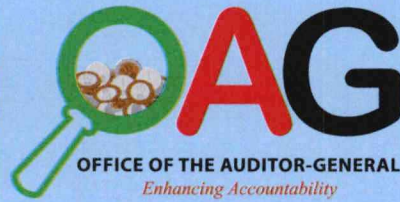
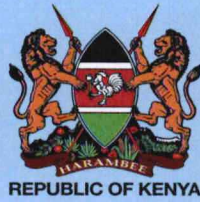


REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND - LAIKIPIA WEST CONSTITUENCY**

FOR THE YEAR ENDED

30 JUNE, 2025

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 26 NOV 2025

DAY.

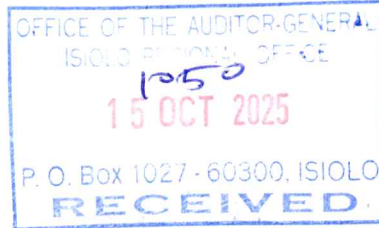
WEDNESDAY

TABLED
BY:

DEPUTY MAJORITY
WHIP

CLERK-AT
THE-TABLE:

FINLAY



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

LAIKIPIA WEST CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025**

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

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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 |
| KMTC | Kenya Medical Training College |

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

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

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2025 and who had direct fiduciary responsibility were:

| 1. | AIE holder | Samuel Mwangi |
|----|--------------------------------|------------------|
| 2. | National Sub-County Accountant | Mary Nyakio |
| 3. | Chairman NGCDFC | Daniel Wakanyi |
| 4. | Member NGCDFC | Gladys Nyaguthii |
| 5. | Member NG CDFC | James Mwangi |

(c) Fiduciary Oversight Arrangements

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

(d) NGCDF Laikipia West Constituency Headquarters

P.O. Box 2084-20300,
NGCDF Building,
Nakuru- Nyahururu Road.
NYAHURURU, KENYA.

(e) NGCDF Laikipia West Constituency Contacts

Telephone: (254) 720900640

E-mail: cdflaikiyawest@ngcdf.go.ke

Website: www.ngcdfaikiyawest.go.ke

(f) NGCDF Laikipia West Constituency Bankers

1. Bank A.

(Operations Account).

Equity Bank
Nyahururu Branch
P.O.Box 1048-20300,
Nyahururu.

Bank B. (Deposit account).

2. Operations Account.

Kenya Commercial Bank,
Nyahururu Branch.
P.O. Box.....
Nyahururu

3. Bank C. (PMC Accounts)

Equity Bank
Nyahururu Branch
P.O.Box 1048-20300,
Nyahururu.





(g) Independent Auditor





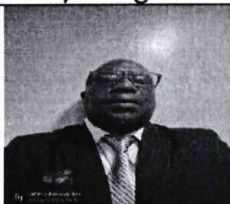
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

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

3. NGCDF Committee

| Details | |
|--|--|
|  Daniel Wakanyi Chairman | <p><i>Provide a concise description of each member's date of birth, key academic and professional qualifications, and work experience.</i></p> D.O. B : 1987 ACADEMICS: Bachelor of theology Work: business man Category: Male Adult Representative |
|  Anthony Wanyoike | D.O. B : 1991 ACADEMICS: Secondary Education Work: business man Category: Male Youth Representative |
|  Peter Lorunyei Board Nominee | D.O. B : 1994 ACADEMICS: Bachelor of Information Technology Work: business man Category: Co opted member |
|  Eunice Njoroge | D.O. B : 1985 ACADEMICS: Secondary Education Work: business man Category: Female Adult Representative |

| | |
|--|---|
|  <p>Charity Loktano</p> | <p>D.O. B : 1992 ACADEMICS: Secondary Education Work: business man Representative of persons living with disability</p> |
|  <p>Gladys Nyaguthii</p> | <p>D.O. B : 1972 ACADEMICS: Secondary Education Work: businesslady Female Adult Representative</p> |
|  <p>George Odino</p> | <p>D.O. B : 1987 ACADEMICS: Bachelors Degree Work: Deputy County Commissioner National Government Representative</p> |
|  <p>Emily Lang'at</p> | <p>D.O. B : 1993 ACADEMICS: Bachelors Degree Work: BusinessLady Female Youth Representative</p> |
|  <p>Samuel Mwangi FAM</p> | <p>D.O. B : 1974 ACADEMICS: Masters Degree, CPA intermediate level Work: Fund Account Manager, NGCDF Board</p> |

4. NG-CDFC Chairman's Report



Mr. Daniel Wanjohi Wakanyi
Laikipia West NG-CDFC Chairman

1.0 NGCDF ALLOCATION FY 2024/2025

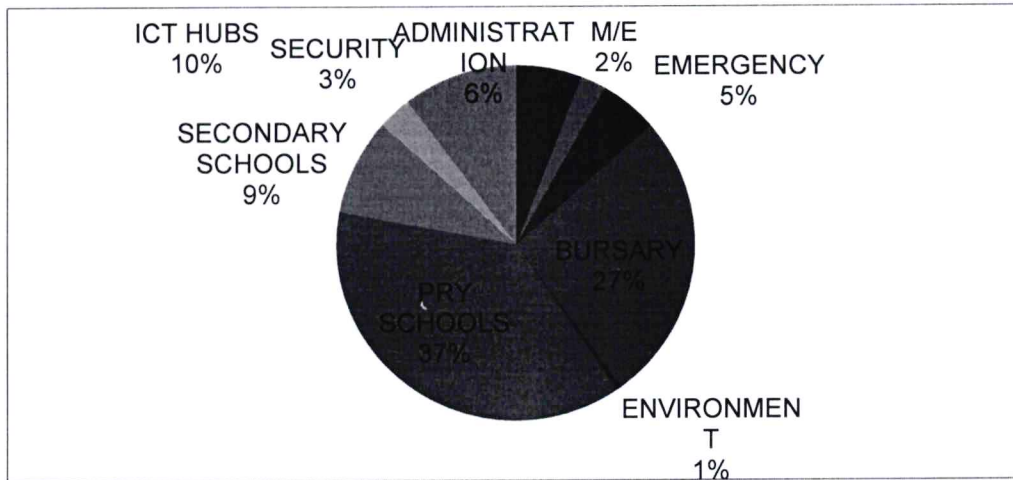
I am pleased to present the unaudited financial statements for Laikipia West Constituency for the financial year 2024/2025 as at 30th June 2025. During the year, the Constituency was allocated a total of Ksh 188,414,015. During the financial year 2023-2024, the constituency was allocated ksh 203,106,934. This was decrease of ksh 14,492,919 as compared to the F/Y 2024-2025. During the financial year 2023/2024 ksh 72,888,933.90 had not been disbursed by the NGCDF Board as at 30th June 2024. This hampered projects implementation in that financial year. The total receipts from the Board amounted to ksh 202,888,934 as compared to ksh 203,106,934 last financial year against the projected budget of ksh 283,361,592 i.e. 83 % of receipts.

