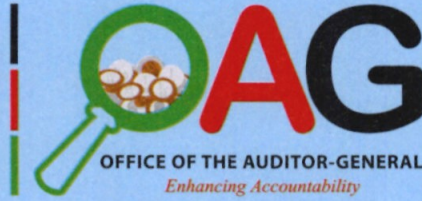
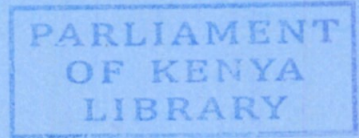


REPUBLIC OF KENYA



REPORT




OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – MARAKWET WEST
CONSTITUENCY

FOR THE YEAR ENDED
30 JUNE, 2025

| | |
|---|---|
|  THE NATIONAL ASSEMBLY PAPERS LAID | |
| DATE: | 18 FEB 2026 |
| | DAY: WED |
| TABLED BY: | MARGARETT CHATT WILHELMSON HOWARD SILVANS JORDAN |
| CLERK-AT THE TABLE: | OBIZO |



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

MARAKWET WEST 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..... | iv |
| 3. NGCDF Committee | ix |
| 4. NG-CDFC Chairman’s Report | xi |
| 5. Statement Of Performance Against Predetermined Objectives for FY 2024/25..... | xiv |
| 6. Governance Statement | xvi |
| 7. Management Discussion and Analysis | xxv |
| 8. Environmental and Sustainability Reporting | xxvii |
| 9. Statement Of Management Responsibilities..... | xxxi |
| 10. Report Of the Independent Auditor on the NGCDF- Marakwet West Constituency..... | xxxiii |
| 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 | 9 |
| 17. Notes to the Financial Statements..... | 23 |
| 18. Annexes | 60 |

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

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

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

The NGCDF Marakwet West 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 | Edwin Siele |
| 2. | National Sub-County Accountant | Stephen Chirchir |
| 3. | Chairman NGCDFC | Gilbert Onon |
| 4. | Member NGCDFC | Rispher Kibet |
| 5. | Member NG CDFC | Timothy Kipruto |

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Marakwet West 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 Marakwet West Constituency Headquarters

NGCDF Building
Next to NIS office Kapsowar
Kapsowar KENYA.

(e) NGCDF Marakwet West Constituency Contacts

P.O. Box 110
Telephone: (254) 0772-144-071
E-mail: cdfmarakwetwest@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) NGCDF Marakwet West Constituency Bankers

Bank A. Operations account
Family Bank
Branch-Eldoret
082000037314
P.O.BOX 74145-0200
ELDORET

Bank B. Deposit account
Equity Bank
Branch-Kapsowar
1570285491763
P.O.BOX 173-30705
KAPSOWAR

Bank C. Project Management Committee Accounts
Equity bank
Kapsowar Branch
P.O. Box 173-30705

Kenya Commercial Bank
Kapsowar branch
P.O.Box 133-30705

Access Bank
Kitale branch
P.O.Box






(g) Independent Auditor

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




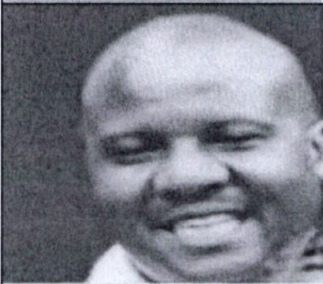

(h) Principal Legal Adviser

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

3. NGCDF Committee

| Name | Details |
|---|---|
|  | <p>Mr. Gilbert Onon NGCDF chairperson and member representing Moiben kuserwo ward. Born in 01/07/1991 He has degree in Sociology. Previous working experience in NGO as project manager. He has served for two terms as a CDFC members. <i>Provide a concise description of each member's date of birth, key academic and professional qualifications, and work experience.</i></p> |
|  | <p>Mrs Rispher Kibet Member representing female youth in the committee and currently serves as secretary to NGCF committee. She has served two terms as a committee member. She has diploma in secretarial studies.</p> |
|  | <p>Mrs Hellen Kemboi She is a member representing female adults from Sengwer ward. She has served two terms in the committee. She attained certificate in form four. She is an active farmer</p> |
|  | <p>Mr Timothy Kiyeng He is a coopted member in the committee from cherangany chebororwo ward. He is serving his second term in the committee. He has worked as BOM in primary school. He attained certificate in form four.</p> |
|  | <p>Mrs Alice Kilimo Serves her second term as female adult representative from Sengwer ward. Has attained certificate in form four. She has previously worked in NGO and currently farmer. Born in 14/02/1986</p> |

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

| | |
|---|--|
|  | <p>Mrs Linda Kiptoo Serves as a member representing persons living with disability from Arror ward. She has diploma in social work and community development. She has served for two terms as a committee member. She currently works in an NGO</p> |
|  | <p>Johnstone Kiyeng He is a male adult representative from Arror ward. He serving his first term as a member. He was born in 29/11/1974 He has certificate in O' levels He is an active farmer</p> |
|  | <p>Mr Dominic Kipchumba Keino He is a member representing male adult representative from Lelan ward. He is serving his first term as a committee member. He has a degree in Business management and currently works as a business man. He was born in 26-12-1998</p> |
|  | <p>Mr Likare Masinjila The Deputy County Commissioner for Marakwet west</p> |
|  | <p>Edwin Siele Ag. Fund Account Manager for Marakwet West Posted in 2025</p> |

4. NG-CDFC Chairman’s Report



**GILBERT ONON
 CHAIRMAN-NG-CDF MARAKWET WEST**

NG-CDF Marakwet west in the financial year ended 30th June 2024 had a budget of Kshs 196,060,834 During The financial year the final budget was Kshs 316,903,614 comprised of allocation of kshs 196,060,834 during the financial year funds received from the board is Kshs representing 216,049,053 representing 68% of the entire budget.

The total payments during the year were kshs 214,922,745 translating to an average total budget performance of 82%

Moreover, constituency faced some challenges during project implementations the financial year which include poor road network, in adequate capacity and proper budget estimates

To Ensure that the best results are achieved, NG-CDFC has put the following recommendations

- absolutely transited from Labour Based to Full contract hence improving project quality
- Ensure that the equip PMC a rigorous training so that quality results are attained

2024/2025 FY percentage utilization difference compared with 2023/2024 FY

| vote head | 2024/2025 % utilization | 2023/2024 % utilization |
|--|-------------------------|-------------------------|
| Employee costs | 50.96% | 60% |
| Committee expenses | 52.67% | 38% |
| Use of Goods and Services | 69.20% | 86% |
| Other Government Units Certified Works | 28.64% | 70% |
| Other Grants and Transfers | 45.59% | 70% |
| Other payments-Digital Hubs Expenses | 80.40% | 40% |
| Total average percentage | 39.41% | 68% |

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

2024/2025 final budget compared with actual payments

| | Final budget | Actual payments |
|--|---------------------|------------------------|
| Employee costs | 8,007,206 | 4,080,496 |
| Committee expenses | 5,845,700 | 3,078,885 |
| Use of Goods and Services | 11,629,318 | 8,048,016 |
| Other Government Units Certified Works | 137,196,933 | 39,287,109 |
| Other Grants and Transfers | 123,754,028 | 56,417,484 |
| Digital Hubs Expenses | 4,805,516 | 3,863,452 |

During the financial year 2024-2025 financial year most of the projects were initiated under full contracts and the NG-CDFC has applauded the full contract since the projects meets the quality standards.

However, through the engagements of public works sub county procurement quality and value for money has been realized in most of the projects in the constituency.

Achievements

Education

Funds were used for construction of classrooms, laboratories, dormitories, latrines, administration block and purchase of land. During the year 4 classrooms, and 1 administration block were completed and currently in use. Funding education has contributed to improved enrolment, retention and transition rates it has also helped reduce the burden of education for low-income families. The management has adopted full tender method of procurement in implementation of projects hence quality and value for funds.

Bursary

Bursary funds were used to support orphan's and needy students in secondary schools and institutions of higher learning however we initiated a special category bursary for the challenged students and bursary for driving schools whereby we sponsored 78 students to Driving school in the constituency thus increasing transition rate from secondary to institutions of higher learning while reducing the burden of education for low-income families, moreover creating employment to the Drivers.

Environment Sector

The funds were used for purchase and planting of tree seedlings and tanks

Security Sector

Funds were used for equipping of Arror chiefs office and Assistant County Commissioners office at Chebororwo with desktop computers, chairs and work tables including electricity installations. This will go along way in enhancing internet access and increasing access to online jobs.

Emerging Issues, Challenges, and Recommendations

| No | Challenge | Action done to overcome the challenge |
|----|---|---|
| 1. | High demand of the limited funds for infrastructural expansion due to 100% transition requirement | NG-CDFC allocated funds to the projects according to needs and priorities of the people |

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

| | | |
|----|---|---|
| 2. | Collapsing toilets due to heavy rains and loose soils in several institutions | NG-CDFC allocated emergency funds to the affected institutions for construction of toilets and septic tanks |
| 3. | Low level of project management committees' knowledge on procurement | NG-CDFC facilitated training of project management committees on procurement laws and regulations |
| 4. | Public works Bills of Quantity costs being higher than the allocated funds for the project by NG-CDFC | Clerk of works Customized the BQs to match the allocated funds in assistance from the public works |
| 5. | The land valuation reports missing for the construction earmarked NG CDF projects | Land valuation officers were engaged. |



.....
Name: Gilbert Onon
Chairman NGCDF Committee

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

Introduction

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

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

1. Equity & access to quality Education and Training
2. Support by improving work environment for Interior and National Administration facilities to enhance security and public safety
3. Emergency and Disaster Preparedness
4. Environment and Climate Change
5. Strengthen Institutional Capacity, Governance and Operational efficiency
6. Establishing and equipping digital hubs and ICT innovation centers for youth self - employment

(Enumerate the key objectives of the constituency as per the Strategic Plan)

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:

| Sector | 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 | - number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels | In FY 24/25 -we increased number of classrooms by 11, laboratories by 4, renovations of 25 classrooms, and 2 administration blocks. - Bursary beneficiaries at all levels were as per the attached schedules |
| Security | To enhance and sustain security in the Constituency | Construct offices in locations and Sub-locations where there are none | Number of physical usable infrastructure | Two security projects received funds for construction of chiefs offices in the financial year |

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

| | | | | |
|---------------------------|--|--|--|---|
| Climate change mitigation | To promote sustainable environment management practices | Promote water harvesting and environmental conservation techniques | Number of institutions supported with environmental conservation techniques. | Supported 27 schools with environmental conservation-energy saving jikos and water harvesting. |
| Emergency | To support institutions faced with emergencies. | To support institutions with emergency funds. | Number of institutions benefited through emergency funds. | A total of 8 primary, 1 secondary schools and education office benefitted from emergency funds. |
| Digital hubs | Establishing and equipping digital hubs and ICT innovation centers | For youth self - employment | Number of institutions supported with ICT equipment and infrastructure | Equipping of 2 security offices with ICT infrastructure including desktops, chairs worktables and electricity |

6. Governance Statement

a. NG-CDFC process of appointment

Section 43(1), (2), (3) and (4) of the National Government Constituencies Development Fund (NG-CDF) Act state that:

1. There is established a National Government Constituency Development Fund Committee for every constituency.
2. Constituency Committee Shall comprise of;
 - a) The national government official responsible for co-ordination of national government functions.
 - b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment
 - c) two women nominated in accordance with subsection (3) one of Whom shall be a youth at the date of appointment;
 - d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
 - e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
 - f) The officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
 - g) one member co-opted by the Board in accordance with regulations made by the Board
3. The seven persons referred to in sub-section (2) (b), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

The names of the persons selected under sub-section (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.

