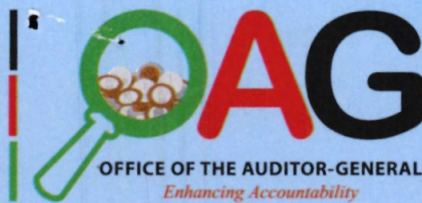


REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
REPORT	DATE: 11 FEB 2026
	DAY: Wednesday
TABLED BY:	Hon (Dr.) Robert Rufuse
OF	on behalf of Leader of Majority
CLERK AT THE TABLE:	W. O. O. O.

PARLIAMENT
OF KENYA
LIBRARY

THE AUDITOR-GENERAL

ON

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

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

SAMBURU EAST 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)

Table of Contents	Page
1. Acronyms and Definition of Key Terms.....	II
2. Key Constituency Information and Management.....	III
3. NGCDF Committee	VII
4. NG-CDFC Chairman’s Report	X
5. Statement Of Performance Against Predetermined Objectives for FY2024/2025	XV
6. Governance Statement.....	XVII
7. Management Discussion and Analysis	XXV
8. Environmental and Sustainability Reporting.....	XXIX
9. Statement Of Management Responsibilities	XXXIII
10. Report Of the Independent Auditor on the NGCDF- Samburu East Constituency	xxxv
11. Statement of Financial Performance for the Year Ended 30th June 2025	1
12. Statement Of Financial Position As At 30th June, 2025	2
13. Statement of Changes in Net Assets for the year ended 30 June 2025.....	4
14. Statement Of Cash Flows for The Year Ended 30th June 2025	5
15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025	6
16. Budget Execution by Sectors And Projects For The Year Ended 30 th June 2025	8
17. Notes to the Financial Statements	15
18. Annexes	53

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 Fund.

Comparative Year- Means the prior period.

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 Samburu East 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	Hemistone Kemboi
2.	National Sub-County Accountant	Beatrice Kingori
3.	Chairman NGCDFC	Mathew Lalaigwanani
4.	Member NGCDFC	Letiwa Tom (Deposit)

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Samburu East 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 Samburu East Constituency Headquarters

NG-CDF Building
Wamba Town,
P.O. Box 21
Wamba, KENYA

(e) NGCDF Samburu East Constituency Contacts

Telephone: (254) 7215515008

E-mail: cdfsamburueast@cdf.go.ke

Website: www.ngcdfsamburueast.go.ke

(f) NGCDF Samburu East Constituency Bankers

1. Operations Account.
Equity Bank
Branch- Maralal
P.O Box 75104-00200
Nairobi.
2. Deposit account.
Equity Bank
Branch- Maralal
P.O. Box 75104-00200,
Nairobi.
3. Project Management Committee Accounts
Equity Bank
Branch-Maralal
P.O. Box 75104-00200,
Nairobi



(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
 <p>Mr. Mathew Lalaigwanani- Chairman</p>	<p>He was born on 1st January, 1959 and is the current Chairperson and has served in the same capacity for 3 years in a row. He's aged 66 years, having a bachelor of education. He is a retired teacher having taught at various schools</p>
 <p>Letiwa Tom- Secretary</p>	<p>He was born on 5th March, 1973 and is the current NG-CDFC Secretary, having served in the same capacity for 3 years in row representing Female(Adult) Aged 52 years and a career high school teacher.</p>
 <p>Raphael Lesiyaloi-Member</p>	<p>He was born on 3rd December, 1990 and is the current NG-CDFC member representing Male youth. He is 35 years of age and a holder of Diploma in communication and media at Pan Africa Christian University and currently undertaking bachelor of business administration at USIU Africa.</p>
 <p>Lilian Loltianya-Member</p>	<p>She was born on 2nd February, 1991 and is the current NG-CDFC member, a female representative. He is 34 years of age and a holder Diploma in Theology from Moffat Bible college.</p>

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

Name	Details
 Janet Akiru-Member	<p>She was born on 6th March , 1991 and is the current NG-CDFC member representing Female youth a position She has served for three years</p> <p>She is 34 years of age and a holder of KCSE certificate Currently undertaking certificate in community health assistant at Mt Kenya University</p>
 Lenamarker Teresa-Member	<p>She was born on 3rd January, 1987 is the current NG-CDFC member Representing PWDs has served for 3years. She is 38 years of age and trained Accountant with KASNEB, graduate of KIM with Public Relations, section II and Certificate in business management.</p> <p>She is a businessman and is engaged in community service</p>
 Jennifer lekalgitele-Member	<p>She was born on 5th June, 1990 and is the current NG-CDFC member Representing Female(Adult) she is 35 years of age and a holder Bachelor of Education Arts from Laikipia University.</p>
 Leleruk Mike-Member	<p>He was born on 25th February, 1983 is the co-opted NGCDF member has served for three years</p> <p>He is 42 years old and a holder PI certificate from Meru Teachers Training college</p> <p>He is a business man and is engaged in community service</p>
Stanley Langat	<p>He was born on was on 9th September 1974.</p>

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

Name	Details
<p>Sub county commisioner</p>  <p>DCC</p>	<p>He is a holder of master in public administration from University of Nairobi with over 30years experience in public administration. He is the current Deputy County Commissioner, Samburu subcounty. He is a member of the NG-CDFC Samburu East as a government official.</p>
 <p>Mr. Hemistone Kemboi Fund Account Manager</p>	<p>He was born 7th November 1993 He is 32 years of aged served as Fund Account Manager from 2017 He is a member of NG-CDF Committee as an Officer of the Board and an Ex-official.</p>

4. NG-CDFC Chairman's Report



Mathew Lalaigwanani -NGCDFC Chairman

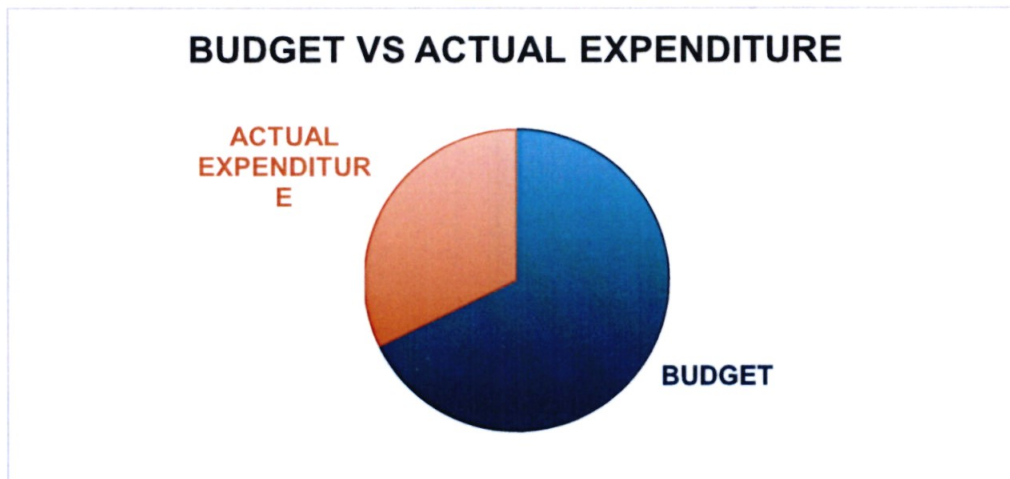
FUNDS DISBURSEMENTS:

Samburu East NG-CDF management and PMCs has in the last financial year disbursed and spent Kshs 99,236,434 out of a total allocation of Kshs 170,469,857 plus unspent balance from the FY 2023/2024 of Kshs 11,993,206.3 and un disbursed Kshs 17,499,999 from the Board making a total budget of Kshs 208,694,496 .

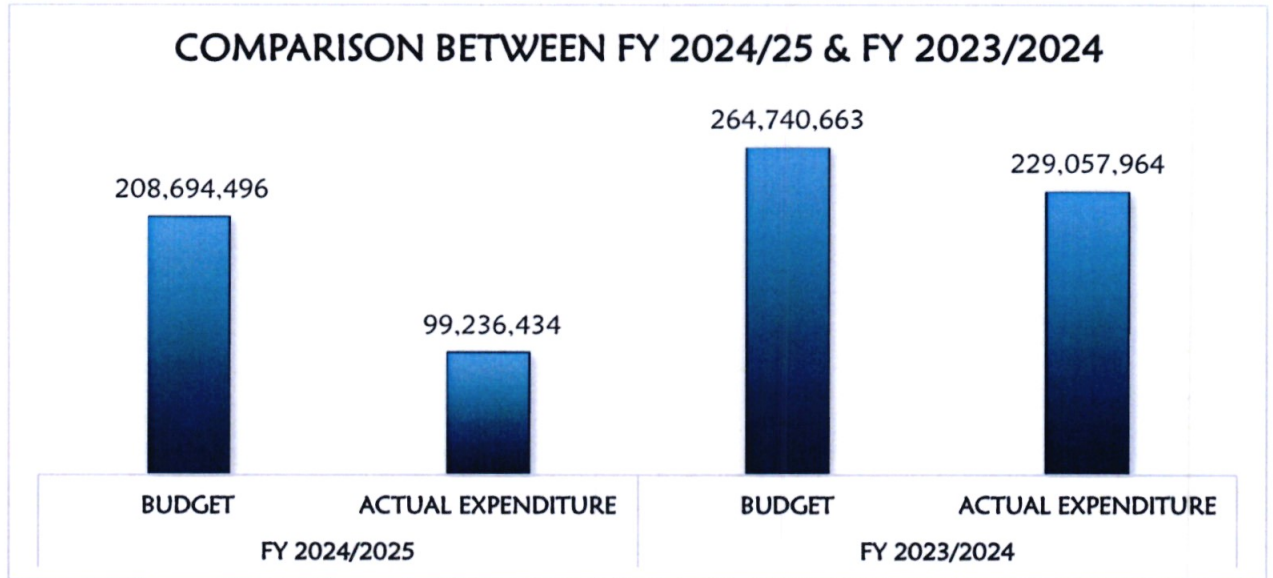
The PMCs spent a total of Kshs 36,735,874 in implementation of various projects while the NG-CDFC disbursed a total of Kshs 168,277,513.80.