2.0 CONSTITUENCY SECTOR PRIORITIES FY 2024/2025

Laikipia West NGCDF, during the FY 2024-2025 just like the previous financial years focused on the education and security sectors due to the dire needs of the two sectors. Transfers to other Government Units which consist of transfers to primary schools were allocated ksh 86,745,776 and the transfers to the same amounted to ksh 72,297,463. The committee gave priority to primary schools funding to improve on their infrastructure and make them learner friendly. The Committee also disbursed Kshs 53,078,250 for Bursary in secondary, tertiary and special schools which was instrumental in retaining learners in the levels of their learning. Other allocation during the period includes Kshs 15,721,084 towards administrative costs, committee expenses and staff costs.

3.0 SECTOR FUNDING ANALYSIS

The Laikipia West NGCDF Committee prioritized the funds in line with the NGCDF Act and the strategic plan as represented by the pie chart below:



Source: Laikipia West NGCDF Records (2025)

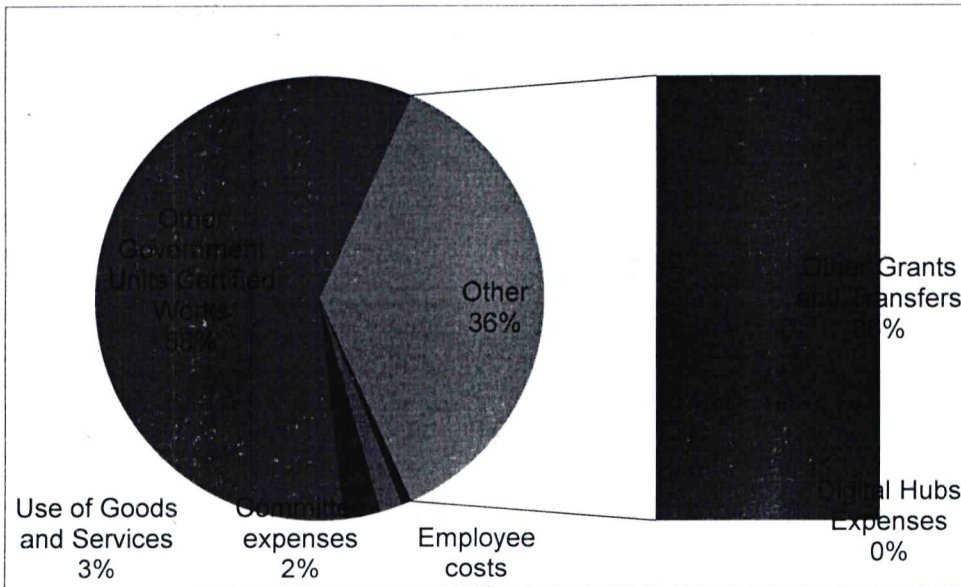
4.0 FUNDS ABSORPTION

It is noteworthy that during the FY 2024/2025, the Committee undertook to expedite the disbursement of funds received from the NGCDF Board. These funds were released to earmarked projects in accordance with the provisions of the NGCDF Act, 2015 amended 2022, and the requirements of the Annual Performance Contract. As at the close of the fiscal year 2024/2025 on 30th June 2025, the overall funds utilization and absorption rate stood at 83% as compared to 64 % in the last financial year considering the funds disbursed to the PMCs. The absorption rate of 100 percent was not realized due to factors beyond our controls among them the non-disbursements from the NG-CDF Board amounting to ksh 58,414,052 approximately 17 %.

5.0 ACHIEVEMENTS FY 2024/2025

NGCDF Committee disbursed funds that were utilized to construct various infrastructural facilities such as classrooms, administration block, police stations and toilets amongst other critical infrastructure. The continued funding towards the education sector in the Constituency has contributed to increased access to education, improved transition, enrolment, and retention and completion rates in the Constituency hence also affecting the overall literacy levels. I wish to indicate that the NGCDF Committee in conjunction with the NG CDF Board was trained on the most critical areas of project implementations which enhanced their skills in management of the funds at the constituency level. The Project Management Committees (PMCs) were trained and issued with guidelines on effective management of funds and this assisted greatly in ensuring efficiency and effectiveness in project implementation. The staffs were also trained on key issues to improve on the issues of reporting and other related issues on project implementation. The pie chart below represents the overall percentage expenditure per sector:

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



Below are some of the implemented projects:
 Photos



Gatundia Primary School- Two classrooms construction.



○ Ndurumo Pry School- construction of three classrooms



Kangumo Secondary School- Administration Block

5.0 Development Planning

The Constituency Development Funds continue to draw interest of beneficiaries and communities alike. This has seen the receipt of many proposals from communities spanning various sectors. To ensure focus and expedite Constituency development, the Committee developed its five-year strategic plan which formalized the road map that spells out where the Constituency is going over the next five years in project identification, implementation and management taking cognizance of the global Sustainable Development Goals, Kenya Vision 2030 and related County Integrated Development Plans. The NGCDF Committee is convinced that the strategic plan shall help the Constituency in setting priorities, focusing energy and resources, strengthening operations and ensuring that the Committee, its employees and other stakeholders are working towards a common goal and results.

6.0 CHALLENGES DURING THE PERIOD UNDER REVIEW

Despite the above impressive performance and plans, the Committee has noted various challenges in project implementation and management during the FY 2024/2025. These among many include:

1. Inadequate record keeping by project management committees despite many capacity building by the NGCDF Committee.
2. Failure by some project management committees to comply with the public procurement procedures and regulations due to undeclared conflict of interest among them.
3. Limited numbers of Government technical officers needed to provide the requisite technical advice in project implementation and management.
4. Many schools are in dire need of infrastructure development and improvements.