The current NGCDFC members were gazetted in 21st May 2025 and the first meeting was held in June, 2025

The persons appointed are drawn from different groupings as follows:

- | | | |
|-------------------|---------------------|-----------|
| • Male Youth | - Onon Gilbert | -Chairman |
| • Male Adult | - Dominic Kipchumba | - Member |
| • Female adult | - Alice Kilimo | - Member |
| • Female Youth | - Hellen Kemboi | - Member |
| • PWD REP | - Lyndah Kiptoo | - Member |
| • Co-opted Member | -Timothy Kipruto | - Member |

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

- Male adult - Ronald Kanda - Member
- Nominee of constituency Office - Rispher Kibet - Secretary

b. NG-CDFC Tenure

As per the Act Section 43 (8) the term of the National Government development Constituency Committee shall be two years.

c. The Role of the Constituency Committee

As per the NGCDF Regulations section 10 the functions of the NGCDFC shall be;

- Consider all project proposals from all the wards in the constituency rank the projects according to priority and submit the project proposal to the board for approval.
- Ensure formation of project management committees and opening of project management committee bank accounts.
- Build the capacity of the Project Management committees and sensitize the community on the operation of the fund.
- Ensure the project receive adequate funding by Consulting with relevant government department to ensure that the cost estimates for the projects are realistic and projects are completed within three years.
- Monitor the implementation of projects and prepare project reports and submit to the Board.
- Ensure that the principles of the public finance as provided for under Chapter Twelve of the Constitution and public finance Management legislation are observe in the Management of the Fund.
- Submit financial Statements to the Board within Sixty days of the end of the financial year.

d. Removal of a member

As per the act set 43 (13) states that the Constituency Committee May be removed from office on any of the following grounds;

- Lack of integrity
- Gross misconduct
- Embezzlement of public funds
- Bringing the committee into disrepute through unbecoming personal public behavior
- Promoting unethical behavior
- Causing disharmony within the committee

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

- Physical or Mental infirmity

e. NG-CDFC Induction and training

To ensure proper governance of the fund NGCDFC are trained on management of the fund. The primary focus training exercise was to improve capacity of the NGCDFC on matters of project implementation and supervision, Procurement of works, Government Financial procedures, Audit and Corruption issue,

NG-CDF office works closely with the other departments such at the sub county treasury office, sub county procurement office, sub county internal Audit office and County works office; these offices have rendered enormous services and unconditional support to NG-CDF Office. The NGCDFC engaged their services by inviting representative from each department as facilitators in the training exercise.

f. Number of meetings:

NG-CDF Act Section 43 (11) stipulates that NG-CDFC shall meet at least 6 times in a year but the committee shall not hold more than twenty-four meetings per year including sub-committee meetings. In Marakwet West Constituency, the NG-CDF Committee conducted 11 meetings and 1 sub-committee meetings.

| | Name of committee member | Meetings held | | | | | | | | | | |
|---|--------------------------|---------------|---------|---------|---------|---------|---------|---------|---------|---------|----------|----------|
| | | 18/7/24 | 27/8/24 | 19/9/24 | 3/10/24 | 7/11/24 | 8/12/24 | 10/1/25 | 19/1/25 | 23/2/25 | 15/03/25 | 23/05/25 |
| 1 | Gilbert Onon | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 2 | Alice Kilimo | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 3 | Hellen kemboi | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 4 | Linda Kiptoo | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 5 | Timothy Kipruto | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 6 | Johnstone Kiyeng | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 7 | Dominic Kipchumba | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 8 | Rispher Kibet | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |

g. Remuneration Rates

NGCDFC are paid sitting allowances of ksh 7,000 for the Chair and Ksh 5,000 for other members.

h. Disclose the policy on conflict of interest

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

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

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

1. To develop and maintain a strong system of Corporate Governance and Internal Controls as the basis for a robust and secure operating environment
2. To minimize direct and indirect losses suffered by the Fund
3. To assist in ensuring that all applicable external laws and regulations are complied with
4. To assist in ensuring all internal policies, procedures, standards and control are complied with
5. To provide a greater level of transparency into the operations of the fund
6. To enable the Fund follow best practice in Risk Management
7. To establish the current level of risk within the constituency/department
8. To enable the constituency/ department detect any forthcoming risks and take the necessary action.

7. Environmental and Sustainability Reporting

NG-CDF Marakwet West has allocated part of its budget on environment conservation through activities such as tree planting, energy conservation and conducting sensitization forums on climate change mitigation

1. Sustainability strategy and profile -

To ensure sustainability of Marakwet West NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Marakwet West 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 intention to provide better working environment for the security providers within the constituency as well 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 the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

- d. **Sports:** The NG-CDF has taken sports as a key pillar of cohesion and integration. To sustain this pillar, the strategy taken is that of developing skills through sports with intention of identifying, nurturing talent and encouraging physical fitness among the constituents.

2. Environmental performance

NG-CDF Marakwet West contributes to the Vision 2030 social pillar, which aims at a just and cohesive society enjoying equitable social development in a clean and secure environment. The constituency disbursed funds to support environmental projects for purchase of tree seedlings in twenty schools.

3. Sustainability strategy and profile -

To ensure sustainability of Marakwet West NG CDF, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Marakwet 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; Marakwet East NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well 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 the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

4. Environmental performance

The management of the fund at the constituency being cognizant of environmental conservation and protection through supporting community environmental initiatives has strengthened environment conservation and protection by ensuring increased tree cover and green spaces in our environment. Environmental conservation is now fully integrated in the NG-CDF activities where schools have been given tree seedlings to plant in their compounds, water harvesting in institutions, soil conservation activities, sewerage systems which includes septic tanks, toilets in schools and public spaces. NGCDF Marakwet west allocated funds to twelve schools for water harvesting including gutters water tanks and support bases in twelve schools. Further thirty schools were allocated funds in the financial year for installation of energy saving jikos thus environmental conservation.

On the security sector two chief's office were allocated funds for construction of chief's office to completion. Two digital hubs were equipped with ICT equipment including 23 desktops, chairs, work tables and connecting them with electricity

5. Employee welfare

We invest in providing the best working environment for our employees. Marakwet west 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 of 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 cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Marakwet west 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 policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

6. Market place practices-

Marakwet West 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 for purposes of uplifting them economically. Our ethical market practices ensure the fund get value for money on all goods and services procured.

We are also committed to healthy relations with our suppliers which is enhanced through organized sensitization forums that relate to 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 practice 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 interest.

7. Community Engagements-

Marakwet West 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 sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

Marakwet West Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituency, 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 NG CDF Board in accordance with the Act.

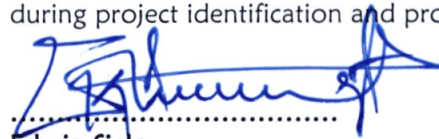
Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision.

The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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

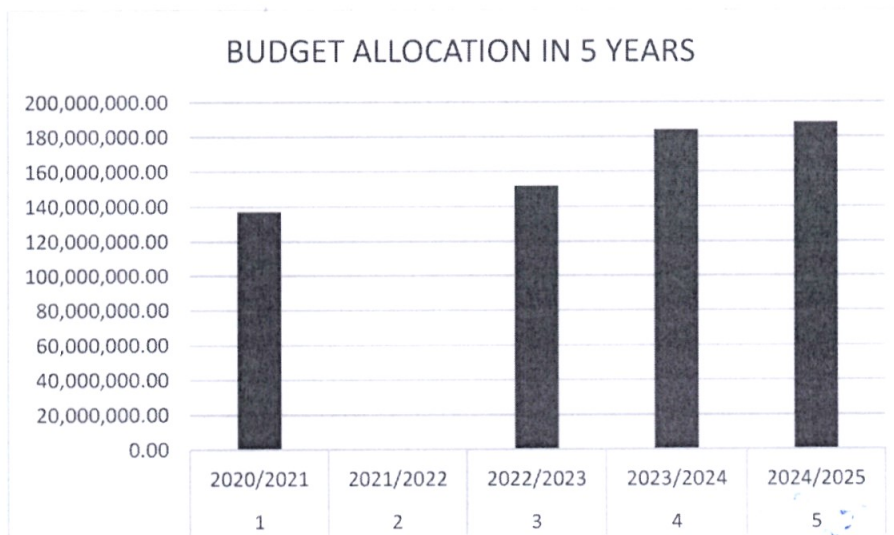


Edwin Siele
Fund Account Manager.

8. Management Discussion and Analysis

NG-CDF Marakwet West received a total allocation of ksh 661,605,006.50 in the financial years 2020/2021 to 2024/2025 out of which 60% was allocated to education projects in primary schools and secondary schools while average of 15% was allocated to bursary. On the other hand, security and other sectors received 10% and 15% respectively. The table below shows annual allocation to the constituency in the past five years of operation.

| S/NO | FINANCIAL YEAR | AMOUNT |
|------|----------------|-----------------------|
| 1 | 2024/2025 | 188,414,052.19 |
| 2 | 2023/2024 | 184,141,901.00 |
| 3 | 2022/2023 | 151,960,174.00 |
| 4 | 2021/2022 | 137,088, 879.00 |
| 5 | 2020/2021 | 137,088,879.31 |
| | | 798,693,885.50 |

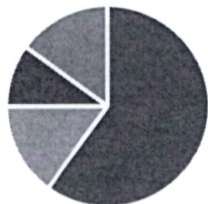


The fund's allocation has been increasing over the years which in turn has led to more coverage in terms of development and improved service delivery

Average allocation per sector compared in the five financial years from 2020/2021 to 2024/2025

| Sector | Average percentage allocation |
|-----------|-------------------------------|
| Education | 60% |
| Bursary | 15% |
| Security | 10% |
| Others | 15% |

Average percentage allocation Amount

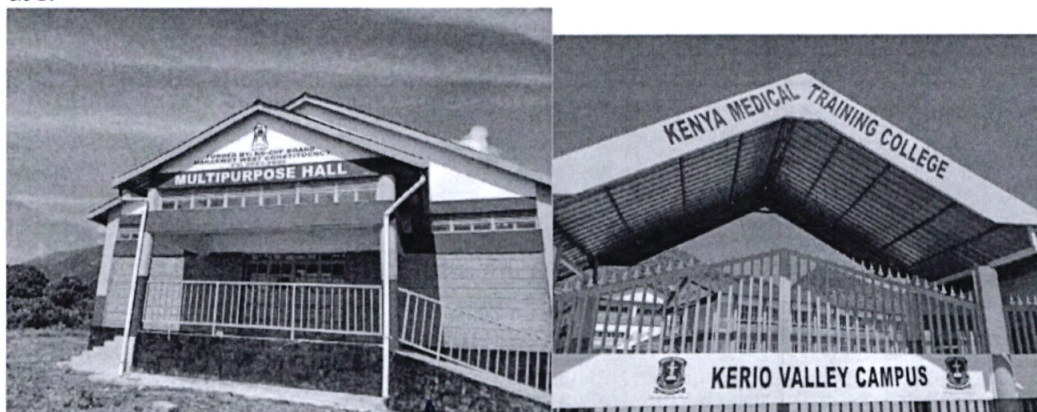


■ Education ■ Bursary ■ Security ■ Others

Outstanding projects funded in the years 2020/2021 to 2024/2025

KMTC Kerio valley campus

The project was allocated funds in the financial year 2021/2022 for Construction of a 1000 student capacity multi-purpose Dining Hall to completion. The project is now complete and in use.



Name; Edwin Siele
Fund Account Manager

9. Environmental and Sustainability Reporting

NGCDF Marakwet West recognizes the need to promote sustainable environment and management practices. The management has put in place measures for water harvesting and environmental conservation techniques. Cognizant of the sustainable development goals the NGCDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

Sustainability strategy and profile -

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

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

e) Environmental performance

NGCDF Marakwet West recognizes the critical role the environment sector plays in achieving sustainable development. In the financial year 2024/2025 the management allocated funds to twenty-six schools from across the constituency for Purchase and installation of 250 litres capacity energy saving jikos. Further within the financial year the management allocated funds to three security projects for purchase of land and construction of chief's offices.

f) Employee welfare

We invest in providing the best working environment for our employees. NGCDF Marakwet West 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. Marakwet West 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.

g) Marketplace practices-

NGCDF Marakwet West 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.

h) Community Engagements-

NGCDF Marakwet West 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

NGCDF Marakwet West 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.