GRAPHICALLY

1. BUDGET VS ACTUAL EXPENDITURE FOR THE FY 2024/2025



2. COMPARISON BETWEEN FY2024/2025 & FY 2023/2024



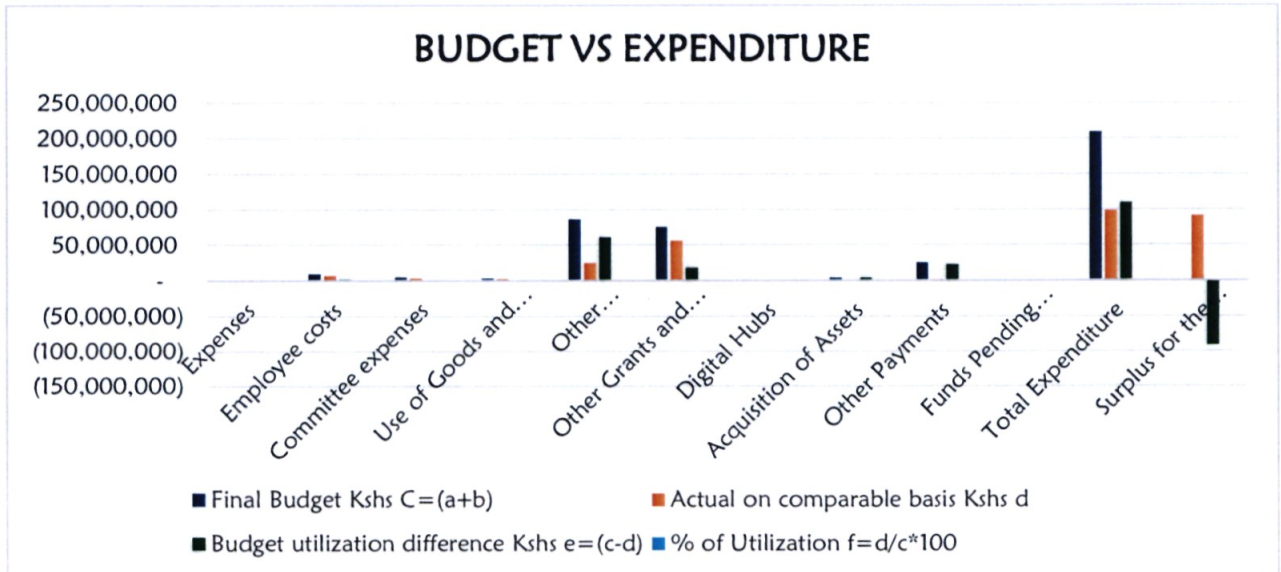
3. EXPENDITURE DURING THE YEAR

	Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs	Kshs	
	C=(a+b)	d	e=(c-d)	f=d/c*100
Expenses				
Employee costs	9,604,735	7,804,813	1,799,922	81%
Committee expenses	5,722,728	5,690,800	31,928	99%
Use of Goods and Services	3,380,609	1,104,947	2,275,662	32%
Other Government Units Certified Works	86,203,995	43,413,195	42,790,800	50%
Other Grants and Transfers	75,382,428	57,102,394	18,280,034	76%
Digital Hubs	-		-	0%
Acquisition of Assets	4,000,000	-	4,000,000	0%
Other Payments	25,400,000	2,400,000	23,000,000	9%

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

Funds Pending Approval**	-	-	-	-
Total Expenditure	208,694,496	117,516,149	92,178,346	78%
Surplus for the period		91,178,347	(91,178,347)	

GRAPHICALLY



Key Achievements:

The greatest achievements are in project implementation which included improvement of learning structures in schools by construction of classrooms and administration blocks.

The management also constructed several classes during the financial year to create conducive environment for learning:

Sample of the projects implemented:

Some of our achievements include the following as depicted by a few pictures

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



NG CDFC delivering desks to Tipito Girls Secondary school.



The NGCDFC ready to distribute beds and mattresses to various schools.



The NGCDFC distributing bursary to the needy students from the constituency.

Emerging issues:

Emerging issues include:

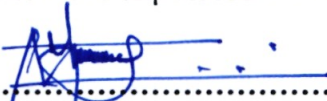
1. High demand for bursary due to high poverty index.
2. High cost of building materials due making the cost of building a classrooms higher and hence less number are allocated funds in the Financial Year

Challenges:

1. Some schools are inaccessible due to poor road networks

Way forward

The NG-CDF Board to disburse projects on timely basis for the constituencies to implement projects within the stipulated financial year.


.....
Name: Mathew Lalaigwanani
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY2024/2025

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 Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government Fund's performance against predetermined objectives.

The key development objectives of the *NGCDF Samburu East Constituency 2022-2027* plan are to:

- To mobilize more resources for community development.
- To improve safe water supply.
- To improve the health standards of the constituency.
- To improve infrastructure, especially schools and roads within the constituency.
- To build capacity of the community to implement development projects.
- Empower and training of youth

Progress on the attainment of Strategic development objectives

To implement and cascade 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 all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 2024/2025 -we have constructed 3 admin blocks, Renovated 80 classrooms in primary schools, , constructed 20 junior schools classrooms, disbursed bursary for the 9,000 needy

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

Constituency Program	Objective	Outcome	Indicator	Performance
				students, drilled 4 borehole
Security	To have conducive working environment for security agencies	Increased construction of chief's office	Improved security in the area	In FY 2024/2025 we have constructed 1 chiefs offices and 1 ACCs office. The management has also allocated funds for renovation of 10 chiefs offices at kshs 200k
Climate Change Mitigation Activities	To improve environment by carrying out environmental activities	Increased planting of trees both indigenous and fruit trees	Improved environment	In the FY 2024/2025, management did implemented environment projects worth Kshs 1,336,410 for supply and planting of tree seedlings at various institutions.
Emergency	To mitigate disasters through disaster management	Increased capacity building on disaster management	Improved awareness	Management has carried out PMC & CDFC capacity building to improve in the management of NG-CDF funds, disbursed emergency funds worth Kshs 7.3M

6. Governance Statement

Background

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency.

Further, Section 5 (1) of the regulation states that the members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a vacancy in the Constituency Committee.

The officer of the board coordinated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

Section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

- i. One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- ii. Officer of the Board seconded to the constituency who is be the secretary of the selection panel

Further the NG CDF regulations requires that for one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

a. NG-CDFC process of appointment

The NGCDF Act 2016 on appointment of NGCDFC members' states;

(1) The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee.

Kenya Subsidiary Legislation, 2016 1951

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

- (4) The selection panel referred to in paragraph (1) shall consist of—
- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
 - the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
 - Two persons, one of either gender, nominated by the Constituency office.
- (5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.
- (6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act
- (7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.
- (8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.
- (9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.
- (10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.
- (11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette. 1952 Kenya Subsidiary Legislation, 2016

To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicized in churches, public offices notice boards and other public areas in the constituency. The selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed from Samburu East Constituency Office as per section 43 of the NG-CDF Act, 2015.

Five best NG-CDF applicants were selected taking into account age, gender, special interest groups and regional balance in accordance with section 43(2)(b)(c) and (d) of the Act

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

NO.	NAME	CATEGORY	WARD
1.	Lesiyaloi Raphael	Male (adult) representative	Wamba East
2.	Lekalgitele Jeniffer	Female (adult) representative	Wamba East
3.	Leleruk Mike	Male (Youth) representative	Wamba West
4.	Lilian Loltianya	Female (female) representative	Wamba West
5.	Lenamarker Teresa	Female (PWD) representative	Wamba East

Constituency Nominees

NO.	NAME	CATEGORY	WARD
1.	Lalaigwanani Mathew	Male nominee representative	Wamba West
2.	Akiru Janet	Female nominee representative	Waso ward

CO-OPTED MEMBER

NO	NAME	WARD
1.	Letiwa Tom	Wamba North

The list of the selected and recommended members was forwarded to the NG_CDF Board and were further gazetted through a gazette notice dated 25th May, 2025.

The Samburu East NG_CDFC Members were gazetted as follows

S/N	Name	Category	Statutory Provision Under NG-CDF Act
1.	Mathew Lalaigwanani	Male Adult Representative	Appointment, pursuant to Sec. 43 (2) (b)

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

2.	Lesiyaloi Raphael	Male Adult Representative	Appointment, pursuant to S 43 (2) (b)
3.	Janet Akiru	Female Youth Representative	Appointment, pursuant to Sec. 43 (2) (c)
4.	Lekalgitele Jeniffer	Female Adult Representative	Appointment, pursuant to Sec. 43 (2) (c)
5.	Lenamarker Teresa	Representative of Persons Living with Disability	Appointment, pursuant to Sec. 43 (2) (d)
6.	Leleruk Mike	Male Youth Representative	Appointment Pursuant to Sect. 43 (2)(e)
7.	Lilian Loltianya	Female Adult Representative	Appointment Pursuant to Sect. 43 (2)(e)

The First NG-CDFC inaugural meeting was held on 8th July, 2025. The members carried out an election for the position of a chairperson and the secretary of the committee. The following member were elected.