To minimize the risks, the committee:

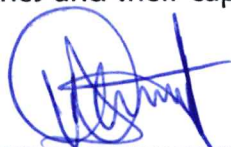
National Government Constituencies Development Fund (NGCDF)
Laikipia West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

- Scaled up its capacity building programmes for NGCDF Committee.
- Project Management Committees and staff on various aspects of NGCDF projects management.
- These programmes contributed to minimizing the challenges and improving overall performance by Project Management Committees monitoring and evaluation.

I wish to sincerely thank the Member of National Assembly Hon Dr, Wachira Karani, NGCDF Committee, NG-CDFC staff, Project Management Committees, the Sub County Accountant, Sub County Internal Auditor and other stakeholders for the cooperation. Without them we could not achieve our mandate to the people of Laikipia West Constituency.

6.0 RECOMMENDATIONS:

Virtually all the citizens have heard about NGCDF as witnessed during the public participation exercise held recently to entrench the fund into the constitution of Kenya. However, the citizens should be enlightened more on the areas the NGCDF fund is used in. Public participation should be carried out thoroughly to avoid complaints about the projects. Local committees should be involved in bursary vetting since they know the students in dire need of the bursary. The NGCDF committee should employ staff in line with the NGCDF staff guidelines and their capacity enhanced together with that of the committee.



.....
Name: Daniel Wakanyi
Chairman NG-CDF Committee

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

Introduction

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

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

1. Improving education outcome
2. Addressing health hazards through community driven sanitation programmes
3. Facilitating entrepreneurship and addressing market inefficiencies
4. Harvesting the potential of Youth in combating unemployment in Laikipia West
5. Empowering special interest groups and providing safety nets for the vulnerable
6. Encouraging social cohesion through cultural programming
7. Advocating for proper infrastructural development in Laikipia West
8. Enhancing security for residents through multi-stakeholder pronged approaches

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 | <i>To have all children of school going age attending school</i> | <i>Increased enrolment in primary schools and improved transition to secondary schools and</i> | <i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions</i> | <i>In FY 2024/2025 - we increased number of classrooms from 56 to 76 in all the schools as per the budget execution table. -Bursary beneficiaries at all levels were as per the attached schedules</i> |

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

| | | <i>tertiary institutions</i> | <i>number of bursary's beneficiaries at all levels</i> | |
|--------------------------------------|---|--|--|---|
| Security | To curb insecurity within the constituency and bring government services closer to the community. | Construct police and chiefs' offices. | -number of usable physical infrastructure built. | In FY 24/25 we have completed constructing three police housing units and purchased office furniture for Rumuruti, Wangwachi, Sipili and Karandi police stations. |
| Climate change mitigation activities | Addressing health hazards through community driven sanitation programs | Improved health and friendly environment | -number of usable physical infrastructure | In FY 24/25 -the committee prioritized on purchase of energy saving Jikos amounting to ksh 1,000,000. |
| Emergency | To cater for unforeseen emergency cases in the constituency. | Mitigation and improving on the emergency reported | -number of usable physical infrastructure built. | In FY 24/25, the committee allocated ksh 9,916,529. Ksh 8,900,000 was utilized to fund emergency projects in the projects as tabulated in the budget execution. |

6. Governance Statement

Section 43 of the National Government Constituency Development Fund Committee Act 2015 amended 2022 states that, there is established a National Government Constituency Development Fund Committee for every constituency.

V.I PROCESS OF APPOINTMENT

Section 43 of the National Government Constituency Development Fund Committee Act 2015 amended 2022 states that, there is established a National Government Constituency Development Fund Committee for every constituency.

The seven persons shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe. The names of the persons selected shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board. The term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board. Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days. The first meeting of the Constituency Committee shall be convened within sixty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency by the Board. The quorum of the Constituency Committee shall be one half of the total membership.

V. II REMOVAL OF NGCDFC MEMBERS,

A member of the Constituency Committee may be removed from office on any one or more of the following grounds— (a) lack of integrity; (b) gross misconduct; (c) embezzlement of public funds; (d) bringing the committee into disrepute through unbecoming personal public conduct; (e) promoting unethical practises; (f) causing disharmony within the committee; (g) physical or mental infirmity. A decision to remove a member shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of the removal of a member under subsection shall be filled in the manner set and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

V. III ROLES AND FUNCTIONS OF THE COMMITTEE

1. Capacity builds Project Management Committees.
2. Consider all project proposals from all wards.
3. Ensure that all projects proposed and approved for funding meets the requirements of Section 24 of the Act.
4. Ensure Project proposals submitted to the Board include detailed budget proposal, procurement and work plans

5. Consult with relevant government departments to ensure that cost estimates for the projects are realistic
6. Monitor the implementation of projects as per the Monitoring and Evaluation framework prescribed by the Board;
7. Receive and address complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
8. Ensure labeling of projects as per guidelines issued by the Board;
9. Recruit staff as per Section 45 of the Act.

V. IV GAZETTEMET

The member after the recruitment process, are gazette after the verification of the Board. They were gazette through a special Kenya Gazette dated 31st May, 2025 Vol CXXVII NO 98.

V. V INDUCTION, AND TRAINING OF MEMBERS.

In consultation with the NGCDF Board and the performance contract signed for the F/Y 2024/2025, the Board came up with a comprehensive training program which covered various topics of importance in the daily management of the funds at the constituency level.

V.VI NO OF MEETINGS HELD & MEMBERS REMUNERATION,

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings. The members are remunerated as per the issued guidelines by the SRC and board circular. They are remunerated as follows: chairperson ksh 7,000 per sitting and members' ksh 5,000 per sitting. The sub committees are paid at the same rate.

V. VII DISCLOSE POLICY ON CONFLICT OF INTEREST

At the start of every meeting and having the agendas of the meeting circulated before, the members sign the conflict of interest disclosure. This will prevent the member to discuss the agenda or made any contribution towards it.

7. Management Discussion and Analysis

The operational and financial performance of the Fund

Laikipia West NGCDF Fund is a fund that existed since the inception of the fund in the year 2003, when the initial allocation was ksh 6,000,000 and the funding has increased as the government national share increases. However, the fund has made great achievement in the last five years. Some of the areas the fund made great achievement are education (both secondary and primary and tertiary), security and environmental projects. The fund also made great strides in the comparting and responding to emergencies across the constituency. The fund has constructed more than fourty latrines across the constituency in the last five years. In others sectors of the economy the constituency has constructed more than 5 laboratories across major higher learning institutions. The fund has also done more than 10 new administration blocks, built 5 dormitories for girls and boys in both secondary and special schools.

