

REPUBLIC OF KENYA



Enhancing Accountability

REPORT

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THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - TAVETA
CONSTITUENCY**

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



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1914





Revised 30th June 2025



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

TAVETA 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)

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the NG-CDF Taveta.

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)

- Collaborate with the officer of the Board seconded to the Constituency in the management of the fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- Record the names of all the signatories

Removal of NG-CDF Members

- The members of a constituency committee may remove a member in accordance with section 43(13) and (14) of the Act upon receipt of a complaint against a member.
- A complaint against a member of a constituency committee shall be deposited with the National Government Constituency office.
- The complaint referred to in paragraph (2) shall clearly set out the particulars of the issues complained of
- The secretary shall convene a special meeting in accordance with these regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting
- If, at a meeting held pursuant to paragraph (4) members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice
- A copy of the complaint and any other grounds of removal shall be attached to the notice issued under paragraph (5).
- The member against whom the complaint is raised may be required to respond to the complaint in writing. The member against whom a complaint is raised may, in addition to the written response required under paragraph (7), elect to be heard orally, and a constituency committee may hear such a member
- The member against whom a complaint is made may call witness. If the member against whom a complaint is raised choose not to submit a response in writing or

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to attend the hearings, a constituency committee may proceed to determine the matter

- Notwithstanding paragraph (10), a constituency committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing. Kenya subsidiary legislation, 2016 1955
- If the member against whom a complaint is made fails to respond to the complaint as may be directed by a constituency committee, the committee may proceed and make a determination based on the evidence available.
- A constituency committee shall issue its decision on the complaint within seven days after the conclusion of the hearing.
- If constituency committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the constituency committee to the board within fourteen days of the decision.
- The communication to the board under paragraph (14) shall include dully executed proceedings, together with all the supporting documents.
- The board shall, within thirty days after receipt of the communication in the paragraph (14), consider the matter and issues a final declaration which shall be binding on all parties.

NG CDFC members and the categories they represent

| S/no | Name | Position |
|------|---------------------------|--|
| 1 | Prudence WaboshaMwanzighe | Female adults representative |
| 2. | Grace TatuKadio | Female youth representative |
| 3. | Jackson MteleniKihara | Male adults representative |
| 4. | MushereLemomoOlenogita | Male youth representative |
| 5. | HashimuMaghangaMkombi | Nominee of the constituency office(male) |
| 6. | Halima MazeraKutseka | Nominee of the constituency office(female) |
| 7. | Josephine NgusyeKingola | PWDs representative |
| 8. | Grace AkothOdhiambo | Co-opted member |

| | | | | |
|------------|--------------------------------------|---------------------------------|---------------------------|--|
| Technology | information communication technology | communication technology center | of ICT Hubs and Equipping | funds towards the construction of a New ICT Hub (Ngaringashi). Renovation and equipping of Bomani ICT Hub is ongoing |
|------------|--------------------------------------|---------------------------------|---------------------------|--|

6. Governance Statement

The NG-CDF Taveta is governed by the NG-CDF committee members who are selected by a selection panel established under paragraph (4) of NG-CDF regulations.

The functions of a constituency committee shall be to

- Build the capacity of project Management Committees and sensitize the community on the operations of the fund.
- Consider all project proposals from all wards in the constituency and any other projects which a constituency committee considers beneficial to the constituency;
- Ensure that all proposed projects are approved;
- Ensure that project proposals submitted to the board include detailed budget proposals, procurement plans and works plans; in approving a project and before submitting the project to the board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the constitution;
- Consult with relevant government department to ensure that cost estimates for projects are realistic; in considering joint projects;
- Ensure that projects proposed for funding fulfill the requirements provided in the Act and relevant circulars issued by the Board'
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board
- Ensure that project reports are prepared and submitted to the board;
- Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- Ensure that the principles of public finance as provided for under chapter twelve of the constitution and the public finance management legislation are observed in the management of the fund;
- Submit financial statements to the board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;

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 Taveta Constituency 2024-2055** plan are to:

1. Promotion of Education and Training in the constituency by empowering students and improving infrastructure in the learning institutions.
2. Enhancement of administration and security within the constituency.
3. Enhanced capacity for climate change adaptation and mitigation
4. Improved access to information communication technology

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 2024/25 -We increased the number of classrooms in Junior secondary schools to eight (8) and equipped them with lockers/desks. We also constructed a new secondary school (Kimala Secondary School). In addition, we also renovated 21 classrooms in primary schools -Bursary allocation was increased to 40% of total allocation for the FY 2024-25, giving priority to local secondary schools by awarding all secondary |

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| | | | | |
|--------------------------------------|--|--|---|---|
| | | | | school students bursary. The poverty rate of students in day schools compared to boarding schools is very high hence the NG-CDF Taveta Bursary Committee prioritized day schools. It was also observed that applicants from teaching institutions and Medical colleges were on the rise hence we decided to support the students to increase number of teachers and medical officers in the constituency. |
| Security | To improve security in the constituency | Increase number of police post and chiefs office | Number of police post and chiefs office | In FY 2024/2025 we allocated funds towards construction of Kachero Assistant chiefs office which is on procurement process |
| Climate change mitigation activities | To improve climate in the institutions within the Constituency | Enhance learning environment to learners | Increase number of trees and water catchment measures | In FY 2024/2025 we managed to allocate 3,200 tree seedlings to 16 local schools and subsequently allocated funds for construction of gutters and a 10,000 litres water tank to tap rain water |
| Emergency | To cater for unforeseen events | Enhancement of learning institutions | Increase in toilets in learning institutions | In FY 2024/2025 we managed to construct five (5) toilets in different learning institutions which had submerged during heavy rains almost leading to closure of the school by public health officers. |
| Information Communication | To improved access to | Enhancement of information | Increasing the number | In FY 2024/2025 we managed to allocate |



Figure 3: A renovated classroom in Mahoo Primary School

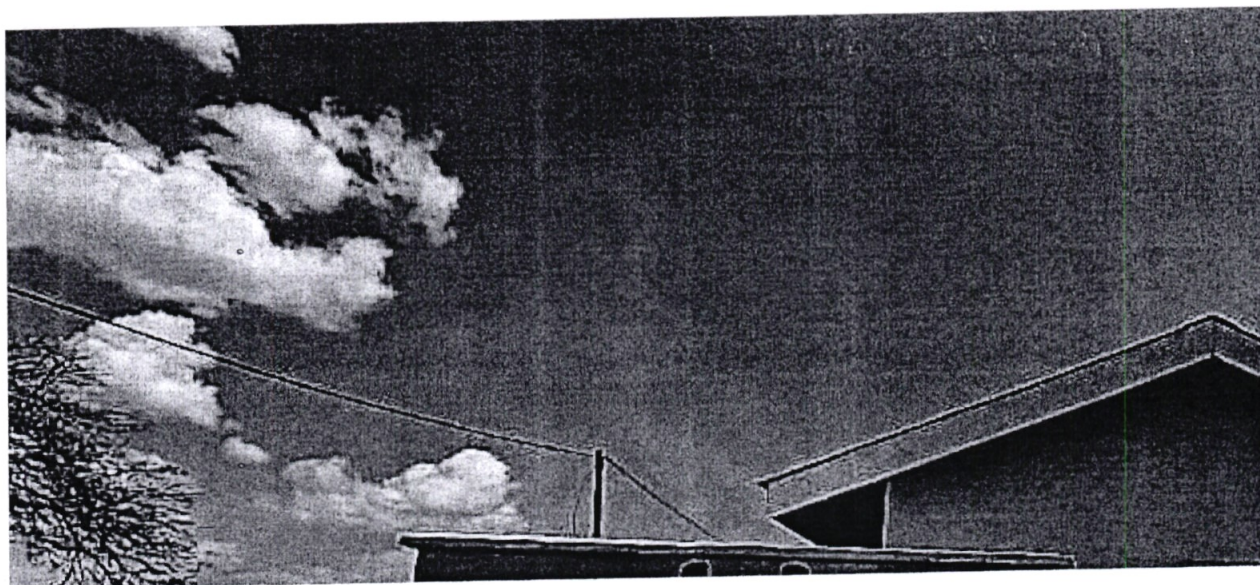


Figure 4: Completed emergency Boy's Toilet Project in Abori Primary School

Through the initiative of prioritizing issuing bursary to all schools within the constituency the NG-CDF Committee is overwhelmed by large numbers of students in day schools hence consuming a bigger fraction of bursary award. This has increased students' retention is learning secondary schools

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The NG-CDF Taveta in its mandate of improving infrastructure in learning institutions came up with an initiative whereby the NG-CDF committee and bursary subcommittee members visited all secondary school within the constituency to create awareness on the need of prioritizing education to anything else so that they get better grades by the time they complete their form four

During rainy season most of learning institutions toilets collapsed due to heavy rains which led to high rate of diseases and subsequent closure notices from the public health officer. The management is trying to intervene and construct toilets to the affected institutions through the emergency fund so as to salvage the institution.

.....*Prudence*.....

Name *PRUDENCE HABASHA MHAZIGHE*
Chairperson NGCDF Committee

Expenditure Breakdown

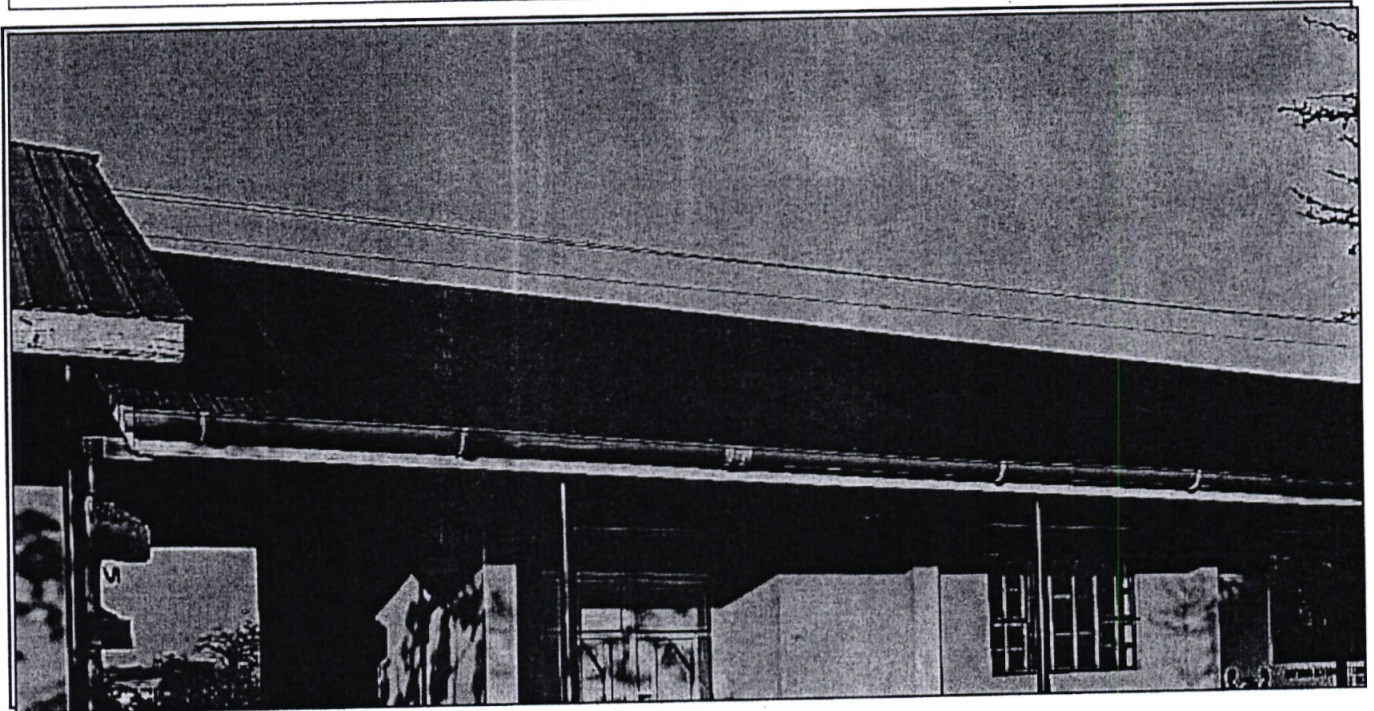
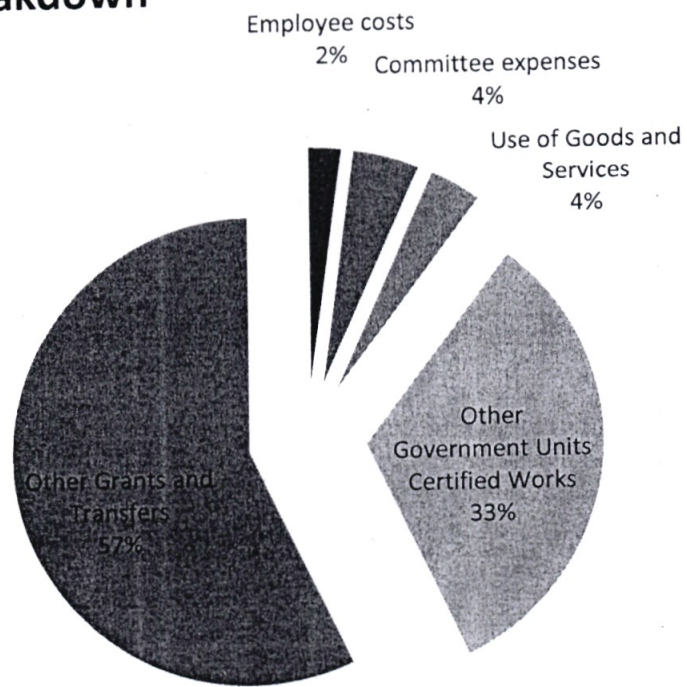