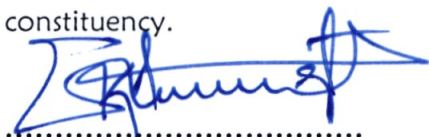
Public participation is a process that directly engages the concerned stakeholders in decision-making and fully considers public input.

The NGCDF 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.

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



.....
Name; EDWIN SIELE
Fund Account Manager.

10. Statement of Management Responsibilities

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

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

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

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

The Accounting Officer in charge of the NGCDF Marakwet West Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the constituency's financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

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

Approval of the financial statements

The NGCDF- NGCDF Marakwet West Constituency financial statements were approved and signed by the Accounting Officer on _____ 2025.



.....

Name: Gilbert Onon
Chairman – NGCDF Committee



.....

Name: Edwin Siele
Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MARAKWET WEST 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 - Marakwet West Constituency set out

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

on pages 1 to 71, which comprise of the statement of financial position as at 30 June, 2025 and 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 - Marakwet West Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) including the transitional provisions permitted under IPSAS 33 and comply with the Public Finance Management Act, 2012, the National Government Constituencies Development Fund Act, 2015 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Unsupported Project Management Committee (PMC) Account Balances

The statement of financial position reflects cash and cash equivalent balance amount of Kshs.206,417,943. Included in this balance is Kshs.89,038,784 in respect to project management committee (PMC) account held in one hundred sixty -two (162) bank accounts. However, Management did not provide supporting cashbooks extracts, bank statements, bank reconciliations and certificates of bank balances to support the figures.

Annex 2 to the financial statement disclosed Project Management Committee (PMC) account balance of Kshs.89,038,784. However, Management did not to disclose details of two (2) bank account Kshs.462,189.

In the circumstance, the accuracy and completeness of the Project Management Committee bank balances of Kshs.89,038,784 could not be confirmed.

2. Unsupported Committee Expenses

The statement of performance reflects committee expenses amount of Kshs.4,715,445. Included in this amount is Kshs.4,148,445 in respect of committee expenses as disclosed in Note 11. However, the authority for safari Imprest, imprest warrants, signed attendance list, minutes of meetings and purposes of the meeting were not provided for review.

In the circumstances, the accuracy and completeness of the committee expenses amount of Kshs.4,715,445 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 - Marakwet West Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable

to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amount reflects final receipts budget and actual on comparable basis of Kshs.290,046,485 and Kshs.186,048,834 respectively, resulting to an under-funding of Kshs.103,997,651 or 36% of the budget. Similarly, the statement reflects expenditure and actual on comparable basis of Kshs.186,048,485 and Kshs.75,257,876 respectively, resulting to an under expenditure of Kshs.110,790,958 or 60% of the actual receipts. This performance is contrary to Section 83 of the Public Finance Management Act, 2012 which requires entities to report on outputs and outcomes. If budgeted activities are not implemented, it reflects poor performance.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the people of Marakwet West Constituency.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Un Resolved Prior Year Audit Matters

In the audit report of the previous years, several paragraphs were raised under the report on Lawfulness and Effectiveness in Use of Public Resources Emphasis of matter and Other Matter. Even though Management has provided explanations on the progress made on the recommendations made by auditors, the issues have remained un resolved. Refer **Appendix I**.

Other Information

The Management is responsible for the Other Information set out on page (ii) to (xxxii) which comprise of Acronyms and Definition of Terms, Key Constituency Information and Management, NG-CDF Committee, NG-CDF Chairman's Report, Statement of Performance against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund's financial statements, my responsibility is to read the other information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit

or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources section of my report, I confirm that nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Irregular Bursary Management

The statement of financial performance and Note 14 to the financial statement reflects Kshs.56,572,089 in respect to other grants and transfers actual expenditure which includes Kshs.52,405,269 for bursary disbursements to secondary school, tertiary institutions and Special Schools. However, no adequate supporting documentation e.g Policy guiding bursary applications, vetting and disbursements of bursaries was provided for audit verification.

In addition, there was no information on public notification of the application of bursary, list of qualified applications, and rejected applications bursary committee vetting minutes approving the list of beneficiaries and need assessment report. This was contrary to the National Government Constituencies Development Fund Act, 2015 Section 21(2) of the National Government Constituencies Development Fund Regulations, 2016 states that a Constituency Committee shall vet all applicants for bursary consideration in accordance with guidelines issued by the Board.

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

2. Incomplete Project – Hossen Primary School

Hossen primary school received a total of Kshs.3,972,993 during the year for construction of two door laboratories. The scope of work included substructure, roofing, flooring, fixing of doors and windows, plastering and painting, purchase and installation of two white boards, ceiling board, drainage.

Physical verification on 21 October, 2025 revealed that the project was complete and in use and the contractor had been paid in full. However, the laboratories did not have a ceiling board and drainage as specified in Bill of Quantity (BoQ). This was contrary to Section 149(2) of the of Public Finance Management Act, 2012 provides that, in carrying

out a responsibility imposed by subsection (1), an accounting officer shall, in respect of the entity concerned, manage the assets of the entity to ensure that it receives value for money when acquiring, using or disposing of its assets and NG-CDF Act, 2013 Section 31 (3) states that; "The Constituency Development Fund Committee and the Board shall be responsible for monitoring the implementation of projects and may designate a sub-committee, a ward committee or a project committee, the functions of monitoring an ongoing project and shall submit a report on the ongoing projects to the ward administrator and sub-county administrator, and the County Projects Committee."

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

3. Failure to Report Emergency Expenditures to the Board

During the year under review, NG-CDF - Marakwet West financed emergency projects amounting to Kshs.2,400,000. However, there was no evidence that the NG-CDF had reported any of the emergency expenditures to the Board within 30 days as required by the Regulation 20 (2) of the National Government Constituency Fund regulations, 2016. which requires utilization of the emergency reserve to be reported to the Board within thirty days of the occurrence of the emergency.

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

4. Delay in Implementation of Projects

The audit established that seventy-eight (78) projects with a cost of Kshs.105,340,259 had not started despite Marakwet west NG-CDF having received funds from the NG-CDF Board. In addition, the public did not benefit from the intended services that were to be offered by the projects. This was contrary to Section 149(2) of the of Public Finance Management Act, 2012 provides that, in carrying out a responsibility imposed by subsection (1), an accounting officer shall, in respect of the entity concerned, manage the assets of the entity to ensure that it receives value for money when acquiring, using or disposing of its assets;

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

5. Long Outstanding Taxes from NGCDF Operations

Review of NG-CDF board letter dated 16 September, 2025 on feedback to the Decentralized Funds Accounts Committee of the National Assembly and Kenya Revenue Authority letter dated 17 June, 2025 on enforcement of outstanding taxes owed by National Government Constituency Development Funds revealed that Marakwet West NG-CDF had tax arrears totalling Kshs.427,404 made up of outstanding PAYE of Kshs.63,803; withholding VAT Kshs.286,052 and withholding income tax of Kshs.77,547 contrary to Section 92 of the Income Tax Act (Cap 470) which stipulates that tax charged in any assessment shall be due and payable. Failure to remit these taxes can result in penalties, with unremitted taxes being recovered from the respective Constituency accounts.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective

Basis for Conclusion

Undisclosed High Personnel Turnover

It was noted during audit that there was a high Fund Managers' turnover at Marakwet West in the last twelve (12) months. High Fund Managers' turnover causes delays in transfer of funds, hampers project implementation and dilutes institutional memory.

In the circumstances, high turnover of Fund Account Managers denies residents of Marakwet West Constituency benefits accruing from the approved projects.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

Those charged with governance 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

01 December, 2025

Appendix I: Unresolved Prior Year Audit Matters

| No | Issue |
|----|--|
| 1 | Unsupported Project Management Committee (PMC) Bank Account Balances |
| 2 | Budgetary Control and Performance |
| 3 | Delayed Disbursements of Funds from the Board |
| 4 | Status of Projects Verification |

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

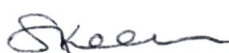
12. Statement of Financial Performance for the Year Ended 30th June 2025

| | Note | 2024/2025 |
|---|------|--------------------|
| | | Kshs |
| Revenue from non-exchange transactions | | |
| Transfers from the NGCDF Board | 6 | 188,414,052 |
| Transfers from domestic and foreign partners | 7 | - |
| Revenue from exchange transactions | | |
| Finance income | 8 | - |
| Miscellaneous income | 9 | - |
| Total revenue | | 188,414,052 |
| Expenses | | |
| Employee costs | 10 | 4,910,338 |
| Committee expenses | 11 | 4,715,445 |
| Use of Goods and Services | 12 | 7,470,671 |
| Other Government Units Actual expenditure | 13 | 40,652,830 |
| Other Grants and Transfers Actual expenditure | 14 | 56,572,089 |
| Depreciation and amortization expense | 15 | - |
| Digital Hubs Expenses Actual expenditure | 16 | 359,725 |
| Total expenses | | 114,681,098 |
| Other gains/(losses) | | |
| Gain/Loss on Sale of Assets | 17 | - |
| Impairment loss | 18 | - |
| Surplus/(Deficit) for the year | | 73,732,954 |

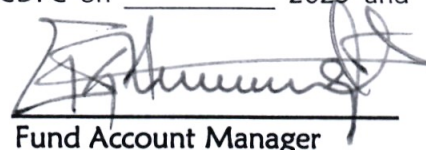
The Constituency financial statements were approved by the NGCDFC on _____ 2025 and signed by:



Chairman NG-CDF
Committee
Name: Gilbert Onon



National Sub-County
Accountant
Name: Stephen Chirchir
ICPAK M/No: 25357



Fund Account Manager
Name: Edwin Siele

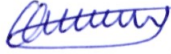
*National Government Constituencies Development Fund (NGCDF)
Marakwet West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

13. Statement of Financial Position as at 30th June, 2025

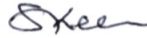
| | Not e | Period as at June 2025 | Opening Statement 1st July 2024 |
|--|----------|---------------------------|------------------------------------|
| | | Kshs | Kshs |
| Assets | | | |
| Current Assets | | | |
| Cash And Cash Equivalents | 19 | 206,417,943 | 135,937,140 |
| Receivables from Exchange Transactions | 20 | - | - |
| Receivables from Non-Exchange Transactions | 21 | 58,414,052 | 56,048,834 |
| Prepayments | 22 | - | - |
| Total Current Assets | | 264,831,995 | 191,985,974 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 23 | 1,748,775 | - |
| Intangible Assets | 24 | - | - |
| Right-of-use assets | 25 | - | - |
| Total Non- Current Assets | | 1,748,775 | - |
| Total Assets (A) | | 266,580,770 | 191,985,974 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 26 | - | - |
| Third-Party Deposits | 27 | - | - |
| Lease Liabilities | 28 | - | - |
| Gratuity provision | 29 | 1,890,371 | 1,028,529 |
| Total Current Liabilities | | 1,890,371 | 1,028,529 |
| Non-Current Liabilities | | | |
| Lease Liabilities | 28 | - | - |
| Total Liabilities (B) | | 1,890,371 | 1,028,529 |
| Net Assets (A-B) | | 264,690,399 | 190,957,445 |
| Represented by: | | | |
| Revaluation Reserves | | 264,690,399 | 190,957,445 |
| Accumulated Surplus | | | |
| Total Net Assets | | 264,690,399 | 190,957,445 |

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

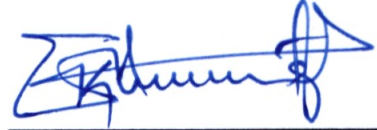
The Constituency financial statements set out on pages 1 to 22 approved by NG CDFC on _____
2025 and signed by:



Chairman NG-CDF
Committee
Name: Gilbert Onon



National Sub-County
Accountant
Name: Stephen Chirchir
ICPAK M/No: 25357



Fund Account Manager
Name: Edwin Siele

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

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

| Description | Revaluation Reserves | Accumulated surplus/Deficit | Total |
|---|----------------------|-----------------------------|-------------|
| | | Kshs | Kshs |
| Fund Balance as at 30th June 2024 | 45,747,286 | - | 45,747,286 |
| Adjustments | | | |
| Recognition of Assets | 145,210,159 | | 145,210,159 |
| Recognition of Liabilities | - | | - |
| As at July 1, 2024 | 190,957,445 | | 190,957,445 |
| | | | |
| Surplus/(Deficit) For the Period | 73,732,954 | | 73,732,954 |
| Revaluation Gain/Loss | - | - | - |
| As at June 30, 2025 (current year) | 264,690,399 | - | 264,690,399 |

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

15. Statement of Cash Flows for The Year Ended 30th June 2025

| | Notes | 2024/2025 Kshs |
|---|-------|--------------------|
| Cash flows from operating activities | | |
| Receipts | | |
| Transfers from the NGCDF Board | | 186,048,834 |
| Transfers from domestic and foreign partners | | - |
| Finance income | | - |
| Miscellaneous income | | - |
| Total Receipts | | 186,048,834 |
| | | |
| Payments | | |
| Employee costs | | 4,048,496 |
| Committee expenses | | 4,715,445 |
| Use of Goods and Services | | 7,470,671 |
| Other Government Units Certified Works | | 40,652,830 |
| Other Grants and Transfers | | 56,572,089 |
| Digital Hubs Expenses | | - |
| Total Payments | | 113,459,531 |
| Net Cash Flows from/ (used in) Operating Activities | 30 | 72,589,303 |
| | | |
| Cash flows From Investing Activities | | |
| Purchase of PPE | | 2,108,500 |
| Purchase of Intangible assets | | - |
| Proceeds from Sale of PPE | | - |
| Net Cash Flows from Investing Activities | | 2,108,500 |
| Net increase/(decrease) in cash & Cash equivalents | | 70,480,803- |
| | | |
| Cash Flows from Financing Activities | | 70,480,803 |
| Lease Payment | | - |
| Net Cash Flows from Financing Activities | | |
| Cash and cash equivalents at 1 July | 19 | 135,937,140 |
| Cash and cash equivalents at 30 June | 19 | 206,417,943 |

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

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

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

| | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference | % of Utilization |
|--|-----------------|--------------------------------|---|--------------|----------------------------|-------------------------------|------------------|
| | Kshs | Kshs | | Kshs | Kshs | Kshs | |
| | A | b | | C=(a+b) | d | e=(c-d) | f=d/c*100 |
| | 2024/2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2024/2025 | 2024/2025 | | |
| Revenue | | | | | | | |
| Transfers from the NGCDF Board | 188,414,051 | 45,583,600 | 56,048,834 | 290,046,485 | 186,048,834 | 103,997,651 | 64% |
| Transfers from domestic and foreign partners | - | - | - | - | - | - | - |
| Finance income | - | - | - | - | - | - | - |
| Miscellaneous income | - | - | - | - | - | - | - |
| Totals | 188,414,051 | 45,583,600 | 56,048,834 | 290,046,485 | 186,048,834 | 103,997,651 | 64% |
| Expenses | | | | | | | |
| Employee costs | 3,998,027 | 1,980,650 | 1,000,000 | 6,978,677 | 4,048,496 | 2,930,181 | 58% |
| Committee expenses | 3,395,000 | 2,400,700 | 50,000 | 5,845,700 | 4,715,445 | 1,130,255 | 81% |
| Use of Goods and Services | 7,744,626 | 3,850,112 | 34,580 | 11,629,318 | 7,470,671 | 4,158,647 | 64% |

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

| | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference | % of Utilization |
|--|--------------------|--------------------------------|---|--------------------|----------------------------|-------------------------------|------------------|
| | Kshs | Kshs | | Kshs | Kshs | Kshs | |
| | A | b | | C=(a+b) | d | e=(c-d) | f=d/c*100 |
| | 2024/2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding disbursements | 2024/2025 | 2024/2025 | | |
| Other Government Units Certified Works | 92,359,870 | - | 44,837,063 | 137,196,933 | 40,652,830 | 96,544,103 | 30% |
| Other Grants and Transfers | 77,280,270 | 36,182,881 | 10,127,191 | 123,590,342 | 18,010,709 | 105,579,633 | 15% |
| Digital Hubs Expenses | 3,636,259 | 1,169,257 | - | 4,805,516 | 359,725 | 4,445,791 | 7% |
| Funds Pending Approval** | - | - | - | - | - | - | - |
| Total Expenditure | 188,414,052 | 45,583,600 | 56,048,834 | 290,046,486 | 75,257,876 | 214,788,610 | 26% |
| Surplus for the period | | | | | | | |

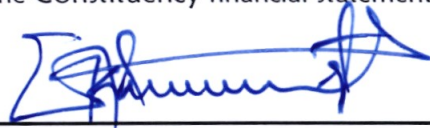
*National Government Constituencies Development Fund (NGCDF)
 Marakwet West Constituency
 Annual Report and Financial Statements for The Year Ended June 30, 2025*

Explanatory Notes.

- The underutilization of funds below 90% was a result of delayed disbursements from the board
- The underutilization of funds under compensation of employees is due to the gratuity amount provided within the year.
- The changes between the original and final budget are as a result of opening balance brought forward and previous year's allocation not received from the Board.

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|---------------|
| Description | Amount |
| Budget utilisation difference totals | 214,788,610 |
| Less undisbursed funds receivable from the Board as at 30 th June 2025 | 103,997,651 |
| Cash and Cash Equivalents at the end of the 30 th June 2025 | 110,790,959 |

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 _____ 2025 and signed by:



Fund Account Manager

Name; Edwin Siele



National Sub-County Accountant

Name; Stephen Chirchir
 ICPAK M/No: 25357



Chairman NG-CDF Committee

Name: Gilbert Onon

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

17. Budget Execution by Sectors and Projects for The Year Ended 30th June 2025

| Programme/Sub-programme | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference |
|---|------------------|--------------------------------|---|-------------------|----------------------------|-------------------------------|
| | | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 3,674,027 | 1,980,000 | 1,000,000 | 6,654,027 | 4,910,338 | 1,743,689 |
| 1.2 Committee allowances | 1,908,000 | 555,700 | 50,000 | 2,513,700 | 567,000 | 1,946,700 |
| 1.3 Use of goods and services | 3,222,816 | 2,316,420 | 34,580 | 5,573,816 | 3,439,406 | 2,134,410 |
| Sub-total | 8,804,843 | 4,852,120 | 1,084,580 | 14,741,543 | 8,916,744 | 5,824,799 |
| Sub-total | | | | | | |
| 2.0 Monitoring and evaluation | | -- | | | | |
| 2.1 Capacity building | 3,100,000 | 1,845,000 | | 4,945,000 | 4,148,445 | 796,555 |
| 2.2 Committee allowances | 1,000,000 | 1,845,000 | | 2,845,000 | 877,305 | 1,967,695 |
| 2.3 Use of goods and services | 1,552,421 | - | - | 1,552,421 | 371,328 | 1,181,093 |
| Sub-total | 5,652,421 | 3,690,000 | - | 9,342,421 | 5,397,078 | 3,945,343 |
| Sub-total | 4,506,530 | 12,107,901 | - | 16,614,431 | 5,410,000 | 11,204,431 |
| 3.0 Emergency | | - | | | | |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| KAPCHEROP BOYS SEC SCHOOL | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| KIPTEBER PRIMARY SCHOOL | 650,000 | - | - | 650,000 | 650,000 | - |
| KAMOI PRIMARY SCHOOL | 650,000 | - | - | 650,000 | 650,000 | - |
| TOROKWO PRIMARY SCHOOL | 650,000 | - | - | 650,000 | 650,000 | - |
| KAPSUMAI PRIMARY SCHOOL | 650,000 | - | - | 650,000 | 650,000 | - |
| SERET PRIMARY SCHOOL | 650,000 | - | - | 650,000 | 650,000 | - |
| CHEPKUM PRIMARY SCHOOL | 650,000 | - | - | 650,000 | 650,000 | - |
| TUNYO PRIMARY SCHOOL | 160,000 | - | - | 160,000 | 160,000 | - |
| MARAKWET SUB COUNTY EDU.OFF | 350,000 | - | - | 350,000 | 350,000 | - |
| Unutilized | - | - | - | - | - | - |
| Sub-total | 9,916,530 | 12,107,901 | - | 5,410,000 | 5,410,000 | 11,204,431 |
| 4.0 Bursary and Social Security | | | | - | | - |

*National Government Constituencies Development Fund (NGCDF)
 Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 4.1 Primary Schools | | | | - | | - |
| 4.2 Secondary Schools | 30,500,000 | 7,552,817 | 20,896 | 38,073,713 | 36,542,720 | 1,530,993 |
| 4.3 Tertiary Institutions | 25,000,000 | 2,030,762 | 40,000 | 27,070,762 | 14,787,417 | 12,283,345 |
| 4.4 Universities | | | | 16,614,431 | 40,000 | 13,814,338 |
| 4.5 Social Security | | | | | | |
| Sub-total | | | | - | | - |
| 5.0 Climate Change Mitigation | 55,500,000 | 9,583,579 | 60,896 | 81,758,906 | 51,370,137 | 27,628,676 |
| Barsumbat Secondary School | | | | | | |
| Chebai Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Chebara Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Cheles Day Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Chesubet Mixed Day Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Chogoo Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Jemunada Secondary School | 352,000 | | | 352,000 | - | 352,000 |

National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Kamoi Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kamurto Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kapchebit Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kapcherop Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kapsiw Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kaptalamwa Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kaptiony Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Kasubwa Day Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Kipkener Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Kipteber Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Koisungur Boys Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Koitolial Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Koitugum Primary School | 352,000 | | | 352,000 | - | 352,000 |