Laikipia West NGCDF has constructed more than 140 new classrooms and renovated more than 100 old and deliberated structures at all levels of education. The fund constructed more than 26 offices for chiefs and built four police stations, equipped them with furniture and constructed more than 30 police single roomed houses under the same period.

The bursaries run by the constituency have benefited more than 100,000 needy students at the constituency. The fund has supported the Nyahururu KMTTC, Laikipia West TTC with a combined student number of over 500 students. The constituency also supports all the students in the above institutions with bursaries.

Compliance with statutory requirements

Laikipia West NGCDF complies with all the legal requirement of the republic of Kenya, i.e. the constitution and all applicable acts, regulations, statutes and circulars as guided by the relevant institutions.

Major risks facing the Fund

Laikipia West NGCDF just like any other fund may faces risks or challenges in its operations. However, those risks may not be very unique to this fund alone. However, some of the major risks facing the fund is the delay in disbursement of the fund to the constituency. This delay often leads to underutilization of the funds and subsequent delay in the implementation of very crucial live saving projects in the constituency. Such delays have persisted in the fund for the last five years hampering the operation of the fund. This has denied the citizens of Laikipia West the much needed service delivery.

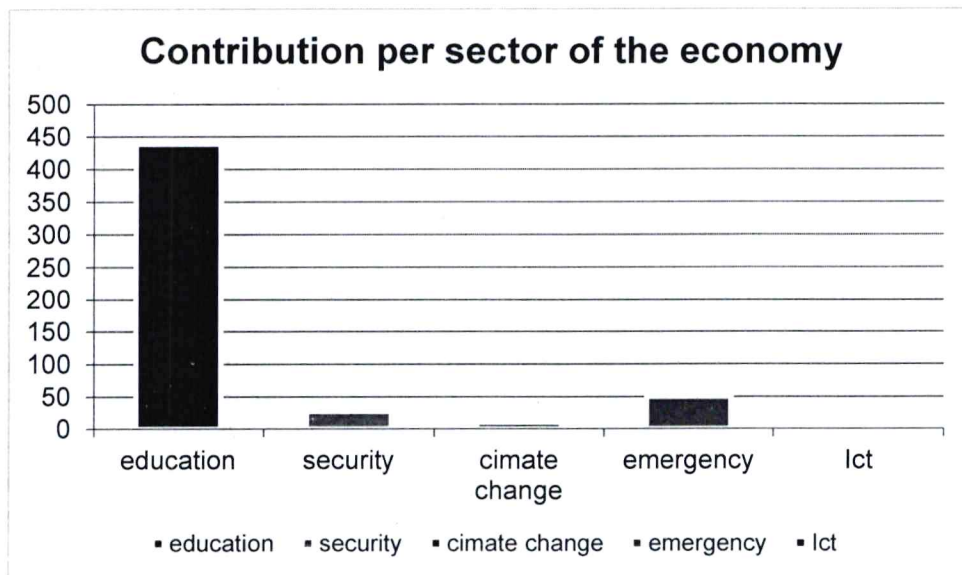
Review of the economy, review of the sector.

Laikipia West majorly helped several sectors of the economy. These sectors include;

1. Education
2. Security
3. Bursaries

- 4. Environment/climate mitigation
- 5. Sports
- 6. Emergencies
- 7. Ict

These sectors greatly benefited from the fund. The Chart below illustrates how the fund greatly contributed to each sector in the constituency for the last five years.



Future developments

The constituency has developed a strategic plan to be fully implemented up to the year 2026/2027. The strategic plan outlays future plans of the constituency and what, how and when they should be implemented. This plan guide in the future development of the constituency in general. The constituency through this auspicious plan will raise the living standards of the constituents. Among the objectives of the strategic plan include:

- 1. Youth Empowerment
- 2. Ensure fair distribution of resources
- 3. Ensure uniform and equal development across the constituency
- 4. To promote and preserve environment for future Generations

To achieve the above objectives, the management of the constituency has put strategic plans to make the achievement more possible before the end of the current term.

.....


Name: Samuel Mwangi
Fund Account Manager

8. Environmental and Sustainability Reporting

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

1. Sustainability strategy and profile -

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

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

2. Environmental performance

- The Laikipia West NG-CDF intends to support students in the schools indentified for the environment projects to carry out environmental conservation activities e.g. planting trees and nurturing once in an academic calendar
- During the tree planting exercise, the school children will be sensitized on the impact of drugs.
- The Laikipia NGCDF prioritized on furnishing of the already constructed police station, Rumuruti, Wangwachi, Sipili and Karandi Police stations.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. xxx 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-

Laikipia West Constituency is committed to fair and ethical market practices.

The Procurement of goods and services is done through a transparent and competitive bidding process that allows equal opportunities to all participants. We support local

vendors drawn from the constituency to lift them economically. Our ethical market practices ensure the fund gets value for money on all goods and services procured.

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

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

Public Participation in Project Identification, Implementation, and Monitoring

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

National Government Constituencies Development Fund (NGCDF)
Laikipia West Constituency
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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.

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



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

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

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

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

Approval of the financial statements

The NGCDF- Laikipia West Constituency financial statements were approved and signed by the Accounting Officer on 13th AUGUST 2025.

Name: Daniel W. Wanjohi
Chairman – NGCDF Committee

Name: Samuel Mwangi
Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - LAIKIPIA WEST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE, 2025

PREAMBLE

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

- A. Report on the 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 the Lawfulness and Effectiveness in 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 the 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 financial statements of National Government Constituencies Development Fund – Laikipia West Constituency set out on pages

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

1 to 69, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Laikipia West Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the National Government Constituencies Development Fund Act, 2015 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Cash and Cash Equivalents

1.1 Stale Cheques

The statement of financial position and Note 19 to the financial statements reflect cash and cash equivalents balance of Kshs.78,494,122. However, review of the June 2025 bank reconciliation statement revealed unrepresented cheques amounting to Kshs.18,677,059, out of which cheques totalling Kshs.619,123 issued to bursary applicants had become stale. Management did not provide an explanation for the continued outstanding status of these cheques or clarify why bursary payments meant for needy students remained uncashed for more than six (6) months after issuance. Further, bank reconciliation statements indicated unrecorded bank payments amounting to Kshs.97,951, dating back to 2023, which were reflected in the bank statements but not recorded in the Fund's cash book.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.78,494,122 could not be confirmed.