Figure 1: Completed construction of two (2) classrooms in Malukiloriti Secondary School

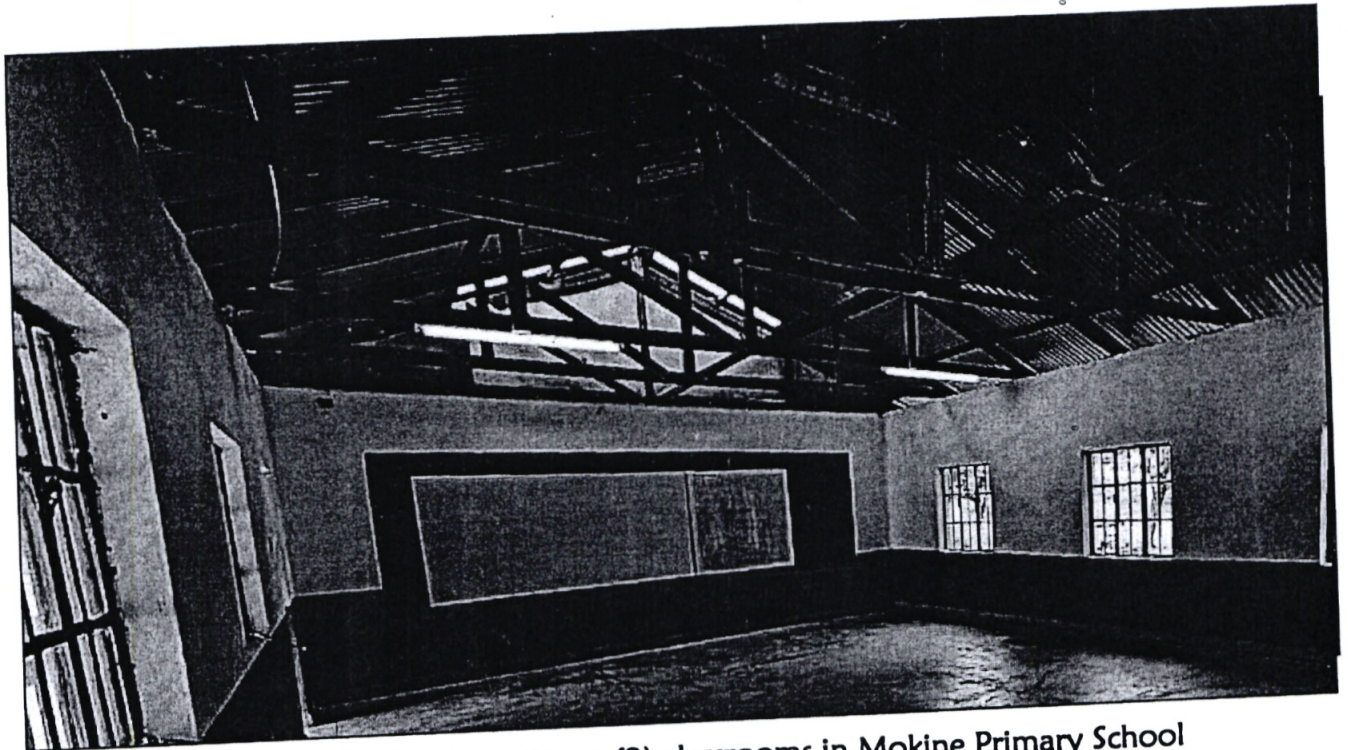
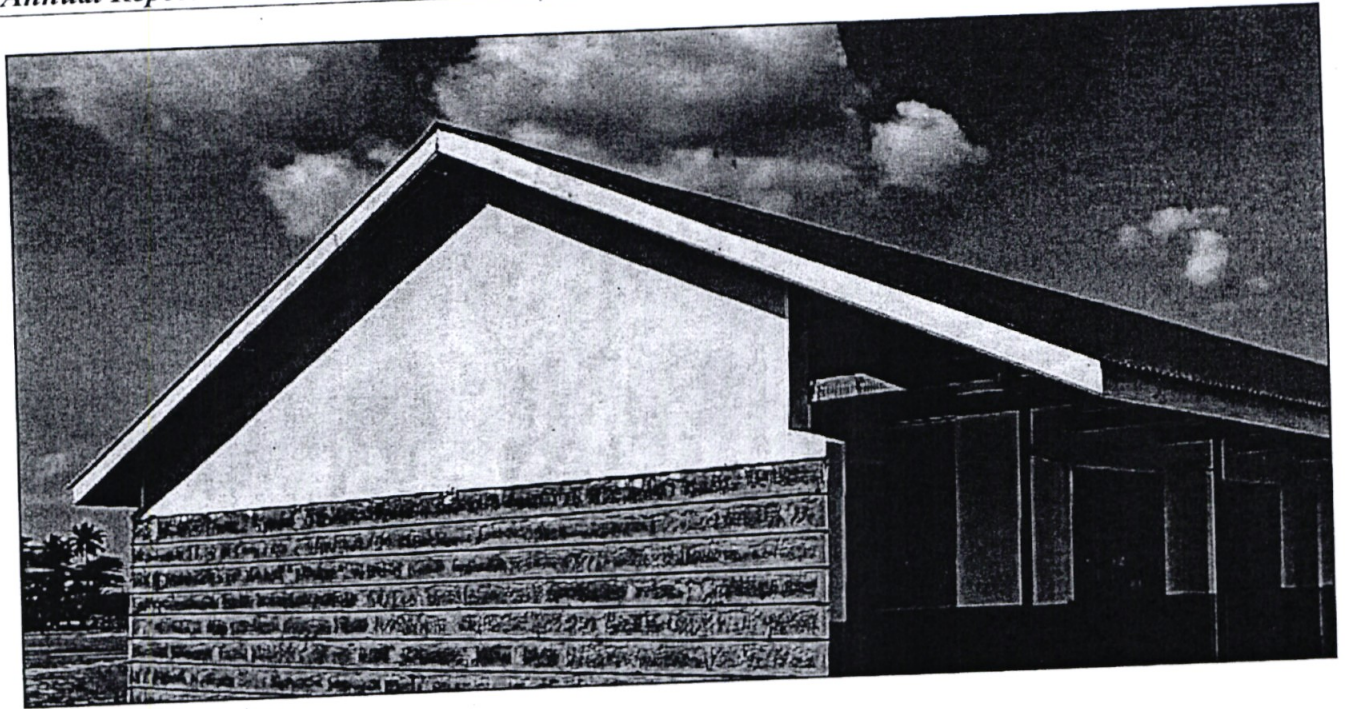


Figure 2: Completed construction of two (2) classrooms in Mokine Primary School

4. NG-CDFC Chair's Report



*Prudence Mwazighe, Chair
Taveta NG-CDF*


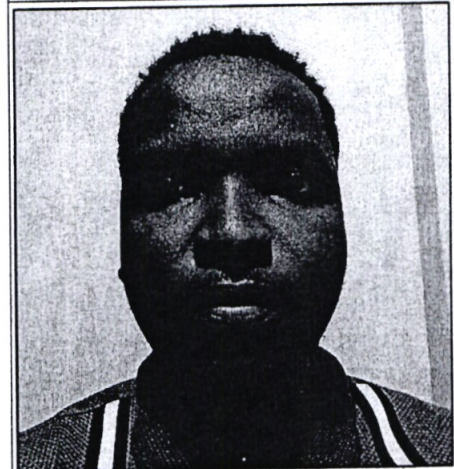
Taveta constituents have continuously participated effectively in cascading the objectives of the National Development Plan. They are aware of their rights and the power bestowed on them by the constitution of Kenya (2010) in relation to implementation of all the development programmes within the constituency. The constitution of Kenya gives the right to participate in public forums in order to air their opinions as well as grievances through public participation. They too get an opportunity to give feedback in relation to the already implemented programmes carried out with fairness, transparency, openness and accountability.

Financial year budget

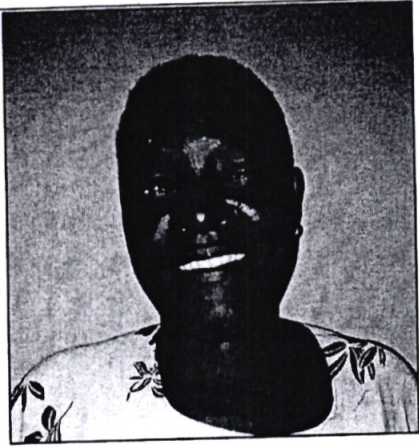
In the financial year 2024/2025 the NG-CDF Taveta Constituency received **Kshs.201,610,488** (inclusive the balance of previous year owing). The budgetary allocation for the FY 2024/2025 was **Kshs.179,441,954**. Out of 179,441,954 for the FY 2024/25, the Constituency has received **Kshs.128, 000,000**. The management therefore received a disbursement of 71% of its budget for the FY 2024/25. During the year a total of **Kshs.152,955,078** was paid translating to 76% budget utilization through implementation of tangible/physical projects targeted within the financial year as well as issuance of bursaries to needy students. The remaining 24% consisted of amounts disbursed close to the end of the financial year and money owed from the board therefore could not be utilized within the year.

Bursary disbursement constituted the highest level of payment, amounting to Kshs.85,030,082, translating to 42% of total receipt, followed by education projects, amounting to Kshs.47,814,084 (23.7% of the total receipt).