National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Lamaon Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Lawich Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Litei Mixed Day Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Metibelio Mixed Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Sinon Day Secondary School | 352,000 | | | 352,000 | - | 352,000 |
| Yemit Primary School | 352,000 | | | 352,000 | - | 352,000 |
| Sub-total | 9,152,000 | | | 9,152,000 | - | 9,152,000 |
| 6.0 Primary Schools Projects (List all the Projects) | | | | | | |
| Barsumbat Primary School | 1,400,000 | - | - | 1,400,000 | - | 1,400,000 |
| Boroon Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Cheptulon Primary School | 1,200,000 | - | - | 61,200,000 | - | 1,200,000 |
| Chesingei Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Chogoo Primary School | 3,000,000 | - | - | 3,000,000 | - | 3,000,000 |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| Kabelio Primary School | 1,600,000 | - | - | 1,600,000 | - | 1,600,000 |
| Kamuseny Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Kapchepsar Primary School | 1,600,000 | - | - | 1,600,000 | - | 1,600,000 |
| Kaplenge Primary School | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 |
| Kaplongon Primary School | 2,400,000 | - | - | 2,400,000 | - | 2,400,000 |
| Kapsait Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Kapsowar Primary School | 1,000,000 | - | - | 1,000,000 | 1,000,000 | - |
| Kaptabuk Primary School | 1,400,000 | - | - | 1,400,000 | - | 1,400,000 |
| Kasaon Primary School | 650,000 | - | - | 650,000 | - | 650,000 |
| Kerer Primary School | 2,000,000 | - | - | 2,000,000 | - | 2,000,000 |
| Kibirech Primary School | 2,500,000 | - | - | 2,500,000 | - | 2,500,000 |
| Kibuga Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kilos Primary School | 800,000 | - | - | 800,000 | - | 800,000 |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| Kingwal Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Kipkutee Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Kipsaiya Primary School | 700,000 | - | - | 700,000 | - | 700,000 |
| Kipsero Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Kipsetan Primary School | 352,000 | - | - | 352,000 | - | 352,000 |
| Koitolial Primary School | 500,000 | - | - | 500,000 | - | 500,000 |
| Kokwongoi Primary School | 1,600,000 | - | - | 1,600,000 | - | 1,600,000 |
| Kolelach Primary School | 1,600,000 | - | - | 1,600,000 | - | 1,600,000 |
| Kuserwo Primary School | 2,400,000 | - | - | 2,400,000 | - | 2,400,000 |
| Matira Primary School | 1,800,000 | - | - | 1,800,000 | - | 1,800,000 |
| Metibelio Mixed Secondary School | 2,400,000 | - | - | 2,400,000 | - | 2,400,000 |
| Moek Kapkures Primary School | 3,600,000 | - | - | 3,600,000 | - | 3,600,000 |
| Ngongoroi Primary School | 1,400,000 | - | - | 1,400,000 | - | 1,400,000 |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| Sangurur Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Simat Primary School | 650,000 | - | - | 650,000 | - | 650,000 |
| Simbeywet Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Sitoton Primary School | 1,300,000 | - | - | 1,300,000 | - | 1,300,000 |
| Tartar Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Tenden Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Torokwo Primary School | 1,200,000 | - | - | 1,200,000 | - | 1,200,000 |
| Yemit Primary School | 1,400,000 | - | - | 1,400,000 | 1,400,000 | - |
| Ewah Primary School | - | 1,000,000 | | 1,000,000 | - | 1,000,000 |
| Lawich Primary School | - | 1,000,000 | | 1,000,000 | 1,000,000 | - |
| Kerer Primary School | - | 1,000,000 | | 1,000,000 | - | 1,000,000 |
| Kipkundul Primary School | - | 1,000,000 | | 1,000,000 | 1,000,000 | - |
| Soiyo Primary School | - | 1,000,000 | | 1,000,000 | 1,000,000 | - |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| Kipsetan Primary School | - | 1,200,000 | | 1,200,000 | 1,200,000 | - |
| Yemit Primary School | - | 1,400,000 | | 1,400,000 | - | 1,400,000 |
| Seret Primary School | - | 1,000,000 | | 1,000,000 | 1,000,000 | - |
| Kapsowar Primary School | - | 1,200,000 | | 1,200,000 | - | 1,200,000 |
| Kaploet Primary School | - | 1,500,000 | | 1,500,000 | 1,500,000 | - |
| Kapchumari Primary School | - | 1,500,000 | | 1,500,000 | - | 1,500,000 |
| Kamasat primary school | | 1,000,000 | | 1,000,000 | 1,000,000 | - |
| Kaploet Primary School | - | | 1,000,000 | 1,000,000 | - | 1,000,000 |
| Kapchumari Primary School | - | | 350,000 | 350,000 | - | 350,000 |
| Chebai Primary School | - | | 3,972,970 | 3,972,970 | 3,972,970 | - |
| Hossen Primary School | - | | 3,972,970 | 3,972,970 | 3,972,970 | - |
| Kibikos Primary School | - | | 3,972,993 | 3,972,993 | 3,972,970 | 23 |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| Moek Kapkures primary school | - | | 500,000 | 500,000 | - | 500,000 |
| Kipkermen primary school | - | | 500,000 | 500,000 | - | 500,000 |
| Kimnai Primary School | - | | 2,000,000 | 2,000,000 | - | 2,000,000 |
| Sub-total | 56,152,000 | 13,800,000 | 16,268,933 | 86,220,933 | 22,018,910 | 64,202,023 |
| 7.0 Secondary Schools Projects (List all the Projects) | | | | | | |
| Chesubet Mixed Day Secondary School | 3,000,000 | | | 3,000,000 | - | 3,000,000 |
| Cheptongei Mixed Day Secondary School | 2,500,000 | | | 2,500,000 | - | 2,500,000 |
| St Benedicts Arror Girls Secondary School | 1,200,000 | | | 1,200,000 | - | 1,200,000 |
| Korongoi Secondary School | | | 600,000 | 600,000 | 600,000 | - |
| Kondabilet Mixed Day Secondary School | | | 4,168,130 | 4,168,130 | 4,168,130 | - |
| Koitolial Secondary School | | | 2,000,000 | 2,000,000 | 2,000,000 | - |
| Kapsowar Boys High School | | | 10,000,000 | 10,000,000 | 10,000,000 | - |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| Chesubet Mixed Day Secondary School | | | 800,000 | 800,000 | 800,000 | - |
| Chebai Mixed Secondary School, | | | 250,000 | 250,000 | - | 250,000 |
| Koitolial Secondary School | | - | 4,200,000 | 4,200,000 | - | 4,200,000 |
| Chebai Mixed Day Secondary School | | - | 1,500,000 | 1,500,000 | - | 1,500,000 |
| Sub-total | 6,700,000 | - | 23,518,130 | 30,218,130 | 17,568,130 | 12,650,000 |
| 8.0 Tertiary institutions Projects (List all the Projects) | | | | | | |
| Sub-total | | | | | | |
| 9.0 Security Projects | | | | | | |
| Chebai Chief's Office | 2,500,000 | | | 2,500,000 | - | 2,500,000 |
| Koitungum Assistant Chief's Office | 2,500,000 | | | 2,500,000 | - | 2,500,000 |
| Kipteber chiefs office | | | 4,000,000 | 4,000,000 | - | 4,000,000 |
| Sub-total | 5,000,000 | - | 4,000,000 | 9,000,000 | - | 9,000,000 |
| 10.0 Acquisition of assets | | | | | | |
| 12.0 Acquisition of assets | | | | | | |
| 12.1 Motor Vehicles (including motorbikes) | | | - | - | - | - |

National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | | Kshs | Kshs | | | |
| 12.2 Purchase of furniture and fittings | | 1,000,000 | 560,000 | 1,560,000 | 1,559,500 | 500 |
| 12.2 Construction of CDF office | | | 4,211,600 | 4,211,600 | - | 4,211,600 |
| Sub-total | - | 1,000,000 | 4,771,600 | 5,771,600 | 1,559,500 | 4,212,100 |
| 11.0 Digital Hubs | | | | | | |
| <i>(Itemize as per the code list)</i> | | | | | | |
| Sub total | | | | | | |
| 12.0 Others | | | | | | |
| Constituency digital hubs | | | - | - | - | - |
| Constituency Sports | | | - | 2,689,203 | - | 2,689,203 |
| Regional Sports | | | - | 350,000 | - | 350,000 |
| Roads-Construction of Sisiya roads | | | - | 500,000 | - | 500,000 |
| Arror Chief's Office Digital Hub | 1,818,129 | | | - | 1,818,129 | - |
| Chebororwa Assistant County Commissioner's Office digital Hub | 1,818,129 | | | - | 1,818,129 | - |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Rural Electrification and Renewable Energy Corporation | 10,000,000 | | | 10,000,000 | - | 10,000,000 |
| Marakwet West Constituency NG-CDF Strategic Plan | | - | 2,805,492 | 2,805,492 | 2,778,032 | 27,460 |
| Acquisition of assets-computers | | 550,000.00 | - | 550,000 | 549,500 | 500 |
| Sub-total | 13,636,258 | 550,000 | 6,344,695 | 20,530,953 | 3,327,532 | 17,203,421 |
| 13.0 Funds pending approval** | | | | | | |
| Funds pending approval** | | | | - | | - |
| 13.1 Unapproved projects | | | | | | |
| Chemosong Primary School | 1,500,000 | | | 1,500,000 | - | 1,500,000 |
| Kimnai Chief's Office | 1,000,000 | | | 1,000,000 | - | 1,000,000 |
| St Raphael Chebiemit Boys Secondary School | 3,000,000 | | | 3,000,000 | - | 3,000,000 |
| Mosongo Primary School | 1,000,000 | | | 1,000,000 | - | 1,000,000 |
| Ngorngoroi Primary School | 1,400,000 | | | 1,400,000 | - | 1,400,000 |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Previous Years' Outstanding Disbursements | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Kimnai Girls Secondary School | 5,000,000 | | | 5,000,000 | - | 5,000,000 |
| Kapsowar Boys Secondary School | 5,000,000 | | | 5,000,000 | - | 5,000,000 |
| Sub-total | 17,900,000 | - | - | 17,900,000 | - | 17,900,000 |
| 13.2 AIA | | | | | | |
| 13.3 | | | | | | |
| Sub-total | | | | | | |
| Total | 188,414,052 | 45,583,600 | 56,048,834 | 290,046,486 | 115,568,031 | 182,922,793 |

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

18. 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 Marakwet West Constituency principal activity is security and education which are national government functions at the constituency level.

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 Marakwet west 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 Marakwet west 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.

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

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

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

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 cashflows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. |
| IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations | <i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. |
| IPSAS 45: Property Plant and Equipment | <i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of |

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

| | |
|----------------------------------|--|
| | <p>IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> |
| <p>IPSAS 46: Measurement</p> | <p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| <p>IPSAS 47: Revenue</p> | <p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> |

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

| | |
|--|---|
| <p>IPSAS 48: Transfer Expenses</p> | <p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> |
| <p>IPSAS 49: Retirement Benefit Plans</p> | <p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> |
| <p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p> | <p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity’s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. |

iii. *Early adoption of standards*

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



4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the *Fund* and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, the amount is recorded in the statement of financial position and realized in the statement of financial performance upon fulfilling the conditions set. Revenue shall be recognized after allocations have been approved by the NG-CDF Board.

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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



b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through surplus or deficit, are measured at amortized cost. A gain or loss on an instrument that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in profit or loss when the asset is de-recognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note 18

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

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

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

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

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

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

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

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Entity based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Entity. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

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

Provisions

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

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

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

6. Transfers from the NGCDF Board

| Description | 2024/2025 |
|--|--------------------|
| | Kshs |
| NGCDFB Transfers (Allocation for the FY) | 188,414,051 |
| Total | 188,414,051 |

7. Transfers from domestic and foreign partners

| Description | 2024/2025 |
|--------------|-----------|
| | Kshs |
| Grants | - |
| Total | - |

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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

10. Employees cost

| | 2024/2025 |
|--|------------------|
| | Kshs |
| NG-CDFC Basic staff salaries | 3,024,898 |
| Personal allowances paid as part of salary | - |
| House Allowance | 385,150 |
| Transport Allowance | 428,000 |
| Leave allowance | 32,000 |
| Gratuity to contractual employees | 861,842 |
| Employer Contributions Compulsory national social security schemes | 118,800 |
| Employer Contributions Compulsory Housing levy | 54,148 |
| Employer contributions to National Industrial Training Authority | 5,500 |
| Other Specify | - |
| Total | 4,910,338 |

11. Committee Expenses

| | 2024/2025 |
|--------------------------|------------------|
| | Kshs |
| Sitting allowance | 567,000 |
| Other Committee expenses | 4,148,445 |
| Total | 4,715,445 |

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

12. Use of Goods and services

| | 2024/2025 |
|--|------------------|
| | Kshs |
| Utilities, supplies and services | 83,936 |
| Communication, supplies and services | 369,422 |
| Domestic travel and subsistence | 320,360 |
| Printing, advertising and information supplies & services | 482,003 |
| Office Rent | - |
| Training expenses | 556,945 |
| Hospitality supplies and services | 1,210,253 |
| Insurance costs | - |
| Specialized materials and services | 266,310 |
| Office and general supplies and services | 321,060 |
| Fuel, oil & lubricants | 706,422 |
| Bank charges | 44,115 |
| Routine maintenance – vehicles and other transport equipment | 326,863 |
| Routine maintenance – other assets | 4,950 |
| Strategic plan expenses | 2,778,032 |
| Other operating expenses | - |
| Total | 7,470,671 |

13. Other Government Units Actual expenditure

| Description | 2024/2025 |
|--|-------------------|
| | Kshs |
| Primary Schools Actual expenditure | 24,647,043 |
| Secondary Schools Actual expenditure | 12,615,413 |
| Tertiary Institutions Actual expenditure | 3,390,374 |
| Total | 40,652,830 |