1.2 Unexplained Variance in Project Management Committee Accounts Balances

The statement of financial position and as disclosed in Note 19 to the financial statements reflect cash and cash equivalents balance of Kshs.78,494,122. Included in this balance is Kshs.30,729,765 reported as held in one hundred and twenty-eight (128) Project Management Committee (PMC) bank accounts. However, audit verification of bank certificates for the PMC accounts revealed an actual aggregate balance of Kshs.26,140,647, resulting in an unexplained variance of Kshs.4,589,118 between the reported and confirmed bank balances.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance of Kshs.78,494,122 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 - Laikipia West Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual amounts on comparable basis of Kshs.341,775,644 and Kshs.283,361,592, resulting in revenue shortfall of Kshs.58,414,052, or 17% of the budget. Similarly, the Fund spent a balance of Kshs.204,867,470 against actual receipts of Kshs.283,361,592, resulting in under-absorption of Kshs.78,494,122, or 28% of the actual receipts.

The shortfall in receipts and the under-expenditure affected the planned activities, and the Fund may have experienced delays in executing planned activities.

2. Late Transfers from the NG-CDF Board

The statement of financial performance and Note 6 to the financial statements reflects transfers from the NG-CDF Board of Kshs.188,414,052. However, it was noted that Kshs.72,888,934, or 39% of the total transfers, was received in July 2025, after the closure of the financial year.

The late disbursement of funds by the NG-CDF Board disrupted the execution of planned projects and activities, thereby adversely affecting service delivery to the residents of Laikipia West Constituency.

My opinion is not modified in respect of these matters.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

The following issues raised on the National Government Constituencies Development Fund – Laikipia West Constituency in the previous audit report remain unresolved;

1. Project Management Committees (PMC) Bank Balances.
2. Unvalued Fixed Assets in the Register.
3. Budgetary Control and Performance.
4. Emergency Funds.

Other Information

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

In connection with my audit on the Fund's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work I have performed, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN 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 the Lawfulness and Effectiveness in 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 Establish Bursary Sub-Committee

The statement of financial performance and Note 14 to the financial statements reflects other grants and transfers of Kshs.72,857,004, which includes bursary to secondary schools and tertiary institutions amounting to Kshs.37,998,750 and Kshs.13,079,500 respectively during the year. However, there was no evidence of formation of a Bursary Sub-Committee whose mandate is vetting of applicants. This is contrary to guidelines of the National Government Constituencies Development Fund Board Circular Ref: NG-CDFB/CEO/BOARD CIRCULARS VOL II (021) dated 18 June, 2020 that guides on institutional structure for administration of bursary.

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

2. Failure to Return Unutilized Project Management Committee Balances

Annex 2 to the financial statements reveals that one hundred and twenty-eight (128) Project Management Committee (PMC) bank accounts held unutilized fund balances totalling Kshs.26,140,647 as at 30 June, 2025. However, these funds were not returned to the Constituency main account, contrary to the provisions of Section 12(8) of the National Government Constituencies Development Fund Act, 2015, which requires that all unutilized PMC funds be returned to the constituency account. Further, included in the unutilized balances was Kshs.2,434,047 relating to twenty-eight (28) PMC accounts whose balances had remained unchanged from the prior year's financial statements, indicating that no financial activity had taken place during the year under review.

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

3. Non-Implementation of Approved Projects

The statement of financial performance as disclosed in Note 13 and 14 reflects other government units and other grants and transfers actual expenditures of Kshs.120,914,547 and Kshs.72,857,004, respectively disbursed for implementation of various projects. However, audit review revealed that out of the Kshs.117,228,439 worth of projects approved for both recurrent and development expenditure during the year, projects amounting to Kshs.103,567,179 were not implemented.

In the circumstances, the delayed or non-implementation of approved projects undermined the achievement of planned objectives and service delivery to the intended beneficiaries.

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

REPORT ON THE EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

The audit was conducted in accordance with ISSAI 2315 and ISSAI 2330. The standards require that I plan and perform the audit to obtain assurance about whether effective processes and systems of internal controls, risk management and overall governance

were operating effectively in all material respects. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

Responsibilities of the Management and the NGCDF Committee

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 to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable 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.

The NGCDF Committee is 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

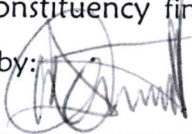
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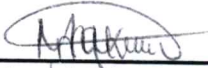
National Government Constituencies Development Fund (NGCDF)
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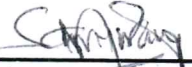
11. Statement of Financial Performance for the Year Ended 30th June 2025

| | Note | |
|---|------|---------------------|
| Revenue from non-exchange transactions | | |
| Transfers from the NGCDF Board | 6 | 188,414,052 |
| Grants/donations from other entities | 7 | - |
| Revenue from exchange transactions | | |
| Finance income | 8 | - |
| Miscellaneous income | 9 | 45,000 |
| Total revenue | | 188,459,052 |
| Expenses | | |
| Employee costs | 10 | 6,389,095 |
| Committee expenses | 11 | 3,268,500 |
| Use of Goods and Services | 12 | 5,762,589 |
| Other Government Units Actual expenditure | 13 | 120,914,547 |
| Other Grants and Transfers Actual expenditure | 14 | 72,857,004 |
| Depreciation and amortization expense | 15 | 273,975 |
| Digital Hubs Actual expenditure | 16 | - |
| Total expenses | | 209,465,710 |
| Other gains/(losses) | | |
| Gain/Loss on Sale of Assets | 17 | - |
| Impairment loss | 18 | - |
| Surplus/(Deficit) for the year | | (21,006,658) |

The Constituency financial statements were approved by the NGCDFC on 12th August 2025 and signed by:


 Chairman NG-CDF
 Committee
 Name: Daniel Wakanyi


 National Sub-County
 Accountant
 Name: Mary Nyakio
 ICPAK M/No: 26997


 Fund Account Manager
 Name: Samuel Mwangi

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

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

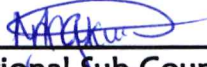
| | | | |
|--|----|--------------------|--------------------|
| Assets | | | |
| Current Assets | | | |
| Cash And Cash Equivalents | 19 | 78,494,122 | 80,427,658 |
| Receivables from Exchange Transactions | 20 | - | - |
| Receivables from Non-Exchange Transactions | 21 | 58,414,052 | 72,888,934 |
| Prepayments | 22 | 51,507 | 18,178 |
| Total Current Assets | | 136,959,681 | 153,334,770 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 23 | 679,525 | 241,500 |
| Intangible Assets | 24 | - | - |
| Right-of-use assets | 25 | - | - |
| Total Non- Current Assets | | 679,525 | 241,500 |
| Total Assets (A) | | 137,639,206 | 153,576,270 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 26 | - | - |
| Third-Party Deposits | 27 | 8,562,406 | 4,584,148 |
| Lease Liabilities | 28 | - | - |
| Gratuity provision | 29 | 2,373,314 | 1,281,978 |
| Total Current Liabilities | | 10,935,720 | 5,866,126 |
| Non-Current Liabilities | | | |
| Lease Liabilities | 28 | - | - |
| Total Liabilities (B) | | 10,935,720 | 5,866,126 |
| Net Assets (A-B) | | 126,703,486 | 147,710,144 |
| Represented by: | | | |
| Revaluation Reserves | | 126,703,486 | 147,710,144 |
| Accumulated Surplus | | | |
| Total Net Assets | | 126,703,486 | 147,710,144 |

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

The Constituency financial statements set out on pages 2 to 5 approved by NG CDFC on 13th August, 2025 and signed by:



**Chairman NG-CDF
Committee**
Name: Daniel Wakanyi



**National Sub-County
Accountant**
Name: Mary Nyakio
ICPAK M/No: 26997



Fund Account Manager
Name: Samuel Mwangi

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

| | | | |
|---|--------------------|---|--------------|
| As at 30th June 2024 (cash basis) | 14,130,313 | | 14,130,313 |
| Adjustments: (to recognize assets and liabilities) | | | |
| Add Assets | 139,445,957 | | 139,445,957 |
| Less Liabilities | 5,866,126 | | 5,866,126 |
| As at July 1, 2024 | 147,710,144 | | 147,710,144 |
| | | | |
| Surplus/(Deficit) For the Period | (21,006,658) | | (21,006,658) |
| Revaluation Gain/Loss | - | - | - |
| As at 30th June (current year) | 126,703,486 | - | 126,703,486 |

Note:

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

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

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

| | Notes | |
|--|-------|--------------------|
| Cash flows from operating activities | | |
| Receipts | | |
| Transfers from the NGCDF Board | | 202,888,934 |
| Grants/donations from other entities | | - |
| Finance income | | - |
| Miscellaneous income | | 45,000 |
| Total Receipts | | 202,933,934 |
| Payments | | |
| Employee costs | | 5,297,759 |
| Committee expenses | | 3,268,500 |
| Use of Goods and Services | | 5,795,918 |
| Other Government Units Certified Works | | 116,776,131 |
| Other Grants and Transfers | | 73,017,162 |
| Digital Hubs Expenses | | - |
| Total Payments | | 204,155,470 |
| Net Cash Flows from/ (used in) Operating Activities | 28 | (1,221,536) |
| Cash flows From Investing Activities | | |
| Purchase of PPE | | 712,000 |
| Purchase of Intangible assets | | - |
| Proceeds From Sale of PPE | | - |
| Net Cash Flows from Investing Activities | | 712,000 |
| Net increase/(decrease) in cash & | | (1,933,536) |
| Cash equivalents | | |
| Cash Flows from Financing Activities | | |
| Lease payment | | - |
| Net Cash Flows from Financing Activities | | (1,933,536) |
| Cash and cash equivalents at Period Start | 17 | 80,427,658 |
| Cash and cash equivalents at Period End | 17 | 78,494,122 |

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

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

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

| | Original Budget | Adjustments | | Final Budget | Actual | Utilization | Percentage |
|--------------------------------------|--------------------|--|--|--------------------|----------------------------|-------------------|------------|
| | Ksh | Ksh | Ksh | Ksh | comparable basis Ksh | difference Ksh | |
| | a | b | c | c=(a+b) | d | e=(c-d) | |
| | 2024-2025 | Opening Balance (operational , deposit and PMCs C/Bk) and AIA | Previous Years' Outstandin g disburseme nts | 2024-2025 | 2024-2025 | | |
| Revenue | | | | | | | |
| Transfers From the NGCDF Board | 188,414,052 | 80,472,658 | 72,888,934 | 341,775,644 | 283,361,592 | 58,414,052 | 83% |
| Grants/donations from other entities | - | - | - | - | - | - | |
| Finance income | - | - | - | - | - | - | |
| Miscellaneous income | - | - | - | - | - | - | |
| Totals | 188,414,052 | 80,472,658 | 72,888,934 | 341,775,644 | 283,361,592 | 58,414,052 | 83% |
| Expenses | | | | | | | |
| Employee costs | 6,303,204 | 1,200,001 | - | 7,503,205 | 5,297,759 | 2,205,446 | 71% |
| Committee expenses | 2,328,000 | 2,769,678 | 3,059,170 | 8,156,848 | 3,268,500 | 4,888,348 | 40% |
| Use of Goods and Services | 6,889,880 | 3,989,466 | 2,764,296 | 13,643,642 | 5,795,918 | 7,847,724 | 42% |
| Other Government Units | 86,795,776 | 67,979,596 | 46,884,461 | 201,659,833 | 116,776,131 | 84,883,702 | 58% |

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

| | <i>2024-2025</i> | Opening Balance (operational , deposit and PMCs C/Bk) and AIA | Previous Years' Outstanding disbursements | <i>2024-2025</i> | <i>2024-2025</i> | | |
|-------------------------------|--------------------|---|---|--------------------|--------------------|---------------------|------------|
| Certified Works | | | | | | | |
| Other Grants and Transfers | 66,597,192 | 3,429,917 | 14,742,007 | 84,769,116 | 73,017,162 | 11,751,954 | 86% |
| Digital Hubs Expenses | 19,500,000 | 10,000 | 3,500,000 | 23,010,000 | - | 23,010,000 | 0% |
| Acquisition of assets | - | 740,000 | - | 740,000 | 712,000 | 28,000 | 96% |
| Others -strategic plan | - | 200,000 | - | 200,000 | - | 200,000 | 0% |
| Funds Pending Approval** | - | 154,000 | 1,939,000 | 2,093,000 | - | 2,093,000 | 0% |
| Total Expenditure | 188,414,052 | 80,472,658 | 72,888,934 | 341,775,643 | 204,867,470 | 136,908,173 | 60% |
| Surplus for the period | - | 0 | 0 | 1 | 78,494,122 | (78,494,121) | |

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

**National Government Constituencies Development Fund (NGCDF)
Laikipia West Constituency**

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


Explanatory Notes.