The ultimate plan for the year was continuous improvement of infrastructure in our education institutions by creating jobs to the young generation as well as conforms to the Bottom-up transformation agenda of His Excellency the President of the Republic of Kenya.

| | |
|---|--|
|  <p>Grace AkothOdhiambo</p> | <p>Position: Co-opted member</p> <p>Date of Birth: 5/5/1996</p> <p>Academic qualification: KCSE Certificate</p> <p>Professional Qualification: Clearing and Forwarding Agent for 7 years</p> <p>Work experience: Gained experience for two years at Taveta NG-CDFC.</p> |
|  <p>George MbathaMuthini</p> | <p>Position: Fund Account Manager</p> <p>Date of birth: 15.07.1994</p> <p>Academic qualification: Bachelor's Degree, Spatial Planning</p> <p>Professional qualification: Certified Public Accountant: Intermediate Level</p> <p>Work experience: Fund account manager for one (1) year, working with the NGCDFB for five (5) years.</p> |
| <p>NG CDFC members who exited during the financial year</p> | |
| <p>1. Josephine Ngusye Kingola – Served from 15th December 2022 up to 15th December 2024 as the PWDs representative in the committee</p> | |

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Halima Mazerakutseka

Position: Female Adult Representative
Date of Birth: 19/9/1977
Academic qualification: KCPE certificate
Professional Qualification: CHP
Work experience: Two years at Taveta NG-CDFC.



Hashimu Maghanga Mkombi



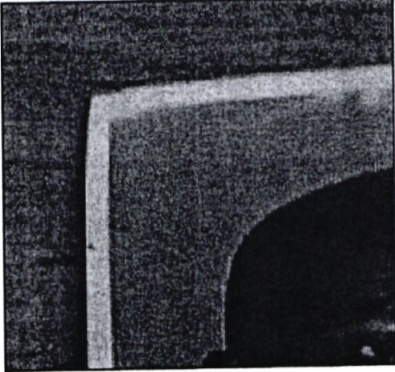
Position: Male Adults Representative
Date of Birth: 1/7/1965
Academic qualification: KCPE certificate
Professional Qualification: Businessman
Work experience: Gained experience for two years at Taveta NG-CDFC.



Grace Tatu Kadio

Position: Female Youth Representative
Date of Birth: 10/9/1996
Academic qualification: Diploma Community Health
Professional Qualification: Community Health Assistant
Work experience: Gained experience for two years at Taveta NG-CDFC.

3. NGCDF Committee

| | |
|---|---|
| <p>Prudence Mwazighe</p>  | <p>Position: Chairperson of Committee/ Female Adult Representative</p> <p>Date of Birth: 3/3/1974</p> <p>Academic qualification: O Level, Academic certificate in computer</p> <p>Professional Qualification: CHP for over 10yrs</p> <p>Work experience: B. O. M. Member for secondary schools, gained experience for two years at Taveta NG-CDFC being a chairperson.</p> |
|  <p>Mushere Lemomo Olenogita</p> | <p>Position: Male Youth Representative</p> <p>Date of Birth: 1/7/1990</p> <p>Academic qualification: KCPE certificate</p> <p>Professional Qualification: Businessmen</p> <p>Work experience: gained experience for two years at Taveta NG-CDFC.</p> |
|  <p>Jackson Mteleni Kihara</p> | <p>Position: Male Adult Representative</p> <p>Date of Birth: 10/10/1989</p> <p>Academic qualification: KCPE certificate</p> <p>Professional Qualification: Businessmen (farmer)</p> <p>Work experience: Gained experience for two years at Taveta NG-CDFC.</p> |

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(d) NGCDF Taveta Constituency Headquarters

Taveta NG-CDF Building/House/Plaza
Next to the DCC office
Taveta, KENYA.

(e) NGCDF Taveta Constituency Contacts

P.O. Box 243-80302
Telephone: (+254)726529741
E-mail: cdftaveta@ngcdf.go.ke
Website: www.taveta.ngcdf.go.ke

(f) NGCDF Taveta Constituency Bankers

1. Bank A.(Operations Account).
Equity Bank, Taveta Branch
P.O.Box305-80302
Taveta, Kenya
2. Bank B. (Deposit account).
Equity Bank, Taveta Branch
P.O. Box 305-80302
Taveta, Kenya
3. Bank C. (PMC Accounts)
Equity Bank, Taveta Branch
P.O. Box 305-80302
Taveta, Kenya

(g) Independent Auditor

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

(h) Principal Legal Adviser

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

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 Taveta 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:

| | | |
|----|--------------------------------|------------------------|
| 1. | AIE holder | George MbathaMuthini |
| 2. | National Sub-County Accountant | David Munyao |
| 3. | Chairman NGCDFC | Prudence Mwazighe |
| 4. | Member NGCDFC | Grace AkothOdhiambo |
| 5. | Member NG CDFC | Jackson MtelianiKihara |

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Taveta 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.

Member's remuneration

During financial year 2024/2025 the NG-CDF committee members conducted 12 meetings, bursary sub-committee conducted 4 meetings. They were remunerated at a rate of Kshs.5,000 per sitting and Kshs.7,000 for the NG-CDF C Chairperson which were all subjected to 30% income tax.

No. of meetings (state how many meetings each member attended)

| S/no | Name | Position | No. of meetings attended |
|------|----------------------------|--|--------------------------|
| 1 | Prudence Wabosha Mwanzighe | Male youth representative | 15 |
| 2 | Grace TatuKadio | Female youth representative | 12 |
| 3 | Jackson MteleniKihara | PWD representative | 15 |
| 4 | MushereLemomoOlenogita | Constituency Nominee Male representative | 14 |
| 5 | HashimuMaghangaMkombi | Constituency Nominee Female representative | 15 |
| 6 | Halima MazeraKutseka | Co-opted member of the board | 12 |
| 7 | Josephine NgusyeKingola | Deputy County Commissioner | 5 |

Risk management

The management of NG-CDF Taveta has always put in place measures to identify possible risk areas through a consultative engagement with various stakeholders and all risk mitigation factors have been put in place. In this regard the management has complied with NG-CDF Act 2022 as amended in 2023, PPRA regulations, PFM Act 2012, Board circulars, presidential directives and any other law regarding its operations

Conflict of Interest

During every meeting the management has always reminded committee members to declare any conflict of interest before the meeting starts and none of the members declared interest on any matters discussed during the year ended 30th June 2025.

7. Management Discussion and Analysis

1. Operational and Financial Performance

The Taveta NG-CDF has consistently received increased allocations over the last five fiscal years, signifying trust and growth in constituency-level development. Fund absorption remains high due to strategic planning and timely execution of priority projects.

| Fiscal Year | Allocation |
|-------------|----------------|
| 2020/21 | 137,288,879.31 |
| 2021/22 | 137,088,879.00 |
| 2022/23 | 145,087,603.00 |
| 2023/24 | 175,533,810.00 |
| 2024/25 | 179,441,954.47 |

2. Key Projects Implemented and Ongoing

Education:

- Construction of more than 30 new classrooms built and equipped.
- Over 20,000 students benefited from bursary disbursements
- Construction of toilets.
- Establishment of new secondary schools.
- Construction of administration blocks for 6 schools
- Renovation of classrooms in 5 schools
- Construction of complete 2 new storey building schools
- Purchase of Buses for 2 secondary schools

Social Security & Public Safety:

- Construction of chief's and Assistant chief's offices

3. Statutory Compliance

The Fund adheres to the NG-CDF Act, 2015 and the Public Finance Management framework. Audits are performed annually with no major except for opinion reports. Procurement processes conform to the Public Procurement and Asset Disposal Act, ensuring transparency.

- All statutory reports submitted to the NG-CDF Board and National Treasury in time
- Annual Work plans and Budgets approved and implemented successfully.

4. Major Risks Facing the Fund

| Risk Factor | Mitigation Strategy |
|-------------------------------|---|
| Delayed disbursements | Continuous engagement with National Treasury |
| Escalating construction costs | Dynamic budgeting and project prioritization |
| Low contractor performance | Vetting, contract enforcement, regular audits |
| Community disputes | Stakeholder forums and public participation |

5. Arrears and Financial Obligations

There are **no statutory arrears**. However, the Fund owes the board Kshs.85,610,488.01 primarily related to infrastructure work and ICT hub.

6. Review of Economy and Sector

National Context

Kenya's post-pandemic recovery, growing GDP, and increased public investment have created a favorable environment for constituency development. The fiscal space, however, remains constrained by inflationary pressures and debt servicing.

Sectoral Dynamics:

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- **Education:** Increased demand for learning space
- **Bursary:** Increased bursary dependence.
- **Climate change:** Emphasis on climate-resilient projects.

7. Future Developments

Looking ahead, Taveta NG-CDF is set to:

- Expand learning infrastructure in schools.
- Increase bursary allocation to support more vulnerable learners
- Address climate change mitigation measures by planting more trees and tap solar energy.
- Strengthen monitoring and evaluation frameworks to ensure project effectiveness.

The Taveta Constituency NG-CDF remains committed to fostering sustainable development and improving the quality of life for its constituents through prudent

**Name: George Mbatha
Fund Account Manager**



8. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

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

2. Environmental performance

During the financial year 2024-2025 we managed to allocate funds for 200 tree seedlings and subsequently constructed gutters and ten 10,000 litres water tanks to tap water during rain seasons at 16 local schools, both primary and secondary schools

3. Employee welfare

We invest in providing the best working environment for our employees. Taveta 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. Taveta constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

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

4. Marketplace practices-

Taveta Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Taveta 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

Taveta Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituents, considering the

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

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

Public Awareness

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

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


.....
George Mbatha
Fund Account Manager.

***National Government Constituencies Development Fund (NGCDF)
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The Accounting Officer in charge of the NGCDF Taveta 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- Taveta Constituency financial statements were approved and signed by the Accounting Officer on 30th June, 2025.



.....
Name: Prudence Mwazighe
Chairman – NGCDF Committee



.....
Name: George Mbatha
Fund Account Manager

9. Statement Of Management Responsibilities

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

The Accounting Officer in charge of the NGCDF-Taveta 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-Taveta 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- Taveta Constituency further confirms the completeness of the accounting records maintained for the Taveta 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.

REPUBLIC OF KENYA

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Enhancing Accountability

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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - TAVETA 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 - Taveta Constituency set out on pages

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

1 to 67, which comprise of the statement of financial position as at 30 June, 2025 and the statement of 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 - Taveta Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) including the transitional provisions permitted under IPSAS 33 and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023), and the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Non-compliance with the Basis for Preparation of the Financial statements

The cover page of the financial statements states that the financial statements were prepared in accordance with transitional IPSAS financial statements/prepared in accordance with the accrual basis of accounting method under International Public Sector Accounting Standards (IPSAS). The information is inconsistent with significant accounting policy 2 which states that the financial statements are transitional and this is the 1st year of preparation in compliance with IPSAS 33 taking advantage of transitional provisions.

In the circumstances, compliance with the basis of preparation and presentation of the financial statements could not be confirmed.

2. Inaccurate Expenditure on Use of Goods and Services

Note 10 to the financial statements reflects use of goods and services of Kshs.7,660,308 which differs with the recalculated amount of Kshs.5,824,488 resulting to a variance of Kshs.1,835,820. Further, the erroneous balance is reflected in the statement of financial performance resulting to understatement of total expenses by a similar amount.

In the circumstances, the accuracy and completeness of the use of goods and services of Kshs.7,660,308 could not be confirmed.

3. Cash and Cash Management

3.1. Inaccurate Opening Bank Balances

The statement of financial position and Note 19 to the financial statements reflects opening cash and cash equivalents balance of Kshs.98,126,357 which differs with the audited prior year balance of Kshs.86,477,718 resulting in a variance of Kshs.11,648,639.

3.2. Inaccurate PMC Bank Balances

The statement of financial position and Note 19 to the financial statements reflect total cash and cash equivalents balance of Kshs.146,780,417, of which Kshs.36,338,024 relates to PMC account balances. However, review of certificates of bank balance revealed total PMC bank balances of Kshs.32,292,631 resulting in an unexplained variance of Kshs.4,045,393.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.146,780,417 could not be confirmed.

