	157,210
SamoeiLelboinet Pry		4,149.00		4,149	-	4,149
Tuiyobei Primary		1,253,438.40		1,253,438	1,193,859.60	59,579
AIC NDUROTO PRIMARY		24,298.00		24,298	-	24,298
KIPKORIONY PRIMARY		3,292.75		3,293	-	3,293

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
AicBelekenya Pry		1,204,620.00		1,204,620	1,140,460.00	64,160
Cheptigok Pry		3,773.00		3,773	-	3,773
HOLY FAMILY LELMOKWO		1,284.00		1,284	-	1,284
KIUTANY PRY		792.00		792	-	792
NDONYONGARIA PRIMARY SCHOOL		9,513.45		9,513	-	9,513
ACK ST LUKE BIRIBIRIET		1,800,280.00		1,800,280	1,664,090.00	136,190
Kapkuto Primary		613.75		614	-	614
Kombe Primary		2,586.00		2,586	-	2,586
Mwein Pry		1,200,739.65		1,200,740	1,187,330.00	13,410
St Mark Kabaa Pry		85.00		85	-	85
St Stephen Kiptuiya		312,124.64		312,125	311,990.00	135
KAPNYEMISA PRY SCHOOL		71,679.00		71,679		71,679
AIC KUNURTER PRY		1,200,000.00		1,200,000	1,137,234.05	62,766

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
ST EMMANUEL KAPKOIMET PRY		1,200,000.00		1,200,000	1,083,561.15	116,439
AicBaraton Academy		1,200,279.60		1,200,280	1,118,557.40	81,722
NANDI PRIMARY		2,400,000.00		2,400,000	2,102,322.50	297,678
SDA KAMOYIWA PRY		3,000,000.00		3,000,000	2,999,983.50	17
CHEMUNDU PRY		1,200,000.00		1,200,000	1,104,351.00	95,649
CHEBIL PRIMARY SCHOOL		1,300,000.00		1,300,000	1,284,613.00	15,387
Sub-total	16,100,000	37,460,148	5,612,933	59,173,081	32,417,634	26,755,447
7.0 Secondary Schools Projects (List all the Projects)						
Kapchepkok Secondary School	1,444,225			1,444,225.00		1,444,225
Kamurguiywa Secondary	1,444,225			1,444,225.00		1,444,225
St. Theresa of the Child Jesus-Masaba	1,444,225			1,444,225.00		1,444,225
Kapsisiywa Secondary	1,000,000			1,000,000.00		1,000,000
Kechire Secondary school	1,952,650			1,952,650.00		1,952,650

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kapkibimbi J. School	5,516,233			5,516,233.00		5,516,233
AIC Kapkuto Secondary	2,000,000			2,000,000.00		2,000,000
AIC Tamboiyo Secondary	2,000,000			2,000,000.00		2,000,000
Kapkechui Girls	6,000,000			6,000,000.00		6,000,000
samoo secondary		400,000		400,000.00		400,000
chemundu secondary		2,500,000		2,500,000.00		2,500,000
kipkongorwa sec school		1,800,000		1,800,000.00		1,800,000
Tamboiyo sec school		2,500,000		2,500,000.00		2,500,000
aiccheptwolio secondary school		1,000,000		1,000,000.00	902,816	97,184
KIMONDI SECONDARY		170,803.50		170,803.50	169,931	873
KAPCHEPKOK SECONDARY		1,986.50		1,986.50		1,987
AicSirgoi Modern Day Sec		6,552.60		6,552.60		6,553
ACK LAGAT HIGH SCHOOL		302,762.00			298,890	3,872

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
				302,762.00		
KAPNYEMISA PRY SCHOOL		3,000,000.00		3,000,000.00	2,810,169	189,831
Itigo Girls Sec		14,679.75		14,679.75		14,680
AIC NDONYONGARIA SEC		47,204.50		47,204.50		47,205
NGECHEK SECONDARY SCHOOL		64,505.00		64,505.00	890	63,615
St Patrick Ndaptabwa Sec		141,662.90		141,662.90	131,114	10,549
ST CANISIOUS KIPSASURON SEC SCHOOL		1,204,631.50		1,204,631.50	1,080,037	124,595
AIC MOI KAPKUTO SEC SCHOOL		2,000,000.00		2,000,000.00	1,079,405	920,595
NAMGOI SECONDARY SCHOOL		600.000	5,000,000	5,600,000.00		5,600,000
AIC SIRGOI MODERN DAY SECONDARY SCHOOL		6,553	5,000,000	5,006,552.60		5,006,553
NDONYONGARIA SECONDary school			15,000,000	15,000,000.00		15,000,000
KapkibimbirJ.School			14,483,767	14,483,767.00		14,483,767
				-		-