	NAME	POSITION	WARD
1	Mathew Lalaigwanani	Chairperson	Wamba West
2	Letiwa Tom	Secretary	Wamba North

NG-CDF Regulations Section 7(6) & (7) requires that the first meeting, a Constituency Committee shall establish two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board and in establishing sub-committees. Under paragraph 5, constituency Committee shall ensure that there is equitable representation

The Committees were constituted as follows;

1. Bursary Sub-committee

	NAME	POSITION
1.	Sub-County Director of Education	Chairperson
2.	Hemistone Kemboi-FAM	Secretary
3.	Raphael Lesiyaloi	Member
4.	Lilian Loltianya	Member
5.	Janet Akiru	Member

2. Complaint Handling & Resolution Sub-Committee

	NAME	POSITION
1.	Stanley Langat-DCC	Chairperson

2.	Letiwa Tom	Secretary
3.	Lekalgitele Jeniffer	Member
4.	Lenamarker Teresa	Member

b. NG-CDFC Tenure

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the NG-CDF Act 2015.

The tenure of the current committee were Gazetted on 21st May 2025. The term of the previous committee members expired on 18th December 2024 and after recruitment process, all the previous members were retain in a period of 2 years. The current term of the committee expires on 21st May 2027 and can be renewed subject to boards guidelines and their performance.

c. The Role of the Constituency Committee

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

d. Removal of a member

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

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

- (a) Lack of integrity;
- (b) Gross misconduct;
- (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 under subsection (13) is 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. In Samburu East the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Handing Over

The handing over of the office by the outgoing NG-CDFC Committee to the Incoming committee was carried out smoothly and successfully on 8th July, 2025.

e. NG-CDFC Induction and training

In the financial year 2024/2025 the NGCDF Board organized training of NGCDFC members. During the training, critical areas such as public finance, project planning, procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Samburu East.

f. Number of meetings

Schedule of meetings held during the FY 2024/2025

S. No	Name of committee member	12/07/2024	26/07/2024	16/08/2024	31/08/2024	12/09/2024	29/09/2024	17/10/2024	11/11/2024	21/11/2024	07/12/2024	19/12/2025	18/01/2025	13/02/2025	26/02/2025	25/03/2025	04/04/2025	29/04/2025	13/05/2025	27/05/2025	25/06/2025
1	Mathew Lalaigwanani - Chairman	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Lenamarker Teresa - Member	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	Hemistone Kemboi-Fam	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

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

4	Lekalgitele Jeniffer- Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Letiwa Tom - Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Raphael Lesiyaloi- Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Lilian Loltianya- Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Lenamarker Teresa- Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Janet Akiru - Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Said Mwamzungu- DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

g. Remuneration Rates

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance Kshs. 7,000 per meeting and all other members an allowance of Kshs.5, 000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary’s circular on members sitting and field allowances.

h. Disclose the policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2024/2025 no member of NGCDFC Samburu East contravened conflict of interest policy.

i. 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.

j. 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.

k. Risk Management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations. Embracing the Enterprise Risk Management system and attesting to monthly, quarterly bi-annually and annually compliance and key risk indicators questions, implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification

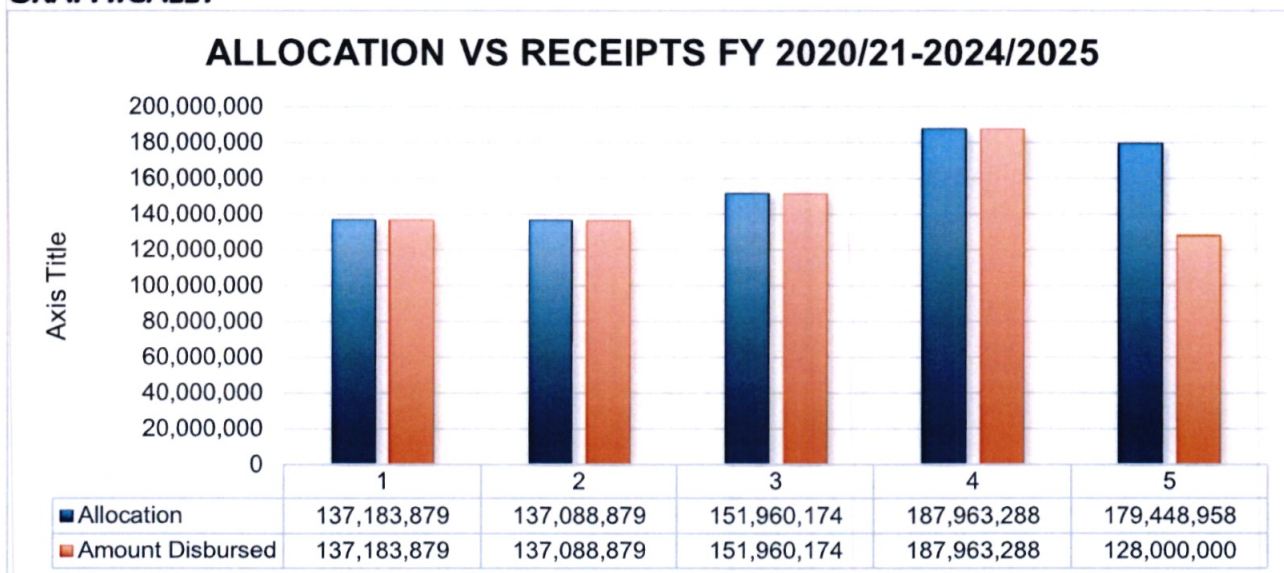
7. Management Discussion and Analysis

a. Sector Performance

Samburu East NG-CDF has been operational since 2013 but would provide financial analysis for the past five years on how much the Fund has received and spend in the various critical sectors being Education and Security.

Financial Year	Allocation	Amount Disbursed	Percentage
2020-2021	137,183,879	137,183,879	100%
2021-2022	137,088,879	137,088,879	100%
2022-2023	151,960,174	151,960,174	100%
2023-2024	187,963,288	187,963,288	100%
2024-2025	179,448,958	128,000,000	71%
Total	793,645,178	742,196,220	

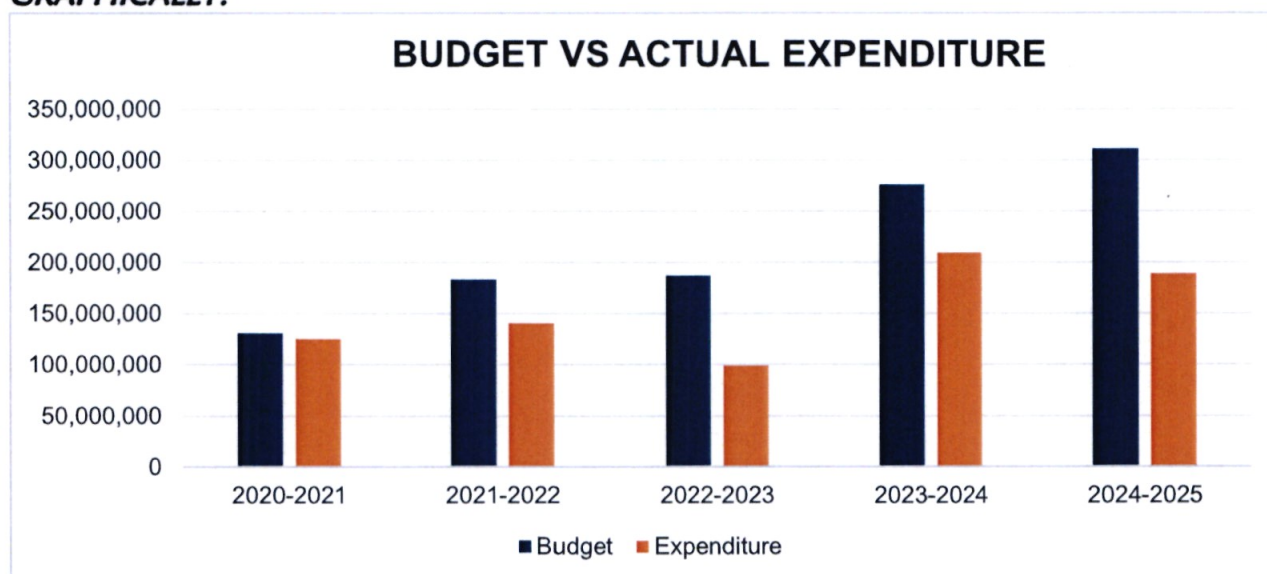
GRAPHICALLY



b. Expenditure summary for the last five(5) years

Financial Year	Budget	Expenditure
2020-2021	262,687,097	160,248,632
2021-2022	239,527,344	185,318,924
2022-2023	192,423,453	109,723,397
2023-2024	261,254,210	135,016,781
2024-2025	208,694,496	117,516,149
Total	1,164,586,600	707,823,883

GRAPHICALLY:



c. Summary of Disbursement to Projects in the Last 5 Years

Sector	Allocation	Percentage (%)
Primary Schools	270,860,500	33
Secondary Schools	150,500,000	28
Bursary	124,729,000	19
Others Grants	103,867,400	19
	649,956,900	100

d. NG-CDF Achievements

Samburu East NG-CDF Committee has always endeavored to ensure timely implementation approved projects and equitable distribution of allocation within the four wards in the constituency. Some of the notable achievements are as shown in the table below: -

Category	No. Implemented
New Classrooms	620
Bursary	Over 9,000 needy students per year
Administration Blocks	24
Dining Hall	8
TVET classrooms	8
Chiefs Offices	16
ACCs office	1
Classrooms Renovations	300
NG-CDF office	1
Buses	6

--	--

Through the NG-CDF, massive infrastructural facilities have been constructed in the following schools which has in turn led to an increase in the enrolment rates and performance of students in the schools: -

1. Bursary Disbursement

S/NO	SECTOR	ACTIVITY	TOTAL AMOUNT
1	BURSARY	Payment of bursary to needy student	225,729,000
TOTAL			225,729,000

- The constituency has more than 100 students under full scholarship
- Bursary pays tuition fees for every orphan and extremely needy cases without under going bursary vetting

2. Project implementation

The constituency has implemented projects in the constituency that has high impact by improving access to education infrastructure:

CLIMATE CHENAGE MITIGATION

- The constituency has not allocated funds for this project in this financial year.