4. Unconfirmed Bursary Awards

The statement of financial performance and Note 14 to the financial statements reflect other grants and transfers of Kshs.91,379,819 which includes bursary disbursements totaling Kshs.84,060,082 (Tertiary Institutions, Kshs.32,430,200 and Secondary Schools, Kshs.51,629,882). The payments were not supported by bursary or scholarship application forms and minutes of the bursary committee approving the payments. In addition, sampled bursary application forms revealed that the forms were incomplete, lacked the required attachments (such as admission letters, fee structures, or national IDs), and were not approved by the NG-CDF Bursary Committee as required.

In the circumstances, the accuracy and completeness of bursaries expenditure of Kshs.84,060,082 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 - Taveta Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipt budget and actual on comparable basis of Kshs.363,178,799 and Kshs.201,610,488 respectively resulting to under-realization of Kshs.161,568,311 or 44% of the budget. Similarly, the

Fund expended Kshs.152,956,428 against actual receipts of Kshs.201,610,488 resulting in an under-absorption of Kshs.48,654,060 or 24% of actual receipts.

The under realization and under absorption affected implementation of planned activities and negatively impacted on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources. Review of the status during audit of the NG-CDF -Taveta Constituency in 2024/2025 revealed that the following six (6) issues remained unresolved:

| No. | Financial Year | Audit Issue |
|------------|-----------------------|---|
| 1 | 2023/2024 | Unexplained Variance-Undisbursed funds Receivable |
| 2 | 2023/2024 | Unsupported PMC Balances |
| 3 | 2023/2024 | Delayed Project completion - Chala secondary school |
| 4 | 2023/2024 | Failure to provide performance security |
| 5 | 2023/2024 | Unreturned project management committee balances |
| 6 | 2023/2024 | Long outstanding reconciling items |

Other Information

The Management is responsible for the Other Information set out on page iii to xxx which comprise of Key Constituency Information and Management, NG-CDF Chairman Report, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Statement of Management Responsibilities, Statement of Performance Against Predetermined Objectives. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the National Government Constituencies Development Fund - Taveta Constituency financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I

conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Failure to Transfer Unutilized PMC Bank Balances

Annex 2 to the financial statements revealed that PMC bank balances totalled Kshs.36,338,024. Included in the amount is Kshs.1,207,210 relating to completed projects. However, the unutilized balances for the completed projects had not been returned to the main NG-CDF account as required by Section 12(8) of the National Government Constituencies Development Fund (NG-CDF) Act, 2015 which provides that all unutilized funds of a Project Management Committee (PMC) be returned to the Constituency Account.

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

2. Unapproved Emergency Projects

The statement of financial performance and Note 14 to the financial statements reflects other grants and transfers actual expenditure of Kshs.91,379,819 which includes Kshs.6,349,621 in respect of emergency projects actual expenditure. However, no evidence was provided to confirm that the emergency projects and their corresponding budgets were reviewed and approved by the Constituency Development Committee prior to the release of funds. This is contrary to Regulation 4 of the National Government Constituencies Development Fund (NG-CDF) Regulations, 2016, which requires that a Project Management Committee prepare detailed project budgets, bills of quantities and work plans for approval by the Constituency Development Committee before funds are released.

In the circumstances, Management was in breach of law.

3. Direct Procurement of Goods and Services Using Imprest

The statement of financial performance and Note 12 reflect use of goods and services totaling Kshs.7,660,308. However, procurements amounting to Kshs.559,250 for office stationery were irregularly processed through office imprest despite the existence of an approved list of prequalified suppliers. This is contrary to Section 66(5) of the Public Procurement and Asset Disposal Act, 2015, which prohibits staff from participating in procurement processes where established procedures are bypassed.

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

4. Acquisition of Goods Without Need Assessment

The statement of financial performance and Note 13 to the financial statements reflect secondary schools' actual expenditure totaling Kshs.22,693,919. Review of records revealed that lockers and chairs worth Kshs.599,000 were supplied to a Secondary School despite the school already having surplus furniture relative to its student population. The items remained unused in storage, indicating that no proper needs assessment was conducted prior to procurement, resulting in wasteful expenditure. This is contrary to Section 68(1) of the Public Finance Management Act, 2012, which requires that public resources be used effectively, efficiently, and economically to ensure value for money.

In the circumstances, Management was in breach of law and value for money on the procurement could not be confirmed.

5. Long Outstanding Receivables from Non-Exchange Transactions

The statement of financial position and Note 21 to the financial statements reflect receivables from non-exchange transactions amounting to Kshs.63,530,554. Included in this balance is Kshs.88,600 relating to long-outstanding imprests that have remained unaccounted for over five (5) years. No evidence or explanation was provided to justify the non-recovery of the outstanding amounts from the respective officers as required by Regulation 93(5), (6) and (7) of the Public Finance Management (National Government) Regulations, 2015, which requires prompt surrender of imprests and immediate recovery with interest from defaulting officers.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

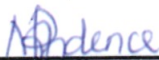
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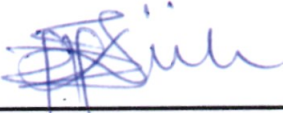
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11. Statement of Financial Performance for the Year Ended 30th June 2025

| | Note | FY 2024-2025 Kshs |
|---|------|----------------------|
| Revenue from non-exchange transactions | | |
| Transfers from the NGCDF Board | 6 | 179,441,954 |
| Transfers from domestic and foreign partners | 7 | - |
| Revenue from exchange transactions | | |
| Finance income | 8 | - |
| Miscellaneous income | 9 | - |
| Total revenue | | 179,441,954 |
| Expenses | | |
| Employee costs | 10 | 4,188,773 |
| Committee expenses | 11 | 4,761,300 |
| Use of Goods and Services | 12 | 7,660,308 |
| Other Government Units Actual expenditure | 13 | 43,445,864 |
| Other Grants and Transfers Actual expenditure | 14 | 91,379,819 |
| Depreciation and amortization expense | 15 | - |
| Digital Hubs Expenses Actual expenditure | 16 | - |
| Total expenses | | 151,436,064 |
| Other gains/(losses) | | |
| Gain/Loss on Sale of Assets | 17 | - |
| Impairment loss | 18 | - |
| Surplus/(Deficit) for the year | | 28,005,890 |

The Constituency financial statements were approved by the NGCDFC on 30th June 2025 and signed by:


**Chairman NG-CDF
Committee**
Name: Prudence Mwazighe


**National Sub-County
Accountant**
Name: David Munyao
ICPAK M/No: 13402


Fund Account Manager
Name: George Mbatha

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

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12. Statement of Financial Position as At 30th June, 2025

| | | | |
|--|----|-----------------------|-----------------------|
| Assets | | | |
| Current Assets | | | |
| Cash And Cash Equivalents | 19 | 146,780,416.97 | 98,126,357.03 |
| Receivables from Exchange Transactions | 20 | - | - |
| Receivables from Non-Exchange Transactions | 21 | 63,530,554.01 | 85,699,088.01 |
| Prepayments | 22 | - | - |
| Total Current Assets | | 210,310,970.98 | 183,825,445.04 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 23 | - | - |
| Intangible Assets | 24 | - | - |
| Right-of-use assets | 25 | - | - |
| Total Non-Current Assets | | - | - |
| Total Assets (A) | | 210,310,970.98 | 183,825,445.04 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 26 | - | - |
| Third Party Deposits | 27 | 2,857,551.00 | 5,207,475.00 |
| Lease Liabilities | 28 | - | - |
| Gratuity Provision | 29 | 829,560 | - |
| Total Current Liabilities | | 3,687,111.00 | 5,207,475.00 |
| Non-Current Liabilities | | | |
| Lease Liabilities | 28 | - | - |
| Total Liabilities (B) | | 3,687,111.00 | 5,207,475.00 |
| Net Assets (A-B) | | 206,623,859.98 | 178,617,970.04 |
| Represented by: | | | |

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

| | | | |
|---|--------------------|---|--------------------|
| Fund Balance as at 30th June 2024 | 86,566,318 | - | 86,566,318 |
| Adjustments | - | - | - |
| Recognition of Assets | 97,259,127 | - | 97,259,127 |
| Recognition of Liabilities | 5,207,475 | - | 5,207,475 |
| As at July 1, 2025 | 178,617,970 | - | 178,617,970 |
| | | | |
| Surplus/(Deficit) For the Period | 28,005,890 | - | 28,005,890 |
| Revaluation Gain/Loss | - | - | - |
| As at June 30, 2025 (current year) | 206,623,860 | - | 206,623,860 |

Note:

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


PRIOR YEAR ADJUSTMENT:

Due to late opening of the deposit account, we reversed all last year gratuity cheques since others were stale and replaced it with one cheque, therefore we made an adjustment on the 1st position of 829,560 and therefore restatement of the opening balance from 86,477,718 to 87,307,278...


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| | | | |
|-------------------------|--|-----------------------|-----------------------|
| Revaluation Reserves | | - | - |
| Accumulated Surplus | | -- | - |
| Total Net Assets | | 206,623,859.98 | 178,617,970.04 |


The Constituency financial statements set out on pages 3 to 4 approved by NG CDFC on 30 June 2025 and signed by:



**Chairman NG-CDF
 Committee**
Name: PRUDENCE MWARIGHE



**National Sub-County
 Accountant**
Name: David Mungao
ICPAK M/No: 13402



Fund Account Manager
Name: George Mbatia

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| | | |
|---|----|--------------------|
| Net Cash Flows from Financing Activities | | 48,654,060 |
| Cash and cash equivalents at 1 July | 19 | 98,126,357 |
| Cash and cash equivalents at 30 June | 19 | 146,780,417 |

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

14. Statement of Cash Flows for the Year Ended 30th June 2025

| | | |
|--|----|--------------------|
| Cash flows from operating activities | | |
| Receipts | | |
| Transfers from the NGCDF Board | | 201,610,488 |
| Transfers from domestic and foreign partners | | - |
| Finance income | | - |
| Miscellaneous income | | - |
| Total Receipts | | 201,610,488 |
| Payments | | |
| Employee costs | | 3,359,213 |
| Committee expenses | | 4,761,300 |
| Use of Goods and Services | | 7,660,308 |
| Other Government Units Certified Works | | 45,523,423 |
| Other Grants and Transfers | | 91,652,184 |
| Digital Hubs Expenses | | - |
| Total Payments | | 152,956,428 |
| Net Cash Flows from/ (used in) Operating Activities | 30 | 48,654,060 |
| Cash flows From Investing Activities | | |
| Purchase of PPE | | - |
| Purchase of Intangible assets | | - |
| Proceeds From Sale of PPE | | - |
| Net Cash Flows from Investing Activities | | - |
| Net increase/(decrease)in cash & Cash equivalents | | 48,654,060 |
| Cash Flows from Financing Activities | | |
| Lease Payment | | - |

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| | 2024/2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursement | 2024/2025 | Insert current FY | | |
|-------------------------------|--------------------|--------------------------------|--|--------------------|--------------------|--------------------|-----------|
| Certified Works | | | | | | | |
| Other Grants and Transfers | 70,000,000 | 8,867,231 | 7,846,159 | 86,713,390 | 85,387,451 | 1,325,939 | 98 |
| Digital Hubs Expenses | 13,010,832 | - | - | 13,010,832 | - | 13,010,832 | 0 |
| Emergency Fund | 9,444,313 | 5,621,498 | | 15,065,811 | 6,264,732 | 8,801,079 | 42 |
| Funds Pending Approval** | - | - | - | - | - | - | 0 |
| Total Expenditure | 179,441,954 | 98,126,356 | 85,610,488 | 363,178,799 | 152,956,428 | 210,222,371 | 42 |
| Surplus for the period | | | | | | | |