*National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Sub-total	22,801,558	15,761,341	39,483,767	78,046,666	6,473,252	71,573,414
8.0 Tertiary Institutions projects	-	-	-	-	-	-
9.0 Security Projects						
Kapsisiywa Chief's Office	1,800,000			1,800,000		1,800,000
Kosirai Assistant County Comm		8,435.00		8,435		8,435
KAPTEL CHIEF'S OFFICE		1,435.00		1,435		1,435
KIPNG'ERU ASST CHIEFS OFFICE		3,000,000		3,000,000	2,900,000	100,000
KIBOSWA ASST CHIEFS OFFICE		750,000		750,000	690,000	60,000
				-		
Sub-total	1,800,000	3,759,870	-	5,559,870	3,590,000	160,000
10.0 Acquisition of assets						
10.1 Motor Vehicles (including motorbikes)						
10.2 Construction of CDF office						
10.3 Purchase of furniture and equipment						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
10.4 Purchase of computers						
10.5 Purchase of land						
Sub-total						
11.0 Digital Hubs						
Chesumei Digital Hub	5,200,000	-	-	5,200,000		5,200,000
Sub total	5,200,000	-	-	5,200,000		5,200,000
12.0 Others						
12.1 Strategic Plan			1,506,000	1,506,000	1,491,000	15,000
ELECTRICITY MATCHING FUND	5,000,000			5,000,000		5,000,000
OTHER ELECTRICITY PROJECTS	30,000,000.00		-	30,000,000	20,000,000	10,000,000
Sub total	35,000,000		1,506,000	36,506,000	21,491,000	15,015,000
13.0 Funds pending approval**						
13.1 Unapproved projects						
13.2 AIA						
13.3						
Sub-total						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Total	179,441,954	96,215,013	49,324,743	324,981,710	138,357,882	184,813,958

(NB: This statement is a disclosure statement indicating the utilization in the same format as the entity's budgets which are program-based. This statement totals should tie to the totals of the Statement of Comparison of Budget and Actual Amounts)

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Chesumei Constituency principal activity is management of decentralized funds.

2. Statement of Compliance and Basis of Preparation

The financial statements have been prepared on a historical cost basis except for the measurement at re-valued amounts of certain items of property, plant and equipment, marketable securities and financial instruments at fair value, impaired assets at their estimated recoverable amounts and actuarially determined liabilities at their present value. The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) allows the use of estimates and assumptions. It also requires management to exercise judgment in the process of applying the NG-CDF's accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5 of these financial statements.

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Chesumei has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement. The NG-CDF Chesumei has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

Liabilities recognized include trade and other payables, third-party deposits, and gratuity provisions.

The recognition of all other non-financial assets acquired prior to the 2023/2024 financial year will be undertaken in the third year of the transition period, after the necessary identification and valuation processes have been completed.

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 2024.

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> 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 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	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45

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<p>and Equipment</p>	<p>has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p>
<p>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> 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. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>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.</p>

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<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>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.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>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.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> 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.

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 *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 recognized after allocations have been approved by the NG-CDF Board.

- ii) Revenue from exchange transactions

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the *Entity*.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

b) Budget information

The original budget was approved by Parliament on 30th June 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actuals as per the statement of financial performance has been presented under section 15 of these financial statements.

c) Property, plant and equipment

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

exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

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

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the *Entity*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of

operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

h) Provisions

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

i) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The entity recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

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

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of

economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

Foreign currency transactions

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

m) Related parties

The *Entity* 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 *Entity*, or vice versa.

n) Cash and Cash Equivalents

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

o) Comparative figures

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

p) 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 *Entity'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 judgments, 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 consolidated 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

Useful lives and residual value

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

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

Provisions

Provisions were raised and management determined an estimate based on the information available. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

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6. Transfers from the NGCDF Board

Description	2024/2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	179,441,954
Total	179,441,954