Compliance with statutory requirements

Samburu East NG-CDF is an Fund that is fully guided by the constitution of Kenya 2010, NG-CDF Act 2015, NGCDF(R) 2016, PFM Act 2012, PFM(R) 2015 PPADA 2015, PPADA(R) 2020 and Presidential directives, Treasury circulars, NG-CDF Board Policy, and has been in full compliance of the same.

For instance schedule four of the constitution 2010 has outlined the roles of National Government and County Government and in no instance has Samburu East been cited for non-compliance.

Samburu East NG-CDF has been able to equally meet its legal obligations for instance payment of taxes like VAT withholding tax from contractors, Income tax, Housing Levy, NSSF, SHIF and Withholding Tax as required and further commits to operate within the law even to the future.

Risks facing the fund

NG-CDF Samburu East is compliant with NG-CDF Board risk management policy by developing a constituency risk register and the fund manager does regular attestation.

NG-CDF Samburu East faces the following risks:

Major litigation and courts battles at the national level.

Political interference.

NGOs interference

Arsons and burglaries

The constituency has tried mitigating risks by doing public participation when doing project proposal, building with CCTV installation to mitigate physical risks,

Material arrears in Statutory and other financial obligations

The constituency does not have material arrears in statutory and other financial obligations.

The constituency has complied with statutory requirements by remitting statutory requirements to relevant authorities and in no instance has Samburu East been cited for non-compliance.

Review of the Economy, Sector and Future Developments

The Kenyan Economy has not been doing well in the past years due to the many factors such as the Covid 2019 that reduce the business growth and hence revenue collection. NG-CDF as a fund was equally affected by the same whereby the cost of implementing projects increased hence affecting completion timelines and even the budget process.

In the last three years there has been improvement in the revenue growth which has led to increased budgetary allocation of the Fund even at the constituency level. This has been elaborated in the above table.

With the intention to entrench the Fund in the Kenyan Constitution, there is a good chance that in the future the Fund will grow and be able to spur more economic growth at the constituency level. Samburu East NG-CDF has put in place mechanisms through its strategic plan to ensure more projects are implemented within the next three years.

..........

Name: Hemistone Kemboi
Fund Account Manager

8. Environmental and Sustainability Reporting

Environmental matters relates to mitigation of the climate change effects that has been put forward as a government agenda. The recent amendment of NGCDF Act 2015 to increase the allocation to climate change mitigation activities from 2% to 5% has ensured this objective is achieved through the NGCDF Fund.

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Samburu East 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, reforestation, grassroots sensitization, and tree seedling production.

2. Environmental performance

- The constituency has not allocated funds for climate mitigation projects in this financial year.

3. Employee welfare

We invest in providing the best working environment for our employees. Samburu East 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. Samburu East 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-

Samburu East 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 honoring 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 honoring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests.

5. Community Engagements-

Samburu East 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

Samburu East 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.

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



.....
Name: Hemistone Kemboi
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 Fund shall prepare financial statements in respect of that Fund. 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-Samburu East Constituency is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund 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 Fund; 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 Fund; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Samburu East Constituency accepts responsibility for the Fund'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 NGCDF Samburu East financial statements give a true and fair view of the state of NG-CDF Samburu East transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Accounting Officer charge of the NGCDF- Samburu East Constituency further confirms the completeness of the accounting records maintained for the NGCDF Samburu East, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Samburu East Constituency confirms that the NGCDF Samburu East Constituency has complied fully with applicable Government Regulations and the terms of external financing covenants, and that the Fund'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 NGCDF Samburu East Constituency 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- Samburu East Constituency financial statements were approved and signed by the Accounting Officer on 30/12/25 2025.



.....
Name: Mathew Lalaigwanani
Chairman – NGCDF Committee



.....
Name: Hemistone Kemboi
Fund Account Manager

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
E-mail: 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 - SAMBURU EAST 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 Constituencies Development Fund - Samburu East Constituency set out on

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

pages 1 to 59, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant 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 Constituencies Development Fund - Samburu East 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 National Government Constituencies Development Fund Act, 2016, the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unexplained Variance in Emergency Projects Actual Expenditure

The statement of financial performance and Note 14 to the financial statements reflect other grants and transfers actual expenditure balance of Kshs.57,109,800, which includes emergency projects actual expenditure of Kshs.7,230,000. However, the supporting schedule provided reflected an amount of Kshs.9,150,000, resulting to an unexplained variance of Kshs.1,920,000.

In the circumstances, the accuracy and completeness of the emergency projects actual expenditure of Kshs.7,230,000 could not be confirmed.

2. Unsupported PMC Bank Account Balances

The statement of financial position and Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.74,028,348, which include Project Management Committee (PMC) bank balances totalling Kshs.52,026,350 as disclosed under Annex 2 to the financial statements. However, the certificates of bank balances, cashbooks and bank reconciliations statements for the PMC bank accounts balances were not provided for audit review.

Further, unutilized PMC funds amounting to Kshs.1,320,627 held in nine bank accounts remained dormant were not surrendered to the NG-CDF bank main account, contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015.

In the circumstances, the accuracy and completeness of the Project Management Committee (PMC) bank balances of Kshs.52,026,350 could not be confirmed.

3. Undisclosed Tax Arrears

The statement of financial position and Note 26 to the financial statements reflect nil balance for trade and other payables. However, review of records and correspondences revealed that the NGCDF had outstanding tax arrears amounting to Kshs.255,434, as indicated in the Kenya Revenue Authority (KRA) Enforcement Letter Ref. KRA/5/1002/26(12508) dated 17 June, 2025. The liability was not disclosed in the financial statements as required.

In the circumstances, the accuracy and completeness of the trade and other payables nil balance could not be confirmed.

4. Unsupported Committee Expenses

The statement of financial performance and Note 11 to the financial statements reflect Committee expenses amount of Kshs.5,690,800, which includes Kshs.3,598,400 as other Committee expenses, where Kshs.312,000 was paid through imprests to the Fund Manager on behalf of the Committee Members sitting allowances during capacity building and public participation exercises. However, supporting documents in the form of attendance registers, programs, invitations and evidence of travel to show that the NGCDF Committee Members attended were not provided for audit review. Further, included is an amount of Kshs.868,000 spent on public participation expenses. However, the program and minutes to support the public participation exercise were not provided for audit review.

In the circumstances, the accuracy and completeness of the Committee expenses of Kshs.1,180,000 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Samburu East 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

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual amounts on comparable basis of Kshs.209,044,496 and Kshs.191,544,497 respectively, resulting in a shortfall of Kshs.17,499,999, or 8% of the budget. Similarly, the NGCDF spent an amount of Kshs.117,516,149 against the actual receipts of Kshs.191,544,497, resulting in an under absorption of Kshs.74,028,348, or 39% of the actual receipts.

The shortfall in receipts and the under absorption affected the planned activities and may have impacted negatively on service delivery to the public.

2. Late Transfers from the NG-CDF Board

The statement of financial performance and Note 6 to the financial statements reflect total transfers from the NG-CDF Board of Kshs.170,469,857. However, transfers totalling Kshs.17,499,999, or 10% of the total transfers, had not been received as at the closure of the financial year on 30 June, 2025.

The late disbursement of funds by the NG-CDF Board disrupted the execution of planned projects and activities, thereby negatively impacting service delivery to the residents of Samburu East Constituency.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Prior Year's Unresolved Audit Matters

The following matters raised in the Fund's prior year audit report remained unresolved;

1. Errors and Inaccuracies in the Financial Statements
2. Misclassification of Expenditure
3. Unsupported Transfers to Samburu East Sports PMC
4. Unsupported Monitoring and Evaluation Expenditure
5. Unsupported Employee Costs
6. Unsupported Acquisition of Assets
7. Unsupported Transfers to Other Government Units
8. Irregularities in Bursary Management
9. Payment of Airtime Allowances
10. Under-Allocation of Bursary Funds
11. Unutilized Projects
12. Unsatisfactory Projects Implementation
13. Lack of Risk Management Policy

Other Information

Management is responsible for the Other Information set out on page III to XXXV which comprise of Key Constituency Information and Management, NGCDF Committee, NG-CDFC Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting 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. Irregular Utilization of Emergency Funds

The statement of financial performance and Note 14 to the financial statements reflect other grants and transfers actual expenditure of Kshs.57,109,800, which includes emergency projects expenditure of Kshs.7,230,000 out of which Kshs.5,900,000 was transferred to the Samburu East Drought & Peace Emergency PMC Project account and spent on organizing and conducting peace meetings. However, peace meetings do not meet the definition of an emergency under Section 8(3) of the National Government Constituencies Development Fund Act, 2015, which restricts emergency spending to urgent, unforeseen needs that cannot be deferred without harming public interest. Further, Management did not report the emergencies to the Board within thirty days in the prescribed reporting format as required under Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

In the circumstances, the regularity and value for money on the emergency expenditure amounting to Kshs.5,900,000 could not be confirmed.

2. Award of Bursaries

2.1 Unsupported Special Bursary Award

The statement of financial performance and Note 14 to the financial statements reflect other grants and transfers actual expenditure of Kshs.57,109,800, which includes Kshs.17,795,000 and Kshs.27,705,000 on bursaries for secondary schools and tertiary institutions respectively. Included in the amounts is Kshs.1,324,000 disbursed as special bursaries, to ninety-nine (95) students who received special bursaries ranging between Kshs.3,000 to Kshs.100,000. However, no documented criteria were applied for justification of awarding different amounts.