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

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

| | 2024/2025 | Opening Balance (C/Bk) and AIA | Previous Years' Outstanding Disbursement | 2024/2025 | Insert current FY | | |
|--|--------------------|--------------------------------|--|--------------------|--------------------|--------------------|-----------|
| Revenue | | | | | | | |
| Transfers From the NGCDF Board | 179,441,954 | 98,126,357 | 85,610,488 | 363,178,799 | 201,610,488 | 161,568,311 | 56 |
| Transfers from domestic and foreign partners | - | - | - | - | - | - | - |
| Finance income | - | - | - | - | - | - | - |
| Miscellaneous income | - | - | - | - | - | - | - |
| Totals | 179,441,954 | 98,126,357 | 85,610,488 | 363,178,799 | 201,610,488 | 161,568,311 | 56 |
| Expenses | | | | | | | |
| Employee costs | 4,565,072 | 603,253 | - | 5,168,325 | 3,359,213 | 1,809,112 | 65 |
| Committee expenses | 2,368,000 | 6,861,310 | - | 9,229,310 | 4,761,300 | 4,468,010 | 52 |
| Use of Goods and Services | 9,184,040 | 3,720,666 | - | 12,904,706 | 7,660,308 | 5,244,398 | 59 |
| Other Government Units | 70,869,697 | 72,452,398 | 77,764,329 | 221,086,424 | 45,523,423 | 175,563,001 | 21 |

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

| | | | | | | |
|---|-------------------|------------------|----------|-------------------|-------------------|------------------|
| | | | | | | |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 4,565,072 | 603,253 | - | 5,168,325 | 3,359,213 | 1,809,112 |
| 1.2 Committee allowances | 1,128,000 | 4,800,000 | - | 5,928,000 | 4,761,300 | 1,166,700 |
| 1.3 Use of goods and services | 5,073,445 | 3,075,650 | - | 8,149,095 | 5,882,208 | 2,266,887 |
| Sub-total | 10,766,517 | 8,478,903 | - | 19,245,420 | 14,002,721 | 5,242,699 |
| 2.0 Monitoring and evaluation | | | | | | |
| 2.1 Capacity building | 300,000 | 1,241,310 | - | 1,541,310 | - | 1,541,310 |
| 2.2 Committee allowances | 940,000 | 820,000 | - | 1,760,000 | - | 1,760,000 |
| 2.3 Use of goods and services | 4,110,595 | 645,016 | - | 4,755,611 | 1,778,100 | 2,997,511 |
| Sub-total | 5,350,595 | 2,706,326 | - | 8,056,921 | 1,778,100 | 6,278,821 |
| 4.0 Emergency | | | | | | |
| Abori Primary school | | 2,397,697 | | 2,397,697 | 905,232 | 1,492,465 |
| Eldoro primary school | | 3,029,569 | | 3,029,569 | 895,430 | 2,134,139 |

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Explanatory Notes.

The underutilization of 42% was as a result of:

1. Late disbursement of funds
2. Delays in release of AIEs
3. The procurement process

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|--|--------------------|
| Description | Amount |
| Budget utilisation difference totals | 210,222,371 |
| Less undisbursed funds receivable from the Board as at 30 th June 2025 | 63,441,954 |
| Cash and Cash Equivalents at the end of the 30 th June 2025 | 146,780,417 |

Explanatory Notes

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 30th June 2025 and signed by:



Fund Account Manager

Name: George Mbatha



National Sub-County Accountant

Name: David Munyao
ICPAK M/No: 13402



Chairman NG-CDF Committee

Name: Prudence Mwazighe

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| | | | | | | |
|---|------------------|---|---|------------------|---|------------------|
| Khadija Muna primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Kimala primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Kitobo secondary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Lessesia primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Mahoo girls secondary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Mahoo primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Malukiloriti secondary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Njoro springs primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Patani hill primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Salaita primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Sowene primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| St.NobertTangini primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Taveta primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Ulawani primary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Sub-total | 4,960,000 | | | 4,960,000 | | 4,960,000 |
| 6.0 Primary Schools Projects (List all the Projects) | | | | | | |
| Abori Primary School | 3,655,000 | - | - | 3,655,000 | - | 3,655,000 |

| | | | | | | |
|--|-------------------|------------------|------------------|-------------------|-------------------|-------------------|
| | 9,444,313 | | - | 9,444,313 | 914,855 | 8,529,459 |
| Kitobo primary school | | | | | | |
| Chala secondary school | | | 1,805,563 | 1,805,563 | 1,755,613 | 49,950 |
| Riata primary school | | 194,232 | 1,599,558 | 1,793,790 | 1,793,603 | 187 |
| | | | | | | |
| Sub-total | 9,444,313 | 5,621,498 | 3,405,121 | 18,470,932 | 6,264,732 | 12,206,200 |
| 4.0 Bursary and Social Security | | | | | | |
| 4.1 Primary Schools | | | | - | | - |
| 4.2 Secondary Schools | 45,659,599 | 3,450,432.00 | 3,595,759 | 52,705,790 | 51,629,882 | 1,075,908 |
| 4.3 Tertiary Institutions | 23,370,401 | 5,416,799.00 | 3,643,000 | 32,430,200 | 32,430,200 | - |
| 4.4 special needs | 970,000 | | 607,400 | 1,577,400 | 970,000 | 607,400 |
| 4.5 Education Support Programmes | - | | | - | | - |
| 4.6 Social Security | | | | - | | - |
| Sub-total | 70,000,000 | 8,867,231 | 7,846,159 | 86,713,390 | 85,030,082 | 1,683,308 |
| 5.0 Climate Change Mitigation | | | | | | |
| Chala secondary school | 310,000 | - | - | 310,000 | - | 310,000 |
| Eldoro primary school | 310,000 | - | - | 310,000 | - | 310,000 |

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| | | | | | | |
|------------------------------|-----------|--------------|-----------|-----------|---|-----------|
| Chala Primary School | 8,300,000 | - | - | 8,300,000 | - | 8,300,000 |
| Eldoro Primary School | 6,104,697 | - | - | 6,104,697 | - | 6,104,697 |
| Kasani Primary School | 3,500,000 | - | - | 3,500,000 | - | 3,500,000 |
| Kivukoni Primary School | 1,750,000 | - | - | 1,750,000 | - | 1,750,000 |
| Lesesia Primary School | 3,500,000 | - | - | 3,500,000 | - | 3,500,000 |
| Majengo Primary School | 1,750,000 | - | - | 1,750,000 | - | 1,750,000 |
| Mrabani Primary School | 1,750,000 | - | - | 1,750,000 | - | 1,750,000 |
| Mshekesheni Primary School | 1,750,000 | - | - | 1,750,000 | - | 1,750,000 |
| Patani Hill Primary School | 1,750,000 | - | - | 1,750,000 | - | 1,750,000 |
| Taveta Primary School | 7,000,000 | - | - | 7,000,000 | - | 7,000,000 |
| Timbila Primary School | 6,000,000 | - | - | 6,000,000 | - | 6,000,000 |
| Kimala Primary School School | - | - | 3,414,089 | 3,414,089 | - | 3,414,089 |
| Kitoghoto Primary School | - | 2,294,801.00 | - | 2,294,801 | - | 2,294,801 |
| Timbila Primary School | - | 2,021,180.00 | - | 2,021,180 | - | 2,021,180 |
| Mahoo Primary School | - | 6,000,000.00 | - | 6,000,000 | - | 6,000,000 |
| Salaita Primary School | - | 298.00 | - | 298 | - | 298 |
| Patani Hill Primary School | - | 461.90 | - | 462 | - | 462 |
| Khadija Muna Primary School | - | 18,052.00 | - | 18,052 | - | 18,052 |

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| | | | | | | |
|-----------------------------------|---|--------------|-----------|-----------|-----------|-----------|
| St. Nobert Tangini Primary School | - | 8,782.00 | - | 8,782 | - | 8,782 |
| Ulawani Primary School | - | 23,534.00 | - | 23,534 | - | 23,534 |
| Mahoo Primary School | - | 0.00 | - | - | - | - |
| Eldoro Primary School | - | 0.00 | - | - | - | - |
| Grigan Primary School | - | 122,733.00 | 1,300,000 | 1,422,733 | 1,413,448 | 9,285 |
| Machungwani Primary School | - | 207,615.00 | 400,000 | 607,615 | 605,230 | 2,385 |
| Taveta Primary School | - | 1,092,194.00 | 999,080 | 2,091,274 | 1,087,011 | 1,004,263 |
| Mahandakini Primary School | - | 2,870.13 | - | 2,870 | - | 2,870 |
| Njoro Springs Primary School | - | 3,583.00 | - | 3,583 | - | 3,583 |
| Mshekesheni Primary School | - | 509,978.70 | - | 509,979 | 508,000 | 1,979 |
| Rekeke Primary School | - | 444.30 | - | 444 | - | 444 |
| Chokaa Primary School | - | 493.56 | - | 494 | - | 494 |
| Jipe Primary School | - | 511,772.75 | - | 511,773 | - | 511,773 |
| Taveta Special Primary School | - | 1,000,000.00 | - | 1,000,000 | - | 1,000,000 |
| Kasaani Primary School | - | 242,699.00 | - | 242,699 | 234,465 | 8,234 |
| Timbila Special Primary School | - | 86,879.00 | - | 86,879 | 86,635 | 244 |

*National Government Constituencies Development Fund (NGCDF)
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| | | | | | | |
|-----------------------------|---|------------|-----------|-----------|-----------|-----------|
| Mokine Primary School | - | 435,361.00 | 600,000 | 1,035,361 | 997,702 | 37,659 |
| Kitobo Primary School | - | 11,840.00 | - | 11,840 | 180 | 11,660 |
| Rekeke Primary School | - | 391,505.10 | - | 391,505 | 388,053 | 3,452 |
| Malukiloriti Primary School | - | 26,155.00 | - | 26,155 | - | 26,155 |
| Chumvini Primary School | - | 4,323.00 | - | 4,323 | 4,323 | - |
| Sowene Primary School | - | 228,056.00 | - | 228,056 | 227,615 | 441 |
| Chala Primary School | - | 5,715.00 | - | 5,715 | - | 5,715 |
| Chokaa Primary School | - | 700.00 | - | 700 | - | 700 |
| Mata Primary School | - | 2,675.00 | - | 2,675 | - | 2,675 |
| Kitoghoto Primary School | - | 3,169.00 | 4,497,170 | 4,500,339 | 2,537,311 | 1,963,028 |
| Sir Ramson Primary School | - | 391,888.10 | - | 391,888 | 388,053 | 3,835 |
| Kidongu Primary School | - | 413,902.90 | - | 413,903 | 223,850 | 190,053 |
| Riata primary school | | 1181 | | 1181 | | 1181 |
| Njukini primary school | | 84 | | 84 | | 84 |
| Lotima Primary School | - | - | 2,600,000 | 2,600,000 | 2,344,482 | 255,518 |
| Khadija MunaPrimary School | - | - | 3,500,000 | 3,500,000 | 2,017,111 | 1,482,889 |
| Patani Hill Primary School | - | - | 1,800,000 | 1,800,000 | - | 1,800,000 |
| Salaita Primary School | - | - | 3,500,000 | 3,500,000 | 1,597,391 | 1,902,609 |
| EldoroPrimary School | - | - | 2,500,000 | 2,500,000 | 2,209,058 | 290,942 |