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

14. Other Grants and transfers Actual expenditure

| | 2024/2025 |
|--|-------------------|
| | Kshs |
| Bursary – secondary schools | 36,542,720 |
| Bursary – tertiary institutions | 15,822,549 |
| Bursary – special schools | 40,000 |
| Bursary - Education Support programmes | - |
| Social Security programmes (SHIF) | - |
| Security projects Actual expenditure | 229,567 |
| Climate change mitigation projects | - |
| Emergency projects Actual expenditure | 3,937,253 |
| Roads projects Actual expenditure | - |
| Others specify | - |
| Total | 56,572,089 |

15. Depreciation and Amortization Expenses

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

16. Digital Hubs Expenses

| Description | 2024/2025 |
|---|----------------|
| | Kshs |
| Construction/ renovation/ Actual expenditure | - |
| Digital Hub utility costs Water, Electricity, | 359,725 |
| Maintenance of ICT equipment | - |
| Maintenance of building | - |
| Others (<i>specify</i>) | - |
| Total | 359,725 |

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

17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

| Name of Bank and Account No. | 2024/2025 | Opening Statement 1 st July 2024 |
|---|--------------------|--|
| | Kshs | Kshs |
| Bank Accounts (Cash Book Bank Balance) | | |
| <i>Family bank Eldoret, Account No. 08200028953 (Operations account)</i> | 115,488,788 | 46,775,815.00 |
| <i>Operations account pending closure (Indicate name & account no.)</i> | - | - |
| <i>Equity Bank Kapsowar branch A/c No. 1570285491763 Deposit Account</i> | 1,890,371 | |
| PMC bank balances | 89,038,784 | 89,161,324.73 |
| Total | 206,417,943 | 135,937,140 |
| Cash Balances | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Other Locations <i>(Specify)</i> | - | - |
| Total | - | - |

[Provide Cash Count Certificates for Each]

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

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

20. Receivables from Exchange Transactions

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

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

i. Ageing Analysis for Receivables

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

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

21. Receivables from Non-Exchange Transactions

| Description | 2024/2025 | | Opening Statement 1 st July 2024 | |
|--|-------------------|----------------|--|----------------|
| | Kshs | | Kshs | |
| Transfers from NGCDFB | 58,414,052 | | 56,060,834 | |
| Outstanding imprest | - | | - | |
| Total | 58,414,052 | | 56,060,834 | |
| Ageing Analysis- Receivables from non-exchange transactions | 2024/2025 | % of the total | Opening Balance | % of the total |
| Less than 1 year | 58,414,052 | 100% | 56,060,834 | 100% |
| Between 1-2 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | 58,414,052 | 100% | 56,060,834 | 100% |

22. Prepayments

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

National Government Constituencies Development Fund (NGCDF)
Marakwet West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025
23. Property, Plant and Equipment

| | Land | Buildings | Motor vehicles | Furniture and fittings | Computers & ICT Equipment | Other Assets (specify) | Capital Work in progress | Total |
|---|-------------|-------------|----------------|------------------------|---------------------------|------------------------|--------------------------|------------------|
| Depreciation Rate(specify) | | 2% | 25% | 12.5% | 30% | x% | | |
| Cost | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Opening Bal as 1st July 2024 | - | - | - | 1,559,000 | 549,500 | - | - | 2,108,500 |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | 1,559,000 | 549,500 | - | - | 2,108,500 |
| As At 30th June 2025 | - | - | - | | | | | |
| Depreciation and Impairment | | | | - | - | - | - | - |
| Opening Depreciation | - | - | - | 194,875 | 164,850 | - | - | 359,725 |
| Depreciation | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | 194,875 | 164,850 | - | - | 359,725 |
| As At 30th June 2025 | - | - | - | | | | | |
| Net Book Values | | | | - | - | - | - | - |
| Opening Bal as at 1st July 2025 | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | - | - | - | 1,364,125 | 384,650 | - | - | 1,748,775 |

National Government Constituencies Development Fund (NGCDF)
Marakwet West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 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). These amounts were adopted on 30th June 2024.

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)
Marakwet West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

24. Intangible Assets

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

25. Right-of use assets

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

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

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

26. Trade and Other Payables

| Description | 2024/2025 | | Opening Statement 1 st July 2024 | |
|---|------------------|-----------------------|---|-----------------------|
| | Kshs | | Kshs | |
| Trade payables | - | | - | |
| Employee payables | - | | - | |
| Other payables | - | | - | |
| Total trade and other payables | - | | - | |
| | | | | |
| Aging analysis: (Trade and other payables) | 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) | - | | - | |

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

27. Third-Party deposits

| | <i>2024/2025</i> |
|--|------------------|
| | KShs |
| Retention as at 1 st July (A) | - |
| Retention held during the year (B) | - |
| Retention paid during the Year (C) | - |
| Closing Retention as at 30th June D= A+B-C | - |

Retentions aging analysis.

| | 2024/2025 | % of the total | Opening statement 1 st July 2024 | % of the total |
|------------------|-----------|-------------------|---|-------------------|
| Less than 1 year | - | % | - | % |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | - | | - | |

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

28. Lease Liabilities

| Description | 2024/2025 | Opening Statement 1 st July 2024 |
|---|-----------|--|
| | 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)
Marakwet West 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 | <i>Period ended June 2025</i> | Opening Statement 1st July 2024 |
|---|-------------------------------|------------------------------------|
| | Kshs | Kshs |
| Gratuity at the beginning of the period (A) | 1,028,529 | |
| Gratuity held during the period (B) | 861,842 | 1,028,529 |
| Gratuity paid during the period (C) | - | - |
| Total Gratuity provision D=(A+B-C) | 1,890,371 | 1,028,529 |

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

30. Cash Generated from Operations

| | <i>Period ended June 2025</i> |
|--|-------------------------------|
| | Kshs |
| Surplus for the period before tax | 73,732,954 |
| Adjusted for: | |
| Depreciation | 359,725 |
| Working capital adjustments | |
| Changes in inventory | - |
| Changes in receivables | 2,365,218 |
| Changes in deferred income | - |
| Changes in Third party deposits | (861,842) |
| Changes in gratuity provision | - |
| Changes in payments received in advance | - |
| Net cash flow from operating activities | 75,596,055 |

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

31. Financial Risk Management

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

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

i) Credit risk

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

Financial Risk Management

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

| Description | Total amount | Fully performing | Past due | Impaired |
|--|--------------------|--------------------|----------|----------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 58,414,052 | 58,414,052 | - | - |
| Bank balances | 115,488,788 | 115,488,788 | - | - |
| Total | 173,902,840 | 173,902,840 | - | - |
| As at 30 June 2024 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 56,060,834 | 56,060,834 | - | - |
| Bank balances | 45,583,600 | 45,583,600 | - | - |
| Total | 101,644,434 | 101,644,434 | - | - |

(NB: The totals column should tie to the individual elements of credit risk disclosed in the Entity's statement of financial position).

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from Marakwet west. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Entity's directors, who have built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Entity under non-derivative financial liabilities by their remaining contractual maturities at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

| Description | Less than 1 month | Between 1-3 months | Over 5 months | Total |
|--|-------------------|--------------------|---------------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30th June 2025 | | | | |
| Trade payables | - | - | - | - |
| Current proportion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Gratuity Provision | - | - | 1,890,371 | - |
| Total | - | - | 1,890,371 | - |
| As at 30th June 2024 | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | 1,028,529 | - |
| Total | - | - | 1,028,529 | - |

iii) Market risk

The Entity has put in place an internal audit function to assist it in assessing the risk faced by the Entity on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the Entity's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Entity's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Entity's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

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

Financial Risk Management

The following table demonstrates the effect on the Entity'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.

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Entity 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. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs (Current FY: Kshs). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs (Current FY – Kshs -)

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

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

iv) Capital Risk Management

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

| Description | 2024/2025 | Opening Statement 1 st July 2024 |
|------------------------------|-------------|---|
| | Kshs | Kshs |
| Revaluation Reserve | 264,690,399 | 190,957,445 |
| Retained Earnings | - | - |
| Capital Reserve | - | - |
| Total Funds | - | - |
| Total Borrowings | - | - |
| Less: Cash and Bank Balances | 206,417,943 | 135,937,140 |

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

| | | |
|---|------------|-------------|
| | | |
| Net Debt/(Excess Cash And Cash Equivalents) | 58,272,456 | 55,020,305- |
| Gearing | - | - |

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

32. Related Party Disclosures

| | 2024/2025 | Opening Statement 1 st July 2024 |
|--|------------------|---|
| | Kshs | Kshs |
| Committee Members Remuneration | | |
| Sitting allowance of committee Members during the year | 567,000 | 2,410,575 |
| | | |
| Transaction with the NGCDF Board | | |
| Transfers from the NGCDF Board during the year | 940,000 | 1,228,000 |
| Total | 1,507,000 | 3,638,575 |

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

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

Contingent Liabilities

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

35. Capital Commitments

| Capital Commitments | 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 authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing).

36. Events after the Reporting Period

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

37. Ultimate and Holding Entity

The Marakwet West 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)
Marakwet West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

19. 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 | | | | |
| Buildings and structures | 12,000,000 | - | - | 12,000,000.00 |
| Transport equipment | 9,616,354 | - | - | 9,616,354.00 |
| Office equipment, furniture, and fittings | 3,100,739 | 1,559,000.00 | - | 4,659,739.00 |
| ICT Equipment and Other ICT Assets | 3,034,714 | 549,500.00 | - | 3,584,214.00 |
| Other Machinery and Equipment | 41,400 | | | 41,400 |
| Intangible assets | - | - | - | - |
| Total | 27,793,207 | 2,108,500 | - | 29,901,407 |

(Attach the complete asset register showing all the assets in the constituency with the date of purchase, cost of the asset, depreciation rate, depreciation for the year, accumulated depreciation and the NBV of the assets)

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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 | Opening |
|--------------------------------|------|----------------|-------------------|--|
| | | | 30th June 2025 | Statement 1 st July 2024 |
| BARSUMBAT PRY SCHOOL CDF ACCOU | KCB | 1253642788 | 1,247.00 | - |
| BOROON PRIMARY SCHOL | KCB | 1145687849 | 276,501.50 | 276,491.00 |
| CHEBARA PRIMARY SCHOOL | KCB | 1127643460 | 54,541.00 | 1,783.00 |
| CHEBIEMIT PRIMARY SCHOOL | KCB | 1204873720 | 315,286.55 | 8,206.00 |
| CHEBORORWA PRIMARY SCHOL | KCB | 1256560693 | 579,085.00 | 219,886.00 |
| CHEMOSONG PRIMARY SCHOOL | KCB | 1129228487 | 237,613.20 | 4,358.00 |
| CHEMULANY PRI SCHOOL-CDF AC | KCB | 1182623093 | 131,204.50 | 315,286.55 |
| CHEMURGOI PRIMARY SCHOOL | KCB | 1171970587 | 118,091.85 | 4,397.00 |
| CHEPKAWAI PRIMARY SCHOOL- CDF | KCB | 1131014847 | 249,270.95 | 237,613.20 |
| CHEPSIGOR PRIMARY SCHOOL -CDF | KCB | 1233953737 | 1,606.50 | 194.50 |
| CHEPTONGEI PRIMARY SCHOOL-CDF | KCB | 1169763162 | 2,228.00 | 1,653,071.95 |
| CHEPTULON PRY SCHOOL CDF A/C | KCB | 1176774239 | 74,473.75 | 1,606.50 |
| CHESINGEI PRIMARY SCHOOL | KCB | 1176744119 | 7,542.50 | 2,288.00 |
| CHESUBET PRIMARY | KCB | 1206173173 | 328,458.00 | 1,895.00 |
| CHESUMAN PRIMARY SCH - CDF2 | KCB | 1124367683 | 2,503,135.00 | 74,473.75 |
| CHOGOO PRIMAY SCHOOL | KCB | 1297788850 | 2,575,001.51 | 7,542.50 |
| EMKEW PRI. SCHOOL – CDF | KCB | 1242797203 | 27.00 | 5,322.00 |
| KABEILEL PRIMARY SCHOOL-CDF | KCB | 1138358673 | 1,199,654.00 | 328,458.00 |
| KABEREWI PRIMARY SCHOOL | KCB | 1183533136 | 121,021.80 | 17.00 |
| KAMUSENY PRIMARY SCHOOL – CDF | KCB | 1135261725 | 530,266.20 | 32.00 |
| KAPCHEBIT PRIMARY SCH - CDF A/ | KCB | 1170572650 | 8,223.20 | 32,193.00 |
| KAPCHEROP PRIMARY SCH – CDF | KCB | 1176749897 | 595,537.00 | 8,223.20 |
| KAPCHESEWES BOARDING PRI-CDF | KCB | 1136312897 | 91,948.25 | 474,148.75 |
| KAPENGONG PRIMARY SCHOOL- CDF | KCB | 1179533194 | 174,491.80 | 284.00 |
| KAPKANYAR PRIMARY SCHOOL | KCB | 1299857132 | 19,849.00 | 183,732.80 |
| KAPKATA PRIMARY SCHOOL | KCB | 1212656121 | 259,822.00 | 19,849.00 |