In the circumstances, regularity of the special bursaries of Kshs.1,324,000 could not be confirmed.

2.2 Unacknowledged Bursary

The statement of financial performance and Note 14 to the financial statements reflect other grants and transfers actual expenditure of Kshs.57,109,800, which include Kshs.17,795,000 and Kshs.27,705,000 on bursaries for secondary schools and tertiary institutions, respectively. However, records provided showed that only Kshs.31,803,500 of the disbursed bursaries were acknowledged by the beneficiaries' institutions, leaving an amount of Kshs.25,306,300 unacknowledged.

In the circumstances, it was not possible to confirm whether the unacknowledged bursary disbursements of Kshs.25,306,300 were received and benefitted the intended beneficiaries.

3. Non-Compliance to Quarterly Reporting Requirements

During the year under review, Management did not prepare quarterly reports and financial statements and submit to the line Cabinet Secretary, with a copy to The National Treasury, contrary to Section 83(1) of the Public Finance Management Act, 2012 requiring that an accounting officer for a national government entity shall prepare a report for each quarter of the financial year in respect of the entity not later than the fifteenth (15th) day after the end of the quarter.

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

4. Irregular Employment of Staff

Review of the human resource records revealed that Management has engaged twenty-three (23) staff members, contrary to the Human Resource Circular No. CDF Board/Circulars/Vol.1.1/166, which limits staff appointments by the NGCDFC to a maximum of five (5).

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

5. Irregular Procurement of Consultancy Services

The statement of financial performance and Note 12 to the financial statements reflect use of goods and services expenses of Kshs.3,504,947, which includes Kshs.2,400,000 on strategic plan expenses. Audit review revealed that Management entered into a contract on 20 December, 2024 for the provision of consultancy services in preparing the Strategic Plan for 2023-2027, at a contract sum of Kshs.3,000,000. However, the unsuccessful bidders were not notified, contrary to Section 87(3) of the Public Procurement and Asset Disposal Act, 2015 which requires written notification to all unsuccessful bidders, including disclosure of the successful tenderer and reasons for non-award. Further, the bidders who participated were not included in the procuring entity's list of prequalified consultants, contrary to Section 57(1) of the Act, which requires maintenance and updating of registered and prequalified suppliers according to procurement needs.

In the circumstances, the regularity of the procurement for consultancy services for the preparation of the strategic plan could not be confirmed.

6. Projects Verification

The statement of financial performance and Note 13 to the financial statements reflect transfers to other government units actual expenditure of Kshs.25,126,074, being transfers to primary and secondary schools for infrastructure development projects. Audit inspection was done in July, 2025 on ten (10) sampled schools with a total allocation of Kshs.21,300,000. However, Project Management Committee files containing procurement documents, Bills of Quantities, technical drawings, inspection and acceptance reports, and certificates of practical completion for four (4) completed and in-use projects and three (3) incomplete projects with contract sums of Kshs.6,100,000 and Kshs.6,700,000, respectively were not provided for audit review.

Further, two completed projects at a total contract sum of Kshs.5,500,000 were branded as works undertaken in previous financial years hence it was not possible to confirm the implementation period. In addition, one incomplete project costing Kshs.3,000,000 had its engineer's estimates varied from Kshs.5,997,822 to Kshs.6,943,120, with payments made based on the revised amounts without retendering or written approval by the tender awarding authority, contrary to Section 139(1)(a) of the Public Procurement and Asset Disposal Act, 2015.

In the circumstances, the regularity and value for money of transfers for primary and secondary school infrastructure development projects could not be confirmed.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, 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 Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

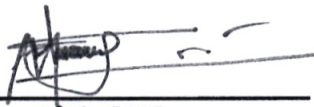
05 December, 2025

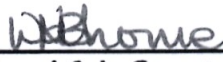
National Government Constituencies Development Fund (NGCDF)
Samburu East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025


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

	Note	Period ended June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		170,469,857
Expenses		
Employee costs	10	9,431,767
Committee expenses	11	5,690,800
Use of Goods and Services	12	3,504,947
Other Government Units Actual expenditure	13	25,126,074
Other Grants and Transfers Actual expenditure	14	57,109,800
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	-
Total expenses		100,863,388
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		69,606,469

The Constituency financial statements were approved by the NGCDFC on 30/8/25 2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Mathew Lalaigwanani


 National Sub-County
 Accountant
 Name: Beatrice Kingori
 ICPAK M/No: 20550


 Fund Account Manager
 Name: Hemistone Kemboi

DISTRICT ACCOUNTANT
 SAMBURU EAST DISTRICT
 P. O. Box 50 - 20603
 WAMBRA

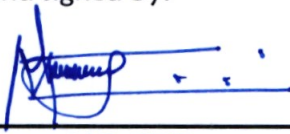
National Government Constituencies Development Fund (NGCDF)
Samburu East Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

12. Statement Of Financial Position as at 30th June, 2025


	Note	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	74,028,348	11,993,206
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	17,499,999	-
Prepayments	22	-	-
Total Current Assets		91,056,696	11,993,206
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		91,056,696	11,993,206
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	-	-
Lease Liabilities	28	-	-
Gratuity provision	29	2,226,535	-
Total Current Liabilities		2,226,535	-
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		2,226,535	-
Net Assets (A-B)		93,283,231	11,993,206
Represented by:			
Revaluation Reserves		93,283,231	11,993,206
Accumulated Surplus			
Total Net Assets		93,283,231	11,993,206

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

The Constituency financial statements set out on pages 1 to 18 approved by NG CDFC on 3875 2025 and signed by:



Chairman NG-CDF
Committee
Name: Mathew
Lalaigwanani



National Sub-County
Accountant
Name: Beatrice Kingori



Fund Account Manager
Name: Hemistone Kemboi

ICPAK M/No: 20550
DISTRICT ACCOUNTANT
SAMBURU EAST DISTRICT
P. O. Box 50 - 20803
WAMBA

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

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

Description	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30 th June 2024 (cash basis)	11,993,206		11,993,206
Adjustments: (to recognize assets and liabilities)			
Add Assets	26,231,433		26,231,433
Less Liabilities	599,581		599,581
As at July 1, 2024	37,625,058		37,625,058
Surplus/(Deficit) For the Period	69,606,469		69,606,469
Revaluation Gain/Loss	-	-	-
As at 30th June (current year)	107,231,527	-	107,231,527

Note:

1. For items that are not common in the financial statements, the Fund should include a note on what they relate to – either on the face of the statement of changes in KCB/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)
Samburu East Constituency
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	Period ended june Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		176,659,351
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		176,659,351
Payments		
Employee costs		7,804,813
Committee expenses		5,690,800
Use of Goods and Services		3,504,947
Other Government Units Certified Works		43,413,195
Other Grants and Transfers		57,102,394
Digital Hubs Expenses		-
Total Payments		117,516,149
Net Cash Flows from/ (used in) Operating Activities	30	59,143,202
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		59,143,202
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		59,143,202
Cash and cash equivalents at Period Start	19	14,885,146
Cash and cash equivalents at Period End	19	74,028,348

National Government Constituencies Development Fund (NGCDF)
Samburu East Constituency
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
	<i>FY 2024/25</i>	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>FY 2024/25</i>	<i>FY 2024/2025</i>		
Revenue							
Transfers From the NGCDF Board	170,469,857	14,885,146	23,689,493	209,044,496	191,544,497	17,499,999	92%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income		-	-	-	-	-	
Miscellaneous income	-		-	-		-	
Totals	170,469,857	14,885,146	23,689,493	209,044,496	191,544,497	17,499,999	
Expenses							
Employee costs	8,337,897	266,838	-	8,604,735	7,804,813	799,922	91%
Committee expenses	3,288,000	2,434,728	-	5,722,728	5,690,800	31,928	99%
Use of Goods and Services	3,367,786	12,823	-	3,380,609	1,104,947	2,275,663	33%
Other Government Units Certified Works	67,500,000	6,353,995	12,700,000	86,553,995	43,413,195	43,140,800	50%
Other Grants and Transfers	64,976,173	5,816,762	4,589,493	75,382,428	57,102,394	18,280,034	76%

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

Digital Hubs	-	-	-	-	-	-	0%
Acquisition of Assets	-	-	4,000,000	4,000,000	-	4,000,000	0%
Other Payments	23,000,000	-	2,400,000	25,400,000	2,400,000	23,000,000	9%
Funds Pending Approval**	-	-	-	-	-	-	
Total Expenditure	170,469,857	14,885,146	23,689,493	209,044,496	117,516,149	91,528,347	56%
Surplus for the period					74,028,348	(74,028,348)	

Explanatory Notes.