National Government Constituencies Development Fund (NGCDF)
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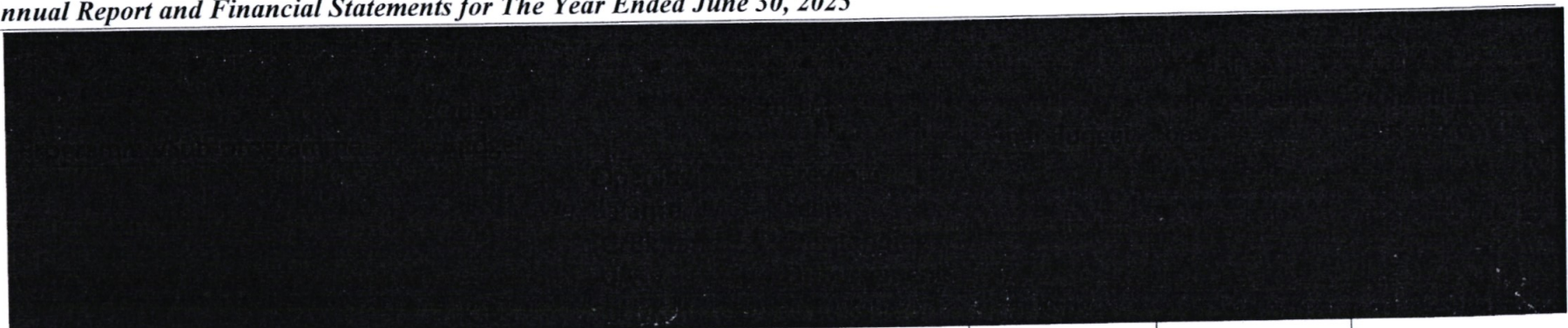
| | | | | | | |
|---|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| Ulwani Primary School | - | - | 4,050,000 | 4,050,000 | - | 4,050,000 |
| St. Robert Tangini Primary School | - | - | 3,600,000 | 3,600,000 | 1,325,200 | 2,274,800 |
| Mahoo Primary School | - | - | - | 6,000,000 | 5,477,080 | 522,920 |
| Njoro Springs Primary School | - | 3,500,000.00 | - | 3,500,000 | - | 3,500,000 |
| Taveta Primary School | - | - | 7,783,490 | 7,783,490 | - | 7,783,490 |
| Timbila Primary School | - | - | - | 2,294,350 | - | 1,794,350 |
| Sub-total | 46,809,697 | 27,859,276 | 40,543,829 | 115,212,802 | 23,672,198 | 91,540,604 |
| 7.0 Secondary Schools Projects (List all the Projects) | | | | | | |
| Bishop Njenga Secondary School | | 6,000,000.00 | | 6,000,000 | 5,119,575.00 | 880,425 |
| Eldoro Girls Secondary School | | 6,000,000.00 | | 6,000,000 | 4,214,130 | 1,785,870 |
| Kimala Secondary School | 9,550,000 | | | 9,550,000 | | 9,550,000 |
| Kimala Secondary School | | | 25,000,000 | 25,000,000 | | 25,000,000 |
| Sowene Secondary | | 5,045.80 | | 5,046 | - | 5,046 |
| Timbila Boys | | 445,684.00 | | 2,517,350 | 2,963,034 | 2,931,669 |
| Ngutini Secondary | | 2,467,792.00 | | 1,492,000 | 3,959,792 | 3,334,296 |
| | | | | | | 625,496 |

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| | | | | | | |
|---|--|---------------|------------|------------|------------|-------------------|
| | | 171,375.00 | 2,697,350 | 2,868,725 | 1,245,941 | 1,622,784 |
| Chala | | 13,117 | | | | 13,117 |
| Lumi secondary school | | 433,618.00 | | 433,618 | 430,355 | 3,263 |
| Kiwalwa | | 207,210.00 | | 207,210 | | 207,210 |
| Malukiloriti Secondary | | 124,383.50 | 1,108,679 | 1,233,063 | 1,027,955 | 205,108 |
| Taveta Sub County Education Office | | 226,917.40 | | 226,917 | | 226,917 |
| Bishop John Njenga | | 2,496,000.00 | | 2,496,000 | | 2,496,000 |
| Timbila Boys Secondary School | | 4,100,000.00 | | 4,100,000 | 3,175,267 | 924,733 |
| Malukiloriti Secondary | | 1,697,350.00 | | 1,697,350 | | 1,697,350 |
| Chala Secondary School | | 12,000,000.00 | | 12,000,000 | | 12,000,000 |
| Kitobo Secondary | | 5,000,000.00 | | 5,000,000 | | 5,000,000 |
| Kimala Secondary School | | 2,423,870.04 | | 3,423,870 | | 3,423,870 |
| Kimala Secondary School | | 9,550,000 | 43,812,363 | 32,815,379 | 87,177,742 | 21,479,188 |
| Sub-total | | | | | | 65,698,554 |
| 8.0 Tertiary institutions Projects (List all the Projects) | | | | | | |

| | | | | | | |
|---|------------------|----------------|---|------------------|----------------|------------------|
| KMTC Taveta | - | 372,237.00 | - | 372,237 | 372,237 | - |
| Taveta Technical | - | 1,400.00 | - | 1,400 | - | 1,400 |
| Sub-total | - | 373,637 | - | 373,637 | 372,237 | 1,400 |
| 9.0 Security Projects | | | | | | |
| Kachero Assistant Chief Office | 8,500,000 | - | - | 8,500,000 | - | 8,500,000 |
| Jipe Divisional | - | 31,134.50 | - | 31,135 | - | 31,135 |
| Mboghozi Chief Office | - | 814.00 | - | 814 | - | 814 |
| Taveta Police Hq. | - | 924.20 | - | 924 | - | 924 |
| Ngaringashi Chief Office | - | 360,843.00 | - | 360,843 | 357,169 | 3,674 |
| Mata chiefs office | | 5,050 | | 5050 | | 5,050 |
| Taveta Prison | | 1,520 | | 1520 | | 1,520 |
| Njukini chiefs office | | 1,131 | | 1131 | | 1,131 |
| Taveta DP County Commissioner | | 98 | | 98 | | 98 |
| Taveta sub county police HQ | | 5,608 | | 5608 | | 5,608 |
| Sub-total | 8,500,000 | 407,122 | - | 8,907,122 | 357,169 | 8,549,953 |
| 10.0 Acquisition of assets | | | | | | |
| 10.1 Motor Vehicles (including motorbikes) | - | - | - | - | - | - |

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| | | | | | | |
|--|-------------------|----------|----------|-------------------|----------|-------------------|
| 10.2 Construction of CDF office | - | - | - | - | - | - |
| 10.3 Purchase of furniture and equipment | - | - | - | - | - | - |
| 10.4 Purchase of computers | - | - | - | - | - | - |
| 10.5 Purchase of land | - | - | - | - | - | - |
| Sub-total | | | | | | |
| 11.0 Digital Hubs | | | | | | |
| Bomani ICT HUB | 1,010,832 | - | - | 1,010,832 | - | 1,010,832 |
| Taveta digital hub (Ngaringashi chiefs office) | 12,000,000 | - | - | 12,000,000 | - | 12,000,000 |
| Sub total | 13,010,832 | | | 13,010,832 | | 13,010,832 |
| 12.0 Others | | | | | | |
| TavetaNgcdf office | 1,050,000 | | | 1,050,000 | | 1,050,000 |
| Sub total | 1,050,000 | | | 1,050,000 | | 1,050,000 |
| 13.0 Funds pending approval | | | | | | |
| 13.1 Unapproved projects | - | - | - | - | - | - |
| 13.2 AIA | - | - | - | - | - | - |
| 13.3 | - | - | - | - | - | - |
| Sub-total | - | - | - | - | - | - |

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| | | | | | | | |
|--------------|--------------------|-------------------|-------------------|--------------------|--------------------|--------------------|--|
| | | | | | | | |
| Total | 179,441,954 | 98,126,357 | 85,610,488 | 363,178,799 | 152,956,428 | 210,222,371 | |

(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)

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other payables, third party deposits and gratuity provisions. Recognition of all other non-financial assets acquired in f/y prior to 2023/2024 to be recognized in the third year of transition after identification and valuations have been done.

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 (include any other applicable legislation), and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Taveta Constituency principal activity is service delivery to the constituents through provision of bursary to vulnerable learners and construction of infrastructure to schools.

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 PFM Act, and International Public Sector Accounting Standards (IPSAS) or the NG-CDF Taveta has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1st/ 2nd/ 3rd/ are transitional financial statements . The NG-CDF Taveta has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach; therefore, this is the 1st transitional financial statements. (The NG-CDF Taveta has recognized all financial Assets which includes cash and cash equivalent for operational account, deposit account and PMC balances, Receivables (owing from the Board and others), Prepayments, PPE and intangible assets acquired in F/Y 2023/2024 to date of reporting. Liabilities recognised include trade and

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| | |
|---|--|
| | performance. This IPSAS is not applicable in this constituency |
| IPSAS 45: Property Plant and Equipment | Applicable 1st January 2025 The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has 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. This IPSAS will be effective 1st July,2025 |
| IPSAS 46: Measurement | Applicable 1st January 2025 The objective of this standard was to improve measurement guidance across IPSAS by: <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. The standard also introduces a public sector specific measurement bases called the current operational value. This IPSAS will be effective 1st July,2025 |
| IPSAS 47: Revenue | Applicable 1st January 2026 This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS |

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2025, it is applicable in Kenya from 1st July 2025)

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.

| | |
|--|--|
| <p>IPSAS 43: Leases</p> | <p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an NG-CDF Taveta.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p>This IPSAS is not applicable in this constituency</p> |
| <p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p> | <p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>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:</p> <p>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</p> |

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| | |
|--|--|
| | flows from any exploration and evaluation assets recognized. This IPSAS is not applicable in this constituency |
|--|--|

iii. Early adoption of standards

The NG-CDF Taveta did not early – adopt any new or amended standards in the financial year.

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| | |
|--|--|
| | <p>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 NG-CDF Taveta shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>This IPSAS will be effective 1st July,2026</p> |
| <p>IPSAS 48: Transfer Expenses</p> | <p>Applicable 1st January 2026</p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>This IPSAS is not applicable in this constituency.</p> |
| <p>IPSAS 49: Retirement Benefit Plans</p> | <p>Applicable 1st January 2026</p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>This IPSAS is not applicable in this constituency</p> |
| <p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p> | <p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the NG-CDF Taveta'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 |

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 NG-CDF Taveta.

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 1 June 2025 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 actual 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 NG-CDF Taveta 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 the entire risks and benefits incidental to ownership of the leased item to the NG-CDF Taveta. 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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta. 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

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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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the NG-CDF Taveta'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 cash flows 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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

The NG-CDF Taveta 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

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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 NG-CDF Taveta.

h) Provisions

Provisions are recognized when the NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

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

l) Employee benefits

Retirement benefit plans

The NG-CDF Taveta provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta 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 NG-CDF Taveta'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 NG-CDF Taveta. 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 NG-CDF Taveta.
- 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.