7. Transfers from domestic and foreign partners

Description	2024/2025
	Kshs
Grants	-
Total	-

8. Finance income

Description	2024/2025
	Kshs
Interest Income on Bank Deposits	-
Total	-

(Provide a brief explanation for this revenue)

9. Miscellaneous income

	2024/2025
	Kshs
Rental Income	-
Income from sale of tenders	-
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere (specify)	-
Total	-

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10. Employees cost

	<i>2024/2025</i>
	Kshs
NG-CDFC Basic staff salaries	1,862,838
Personal allowances paid as part of salary	-
House Allowance	163,456
Transport Allowance	260,376
Leave allowance	20,000
Gratuity to contractual employees	486,026
Employer Contributions Compulsory national social security schemes	108,328
Employer Contributions Compulsory Housing levy	34,102
Employer contributions to National Industrial Training Authority	5,450
Other Specify	-
Total	2,940,576

11. Committee Expenses

	<i>2024/2025</i>
	Kshs
Sitting allowance	2,241,246
Other Committee expenses	1,953,860
Total	4,195,106

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12. Use of Goods and services

	<i>2024/2025</i>
	Kshs
Utilities, supplies and services	257,009
Communication, supplies and services	217,830
Domestic travel and subsistence	279,800
Printing, advertising and information supplies & services	543,254
Office Rent	-
Training expenses	336,100
Hospitality supplies and services	335,482
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	1,074,922
Fuel, oil & lubricants	1,050,000
Bank charges	28,140
Routine maintenance – vehicles and other transport equipment	50,866
Routine maintenance – other assets	67,867
Strategic plan expenses	1,491,000
Other operating expenses	-
Total	5,732,270

13. Other Government Units Actual expenditure

Description	<i>2024/2025</i>
	Kshs

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Primary Schools Actual expenditure	36,311,100
Secondary Schools Actual expenditure	4,121,411
Tertiary Institutions Actual expenditure	-
Total	40,432,511

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14. Other Grants and transfers Actual expenditure

	<i>2024/2025</i>
	Kshs
Bursary – secondary schools	55,265,481
Bursary – tertiary institutions	2,284,813
Bursary – special schools	1,070,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	1,206,000
Security projects Actual expenditure	3,590,000
Climate change mitigation projects	-
Emergency projects Actual expenditure	3,006,567
Roads projects Actual expenditure	-
Others specify	20,000,000
Total	86,422,861

15. Depreciation and Amortization Expenses

Description	<i>2024/2025</i>
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

Description	<i>2024/2025</i>
	Kshs
Construction/ renovation/ Actual expenditure	-
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (<i>specify</i>)	-
Total	-

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17. Gain/loss on Sale of Assets

Description	2024/2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Gain/loss on Sale of Assets	-

(Provide brief explanation on gains on sale of fixed assets)

18. Impairment Loss

Description	2024/2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<i>(Include financial instruments that are impaired)</i>	-
Total Impairment Loss	-

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank Kapsabet Branch account no 0490261189435 (Operations account)</i>	125,082,125	55,405,735.69
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Equity Bank Kapsabet Branch, Account no.0490286513923 (Deposit account)</i>	486,026	-
Name of Bank, account No.(PMC accounts)	11,562,722	40,809,277.48
Total	137,130,873	96,215,013
Cash Balances		
Location 1	-	-
Location 2	-	-

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Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

(Provide a schedule of all reconciled PMC bank balances as at the end of the period)

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20. Receivables from Exchange Transactions

Description	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Total receivables		
Other exchange debtors (<i>Specify</i>)	-	-
Less: impairment allowance	-	-
Totalreceivables	-	-
a. Current receivables	-	-
b. Non-current receivables	-	-
Total Receivables (a+b)	-	-

(Entity to state the expected credit loss rates for various categories of its receivables. The entity should also disclose how ECL was arrived at in line with provisions of IPSAS 41.)

i. Ageing Analysis for Receivables

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

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21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	49,492,954		49,324,743.00	
Outstanding imprest	-		-	
Total	49,492,954		49,324,743	
Ageing Analysis- Receivables from non-exchange transactions	Insert Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

22. Prepayments

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Prepaid Rent	-		-	
Prepaid Insurance	-		-	
Prepaid Electricity Costs	-		-	
Other Prepayments (<i>Specify</i>)	-		-	
Total	-		-	

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 th June 2024	-	-	-	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-	-	-	-
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-
Net Book Values	-	-	-	-	-	-	-	-
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-

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Valuation

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020). These amounts were adopted on xxx.