Employee Cost- at 81%, being outstanding staff gratuity and salaries

Other Certified Works- 29% PMC works ongoing, projects at different stages of completion

Other grants and transfer- 76%- Underutilized bursary rolled over to current financial year

Other payments- 9%- Hunduma Center yet to receive funding from the Board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	109,458,062
Less undisbursed funds receivable from the Board as at period 30 th June, 2025	17,499,999
Cash and Cash Equivalents at the end of the 30 th June 2025	91,958,063

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 30/8/25 2025 and signed by:


 Fund Account Manager

Name: Hemistone Kemboi


 National Sub-County Accountant

Name: Beatrice Kingori
 ICPAK M/No: 20550

DISTRICT ACCOUNTANT
 SAMBURU EAST DISTRICT
 P. O. Box 50 - 20603
 WAMBA


 Chairman NG-CDF Committee

Name: Mathew Lalaigwanani

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

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget		Actual on	Budget utilization	
					comparable		difference
					basis		
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
1.0 Administration and Recurrent							
1.1 Compensation of employees	8,337,897	1,266,838		9,604,735	7,804,813	1,799,922	
1.2 Committee allowances	1,128,000	1,434,728		2,562,728	2,500,000	62,728	
1.3 Use of goods and services	749,450	12,823		762,273	700,000	62,273	
Sub-total	10,215,347	2,714,389	-	12,929,736	11,004,813	1,924,923	
2.0 Monitoring and evaluation							
2.1 Capacity building	1,905,490			1,905,490	1,900,000	5,490	
2.2 Committee allowances	2,160,000			2,160,000	1,391,494	768,506	
2.3 Use of goods and services	712,846			712,846	304,253	408,593	
Sub-total	4,778,336	-	-	4,778,336	3,595,747	1,182,590	
4.0 Emergency unutilized							
	8,972,097	242,781		9,214,878		9,214,878	
					1,250,000	(1,250,000)	
					2,300,000	(2,300,000)	
					600,000	(600,000)	
					500,000	(500,000)	
					300,000	(300,000)	
					400,000	(400,000)	

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget			Actual on comparable basis		Budget utilization difference
		Opening Balance (C/Bk) and AIA	Kshs	Kshs	Previous Years' Outstanding Disbursement \$	Kshs	Kshs	Kshs	
	Kshs								
Sub-total	8,972,097	242,781		-	9,214,878		7,230,000		1,984,878
5.0 Bursary and Social Security									
5.1 Primary Schools									
5.2 Secondary Schools	25,000,000	2,176,213		89,493	27,265,706		17,795,000		9,470,706
5.3 Tertiary Institutions	15,000,000	439,500			15,439,500		27,705,000		(12,265,500)
5.4 special needs	7,004,076	52,446			7,056,522				7,056,522
5.5 Education Support Programmes									
5.6 Social Security									
Sub-total	47,004,076	2,668,159		89,493	49,761,728		45,500,000		4,261,728
7.0 Environment									
Unutilized Funds									
Wamba CCM Primary School	2,000,000				2,000,000				2,000,000
Remot Primary School	1,500,000				1,500,000				1,500,000
Ritati Primary School	2,000,000				2,000,000				2,000,000
Lengarde Primary School	1,500,000				1,500,000				1,500,000
Seiya Boys secondary school		905,822			905,822				905,822

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

Programme/Sub-programme	Original Budget	Adjustments	Final Budget		Actual on	Budget utilization difference
					comparable basis	
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Tipito Girls Secondary School		2,000,000		2,000,000		2,000,000
Sub-total	7,000,000	2,905,822	-	9,905,822	-	9,905,822
8.0 Primary Schools Projects						
Lentanai Primary School	1,200,000			1,200,000		1,200,000
Milimani Primary School	2,400,000			2,400,000	99,000	2,301,000
Matakwani Primary School	1,200,000			1,200,000	100,000	1,100,000
Rereti Mercy Primary School	1,200,000			1,200,000	100,000	1,100,000
Lkisin Primary School	1,200,000			1,200,000	100,000	1,100,000
Wamba D.E.B Primary School	2,200,000			2,200,000	100,000	2,100,000
Lempaute Primary School	1,200,000			1,200,000	100,000	1,100,000
Nalepo Boo Primary school	2,400,000			2,400,000	100,000	2,300,000
Resim Primary school	1,500,000			1,500,000	100,000	1,400,000
Lpus Primary School	1,200,000			1,200,000	650,000	550,000
Sionta Primary School	1,200,000			1,200,000	900,000	300,000
Kirish Primary School	1,200,000			1,200,000	1,132,635	67,365
Lorubae Primary School	1,500,000			1,500,000	1,138,000	362,000
Ntilal Primary School	1,200,000			1,200,000	1,195,000	5,000
Lteroi Primary School	1,200,000			1,200,000		1,200,000
Oromodei Primary School	1,200,000			1,200,000	1,054,000	146,000

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

Programme/Sub-programme	Original Budget	Final Budget		Actual on	Budget utilization	
				comparable		
				basis	difference	
Adjustments	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements				
Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Leiroyia Primary School	1,200,000			1,200,000	1,123,400	76,600
Kibartare Primary School	1,200,000			1,200,000	1,140,870	59,130
Tepele Primary School	1,200,000			1,200,000	1,126,568	73,432
Nalepo Boo Primary School			100,000	100,000		100,000
Ntepes Primary School			800,000	800,000		800,000
LANTANAI PRI SCHOOL			1,100,000	1,100,000	923,387	176,614
LAURAGI PRY SCH			1,200,000	1,200,000		1,200,000
Sub-total	26,800,000	-	3,200,000	30,000,000	11,182,860	18,817,141
9.0 Secondary Schools Projects (List all the Projects)						
Nkaroni Girls Secondary School	4,000,000			4,000,000	1,475,172	2,524,828
Nalele Boys Secondary School	4,000,000			4,000,000	1,467,000	2,533,000
Tipito Girls Secondary School	1,500,000		500,000	2,000,000	2,000,000	-
Sere Olipi Mixed Secondary School	300,000			300,000		300,000
Sere Olipi Mixed Secondary School	9,000,000			9,000,000		9,000,000
Uaso Girls Secondary School	1,500,000			1,500,000		1,500,000
Girgir Mixed Secondary School	3,000,000			3,000,000		3,000,000
Seiya Boys Secondary School	3,000,000			3,000,000		3,000,000
Nairimirimo Girls Senior Secondary School	3,900,000			3,900,000		3,900,000

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

Programme/Sub-programme	Original Budget	Final Budget		Actual on	Budget utilization		
				comparable			difference
				basis			
Adjustments	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements					
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	
Nairimirimo Girls Senior Secondary School	2,500,000			2,500,000		2,500,000	
Nairimirimo Girls Senior Secondary School	500,000			500,000		500,000	
Nairimirimo Girls Senior Secondary School	4,500,000			4,500,000		4,500,000	
Girgir Mixed Secondary School		1,000,000		1,000,000		1,000,000	
Uaso Girls Secondary School		1,000,000		1,000,000		1,000,000	
Nkaroni Girls Secondary School		4,000,000		4,000,000		4,000,000	
Narasha Boys Secondary School		3,995	9,000,000	9,003,995	9,001,043	2,953	
Sub-total	37,700,000	6,003,995	9,500,000	53,203,995	13,943,214	39,260,781	
10.0 Tertiary institutions Projects (List all the Projects)							
Samburu Technical and Vocational Training Centre	3,000,000			3,000,000		3,000,000	
				-		-	
				-		-	
Sub-total	3,000,000	-	-	3,000,000	-	3,000,000	
11.0 Security Projects							
Ndonyo Wasin Chiefs Office	700,000			700,000		700,000	
Ndonyo Wasin Chiefs Office	300,000			300,000		300,000	
Nkare Narok Chiefs office	700,000			700,000		700,000	

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

Programme/Sub-programme	Original Budget	Final Budget		Actual on		Budget utilization difference
				comparable basis		
	Adjustments	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Nkare Narok Chiefs office	300,000			300,000		300,000
NDONYO WASIN CHIEFS OFFICE			1,000,000	1,000,000	992,000	8,000
NKARE NAROK CHIEFS OFFICE			1,000,000	1,000,000	897,000	103,000
NAISUNYAI CHIEF OFFICE			2,500,000	2,500,000	2,490,800	9,200
Sub-total	2,000,000	-	4,500,000	6,500,000	4,379,800	2,120,200
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)			4,000,000	4,000,000		4,000,000
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office				-	-	-
12.3.Constrsution of Gate & perimeter Wall				-	-	-
12.3.Constrsution of car Port				-		-
Sub-total	-	-	4,000,000	4,000,000	-	4,000,000
13.0 Others				-		
Waso Ward Electrification	4,000,000			4,000,000		4,000,000
Wamba Huduma Center	7,000,000			7,000,000		7,000,000
Lodungokwe ICT Center	3,500,000			3,500,000		3,500,000
Waso ICT Center	3,500,000			3,500,000		3,500,000

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

Programme/Sub-programme	Original Budget		Final Budget	Actual on	Budget utilization	
				comparable	difference	
		Adjustments		basis		
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Samburu East Education Day	5,000,000			5,000,000		5,000,000
Strategic Plan			2,400,000	2,400,000	2,400,000	-
Sub-total	23,000,000	-	2,400,000	25,400,000	2,400,000	23,000,000
Funds pending approval**				-		-
unapproved projects		-		-		-
AiA				-		-
Sub-total	-		-	-	-	-
Total	170,469,857	14,885,146	23,689,493	209,044,496	117,516,149	91,528,347

(NB: This statement is a disclosure statement indicating the utilization in the same format as the Constituency'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 Samburu East Constituency principal activity is Executing national government functions at the constituency

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 Samburu East 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 Samburu East 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.

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

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.

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF. The financial statements have been prepared in accordance with the PFM Act, the NGCDF Act, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

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 cash-flows of an Fund. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. Not Applicable
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. Not Applicable
IPSAS 45: Property Plant	<i>Applicable 1st January 2025</i>

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

Standard	Effective date and impact:
and Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>Not Applicable</p>
IPSAS 46: Measurement	<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>Not Applicable</p>
IPSAS 47: Revenue	<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</p>

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

Standard	Effective date and impact:
	<p>under one standard. The objective of the standard is to establish the principles that an Fund 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> <p>Not Applicable</p>
<p>IPSAS 48: Transfer Expenses</p>	<p>Applicable 1st January 2026</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>Not Applicable</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p>Applicable 1st January 2026</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>Not Applicable</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p>Applicable 1st January 2027</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 Fund'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.