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6. Transfers from the NGCDF Board

| | |
|--|--------------------|
| | |
| NGCDFB Transfers (Allocation for the FY) | 179,441,954 |
| Total | 179,441,954 |

7. Transfers from domestic and foreign partners

| | |
|--------------|---|
| | |
| Grants | - |
| Total | - |

8. Finance income

| | |
|----------------------------------|---|
| | |
| Interest Income on Bank Deposits | - |
| Total | - |

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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10. Employees cost

| | |
|--|-----------|
| | 2,929,067 |
| NG-CDFC Basic staff salaries | - |
| Personal allowances paid as part of salary | - |
| House Allowance | - |
| Transport Allowance | - |
| Leave allowance | 829,560 |
| Gratuity to contractual employees | 338,160 |
| Employer Contributions Compulsory national social security schemes | 91,986 |
| Employer Contributions Compulsory Housing levy | - |
| Employer contributions to National Industrial Training Authority | - |
| Other Specify | 4,188,773 |
| Total | |

11. Committee Expenses

| | |
|--------------------------|-----------|
| | 3,296,900 |
| Sitting allowance | 1,464,400 |
| Other Committee expenses | 4,761,300 |
| Total | |

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12. Use of Goods and services

| | |
|--|-----------|
| | 102,867 |
| Utilities, supplies and services | - |
| Communication, supplies and services | |
| Domestic travel and subsistence | 100,000 |
| Printing, advertising and information supplies & services | 628,500 |
| Suppliers & accessories for computer printers | 260,000 |
| Training expenses | 349,500 |
| Hospitality supplies and services | 580,600 |
| Hire of transport | 725,000 |
| Specialized materials and services | 590,675 |
| Office and general supplies and services | 800,000 |
| Fuel, oil & lubricants | - |
| Bank charges | 212,500 |
| General office supplies (M&E) | 44,800 |
| Publishing & printing (M &E) | 430,046 |
| Routine maintenance – vehicles and other transport equipment | - |
| Routine maintenance – other assets | 1,000,000 |
| Strategic plan expenses | - |
| Other operating expenses | 7,660,308 |
| Total | |

13. Other Government Units Actual expenditure

| | |
|--|------------|
| | 22,693,919 |
| Primary Schools Actual expenditure | 20,751,208 |
| Secondary Schools Actual expenditure | 737 |
| Tertiary Institutions Actual expenditure | 43,445,864 |
| Total | |

14. Other Grants and transfers Actual expenditure

| | |
|--|------------|
| | 51,629,882 |
| Bursary – secondary schools | 32,430,200 |
| Bursary – tertiary institutions | 970,000 |
| Bursary – special schools | - |
| Bursary - Education Support programmes | - |
| Social Security programmes (SHIF) | 115 |
| Security projects Actual expenditure | - |
| Climate change mitigation projects | 6,349,621 |
| Emergency projects Actual expenditure | - |
| Roads projects Actual expenditure | - |
| Others specify | 91,379,819 |
| Total | |

15. Depreciation and Amortization Expenses

| | |
|------------------------------|---|
| | - |
| Property Plant and Equipment | - |
| Intangible Assets | - |
| Total | |

16. Digital Hubs Expenses

| | |
|---|---|
| | - |
| Construction/ renovation/ Actual expenditure | - |
| Digital Hub utility costs Water, Electricity, | - |
| Maintenance of ICT equipment | - |
| Maintenance of building | - |
| Others (specify) | - |
| Total | |

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17. Gain/loss on Sale of Assets

| | |
|--|---|
| | |
| 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

| | |
|---|---|
| | |
| Property, Plant and Equipment | - |
| Intangible Assets | - |
| (Include financial instruments that are impaired) | - |
| Total Impairment Loss | - |

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

| | | |
|--|--------------------|-------------------|
| | | |
| Bank Accounts (Cash Book Bank Balance) | | |
| EQUITY BANK,A/C NO 1420262668499 (TAVETA NGCDF) | 108,559,135 | 86,477,718.00 |
| Operations account pending closure (Indicate name & account no.) | - | - |
| EQUITY BANK,A/C NO 1420285495319(TAVETA CDF DEPOSIT A/C | 1,883,258 | 829,560.00 |
| Name of Bank, account No. (PMC accounts) | 36,338,024 | 10,819,079 |
| Total | 146,780,417 | 98,126,357 |
| | | |
| Cash Balances | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Other Locations (Specify) | - | - |
| Total | | |

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20. Receivables from Exchange Transactions

| | | |
|----------------------------------|--|--|
| | | |
| Total receivables | | |
| Other exchange debtors (Specify) | | |
| Less: impairment allowance | | |
| Total receivables | | |
| a. Current receivables | | |
| b. Non-current receivables | | |
| Total Receivables (a+b) | | |

i. Ageing Analysis for Receivables

| | Current FY | % of the total | Opening Balance | % of the total |
|--------------------|------------|----------------|-----------------|----------------|
| Less than 1 year | | | | |
| Between 1- 2 years | | | | |
| Between 2-3 years | | | | |
| Over 3 years | | | | |
| Total (a+b) | | | | |

21. Receivables from Non-Exchange Transactions

| | | | | |
|--|--------------------------|-----------------------|------------------------|-----------------------|
| | | | | |
| Transfers from NGCDFB | 63,441,954 | | 85,610,488.01 | |
| Outstanding imprest | 88,600 | | 88,600.00 | |
| Total | 63,530,554 | | 85,699,088 | |
| Ageing Analysis- Receivables from non-exchange transactions | Insert Current FY | % of the total | Opening Balance | % of the total |
| Less than 1 year | 63,441,954 | 100% | 85,610,488 | 100% |
| Between 1-2 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | 63,530,554 | 100% | 85,610,488 | 100% |

22. Prepayments

| | | |
|-----------------------------|----------|----------|
| | | |
| Prepaid Rent | - | - |
| Prepaid Insurance | - | - |
| Prepaid Electricity Costs | - | - |
| Other Prepayments (Specify) | - | - |
| Total | - | - |

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23. Property, Plant and Equipment

| Depreciation Rate(specify) | | 2% | 25% | 12.5% | 30% | x% | | |
|---|------|------|------|-------|------|------|------|------|
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Cost | | | | | | | | |
| Opening Bal as 1 st July 2024 | - | - | - | - | - | - | - | - |
| Additions | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | | | | | | | | |
| Depreciation And Impairment | | | | | | | | |
| Opening Depreciation | - | - | - | - | - | - | - | - |
| Depreciation | - | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | | | | | | | | |
| Net Book Values | | | | | | | | |
| Opening Bal as at 1 st July 2025 | - | - | - | - | - | - | - | - |
| As At 30 th June 2025 | - | - | - | - | - | - | - | - |

Valuation

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020). These amounts were adopted on 2025.

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:

| | | | |
|---|-------------------|---|-------------------|
| | - | - | - |
| Land | | | |
| Buildings | 14,401,370 | - | 14,401,370 |
| Plant And Machinery | 1,558,400 | - | 1,558,400 |
| Motor Vehicles, Including Motorcycles | 13,624,800 | - | 13,624,800 |
| Computers And Related Equipment | 1,908,032 | - | 1,908,032 |
| Office Equipment, Furniture, And Fittings | 1,002,166 | - | 1,002,166 |
| Total | 32,494,768 | - | 32,494,768 |

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

| | | |
|--|---|---|
| | - | - |
| Plant and Machinery | - | - |
| Motor Vehicles including Motorcycles | - | - |
| Computers and Related Equipment | - | - |
| Office Equipment, Furniture and Fittings | - | - |
| Total | - | - |

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24. Intangible Assets

| 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 2025 | | |
| NBV at June 30th 2025 | | |

25. Right-of use assets

| Cost | | | | |
|--|---|---|---|---|
| As At 1 July (Comparative period) | - | - | - | - |
| Additions | - | - | - | - |
| As At 30 June 2025 (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 2024 (Comparative period)) | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2025 (Current FY) | - | - | - | - |
| Carrying Amount | | | | |

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

26. Trade and Other Payables

| | | | | |
|---|-------------------|-----------------------|----------------------------|-----------------------|
| | | | | |
| Trade payables | - | - | - | - |
| Employee payables | - | - | - | - |
| Other payables | - | - | - | - |
| Total trade and other payables | - | - | - | - |
| | | | | |
| Aging analysis: (Trade and other payables) | Current FY | % 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) | - | | - | |

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27. Third-Party deposits

| | |
|--|------------------|
| Retention as at 1 st July (A) | 5,207,475 |
| Retention held during the year (B) | 3,764,557 |
| Retention paid during the Year (C) | 6,114,481 |
| Closing Retention as at 30th June D= A+B-C | 2,857,551 |

Retentions aging analysis.

| | | | | |
|------------------|------------------|-------------|------------------|-------------|
| Less than 1 year | 2,857,551 | 100% | 5,207,475 | 100% |
| 1-2 years | 0 | % | 0 | % |
| 2-3 years | 0 | % | 0 | % |
| Over 3 years | 0 | % | 0 | % |
| Total | 2,857,551 | 100% | 5,207,407 | 100% |

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

28. Lease Liabilities

| | | |
|---|-----|-----|
| Balance at the beginning of the year | - | - |
| Discount interest on lease liability | - | - |
| Paid during the year | (-) | (-) |
| At end of the year | - | - |

Maturity Analysis

| Year 1 | - |
|-------------------------|-----|
| Year 2 | - |
| Year 3 | - |
| Year 4 | - |
| Year 5 and onwards | (-) |
| Less: unearned Interest | - |
| | |

Analysed as:

| Current | - |
|--------------|---|
| Non- Current | - |
| Total | - |

29. Gratuity Provision

| Gratuity at the beginning of the year 1 st of July | 829,560 |
|---|---------------------|
| Gratuity held during the year | 829,560 |
| Gratuity paid during the year | - |
| Total Gratuity Provision 30th June (A+B-C) | 1,659,120.00 |

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30. Cash Generated from Operations

| | |
|--|---------------------|
| | 28,005,890 |
| Surplus/Deficit for the year | |
| Adjusted for: | |
| Depreciation | - |
| Impairment | - |
| Gains and losses on disposal of assets | - |
| | |
| Working capital adjustments | (22,168,534) |
| Increase/decrease in receivables | 2,349,924 |
| | (829,560) |
| Increase/decrease in payables | - |
| | |
| Net cash flow from operating activities | 48,654,060 |

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

i) Credit risk

The NG-CDF Taveta 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 NG-CDF Taveta'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 NG-CDF Taveta's maximum exposure to credit risk without taking account the value of any collateral obtained is made up as follows:

| | | | | |
|--|--------------------|--------------------|---|---|
| As at 30th June 2025 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 63,441,954 | 63,441,954 | - | - |
| Bank balances | 146,780,417 | 146,780,417 | - | - |
| Total | 210,222,371 | 210,222,371 | - | - |
| As at 30 June 2024 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 85,610,488 | 85,699,088 | - | - |
| Bank balances | 98,126,357 | 98,126,357 | - | - |
| Total | 183,736,845 | 183,736,845 | - | - |

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

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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 NG-CDF Taveta has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The board of directors sets the NG-CDF Taveta'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 NG-CDF Taveta's directors, who have built an appropriate liquidity risk management framework for the management of the NG-CDF Taveta's short, medium and long-term funding and liquidity management requirements. The NG-CDF Taveta manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the NG-CDF Taveta 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.

| | | | | |
|---|------------------|---|---|------------------|
| As at 30th June 2025 | | | | |
| Trade payables | 5,207,475 | - | - | 5,207,475 |
| Current poportion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Gratuity Provision | 829,560 | - | - | 829,560 |
| Total | 6,037,035 | - | - | 6,037,035 |
| As at 30th June (Previous FY) | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | 829,560 | - | - | 829,560 |

| | | | | |
|-----------------------------|----------------|---|---|----------------|
| | | | | |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | - | - |
| Total | 829,560 | - | - | 829,560 |

iii) Market risk

The NG-CDF Taveta has put in place an internal audit function to assist it in assessing the risk faced by the NG-CDF Taveta 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 NG-CDF Taveta'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 NG-CDF Taveta's exposure to market risks or the way it manages and measures the risk.

Financial Risk Management

The following table demonstrates the effect on the NG-CDF Taveta'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.

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| Current FY | | | |
|--------------------|-----|---|---|
| Euro | 10% | - | - |
| USD | 10% | - | - |
| Previous FY | | | |
| Euro | 10% | - | - |
| USD | 10% | - | - |

a) Interest rate risk

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

Management of interest rate risk

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

IPSAS 30 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the NG-CDF Taveta'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.

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- 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 NG-CDF Taveta considers relevant and observable market prices in its valuations where possible.