23 b) Property, Plant and Equipment at Cost

If the freehold land, buildings and other assets were stated on the historical cost basis the amounts would be as follows:

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

Property plant and Equipment includes the following assets that are fully depreciated:

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	-	-
Office Equipment, Furniture and Fittings	-	-
Total	-	-

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24. Intangible Assets

Description	2024/2025
	Kshs
Cost	
Opening balance at 1 st July 2024	-
Additions	-
Disposal	(-)
At end of the 2024	-
Amortization and impairment	
At beginning of the year	-
Amortization	-
At end of the year	-
Impairment loss	-
At end of the year	-
NBV at July 1 st 2025	-
NBV at June 30 th 2025	

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024(Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
Accumulated Depreciation				
As At 1 July 2023 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2024 (Comparative period))	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
Carrying Amount				

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As At 30 June 2025 (Current FY)	-	-	-	-
As At 30 June 2024. (Comparative Period)	-	-	-	-

26. Trade and Other Payables

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables	-	-	-	-
Employee payables	-	-	-	-
Other payables	-	-	-	-
Total trade and other payables	-	-	-	-
Aging analysis: (Trade and other payables)	Current FY	% of the Total	1 st July	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	-	-
Retention held during the period (B)	2,703,513	-
Retention paid during the period (C)	1,333,923	-
Closing Retention as at period ended June 2025 D= A+B-C	1,369,590	-

Retentions aging analysis.

	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

(The total above should be equal to the closing retention)

28. Lease Liabilities

<i>Description</i>	<i>2024/2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

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Maturity Analysis

Period	Amount
Year 1	-
Year 2	-
Year 3	-
Year 4	-
Year 5 and onwards	-
Less: unearned Interest	-
	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	629,505	-
Gratuity held during the period (B)	486,026	629,505
Gratuity paid during the period (C)	490,174	-
Total Gratuity provision D=(A+B-C)	625,357	629,505

30. Cash Generated from Operations

	2024/2025
	Kshs
Surplus/Deficit for the year	39,718,630
Adjusted for:	
Depreciation	-
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Increase/decrease in receivables	168,211
	-
Increase/decrease in payables	4,148
Net cash flow from operating activities	39,546,271

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

31. Financial Risk Management

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

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i) Credit risk

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

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 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 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	49,492,954.00	49,492,954.00	-	-
Bank balances	96,215,013	96,215,013	-	-
Total	-	-	-	-
As at 30 June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	49,273,743	49,273,743	-	-
Bank balances	137,130,874	137,130,874	-	-
Total	332,112,584	332,112,584	-	-

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. The Entity has significant concentration of credit risk on amounts due from xxx. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, 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. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
Total	-	-	-	-
As at 30th June 2024				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Total	-	-	-	-

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 ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the *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) Foreign currency risk

The *Entity* has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The *Entity* manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

b) 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 *Entity's* 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 *Entity* 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.

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iv) Capital Risk Management

The objective of the Entity's capital risk management is to safeguard the Entity's ability to continue as a going concern. The Entity capital structure comprises of the following funds:

Description	2024/2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash And Cash Equivalentents)	-	-
Gearing	-	-

32. Related Party Disclosures

	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,241,246	3,415,964
	-	-
Transaction with the NGCDF Board	-	-
Transfers from the NGCDF Board during the year	179,273,743.00	194,087,603
Total	181,514,989	197,503,567

33. Segment Information

(Where an organisation operates in different geographical regions or in departments, IPSAS 18 on segmental reporting requires an Entity to present segmental information of each geographic region or department to enable users understand the Entity's performance and allocation of resources to different segments)

34. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Contingent Assets		
Insurance Reimbursements	-	-
Assets Arising from Determination Of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Receivables From Other Government Entities	-	-
Others (Specify)	-	-
Total	-	-

(Give details)

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Contingent Liabilities

Description	2024/2025	<i>Opening Statement</i> <i>1st July 2024</i>
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case xx against the Entity	-	-
Bank Guarantees in Favour of Subsidiary	-	-
Contingent Liabilities arising from Contracts Including PPPs	-	-
Others (Specify)	-	-
Total	-	-

35. Capital Commitments

Capital Commitments	Insert Current FY	<i>Opening Statement 1st</i> <i>July 20xx</i>
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments maybe those that have been authorized by the board but at the end of the year had not been contracted or those already contracted for and ongoing).