Standard	Effective date and impact:
	Not Applicable

iii. Early adoption of standards

The Fund 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 *Fund*.

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

b) Budget information

The original budget was approved by Parliament on 10 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 Fund 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 *Fund*. 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 *Fund* 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 *Fund* 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 *Fund*. 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 Fund 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 Fund and a financial liability or KCB instrument of another Fund. At initial recognition, the Fund 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 Fund classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ KCB or fair value through surplus and deficit on the basis of both the Fund'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/ KCB 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/ KCB unless an Fund has made irrevocable election at initial recognition for particular investments in KCB instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Fund 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/ KCB 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/ KCB

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/ KCB. 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/KCB are measured at fair value through surplus or deficit. A business model where the Fund manages financial assets with the objective of realizing cash flows through solely the sale of the assets would result in a fair value through surplus or deficit model.

Impairment

The Fund assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/KCB. The Fund 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 2*

b) Financial liabilities

Classification

The Fund 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 *Fund*.

h) Provisions

Provisions are recognized when the *Fund* 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 *Fund* 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 Fund recognize 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 Fund will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

The Fund 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 Fund 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 Fund 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 *Fund* provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Fund pays fixed contributions into a separate Fund (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.

m) 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.

n) Related parties

The *Fund* regards a related party as a person or an Fund with the ability to exert control individually or jointly or to exercise significant influence over the *Fund*, or vice versa.

o) 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.

p) Comparative figures

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

q) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 2025

5. Significant Judgments and Sources of Estimation Uncertainty

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

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

6. Transfers from the NGCDF Board

Description	<i>FY 2024/2025</i>
	Kshs
NGCDFB Transfers (Allocation for the FY)	170,469,857
Total	170,469,857

7. Transfers from domestic and foreign partners

Description	<i>FY 2024/2025</i>
	Kshs
Grants	-
Total	-

8. Finance income

Description	<i>FY 2024/2025</i>
	Kshs
Interest Income on Bank Deposits	-
Total	-

9. Miscellaneous income

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

10. Employees cost

Description	<i>Period ended June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	7,115,128
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	1,626,954
Employer Contributions Compulsory national social security schemes	638,858
Employer Contributions Compulsory Housing levy	50,827
Employer contributions to National Industrial Training Authority	-
Other Specify	-
Total	9,431,767

11. Committee Expenses

	<i>FY 2024/2025</i>
	Kshs
Sitting allowance	2,092,400
Other Committee expenses	3,598,400
Total	5,690,800

12. Use of Goods and services

Description	<i>Period ended June 2025</i>
	Kshs
Utilities, supplies and services	-
Communication, supplies and services	209,450
Domestic travel and subsistence	-
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	-
Hospitality supplies and services	-
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	682,646
Fuel, oil & lubricants	200,000
Bank Charges	12,851
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	2,400,000
Other operating expenses	-
Total	3,504,947

13. Other Government Units Actual expenditure

Description	<i>FY 2024/2025</i>
	Kshs
Primary Schools Actual expenditure	11,182,860
Secondary Schools Actual expenditure	13,943,214
Tertiary Institutions Actual expenditure	-
Total	25,126,074

14. Other Grants and transfers Actual expenditure

Description	Period ended June 2025
	Kshs
Bursary – secondary schools	17,795,000
Bursary – tertiary institutions	27,705,000
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	4,379,800
Climate change mitigation projects	-
Emergency projects Actual Expenditure	7,230,000
Roads projects	-
Others specify	-
Total	57,109,800

15. Depreciation and Amortization Expenses

Description	FY 2024/2025
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

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

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

17. Gain/loss on Sale of Assets

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

18. Impairment Loss

Description	FY 2024/2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
	-
Total Impairment Loss	-

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 't July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Maralal Branch. Account no. 1100261742735 (Operations account)</i>	20,375,044	11,993,206
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Equity Bank, Maralal Branch Account No. 1476261749738 (Deposit account)</i>	1,626,954	-
<i>Equityr Bank, maralal Branch. (PMC's Accounts)</i>	52,026,350	0
Total	74,028,348	11,993,206

20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

Description	FY 2024/2025		Opening Statement 1 st July 2025	
	Kshs		Kshs	
	2024/2025	% 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)	-	%	-	%

21. Receivables from Non-Exchange Transactions

Description	FY 2024/2025		Opening Statement 1 st July 2025	
	Kshs		Kshs	
Transfers from NGCDFB	17,499,999		0	
Outstanding imprest	-		-	
Total	17,499,999		0	
Ageing Analysis- Receivables from non-exchange transactions	FY 2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	17,499,999	100%	-	0%
Between 1- 2 years	-	0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (a+b)	17,499,999	100%	-	0%

22. Prepayments

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

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

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concession assets	Total
Depreciation Rate		10%	0	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-	-	-	-	-
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-	-
Net Book Values	-	-	-	-	-	-	-	-	-
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-	-

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).

22 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	-	-

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

24. Intangible Assets

Description	Period ended June 2025	Opening Statement ^{1st} July 2024
	Kshs	Kshs
Cost		
Opening balance at the beginning of the Period	-	-
Additions	-	-
Disposal	-	-
At end of the Period	-	-
Additions–internal development	-	-
Disposal	-	-
At end of the Period	-	-
Amortization and impairment		
At beginning of the Period	-	-
Amortization	-	-
At end of the Period	-	-
Impairment loss	-	-
At end of the Period	-	-
NBV	-	-

25. Right-of use assets

Description	<i>Buildings</i>	Motor vehicles	<i>Plant and equipment</i>	<i>Total</i>
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2024	-	-	-	-
Additions	-	-	-	-
As at 30 Sept/Dec/ March/June 2024	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at 30 Sept/Dec/ March/June 2024	-	-	-	-
Carrying Amount				
As at 30 Sept/Dec/ March/June 2025	-	-	-	-

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

26. Trade and Other Payables

Description	FY 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)	FY 2024/2025	% of the Total	1st July	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

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)	-	-
Retention paid during the period (C)	-	-
Closing Retention as at period 2025, D= A+B-C	-	-

Retentions aging analysis.

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

28. Lease Liabilities

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

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

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 1 st July 2025
	Kshs	Kshs
Gratuity at the beginning of the period (A)	599,581	
Gratuity held during the period (B)	1,626,954	599,581
Gratuity paid during the period (C)	-	-
Total Gratuity provision as at period 2025 D=(A+B-C)	2,226,535	599,581

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	69,606,469
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(5,589,913)
Changes in deferred income	-
Changes in Third party deposits	-
Changes in gratuity provision	(1,626,954)
Changes in payments received in advance	-
Net cash flow from operating activities	76,823,337

31. Financial Risk Management

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

i) Credit risk

The Fund 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 Fund'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 Fund'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 (FY 2024/2025)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	17,499,999	17,499,999	-	-
Bank balances	20,375,044	20,375,044	-	-
Total	37,875,043	37,875,043	-	-
As at 30 June (FY 2023/2024)	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	23,089,912	23,089,912	-	-
Bank balances	11,993,206	11,993,206	-	-
Total	35,083,118	35,083,118	-	-

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 Fund has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Fund has significant concentration of credit risk on amounts due from 2024. The board of directors sets the Fund'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 Fund's directors, who have built an appropriate liquidity risk management framework for the management of the Fund's short, medium and long-term funding and liquidity management requirements. The Fund manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Fund 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 (FY 2024/2025)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	2,226,535	2,226,535
Total	-	-	2,226,535	2,226,535
As at 30th June (FY 2023/2024)	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

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

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

iii) Market risk

The *Fund* has put in place an internal audit function to assist it in assessing the risk faced by the Fund 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, KCB prices and foreign exchange rates which will affect the Fund'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 Fund'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 Fund's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The *Fund* 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 *Fund* 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. The carrying amount of the *Fund's* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

FY 2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June (FY 2024/2025)	N/A		
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

FY 2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June (FY 2024/2025)	N/A		
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

The following table demonstrates the effect on the Fund's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on Profit before tax	Effect on KCB/Net assets
	Kshs	Kshs	Kshs
FY 2024/2025	N/A		
Euro	10%	-	-
USD	10%	-	-
Previous FY		-	-
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Fund analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

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 *Fund'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 KCB 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 KCB investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Fund* considers relevant and observable market prices in its valuations where possible.

The following table shows an analysis of financial and non- financial instruments recorded at fair value by level of the fair value hierarchy:

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June (FY 2024/2025)	N/A			
Financial Assets				
Quoted KCB Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June (FY 2023/2024)				
Financial Assets				
Quoted KCB Investments	-	-	-	-
Non- Financial Assets				

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

Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

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

Description	FY 2024/2025	Opening Statement 1 st July 2025
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	107,231,527	37,625,058
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(91,958,063)	(14,535,146)
Net Debt/(Excess Cash And Cash Equivalentents)	15,273,464	23,089,912
Gearing	-%	-%

32. Related Party Disclosures

	FY 2024/2025	Opening Statement 1 st July 2025
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,092,400	1,397,700
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	176,659,351	226,840,192
Total	178,751,751	228,237,892

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

Contingent Liabilities

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

35. Capital Commitments

Capital Commitments	FY 2024/2025	Opening Statement 1 st July 2024
	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 Fund

The Samburu East 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.