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

| | | | | |
|--------------------------------|-----|------------|--------------|--------------|
| KAPKOCHUR PRIMARY SCHOOL CDF | KCB | 1119743370 | 369,968.25 | 2,091.00 |
| KAPLONGON PRIMARY SCHOOL – CDF | KCB | 1127975250 | 165.00 | 37,988.00 |
| KAPSIGOT PRIMARY SCHOOL-CDF | KCB | 1179043030 | 406,830.00 | 165.00 |
| KAPSOWAR PRI SCHOOL -CDF AC | KCB | 1234159163 | 1,207,575.00 | 2,125.00 |
| KAPTABUK PRI. SCHOOL -CDF A/C | KCB | 1207092312 | 651,706.00 | 1,207,575.00 |
| KAPTERIT PRIMARY SCHOOL – CDF | KCB | 1136946616 | 850,772.50 | 600,772.50 |
| KAPTEK PRIMARY SCHOOL | KCB | 1131299280 | 12,581.25 | 12,581.25 |
| KASUBWA PRIMARY SCHOOL - CDF2 | KCB | 1176966871 | 8.00 | 1,530.00 |
| KATGOK PRIMARY SCHOOL CDF AC | KCB | 1269886770 | | 8.00 |
| KEMELOI PRIMARY SCHOOL | KCB | 1213109698 | 173,835.00 | 442,353.00 |
| KERER PRIMARY SCHOOL-CDF | KCB | 1201998093 | 5,129.00 | 656.00 |
| KIBIKOS PRIMARY SCHOOL | KCB | 1201027462 | 97,625.85 | 5,129.00 |
| KIBIRECH PRIMARY SCHOOL -CDF | KCB | 1113043547 | 1,055.00 | 3,974,286.00 |
| KILIMA PRIMARY SCHOOL | KCB | 1128790386 | 4,002,622.25 | 208,626.70 |
| KILOS PRIMARY SCHOOL -CDF | KCB | 1202028039 | 346,268.50 | 1,002,852.00 |
| KIPKENER PRIMARY SCHOOL -CDF | KCB | 1131072219 | 1,002,142.00 | 1,055.00 |
| KIPKUNDUL PRIMARY SCHOOL – CDF | KCB | 1183265689 | 127,623.75 | 249,868.50 |
| KIPKERMEN PRIMARY SCHOOL | KCB | 1131071948 | 156,987.70 | 1,002,141.00 |
| KIPLABAI PRIMARY SCHOOL-CDF | KCB | 1145621589 | 469,218.00 | 2,966.00 |
| KIPLEGETET PRIMARY SCHOOL | KCB | 1183722648 | 99,365.20 | 127,624.00 |
| KIPSETAN PRIMARY SCHOOL – CDF | KCB | 1127118528 | 2,316,076.00 | 3,654.00 |
| KIPTENOI PRIMARY SCHOOL | KCB | 1131820991 | 379,395.25 | 156,987.70 |
| KITONGET PRY SCHOOL-CDF | KCB | 1145639445 | 29,256.08 | 283.00 |
| KOIBARAK PR SCHOOL-CDF | KCB | 1131299507 | 429.00 | 468,977.00 |
| KONGIBSEBE PRY SCHOOL | KCB | 1135179573 | 261.50 | 99,365.00 |
| KOISUNGUR SEC SCHOOL | KCB | 1234133296 | 1,024,737.00 | 6,556.00 |
| KOITILIAL PRIMARY SCHOOL | KCB | 1233807315 | 70,660.50 | 120,222.00 |
| KOITUGUM PRIMARY SCHOOL CDF | KCB | 1179339010 | 250,403.00 | 365,980.00 |
| KOKWONGOI PRIMARY SCHOOL | KCB | 1183115644 | 22,375.00 | 379,395.25 |
| KOLELACH PRY SCHOOL -CDF ACCO | KCB | 1182313930 | 31,372.95 | 34,457.00 |
| KONDABILET PRIMARY SCHOOL – CD | KCB | 1265650926 | 2,304.00 | 29,256.08 |
| KUSERWO PRIMARY SCH-CDF | KCB | 1199540897 | 1,146,001.40 | 429.00 |
| LAMAON PRIMARY | KCB | 1200927591 | 959.50 | 262.00 |

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

| | | | | |
|---------------------------------|--------|---------------|--------------|--------------|
| LAWICH PRY SCHOOL-CDF AC | KCB | 1145626688 | 95,608.00 | 40.00 |
| LITEI PRIMARY SCHOOL | KCB | 1276521359 | 189.50 | 1,024,737.00 |
| MATIRA PRIMARY SCHOOL - CDF 2 | KCB | 1127852175 | 9,662.85 | 70,660.50 |
| METIBELIO PRIMARY SCHOOL CDF | KCB | 1183960689 | 1,117,256.00 | 250,173.00 |
| MOEK KAPKURES PRIMARY CDF | KCB | 1179223314 | 250,142.00 | 22,107.00 |
| MOSONGO PRIMARY SCHOOL | KCB | 1183617909 | 43,152.35 | 31,372.95 |
| MUGULA PRIMARY SCHOOL - CDF AC | KCB | 1146537778 | 402,092.70 | 3,349.00 |
| NERKWO PRIMARY SCHOOL CDF | KCB | 1286027276 | 210.00 | 2,304.00 |
| SANGURUR PRY SCHOOL-CDF PROJEC | KCB | 1176941755 | 165,732.00 | 1,146,001.40 |
| SEBELIT PRIMARY SCHOOL | KCB | 1131099699 | 1,389,691.00 | 95,608.00 |
| SERET PRIMARY SCHOOL -CDF | KCB | 1127745077 | 8,639.00 | 9,663.25 |
| SIMAT PRIMARY SCHOOL-CDF | KCB | 1275242049 | 239,952.50 | 403,256.00 |
| SIMBEIYWET PRIMARY | KCB | 1171920849 | 2,063.50 | 250,142.00 |
| SINON PRIMARY SCHOOL – CDF | KCB | 1292559780 | 13,478.00 | 11,538.00 |
| SITOTON PRY SCHOOL-CDF ACCOUNT | KCB | 1183803788 | 1,904.05 | 43,152.35 |
| SOIYO PRIMARY SCHOOL | KCB | 1179339398 | 36,603.00 | 402,092.70 |
| ST ANTHONY SANIAK PRIMARY SCH | KCB | 1145640206 | 1,573,500.75 | 1,000,639.00 |
| ST CHRISTOPHER TARTAR PRIMARY S | KCB | 1201363918 | 40,893.00 | 210.00 |
| ST PAUL KAPCHELOS PRY SCHOOL | KCB | 1232841854 | 775,107.20 | 24,301.00 |
| ST JOSEPH'S KIPKUTEE PRI SCH- | KCB | 1103249444 | 2,400,987.50 | 332.00 |
| ST MONICA EWAA PRIMARY SCHOOL | KCB | 1131103998 | 100,079.50 | 2,063.50 |
| ST MONICA SINON PRIMARY SCHOOL | KCB | 1183265689 | 182,718.50 | 13,478.00 |
| TENDEN PRIMARY SCHOOL CDF | KCB | 1178077217 | 1,659,519.65 | 747.00 |
| TERIKMOI PRY SCHOOL- CDF ACCOU | KCB | 1147106797 | 3,225.00 | 36,603.00 |
| TOROKWO PRIMARY SCHOOL | EQUITY | 1570271484635 | 152,386.00 | 73,500.75 |
| YATIA PRIMARY SCHOOL CDF ACCOU | EQUITY | 1570266421619 | 1,580.00 | 1,289.00 |
| KIPSAMBACH PRIMARY SCHOOL | EQUITY | 1570261738888 | 51,473.00 | 775,107.20 |
| MINDILIWO PRIMARY SCHOOL | EQUITY | 1570271377448 | 105,639.50 | 375.50 |
| A.I.C NGORNGOROI PRY SCHOOL | EQUITY | 1570280318539 | 483.00 | 2,600.65 |
| JEMUNADA PRIMARY SCHOOL | EQUITY | 1570279828493 | 6,185.50 | 3,225.00 |
| KABARAR PRIMARY SCHOOL | EQUITY | 1570281226984 | 92,431.00 | 105,639.50 |
| KABELYO PRIMARY SCHOOL | EQUITY | 1570267208863 | 2,900,000.00 | 483.00 |
| KAMASAT PRIMARY SCHOOL | EQUITY | 1570279998351 | - | 6,185.50 |