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

The Chesumei Constituency is a Fund under The National Treasury and Planning& managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

18. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation costbalance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	10,844,489	-	-	10,844,489
Buildings and structures	6,040,257	-	-	6,040,257
Transport equipment	1,332,700	-	-	1,332,700
Office equipment, furniture, and fittings	992,480	-	-	992,480
ICT Equipment and Other ICT Assets	273,000	300,000	-	573,000
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	19,482,926	300,000	-	19,782,926

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CHESUMEI ASSET REGISTER AS AT JUNE 2025

CONSTITUENCY NAME	ASSET NAME	CATEGORY NAME	BARCO DE NUMBER	PURCHASE DATE	COST	GENERAL DESCRIPTION	PURCHASE YEAR
Chesumei	Executive round table with extension for computer	Furniture&Fittings	Chesumei/001/2014	3/3/2014	75,500	In Use	2014
Chesumei	Executive chair (high back leather)	Furniture&Fittings	Chesumei/002/2014	3/3/2014	58,500	In Use	2014
Chesumei	Steel filling cabinet	Furniture&Fittings	Chesumei/003/2014	3/3/2014	25,200	In Use	2014
Chesumei	Steel filling cabinet	Furniture&Fittings	Chesumei/004/2014	3/3/2014	25,200	In Use	2014
Chesumei	Steel filling cabinet	Furniture&Fittings	Chesumei/005/2014	3/3/2014	25,200	In Use	2014
Chesumei	Reception chairs (3/2 combined)	Furniture&Fittings	Chesumei/006/2014	3/3/2014	47,600	In Use	2014
Chesumei	Office table	Furniture&Fittings	Chesumei/007/2014	3/3/2014	31,400	In Use	2014
Chesumei	Office table	Furniture&Fittings	Chesumei/008/2014	3/3/2014	31,400	In Use	2014
Chesumei	Office table	Furniture&Fittings	Chesumei/009/2014	3/3/2014	31,400	In Use	2014
Chesumei	Office chair(high back fabric)	Furniture&Fittings	Chesumei/010/2014	3/3/2014	16,000	In Use	2014
Chesumei	Office chair(high back fabric)	Furniture&Fittings	Chesumei/011/2014	3/3/2014	16,000	In Use	2014
Chesumei	Office chair(high back fabric)	Furniture&Fittings	Chesumei/012/2014	3/3/2014	16,000	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/013/2014	3/3/2014	9,200	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/014/2014	3/3/2014	9,200	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/015/2014	3/3/2014	9,200	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/016/2014	3/3/2014	9,200	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/017/2014	3/3/2014	9,200	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/018/2014	3/3/2014	9,200	In Use	2014