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

iv) Capital Risk Management

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

| | | |
|---|-----------------------|-----------------------|
| Revaluation Reserve | 205,767,661.79 | 177,760,621.85 |
| Retained Earnings | - | - |
| Capital Reserve | - | - |
| Total Funds | 205,767,661.79 | 177,760,621.85 |
| Total Borrowings | 0 | 0 |
| Less: Cash and Bank Balances | (86,566,318) | (97,231,339) |
| Net Debt/(Excess Cash And Cash Equivalents) | 11,9201,343.79 | 80,529282.85 |
| Gearing | 0% | 0% |

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32. Related Party Disclosures

| Committee Members Remuneration | | |
|--|--------------------|--------------------|
| Sitting allowance of committee Members during the year | 3,296,900 | 5,352,100 |
| Transaction with the NGCDF Board | | |
| Transfers from the NGCDF Board during the year | 179,441,954 | 98,098,569 |
| Total | 182,738,854 | 103,450,669 |

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

| 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)

Contingent Liabilities

| | | |
|--|---|---|
| | | |
| 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

| | | |
|-------------------------------|---|---|
| | | |
| 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 Taveta 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.

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3. Annexes

Annex 1: Summary of Asset Register

| | | | | |
|---|-------------------|---|---|-------------------|
| | - | | | |
| Buildings and structures | 14,500,000 | - | - | 14,500,000 |
| Transport equipment | 3,300,000 | - | - | 3,300,000 |
| Office equipment, furniture, and fittings | 1,476,416 | - | - | 1,476,416 |
| ICT Equipment and Other ICT Assets | 1,898,872 | - | - | 1,898,872 |
| Other Machinery and Equipment | 12,020,600 | - | - | 12,020,600 |
| Intangible assets | | - | - | - |
| Total | 33,195,888 | | | 33,195,888 |

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)

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

| | | | | |
|---|-------------|---------------|---------|------------|
| JIPE DIVISIONAL HEADQUARTERS | EQUITY BANK | 1420272268008 | | 31,134.50 |
| MOKINE PRIMARY SCHOOL PROJECT | EQUITY BANK | 1420284608845 | | 435,361 |
| MATA PRIMARY SCHOOL CDF PROJECT ACCOUNT | EQUITY BANK | 1420263819656 | 2,675 | 2,675 |
| TAVETA CONSTITUENCY OFFICE | EQUITY BANK | 1420263879550 | | |
| REKEKE PRIMARY SCHOOL CDF PROJECT | EQUITY BANK | 1420264308328 | | 444.30 |
| KIDONG'U PRIMARY SCHOOL CDF PROJECT | EQUITY BANK | 1420264463392 | | 413,902.90 |
| RIATA PRIMARY SCHOOL CDF PROJECT | EQUITY BANK | 1420264467547 | | 194,232 |
| CHOKAA PRIMARY SCHOOL CDF PROJECT | EQUITY BANK | 1420264529549 | | 493.56 |
| RIATA PRIMARY SCHOOL | EQUITY BANK | 1420178770328 | 1181 | 1180.60 |
| MATA CHIEFS OFFICE | EQUITY BANK | 1420179822660 | 5050 | 5050 |
| TAVETA PRISON | EQUITY BANK | 1420179817552 | 1520 | 1520 |
| NJUKINI PRIMARY SCHOOL | EQUITY BANK | 1420180785201 | 84 | 84 |
| DEPUTY COUNTY COMMISSIONER | EQUITY BANK | 1420179831662 | 98 | 98 |
| TAVETA SUB COUNTY POLICE HQ PROJECT | EQUITY BANK | 1420179884929 | 5608 | 5607.59 |
| LUMI SECONDARY SCHOOL | EQUITY BANK | 1420263829981 | 13,117 | 13,117 |
| NJUKINI CHIEFS OFFICE | EQUITY BANK | 1420181288501 | 1131 | 1130 |
| JIPE PRIMARY SCHOOL CDF PROJECT | EQUITY BANK | 1420266493700 | 511,773 | 511,772.75 |

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| | | | | |
|---|-------------|---------------|-----------|------------|
| BISHOP JOHN NJENGA SECONDARY SCHOOL | EQUITY BANK | 1420268218298 | 226,917 | 226,917.40 |
| ST. NOBERT'S TANGINI PRIMARY SCHOOL NG-CDF | EQUITY BANK | 1420268539350 | | 8,782 |
| MSHEKESHENI PRIMARY SCHOOL PROJECT | EQUITY BANK | 1420271322534 | | 509,978.70 |
| TAVETA PRIMARY SCHOOL | EQUITY BANK | 1420277621406 | | 1,092,194 |
| SALAITA PRIMARY SCHOOL PROJECT | EQUITY BANK | 1420272874761 | | 298 |
| CHALA MIXED DAY AND BOARDING PRIMARY SCHOOL NG-CDF PROJECT | EQUITY BANK | 1420277308530 | 5,715 | 5715 |
| SOWENE MIXED DAY SECONDARY SCHOOL PROJECT NG-CDF | EQUITY BANK | 1420277597975 | | 5045.80 |
| MAHANDAKINI PRIMARY SCHOOL CDF PROJECT ACCOUNT | EQUITY BANK | 1420277738662 | | 2870.13 |
| TAVETA SPECIAL SCHOOL-CDF PROJECT ACCOUNT | EQUITY BANK | 1420284358910 | 1,000,000 | 1,000,000 |
| KASAANI PRIMARY SCHOOL PROJECT MANAGEMENT COMMITTEE | EQUITY BANK | 1420284374215 | | 242,699 |
| TIMBILA SPECIAL SCHOOL PROJECT MANAGEMENT ACCOUNT | EQUITY BANK | 1420284381238 | | 86,879 |
| NGUTINI MIXED SECONDARY SCHOOL PROJECT MANAGEMENT ACCOUNT | EQUITY BANK | 1420284431411 | 625,496 | 2,467,792 |
| MACHUNGWANI PRIMARY SCHOOL – NG CDF PROJECT ACCOUNT | EQUITY BANK | 1420284608845 | | 207,615 |
| KIWALWA SECONDARY SCHOOL – NG CDF PROJECT ACCOUNT | EQUITY BANK | 1420284888277 | | 433,618 |
| MALUKILORITI MIXED DAY SECONDARY SCHOOL PROJECT NG-CDF | EQUITY BANK | 1420178581390 | 207,210 | 207,210 |
| KHADIJA MUNA PRIMARY SCHOOL NG-CDF | EQUITY BANK | 1420178869450 | 18,052 | 18,052 |

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| | | | | |
|--|-------------|---------------|-----------|------------|
| TIMBILA BOYS SECONDARY SCHOOL NG-CDF | EQUITY BANK | 1420178878677 | 31,365 | 445,684 |
| MBOGHONI CHIEF'S OFFICE CONSTRUCTION NG-CDF | EQUITY BANK | 1420179783250 | | 814 |
| CHOKAA PRIMARY SCHOOL NG CDF | EQUITY BANK | 1420179793854 | | 700 |
| NJORO SPRINGS PRIMARY SCHOOL PROJECT NG-CDF | EQUITY BANK | 1420179871494 | | 3583 |
| PATANI HILL PRIMARY SCHOOL PROJECT NG-CDF | EQUITY BANK | 1420179902744 | 462 | 461.90 |
| REKEKE PRIMARY SCHOOL NG-CDF CONSTRUCTION PROJECT | EQUITY BANK | 1420180780949 | 3,452 | 391,505.10 |
| KENYA MEDICAL TRAINING COLLEGE TAVTEA NG-CDF PROJECT ACCOUNT | EQUITY BANK | 1420180932864 | | 372,237.20 |
| NGARINGASHI CHIEF'S OFFICE | EQUITY BANK | 1420182725743 | 3,474 | 360,843.10 |
| SIR RAMSON PRIMARY SCHOOL | EQUITY BANK | 1420182761524 | 3,835 | 391,888.10 |
| MALUKILORITI PRIMARY SCHOOL CDF PROJECT | EQUITY BANK | 1420268412541 | 26,155 | 26,155 |
| KITOBO PRIMARY SCHOOL – CDF PROJECT | EQUITY BANK | 1420268304397 | | 11,840 |
| CHUMVINI POLICE STATION PROJECT | EQUITY BANK | 1420272856832 | | 4323 |
| TAVETA POLICE DIVISIONAL HEADQUARTERS PROJECT | EQUITY BANK | 1420164694424 | | 924.20 |
| ULAWANI PRIMARY SCHOOL | EQUITY BANK | 1420263464943 | 23,534 | 23,534 |
| MAJENGO PRIMARY SCHOOL | EQUITY BANK | 1420263469023 | | |
| KHADIJA MUNA PRIMARY SCHOOL | EQUITY BANK | 1420286216937 | 1,482,889 | |
| PATANI HILL PRIMARY SCHOOL | EQUITY BANK | 1420285561210 | 1,800,000 | |

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| | | | | |
|--------------------------------|-------------|---------------|------------|---------|
| SALAITA PRIMARY SCHOOL | EQUITY BANK | 1420286252214 | 1,902,609 | |
| ELDORO PRIMARY SCHOOL | EQUITY BANK | 1420285502375 | 290,942 | |
| ULAWANI PRIMARY SCHOOL | EQUITY BANK | 1420286251979 | 4,050,000 | |
| ST.NOBERT TANGINI SCHOOL | EQUITY BANK | 1420285548788 | 2,274,800 | |
| MAHOO PRIMARY SCHOOL | EQUITY BANK | 1420285640851 | 522,920 | |
| NJORO SPRINGS PRIMARY SCHOOL | EQUITY BANK | 1420286423595 | 3,500,000 | |
| BISHOP NJENGA SECONDARY SCHOOL | EQUITY BANK | 1420285508745 | 880,425 | |
| KITOBO SECONDARY SCHOOL SCHOOL | EQUITY BANK | 1420285561210 | 85,047 | |
| ELDORO PRIMARY SCHOOL SCHOOL | EQUITY BANK | 1420285539215 | 104,570 | |
| ABORI PRIMARY SCHOOL SCHOOL | EQUITY BANK | 1420285548788 | 94,768 | |
| LOTIMA PRIMARY SCHOOL SCHOOL | EQUITY BANK | 1420285699309 | 31,380 | |
| GRIGAN PRIMARY SCHOOL SCHOOL | EQUITY BANK | 1420277747318 | 9,285 | 122,733 |
| MALUKILORITI SECONDARY SCHOOL | EQUITY BANK | 1420286064279 | 924,733 | |
| KITOBO SECONDARY SCHOOL | EQUITY BANK | 1420286400735 | 12,000,000 | |
| ELDORO GIRLS SECONDARY | EQUITY BANK | 1420285502375 | 1,785,870 | |
| KITOGHOTO PRIMARY SCHOOL | EQUITY BANK | 1420180752658 | | 3,169 |

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| CHALLA SECONDARY SCHOOL- NG CDF PROJECT ACCOUNT | EQUITY BANK | 1420285212200 | 1,672,734 | 171,375 |
|---|-------------|---------------|-------------------|-------------------|
| TAVETA TECHNICAL AND VOCATIONAL COLLEGE – NG CDF | EQUITY BANK | 1420182828282 | 1,400 | 1400 |
| TAVETA SUB COUNTY EDUCATION | KCB BANK | 1315703130 | 205,308 | 124,384 |
| SOWENE PRIMARY SCHOOL - PROJECT | EQUITY BANK | 1420182729966 | 441 | 228,056 |
| Total | | | 36,338,024 | 10,819,079 |

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.

| | | | | |
|---|---|--|---------------|--|
| 1 | Delayed project completion – Chala Secondary School | The management implemented the recommendations and project is complete and in-use. | Awaiting DFAC | |
| 2 | Failure to provide performance security | The management implemented the recommendations, and project above Kenya shillings five (5) million are required to have a performance security | Awaiting DFAC | |
| 3 | Unreturned Project management committee balances | The management implemented the recommendations and all the dormant PMC accounts have been closed and funds returned to main account | Awaiting DFAC | |
| 4 | Long outstanding reconciling items | The management implemented the recommendations, and reconciliation of accounts resolved | Awaiting DFAC | |


 Name: George Mbatha
 Fund Account Manager.

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