- i. *Compensation of Employees: The utilization was 71 %. The budget for the year was ksh 6,303,204. There was an opening balance of ksh 1,200,001 hence a total of ksh 7,503,205. Actual expenditure was ksh 5,297,759, hence a balance of ksh 2,205,446. Hence the utilization was below the 90 %.*
- ii. *Committee Expenses: The utilization was 40 %. The budget for the year was ksh 2,328,000. There was an opening balance of ksh 2,769,678 hence a total of ksh 8,156,848. Actual expenditure was ksh 3,268,500, hence a balance of ksh 4,888,348. Hence the utilization was below the 90 %*
- iii. *Use of Goods and Services: The utilization was 86 %. The budget for the year was ksh 66,597,192. There was an opening balance of ksh 18,171,92 hence a total of ksh 7,879,701. Actual expenditure was 13,643,642 hence a balance of ksh 7,847,724. Hence the utilization was below the 90 %*
- iv. *Transfer to other: The utilization was 58 %. The budget for the year was ksh 86,795,776. There was an opening balance of ksh 114,486,057 hence a total of ksh 201,659,833. Actual expenditure was ksh 116,776,131, hence a balance of ksh 84,883,703. Hence the utilization was below the 90 %*
- v. *Other Grants and Transfers: The utilization was 86 %. The budget for the year was ksh 66,597,192. There was an opening balance of ksh 18,171,924 hence a total of 84,769,116, Actual expenditure was ksh 73,017,162; hence a balance of ksh 11,751,954 hence the utilization was below the 90 %*
- vi. *Digital Hubs Expenses: The utilization was 0 %. The budget for the year was ksh 19,500,000 There was an opening balance of ksh 3,500,000 hence a total of 23,000,000, Actual expenditure was ksh 0; hence a balance of ksh 23,000,000 hence the utilization was below the 90 %*

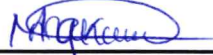
*National Government Constituencies Development Fund (NGCDF)
Laikipia West Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|---|-------------|
| Description | Amount |
| Budget utilization difference totals | 136,908,173 |
| Less undisbursed funds receivable from the Board as at period 30 TH June, 2025 | 58,414,052 |
| Cash and Cash Equivalents at the end of the 30 th June 2025 | 78,494,121 |


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 13th Aug (K) 2025 and signed by:



Fund Account Manager
Name: Samuel Mwangi



National Sub-County Accountant
Name: Mary Nyakio
ICPAK M/No: 26997



Chairman NG-CDF Committee
Name: Daniel Wakanyi

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

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

| | Original Budget | Opening Balance (C/BK) and AIA | Previous Years' Outstanding Disbursements | Actuals | Actuals | Actuals |
|---|-------------------|--------------------------------|---|-------------------|------------------|------------------|
| | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 6,303,204 | 1,200,001 | - | 7,503,205 | 5,297,759 | 2,205,446 |
| 1.2 Committee allowances | 1,128,000 | 1,565,476 | 1,847,759 | 4,541,235 | 1,364,000 | 3,177,235 |
| 1.3 Use of goods and services | 3,637,880 | 388,243 | 497,230 | 4,523,353 | 2,474,499 | 2,048,854 |
| Sub-total | 11,069,084 | 3,153,720 | 2,344,989 | 16,567,793 | 9,136,258 | 7,431,535 |
| 2.0 Monitoring and evaluation | | | | - | | - |
| 2.1 Capacity building | 2,352,000 | 1,378,489 | 1,669,937 | 5,400,426 | 846,920 | 4,553,506 |
| 2.2 Committee allowances | 1,200,000 | 1,204,202 | 1,211,411 | 3,615,613 | 1,904,500 | 1,711,113 |
| 2.3 Use of goods and services | 900,000 | 2,222,734 | 597,129 | 3,719,863 | 2,474,499 | 1,245,364 |
| Sub-total | 4,452,000 | 4,805,425 | 3,478,477 | 12,735,901 | 5,225,919 | 7,509,982 |
| 4.0 Emergency | | | | - | | - |
| AIYAM SEC SCHOOL | 700,000 | - | | 700,000 | | 700,000 |
| BETHEL PRY SCHOOL | 700,000 | - | | 700,000 | 665,309 | 34,691 |
| KIRITI PRY SCHOOL | 700,000 | - | | 700,000 | 664,182 | 35,818 |
| KITE PRY SCHOOL | 700,000 | - | | 700,000 | 631,209 | 68,791 |
| MUGUONGO PRY SCHOOL | 700,000 | - | | 700,000 | 664,408 | 35,592 |
| MUTARA PRY SCHOOL | 700,000 | - | | 700,000 | | 700,000 |

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

| Programme/Sub-programme | Original Budget | | | | | |
|--|-------------------|----------------|------------------|-------------------|---------------------|------------------|
| NAIBOROM PRY SCH | 700,000 | - | | 700,000 | 654,042 | 45,958 |
| NDINDIKA PRY SCHOOL | 700,000 | - | | 700,000 | | 700,000 |
| OL JABET PRY SCHOOL | 700,000 | - | | 700,000 | 621,991 | 78,009 |
| SALAMA POLICE POST | 700,000 | - | | 700,000 | 631,382 | 68,618 |
| SIPILI PRY SCHOOL | 700,000 | - | | 700,000 | 664,423 | 35,577 |
| WANGWACHI ASTU | 1,200,000 | | | 1,200,000 | 1,083,310 | 116,690 |
| Bursary sec schools | | - | - | - | | - |
| Bursary Tertiary Inst | | - | - | - | | - |
| Un Allocated | 1,016,529 | | - | 1,016,529 | - | 1,016,529 |
| Sub-total | 9,916,529 | 0.00 | 0.00 | 9,916,529 | 6,280,256.00 | 3,636,273 |
| 5.0 Bursary and Social Security | | | | - | | - |
| 5.1 Primary Schools | | - | | - | | - |
| 5.2 Secondary Schools | 35,000,000 | 286,243 | 2,712,507 | 37,998,750 | 37,998,750 | - |
| 5.3 Tertiary Institutions | 13,000,000 | - | 79,500 | 13,079,500 | 13,079,500 | - |
| 5.4 special needs | 2,000,000 | - | - | 2,000,000 | 2,000,000 | - |
| 5.5 Education Support Programmes | | - | - | - | | - |
| 5.6 Social Security | | - | - | - | | - |
| Sub-total | 50,000,000 | 286,243 | 2,792,007 | 53,078,250 | 53,078,250 | - |
| 7.0 Environment | | | | - | | - |
| Ngarenaro Primary School | | - | - | - | | - |