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Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/019/2014	3/3/2014	9,200	In Use	2014
Chesumei	Visitors chairs(with arms)	Furniture&Fittings	Chesumei/020/2014	3/3/2014	9,200	In Use	2014
Chesumei	Photocopier(kyoceraTaskalfer 180)	Computer	Chesumei/021/2014	3/3/2014	167,000	In Use	2014
Chesumei	HP Deskstop computer co13 4GB RAM 500HBD	Computer	Chesumei/022/2014	3/3/2014	74,500	In Use	2014
Chesumei	Dell Desktop Computer	Computer	Chesumei/023/2014	3/3/2014		In Use	2014
Chesumei	UPS APC	Computer	Chesumei/024/2014	3/3/2014	14,200	In Use	2014
Chesumei	HP Laptop (ci34GB500GBHDB)	Computer	Chesumei/025/2014	3/3/2014	75,000	In Use	2014
Chesumei	HP Printer lasejet pro 400	Computer	Chesumei/026/2014	3/3/2014		In Use	2014
Chesumei	HP Printer lasejet pro 400	Computer	Chesumei/027/2014	3/3/2014	62,500	In Use	2014
Chesumei	Fire Proof money safe	Plant &Equipment	Chesumei/028/2014	3/3/2014		In Use	2014
Chesumei	Scanner	Computer	Chesumei/029/2014	3/3/2014		In Use	2014
Chesumei	Motor Vehicle	Plant &Equipment	Chesumei/030/2015	16/09/2015	5,750,000	In Use	2015
Chesumei	HP Deskstop Computer Core i5 8GB RAM500GB HDD	Computer	Chesumei/031/2017	9/1/2017	99,000	In Use	2017
Chesumei	HP Deskstop Computer Core i5 8GB RAM500GB HDD	Computer	Chesumei/032/2017	9/1/2017	99,000	In Use	2017
Chesumei	HP Laptop (ci34GB500GBHDB)	Computer	Chesumei/033/2017	9/1/2017	100,800	In Use	2017
Chesumei	HP Laptop (ci34GB500GBHDB)	Computer	Chesumei/034/2017	9/1/2017	100,800	In Use	2017
Chesumei	Office curtains	Furniture&Fittings	Chesumei/035/2019	31/07/2019	300,200	In Use	2019
Chesumei	Electric wheel chair(For PWD)	Plant &Equipment	Chesumei/036/2019	27/05/2019	273,000	In Use	2019
Chesumei	CDF Office Block	Plant &Equipment	Chesumei/037/2019	23/08/2019	10,844,489	In Use	2019
Chesumei	Board room Conference Table	Furniture&Fittings	Chesumei/038/2019	27/08/2019	255,500	In Use	2019
Chesumei	15 No.Conference Chairs	Furniture&Fittings	Chesumei/039/2019	27/08/2019	268,500	In Use	2019
Chesumei	Executive Boardroom Chair	Furniture&Fittings	Chesumei/040/2019	27/08/2019	35,500	In Use	2019
Chesumei	Motor Cycle	Plant &Equipment	Chesumei/041/2020	23/11/2020	290,257	In Use	2020

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Chesumei	HP Laptops (2)- (ci54GB500GBHDB)	Computer	Chesumei/042/2022	10/12/2021	199,680	In Use	2021		
Chesumei	HP Laptops (2)- (ci54GB500GBHDB)	Computer	Chesumei/043/2024	30/10/2024	300,000	In Use	2024		

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Annex 2 –PMC Bank Balances As At 30th June 2025*

PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
PRIMARY PROJECTS				
BIREI SDA	Coop-Kapsabet	1139426845720	16,920.00	
EMSOS PRY	COOP	1139538261901	40,159.75	
kisabei primary	EQUITY BANK	490212343118	-	
sironoi	EQUITY BANK	490278966421	2,189.00	1,256.00
sdalelboinet primary	Coop-Kapsabet	1139326744700	1,031.50	4,149.00
ststephenkapkurunjo primary	EQUITY BANK	490297419299	112,695.50	1,553.50
KAPKONJUSMO PRY	COOP	1139441166600	98,485.50	1,201,794.50
CHEPSUI PRIMARY	COOP	1139327212400	1,651.00	1,651.00
KAPTIEN GAA PRIMARY SCHOOL	COOP	1139329342900	1,223.00	1,463.00
KIPSASURON PRIMARY SCHOOL	COOP	1139328444701	113,838.50	1,201,172.50
LELMOKWO ACADEMY	COOP	1139440100300	83,963.70	1,200,225.00
PAG JERUSALEM PRY SCHOOL	COOP	1139440863300	55,623.00	1,204,384.00
AgcNgeny	Coop-Kapsabet	1139328889001	397,000.50	3,100,864.50
Fr Kuhn Academy	Coop-Kapsabet	01139326214400	1,060.00	23,000.00
Kapkitara Pry			108,001.50	1,202,298.50