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

18. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	304,569	-	-	304,569
Buildings and structures	6,886,373	-	-	6,886,373
Transport equipment	2,622,500	-	-	2,622,500
Office equipment, furniture, and fittings		-	-	
ICT Equipment and Other ICT Assets		-	-	
Other Machinery and Equipment		-	-	
Intangible assets		-	-	
Total	9,813,442	-	-	9,813,442

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

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

PMC	Bank	Account number	Bank Balance	<i>Opening Statement 1st July 2024</i>
			Current period	
Girgir Mixedday Secondary	EQUITY	410267467726		2,491
Nkare Narok Primary School	EQUITY	410273413162		1,740
Lengarde Primary School	EQUITY	410279999397		18,735
Nalele Boys Secondary School	EQUITY	410280179031		289,631
Sereolipi Police Station	EQUITY	410281138619		94,370
Ntepes Primary School	EQUITY	1100277414119		780
Nalepo Boo Primary School	EQUITY	1100279100361		-
Ndonyo Nasipa Primary School	EQUITY	1100280031563		1,598
Narasha Boys Secondary School	EQUITY	1100279071992		8,953
Matakwani Primary School	EQUITY	1100278745319		60,720
Engilae Primary School	EQUITY	1100279909150		2,488
Lodungokwe Primary School	EQUITY	1100280028016		248
Nkaroni Girls Secondary School	EQUITY	1100282198870		4,400
Kule Primary School	EQUITY	1100279774417		4,008
Milimani Primary School	EQUITY	1100278860310		1,980
Seiya Boys Secondary School	EQUITY	1100279067210		3,044
Uaso Girls Secondary School	EQUITY	410277245732		3,559
Ndonyo Wasin Primary	EQUITY	410267122070		10,080
Sirata Lemurt Primary School	EQUITY	410278832558		10,120
Sukuroi Primary School	EQUITY	410267405268		85,280
Silango Nanyokieprimary School	EQUITY	410262838148		1,285
Lorok Onyokie Primary School	EQUITY	1100277394206		27,455
Lmarmaroi Primary School	EQUITY	410277394206		45,858
Tipito Girls Secondary School	EQUITY	410277529526		1,278
Mpassion Primary School	EQUITY	1100277526178		2,210

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

PMC	Bank	Account number	Bank Balance	<i>Opening Statement 1st July 2024</i>
			Current period	
Raraiti Primary School	EQUITY	11278860257		10,000
Girgir Mixedday Secondary	EQUITY	410267467726		2,491
Nkare Narok Primary School	EQUITY	410273413162		1,470
LORUBAE PRI SCHOOL	EQUITY	410267467726	2,666	
NARASHA BOYS SECONDARY SCHOOL	EQUITY	410273413162	2,953	
LOPESIWO PRIMARY SCHOOL	EQUITY	410279999397	0	
MILIMANI PRIMARY SCHOOL	EQUITY	410280179031	5,064	
NAISUNYAI CHIEF OFFICE	EQUITY	410281138619	0	
NDONYO WASIN CHIEFS OFFICE	EQUITY	1100277414119	20,406	
WAMBA CCM PRIMARY SCHOOL	EQUITY	1100279100361	0	
UASO GIRLS SEC SCHOOL	EQUITY	1100280031563	506,488	
SAMBURU EAST DROUGHT AND PEACE	EQUITY	1100279071992	0	
LENGARDE PRIMARY SCHOOL	EQUITY	1100278745319	0	
SAMBURU EAST DROUGHT	EQUITY	1100279909150	0	
SAMBURU EAST DROUGHT	EQUITY	1100280028016	0	
SAMBURU EAST DROUGHT	EQUITY	1100282198870	0	
TIPITO GIRLS SCE SCHOOL	EQUITY	1100279774417	0	
LENTANAI PRIMARY SCHOOL	EQUITY	1100278860310	1,202,815	
NDIKIR PRIMARY SCHOOL	EQUITY	1100279067210	0	
SAMBURU EAST DROUGHT	EQUITY	410277245732	10,462	
NKARONI PRIMARY SCHOOL	EQUITY	410267122070	0	
GIRGIR PRIMARY SCHOOL	EQUITY	410278832558	2,350,000	
NKARE NAROK CHIEFS OFFICE	EQUITY	410267405268	158,380	
SAMBURU EAST DROUGHT AND PEACE	EQUITY	410262838148	0	
LEIROYA PRIMARY SCHOOL	EQUITY	1100277394206	0	
SEREOLUPI MIXED DAY SEC SCHOOL	EQUITY	410277394206	304,000	

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

PMC	Bank	Account number	Bank Balance	Opening Statement 1 st July 2024
			Current period	
NAISUNYAI PRIMARY SCHOOL	EQUITY	410277529526	310,208	
NAIRIMIRIMO GIRLS SEC SCHOOL	EQUITY	1100277526178	500,000	
WAMBA MIXED DAY SECONDARY	EQUITY	11278860257	500,000	
Lauragi primary school	EQUITY	410267467726	506,488	
LTEROI PRIMARY SCHOOL	EQUITY	410273413162	0	
WAMBA DEB PRIMARY SCHOOL	EQUITY	410267467726	0	
SAMBURU EAST DROUGHT	EQUITY	410273413162	0	
LKISIN PRIMARY SCHOOL	EQUITY	410279999397	0	
NTILAL PRIMARY SCHOOL	EQUITY	410280179031	0	
KIRISH PRIMARY SCHOOL	EQUITY	410281138619	0	
SIONTA PRIMARY SCHOOL	EQUITY	1100277414119	0	
TEPELE PRI SCHOOL	EQUITY	1100279100361	0	
SWARI PRIMARY SCHOOL	EQUITY	1100280031563	0	
LAANANIKAN PRIMARY SCHOOL	EQUITY	1100279071992	0	
KIBARTARE PRIMARY SCHOOL	EQUITY	1100278745319	1,200,798	
LEMPAUTE PRIMARY SCHOOL	EQUITY	1100279909150	1,201,648	
RETETI MERCY	EQUITY	1100280028016	0	
MATAKWANI PRIMARY SCHOOL	EQUITY	1100282198870	0	
MEUWA PRIMARY SCHOOL	EQUITY	1100279774417	1,202,930	
OROMODEI PRIMARY SCHOOL	EQUITY	1100278860310	1,208,750	
LPUS PRIMARY SCHOOL	EQUITY	1100279067210	1,210,463	
RESIM PRI SCHOOL	EQUITY	410277245732	1,500,000	
REMOT PRI SCHOOL	EQUITY	410267122070	1,500,000	
WAMBA CCM PRIMARY SCHOOL	EQUITY	410278832558	2,000,000	
RARAITI PRIMARY SCHOOL	EQUITY	410267405268	2,000,000	
WAMBA DEB PRIMARY SCHOOL	EQUITY	410262838148	2,200,000	

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

PMC	Bank	Account number	Bank Balance	<i>Opening Statement 1st July 2024</i>
			Current period	
NALEPO BOO PRIMARY SCHOOL	EQUITY	1100277394206	2,400,000	
NAIRIMIRIMO GIRLS SEC SCHOOL	EQUITY	410277394206	2,500,000	
SEIYA BOYS SEC SCHOOL	EQUITY	410277529526	3,000,000	
GIRGIR MIXED DAY SEC SCHOOL	EQUITY	1100277526178	3,002,491	
SEYIA BOYS SECONDARY SCHOOL	EQUITY	11278860257	3,348,380	
NTEPES PRY SCH	EQUITY	410267467726	3,500,000	
NAIRIMIRIMO GIRLS SEC SCHOOL	EQUITY	410273413162	3,900,000	
NKARONI GIRLS SEC SCHOOL	EQUITY	1100279067210	4,000,810	
NALELE BOYS SEC SCHOOL	EQUITY	410277245732	4,001,695	
NKARONI GIRLS SECONDARY SCHOOL	EQUITY	410267122070	4,262,810	
NAIRIMIRIMO GIRLS SEC SCHOOL	EQUITY	410278832558	4,500,000	
Total			52,026,350	2,891,940

National Government Constituencies Development Fund (NGCDF)

Samburu East Constituency

Annual Report and Financial Statements for The Year Ended June 30, 2025

Annex 3: Progress On Follow Up of Auditor Recommendations

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: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
OAG/NGCDF SAMEAST/02	<p>Unsupported Project Management Committee Bank Balances Note 19.4 to the financial statements reflects project management committee(PMC)account balances totalling Kshs 1,712,556 held in 79 PMC Bank Accounts as further disclosed in annex 5 to the financial statements. However, cashbooks, certificate of balances and bank reconciliations statements in support of PMC balances were not provided for audit review. Further, the PMC bank balances have not been transferred To the constituency account. This is contrary to Section12(8) of the NG-CDF Act 2015, which states that all unutilized funds of the PMC shall be returned to the constituency account. In the circumstances, the accuracy, completeness and existence of the PMC Account balances of Kshs1,712,556 could not be confirmed.</p>	PMC certificate of account balances availed to the auditor for review.	Not yet Resolved	Awaiting DFAC dates

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

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)
OAG/NGCDF SMBEAST/03	<p>Budgetary Control and performance The summary statement of appropriation reflects a total final receipts budget and actual on comparable basis amounting to Kshs 261,254,205 and Kshs 209,887,098 respectively, resulting to under-funding totaling to kshs 51,367,107 or approximately 20% of the budget. Similarly, the statement reflects a total actual payments on comparable basis amounting to Kshs 154,318,781 resulting to under expenditure of Kshs 106,935, 429 or 41% of the budget. Further, the summary statement of appropriation report reflects original receipts and payment budget both amounting to kshs 178,549,153. however, the amount differs with total code list approved budget amounting to Kshs 174,249,153 resulting to unreconciled variance of kss 4,300,000. The underfunding and underperformnace affect the planed activities an may have impacted negatively on service delivery to the constituents of Samburu East</p>	Projects not implemented have been implemeted in the FY 2024/2025	Not yet Resolved	Awaiting DFAC dates



.....
 Name: Hemistone Kemboi
 Fund Account Manager.