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

| | | | | |
|--------------------------------|--------|---------------|--------------|--------------|
| KAPLOET PRIMARY SCHOOL | EQUITY | 1570282809250 | 277,397.50 | 2,900,008.00 |
| KAPKOROS PRIMARY SCHOOL | EQUITY | 1570279547849 | 9,648.00 | 1,720,749.00 |
| KAPKUTUNG PRIMARY SCHOOL | EQUITY | 1570268366668 | 85,170.00 | 277,397.50 |
| KAPLENGE PRIMARY SCHOOL | EQUITY | 1570264190307 | 320,411.70 | 9,648.00 |
| KAPSAINA PRIMARY SCHOOL | EQUITY | 1570277459922 | 112.00 | 85,170.00 |
| KAPSIW PRIMARY SCHOOL | EQUITY | 1570279142006 | 185,688.00 | 1,210,514.00 |
| KAPTIONY PRIMARY SCHOOL | EQUITY | 15/0282630139 | 1,929,990.50 | 112.00 |
| KIPSAIYA PRIMARY SCHOOL | EQUITY | 1570282235847 | 299,158.10 | 400,336.00 |
| KASAON PRIMARY SCHOOL | EQUITY | 0330268871824 | 8,835.50 | 1,001,370.00 |
| KIPSINOT PRIMARY SCHOOL | EQUITY | 1570280110850 | 134,042.00 | 299,158.10 |
| LOCHIN PRIMARY SCHOOL | EQUITY | 1570280190658 | 309.50 | 134,042.00 |
| TEKWEI PRIMARY SCHOOL | EQUITY | 1570280117273 | 1,006,711.85 | 1,006,711.85 |
| YEMIT PRIMARY SCHOOL | EQUITY | 1570282167614 | 2,057.00 | 192,826.00 |
| SHOE 4 AFRICA PRY SCHOOL | EQUITY | 1570278516387 | 4,156,720.00 | 1,428,420.00 |
| KORONGOI SECONDARY SCHO | EQUITY | 1570270072457 | 6,397,600.00 | 447.00 |
| CHEBAI PRIMARY SCHOOL | EQUITY | 1570282821268 | 193,005.00 | 686,423.00 |
| KAPTALAMWA PRIMARY SCHOOL | EQUITY | 300264335407 | 1,428,430.00 | 924,326.00 |
| KAPCHEPSAR PRIMARY SCHOOL | EQUITY | 1570280360101 | - | 317,534.00 |
| KIBUGA PRIMARY SCHOOL | ACCESS | 0150130000990 | 32,196.00 | 21.00 |
| TEMBU PRIMARY | ACCESS | 0150130001117 | - | 702,032.00 |
| YATOI PRIMARY SCHOOL | ACCESS | 0150130001054 | 1,775,351.00 | 1,008.00 |
| KAPTAPKITING PRI SCHOOL | ACCESS | 0150130001113 | 3,956,221.90 | 1,182.00 |
| CHEBAI PRIMARY SCHOOL | ACCESS | 0150130000986 | 1,247.00 | 2,000,249.00 |
| HOSSEN PRIMARY SCHOL SCHOOL | KCB | | 276,501.50 | 4,962.00 |
| BARSUMBAT SEC SCHOOL CDF ACCOU | KCB | 1164873849 | 23.00 | 23.00 |
| CHEBAI MIXED DAY SEC SCHOOL | KCB | 1321587473 | 1,998,790.00 | 1,998,790.00 |
| CHEBARA GIRLS SEC SCHOOL | KCB | 1103202677 | 3,377.00 | 3,377.00 |
| CHEBIEMIT SECONDARY SCH - CDF | KCB | 1127643460 | 54,541.00 | 54,541.00 |
| CHEPTONGEI DAY SEC SCHOOL-CDF | KCB | 1279438916 | 2,260,057.00 | 2,260,057.00 |
| HOSSEN MIXED DAY SEC SCH | KCB | 1124367683 | 3,135.00 | 3,387.00 |
| JEMUNADA SEC SCHOOL | KCB | 1137448679 | 21,912.00 | 21,912.00 |
| KAMOI SEC SCHOOL | KCB | 1112861610 | 1,803,242.00 | 1,803,242.00 |
| KAPKOROS GIRLS SEC SCHOOL CDF | KCB | 1119743370 | 369,590.25 | 379,334.25 |

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

| | | | | |
|-------------------------------------|--------|----------------|---------------|--------------|
| Kapsowar boys sec | KCB | 1112027017 | 10,120,975.00 | 120,975.00 |
| Kaptabuk mixed sec school | KCB | 1127756311 | 407,672.00 | 407,672.00 |
| KASUBWA MIXED SEC SCHOOL - CDF2 | KCB | 1253873488 | 1,178.00 | 1,178.00 |
| KIMNAI GIRLS SECONDARY SCH - C | KCB | 1128790386 | 4,002,622.25 | 4,003,126.25 |
| KOITILIAL HIGH SCHOOL - CDF | KCB | 1127118528 | 2,316,076.00 | 316,580.00 |
| ST.TERESA KOIBARAK SEC ASXCHOOL | KCB | 1235016706 | 908.00 | 908.00 |
| SANTA MARIA GIRLS SECONDARY CD | KCB | 1276521359 | 908.00 | 196,585.50 |
| ST.PETERS KAPKATA SECSCHOOL | KCB | 1130791580 | 2,406.00 | 2,406.00 |
| ST BENEDICTS ARROR GIRLS | KCB | 1131099699 | 1,389,691.00 | 2,000,757.00 |
| ST JACINTA CHEBORORWA | KCB | 1127745077 | 8,639.00 | 8,891.00 |
| ST JOSEPH LAWICH SEC SCHOOL CD | KCB | 1275242049 | 239,952.50 | 1,652,022.50 |
| YEMIT BOYS SEC SCHOOL C D F AC | KCB | 1103249444 | 2,400,987.50 | 5,015,678.50 |
| YEMIT GIRLS SEC SCHOOL | KCB | 1128761149 | 2,904.00 | 2,904.00 |
| KAPCHEROP BOYS HIGH SCH - CDF | KCB | 1131103998 | 37,928.50 | 38,684.50 |
| ST. STEPHEN KOITUGUM SECONDARY | KCB | 1183803788 | 1,904.05 | 2,396.05 |
| AIC CHELES MIXED DAY SEC. SCHOOL | EQUITY | 1570266421619 | 152,386.00 | 152,386.00 |
| KABEREWOMIXED DAY SEC. SCHOOL | EQUITY | 1570267208863 | 92,431.00 | 92,431.00 |
| KAPTIONY MIXED SEC SCHOOL | EQUITY | 1570282235847 | 1,929,991.00 | 3,804,691.00 |
| CHEBAI SEC SCHOOL | KCB | 1321587473 | 117,341.00 | 117,341.00 |
| ST. JOSEPH'S LELAN BOYS SEC. SCHO | EQUITY | 1570278516387 | 2,057.50 | 2,057.50 |
| ST. MARKS LITEI MIXED DAY SEC. SCH. | EQUITY | 1570270072457 | 4,156,720.00 | 4,156,720.00 |
| ST. PETER'S MARAKWEF BOYS HIGH S | EQUITY | 1570282821268 | 6,397,600.00 | 6,397,600.00 |
| KONDABILET SECONDARY SCH | NBK | 01021028749000 | 4,105,295.40 | 5,831,870.00 |
| CHESUBET SEC SCHOOL | KCB | 1210104872 | 800,000.00 | - |
| KMTC KERIO VALLEY NG-CDF ACCOUT | KCB | 1297788850 | 2,575,001.51 | 5,965,375.50 |
| ARROR CHIEF'S OFFICE- CDF AC | KCB | 1253642788 | 1,247.00 | 1,613.00 |
| KERER CHIEFS OFFICE | KCB | 1160590370 | 36,191.00 | 36,191.00 |
| KOIBARAK CHIEFS OFFICE | KCB | 1570280117273 | 310.00 | 310.00 |
| RESIM ASSITANT CHIEFS OFFICE | KCB | 1200927591 | 959.50 | 1,325.50 |
| CHEBIEMIT TAC OFFICE | KCB | 157026173888 | 1,580.00 | 1,580.00 |
| CHEBORORWA ACCS OFFICE | EQUITY | 1570271377448 | 51,473.00 | 51,473.00 |
| KAPCHEROP A.C.C OFFICE | EQUITY | 1570282809250 | - | - |
| KAPSOWAR CHIEF'S OFFICE | EQUITY | | 185,688.00 | 414,523.00 |

National Government Constituencies Development Fund (NGCDF)

Marakwet West Constituency

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

| | | | | |
|--------------------------------|--------|---------------|-------------------|----------------------|
| KIPSAIYA CHIEFS OFFICE | KCB | | 8,835.00 | 8,835.00 |
| KAMOI CHIEFS OFFICE | ACCESS | 0150130001018 | 40.00 | 40.00 |
| KAPTERIT ASST. CHIEFS OFFICE | ACCESS | 0150130001061 | 1,285.00 | 1,285.00 |
| MARAKWET WEST SUB COUNTY EDU O | KCB | 1339784556 | - | - |
| TOTAL | | | 89,449,850 | 89,038,784.00 |

National Government Constituencies Development Fund (NGCDF)
Marakwet West 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: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|--------------------------------------|---|
| 1.0 | <p>Basis for Qualified Opinion Unsupported Project Management Committee (PMC) Bank Account Balances Annex 5 to the financial statements reflects PMC bank balances amounting to Kshs.89,161,325 held in one hundred and sixty-six (166) bank accounts in various commercial banks. However, the respective cash books, bank reconciliation statements and bank statements were not provided for review. Further, there was no evidence that the accounting officer of the submitted the monthly bank reconciliation statements of any of the one hundred and sixty six (166) PMC bank accounts to the National Treasury with a copy to the Auditor-General for each of the month during the year under review.</p> | <p>The management acknowledges the anomaly and commits to correct in future, please find attached bank statements, bank certificates and sample cashbooks were availed for audit verification. Capacity building on PMCs shall be conducted regularly to ensure compliance with submission of returns</p> | Not resolved | 31-12-2025 |

National Government Constituencies Development Fund (NGCDF)
Marakwet West 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) |
|--|---|---|--------------------------------------|---|
| 2.0 | <p>Emphasis of Matter Budgetary Control and Performance The statement of comparison of budget and actual amount reflects final receipts budget and actual on comparable basis of Kshs.316,903,614 and Kshs.260,842,780 respectively resulting to an under-funding amounting to Kshs.56,060,834 or 18% of the budget. Similarly, the Fund spent Kshs.214,868,598 against actual receipts of Kshs.260,842,780, resulting to an under expenditure of Kshs.45,974,182 or 18% of the actual receipts. The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.</p> | <p>The above under-funding was as a result of undisbursed funds from the board as per the attached AIEs and lists of projects intended to be funded by the same AIEs. Regular follow ups are being done by the management to ensure timely disbursements from the board and to Project Management Committees. The management commits to implement all approved projects in a timely manner.</p> | Not resolved | 31-12-2025 |
| 3.0 | <p>Other Matter Unresolved Prior Year Audit Matters In the audit report of the previous year, several issues were raised. However, the Management has not resolved the issues or given any explanation</p> | <p>Management commits to clear all outstanding issues in the previous reports. Response to all issues on prior years was made and follow up done to ensure</p> | Not resolved | 31-12-2025 |

*National Government Constituencies Development Fund (NGCDF)
Marakwet West 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) |
|--|--|--|--------------------------------------|---|
| | for failure to adhere to the provisions of the Public Sector Accounting Standards Board templates and The National Treasury and Planning Circular reference No. AG.4/16/3 Vol.III (33) dated 06 July, 2023. In the circumstances, Management did not comply with the requirements of the reporting template. | clearance by the auditor. | | |
| 4.0 | Disbursements of Funds from the Board The statement of receipts and payments reflects transfers from National Government Constituencies Development Fund Board amount of Kshs.216,049,053. During the year, the fund had an adjusted budget amount of Kshs.316,903,614. However, budgeted funds amounting to Kshs.56,060,834 or approximately 18% were not received during the year. Further funds totaling to Kshs.46,775,815 were held in the bank unutilized and not disbursed. The unutilized funds | Management acknowledges the above finding however commits to implement the project without further delay so as to ensure service to the residents. | Not resolved | 31-12-2025 |

*National Government Constituencies Development Fund (NGCDF)
 Marakwet West 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) |
|--|---|-----------------------------|--------------------------------------|---|
| | <p>contribute to delayed projects implementation. This is contrary to Section 39(2) of the National Government Constituencies Development Fund Act, 2015 which states that the disbursement of funds to the Constituency Fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to twenty-five per centum of the allocation for the constituency and thereafter the constituency fund account shall be replenished in three equal instalments at the beginning of the second, third and fourth quarters of the financial year.</p> <p>In the circumstances, delay in fund disbursements results in delay in implementation of projects or programs in the approved budget and therefore denies the residents the services and benefits accruing from completed projects.</p> | | | |
| 5.0 | Projects Verified | Management acknowledges the | Not resolved | 31-12-2025 |

*National Government Constituencies Development Fund (NGCDF)
 Marakwet West 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) |
|--|---|---|--------------------------------------|---|
| | <p>The statement of receipts and payments reflects transfers to other Government entities and other grants and other transfer amount of Kshs.126,208,176 and Kshs.71,632,445 respectively totalling to. Kshs. 197,840,621. During audit, ten (10) projects costing Kshs. 15,785,820 were verified and out of these projects, one (1) project costing Kshs.2,000,000 was complete and in use while nine (9) projects costing Kshs. 13,785,820 were ongoing and at different levels of completion. In the circumstances, value for money on the incomplete projects worth Kshs. 13,785,820 could not be confirmed</p> | <p>above finding however commits to implement the project without further delay so as to ensure service to the residents.</p> | | |



Name; Edwin Siele
 Fund Account Manager.