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Kaptobongen Pry	Coop-Kapsabet	1139326744700	167,214.00	1,205,039.00
KIPTUIYA PRIMARY	COOP	1139329211500	1,315.00	1,315.00
SIKSIKET PRIMARY	EQUITY BANK	490266853118	1,447.00	1,447.00
KAPKECHUI PRY SCHOOL	EQUITY BANK	490269996421	5,802.00	5,802.00
KAPTOROI PRIMARY SCHOOL	EQUITY BANK	0490262670411	81,432.50	81,432.50
AckCheitrot Pry	EQUITY	490266780056	45,303.75	45,303.75
AicMosoriot Primary	EQUITY BANK	490298405595	19,083.00	19,083.00
Chomisia Pry	Equity -Kapsabet	0490298649005	1,047.50	304,837.50
Kipsinende Pry	Equity -Kapsabet	490277638712	157,210.00	1,201,100.00
Samocil,leboinet Pry	Equity -Kapsabet	490291729331	4,149.00	4,149.00
Tuiyobei Primary	Equity -Kapsabet	0490279412372	59,578.40	1,253,438.40
AIC NDUROTO PRIMARY	EQUITY	490279966669	24,298.00	24,298.00
KIPKORIONY PRIMARY	Equity -Kapsabet	490262106496	3,292.75	3,292.75
AicBelekenya Pry	KCB	1137380179	64,160.00	1,204,620.00
Cheptigok Pry	KCB	1151902527	3,773.00	3,773.00
HOLY FAMILY LELMOKWO	NATIONAL	1024117120900	1,284.00	1,284.00
KIUTANY PRY	NATIONAL	1024056774400	792.00	792.00
NDONYONGARIA PRIMARY SCHOOL	NATIONAL	1024028056901	9,513.45	9,513.45
ACK ST LUKE BIRIBIRIET	EQUITY	490261189435	136,190.00	1,800,280.00

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
Kapkuto Primary	National- Kapsabet	1022221700100	613.75	613.75
Kombe Primary	National- Kapsabet	2455586001	2,586.00	2,586.00
Mwein Pry	National- Kapsabet	2455930101	13,409.65	1,200,739.65
St Mark Kabaa Pry	National- Kapsabet	01022246186800	85.00	85.00
KAPNYEMISA PRY SCHOOL	National- Kapsabet	1025056785901	261,510.00	3,071,679.00
kunurter	SIDIAN	1008030011121	62,765.95	1,205,674.95
ST EMMANUEL KAPKOIMET PRY	NATIONAL	10224055821901	116,438.85	1,200,000.00
AicBaraton Academy	EQUITY	490270221065	81,722.60	1,200,279.60
NANDI PRIMARY	NATIONAL	2455697201	297,677.50	2,400,000.00
SDA KAMOYWA PRY	EQUITY	490299812904	16.55	3,000,616.55
CHEMUNDU PRY	EQUITY	490214517775	95,649.00	1,200,665.00
kokwet pry	EQUITY	490278845985	1,200,254.00	300,394.00
aicsirgoi academy	EQUITY	490299274693	1,200,000.00	
CHEBIL PRIMARY SCHOOL	EQUITY	490299812904	15,387.00	1,300,000.00
TOTAL			5,168,844	32,397,945
SECONDARY PROJECTS				
aiccheptwolio secondary	SIDIAN		97,184.00	

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
aictamboiyo secondary	EQUITY	490262824874	2,500,000.00	
KIMONDI SECONDARY	COOP	1139325031300	873.50	170,803.50
KAPCHEPKOK SECONDARY	COOP	11393561089401	1,986.50	1,986.50
AicSirgoi Modern Day Sec	COOP	1139327006200	6,552.60	6,552.60
ACK LAGAT HIGH SCHOOL	EQUITY	490299733714	3,872.00	302,762.00
Itigo Girls Sec	KCB- Kapsabet	1128894998	14,679.75	14,679.75
AIC NDONYONGARIA SEC	NATIONAL	1022243674700	47,204.50	47,204.50
NGECHEK SECONDARY SCHOOL	NATIONAL	1025018735200	64,505.00	64,505.00
St Patrick Ndaptabwa Sec	National- Kapsabet	2156025200	141,662.90	141,662.90
St Stephen Kiptuiya	NATIONAL	245689300	134.61	312,124.61
ST CANISIOUS KIPSASURON SEC SCHOOL	EQUITY	490262924873	150,594.50	1,204,631.50
AIC MOI KAPKUTO SEC SCHOOL	COOP	1139325031300	920,595.00	2,003,819.00
TOTAL			3,949,844.86	4,270,731.86
EMERGENCY PROJECTS				
AIC KABILO PRY	Equity -Kapsabet	490299704991	1,080.00	3,510.00
ST STEPHEN KAPKURUNJO PRY	Equity -Kapsabet	0490262670411	-	
AIC SANIAK PRY	Equity -Kapsabet	490279403154	-	

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PMC	Bank	Account number	Bank Balance Current FY	Bank Balance Comparative FY
NDAPTABWA PRY	Equity -Kapsabet	490299482631	-	790.15
KIPSIRWO PRY	Equity -Kapsabet	490262106496	1,952.67	1,866.67
AIC SIRGOI ACADEMY	Equity -Kapsabet	1137278196	90,000.00	
TANGATON PRY SCHOOL	KCB- Kapsabet	1136977317	830.00	990.00
KIPCHABO PRIMARY	KCB- Kapsabet	1128894977	13,633.45	803.45
OLBUTENERT PRY	KCB- Kapsabet	1151906627	406.50	371,509.00
ackstpaulscheirot primary school	KCB- Kapsabet	1238994849	1,500,000.00	
SAMOO PRIMARY	KCB- Kapsabet	490299704991	666,261.00	1,261.00
TOTAL			2,274,163.62	380,730.27
Security projects				
Kosirai Assistant County Comm	Equity -Kapsabet	0490272283271	8,435.00	8,435.00
KAPTEL CHIEF'S OFFICE	KCB	1281929050	1,435.00	1,435.00
KIPNG'ERU ASST CHIEFS OFFICE	EQUITY	490285574378	100,000.00	3,000,000.00
KIBOSWA ASST CHIEFS OFFICE	EQUITY	490285490390	60,000.00	750,000.00
TOTAL			169,870.00	3,759,870.00
GRAND TOTAL			11,562,722.13	40,809,277.48

Annex 3: Progress On Follow Up of Auditor Recommendations

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The following is a summary of issues raised by the external auditor, management comments provided to the auditor, and subsequent progress made on resolving the issues.

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	<p>Unsupported Project Management Committee Bank Balances</p> <p>Note 19.4 to the financial statements and as disclosed in Annex 5 reflects Project Management Committee (PMC) bank balances of Kshs.2, 464,150 in respect to fifty (50) bank accounts held in various commercial banks. However, cash books, bank reconciliation statements, certificate of bank balance and bank statements for fifty (50) bank accounts were not provided for audit review.</p> <p>In the circumstances, the accuracy, completeness and existence of PMC bank balances could not be confirmed.</p>	<p>NG-CDF Act 2015 sections 38 provided that project under the act will be implemented by the PMC. Therefore projects under the fund are implemented by PMC who are responsible for the preparation of books of accounts. The said books of accounts are readily available at the PMCs level. PMC Bank statements are also available for review at the NGCDFC office.</p>	Resolved	
2	<p>Budgetary control and Performance</p>	<p>The underutilization and underperformance was as a result of</p>	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>delayed disbursement of funds from the NGCDF Board. This in turn affected the implementation of planned programs/approved projects</p> <p>Nevertheless, Chesumei NG- CDF management will continue liaising with the board so as to ensure that funds are disbursed promptly and that the budgeted /approved activities are implemented in time.</p>		
3	<p>Un resolved Prior year Audit Matters</p> <p>In the audit report of the previous year, several paragraphs were raised under the Report on the Financial Statements, the Report on Lawfulness and</p>	<p>Indeed there are a few unresolved prior year Audit matter that are yet to be cleared, However, plans are under way for the Decentralized Funds</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. Even though Management has provided explanation on the progress made on the recommendations made by the auditors, the issues have remained unresolved as the relevant Parliamentary committee had not discussed them.</p>	<p>Accounts Committee of parliament to review the various audit reports with the view of clearing the outstanding issues.</p>		
4	<p>Unsupported Emergency Projects The statement of receipts and payments reflects other grants and payments balance of Kshs.76,279,703 for the financial year 2023/ 2024 which includes emergency projects payments of Kshs.6,700,000. However, evidence to show the nature of projects and if they met the emergency criteria has not been provided for audit review. Further, there was no evidence to</p>	<p>The projects funded through emergency funds were emergency in nature since most of the projects were sunken toilets which could not wait till the next financial year without harming the public interest of the constituents. The utilization of this kitty is normally reported alongside</p>	Not Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	indicate that the constituency committee reported to the Board within thirty days of occurrence of emergency in respect to utilization of Kshs.6,700,000 in emergencies during the year in accordance to Regulation 20(2) of National Government Constituencies Development Fund Regulations, 2016 .	other projects on Monthly basis through Monthly Expenditure Returns (MER).However, going forward, the utilization of emergency reserves will be reported to the board on timely basis as per the laid down guidelines.		



Harun K. Chebii
 Fund Account Manager.