*National Government Constituencies Development Fund (NGCDF)
Laikipia West Constituency
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| | | Balance (C/GR) and AIA KSh | Years Outstanding Disbursements KSh | | | |
|-------------------------------------|----------------|----------------------------------|--|------------------|------------------|----------------|
| Melwa Primary Special School | 173,560 | - | - | 173,560 | | 173,560 |
| Kiwanja Primary School | 150,000 | - | - | 150,000 | | 150,000 |
| Rumuruti Primary Special School | 157,103 | - | - | 157,103 | | 157,103 |
| Ngarenaro Primary school | 500,000 | - | 500,000 | 1,000,000 | 989,388.00 | 10,612 |
| Makutano Secondary School | - | - | 500,000 | 500,000 | 499,200.00 | 800 |
| Sub-total | 980,663 | - | 1,000,000 | 1,980,663 | 1,488,588 | 492,075 |
| 8.0 Primary Schools Projects | | | | - | | - |
| Ainapmoi Primary School | 1,500,000 | - | - | 1,500,000 | - | 1,500,000 |
| 91 municipality Primary School | - | 53,293 | - | 53,293 | - | 53,293 |
| Bethel Primary School (NGCDF JSS) | - | - | 1,400,000 | 1,400,000 | 1,330,278.00 | 69,722 |
| Bonden Primary School | - | 67,682 | - | 67,682 | 67,081.00 | 601 |
| BUSTANI PRY | | | 500,000 | 500,000 | 500,000.00 | - |
| DEB Rumuruti Primary School | - | - | 1,400,000 | 1,400,000 | 1,330,396.00 | 69,604 |
| DEB Rumuruti Primary School | - | 387 | - | 387 | 387.00 | - |
| Emgwen Primary School | - | - | 1,400,000 | 1,400,000 | 1,329,118.00 | 70,882 |
| G G Kinamba Primary School | - | - | 600,000 | 600,000 | 598,801.00 | 1,199 |
| G.G kinamba special Primary School | - | 18,252 | - | 18,252 | - | 18,252 |
| G.G. Kinamba Secondary | - | 77,877 | - | 77,877 | | 77,877 |

National Government Constituencies Development Fund (NGCDF)
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| | | | | | | |
|--------------------------|-----------|-----------|-----------|-----------|--------------|-----------|
| School | | | | | | |
| Gatami Primary School | 3,000,000 | - | - | 3,000,000 | - | 3,000,000 |
| Gatami Primary School | - | 1,247 | - | 1,247 | 1,247.00 | - |
| Gatirima Primary School | - | - | 1,426,005 | 1,426,005 | - | 1,426,005 |
| Gatundia Primary School | 3,000,000 | - | - | 3,000,000 | 2,706,661.00 | 293,339 |
| GG KINAMBA PRY SCHOOL | | | 1,200,000 | 1,200,000 | 1,198,358.00 | 1,642 |
| Gituamba Primary School | - | - | 1,426,005 | 1,426,005 | 1,357,875.00 | 68,130 |
| Gituamba Primary School | - | 72,785 | - | 72,785 | 72,484.00 | 301 |
| Huhoini Primary School | - | 3,850,000 | - | 3,850,000 | 3,684,620.00 | 165,380 |
| Igwamiti Primary School | 1,000,000 | 2,900,000 | - | 3,900,000 | 3,852,142 | 47,858 |
| Kabati Primary School | | 132,039 | - | 132,039 | - | 132,039 |
| Kagaa Primary School | - | 3,620 | - | 3,620 | - | 3,620 |
| Kaharati Primary School | 3,000,000 | - | - | 3,000,000 | - | 3,000,000 |
| Kaichakun Primary School | - | - | 1,400,000 | 1,400,000 | 1,289,828.00 | 110,172 |
| Kapkures Primary School | - | - | 1,500,000 | 1,500,000 | | 1,500,000 |
| Karaba primary school | 1,359,260 | 4,100,000 | - | 5,459,260 | 5,121,182.00 | 338,078 |
| Karangi Primary School | - | 1,679 | - | 1,679 | - | 1,679 |
| Keben Primary School | - | 27,645 | 214,052 | 241,697 | 213,000.00 | 28,697 |
| Kiahiti Primary School | - | - | 1,497,506 | 1,497,506 | 1,426,335.00 | 71,171 |
| Kiamariga Primary School | - | 1,492 | - | 1,492 | | 1,492 |
| Kiamariga Primary School | - | 500,000 | - | 500,000 | - | 500,000 |

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

| | Original | Balance 2024 and AIA | Years Outstanding Disbursements | Final Budget | | |
|---|-----------|-------------------------|---------------------------------------|--------------|--------------|-----------|
| | Ksh | Ksh | Ksh | Ksh | Ksh | Ksh |
| Kiambogo Primary School | - | 3,000,000 | - | 3,000,000 | 3,000,000.00 | - |
| KIAMBOGO PRY | | 2,800,000 | | 2,800,000 | 2,646,934.00 | 153,066 |
| Kianjogu Primary School | 1,500,000 | - | - | 1,500,000 | 1,382,094.00 | 117,906 |
| Kianjogu Primary School | - | - | 1,497,506 | 1,497,506 | | 1,497,506 |
| Kigumo junior Primary School | - | 1,400,000 | - | 1,400,000 | 1,289,601.00 | 110,399 |
| Kigumo Primary School | - | 4,700,000 | - | 4,700,000 | 4,544,673.00 | 155,327 |
| King'uka Primary School | 1,000,000 | - | - | 1,000,000 | - | 1,000,000 |
| Kisima Primary School | - | - | 1,426,005 | 1,426,005 | 1,357,457.00 | 68,548 |
| Kisima Primary School | - | 2,392 | - | 2,392 | - | 2,392 |
| Kite Primary School | 2,778,892 | - | - | 2,778,892 | - | 2,778,892 |
| Kiwanja Primary School | 1,050,000 | - | - | 1,050,000 | | 1,050,000 |
| Kiwanja Primary School | - | 4,400,000 | - | 4,400,000 | 4,205,001.00 | 194,999 |
| Kundarilla Primary School | 3,200,000 | - | - | 3,200,000 | - | 3,200,000 |
| Kundarilla Primary School | - | 340 | - | 340 | - | 340 |
| Laikipia Ranching Primary School (MOE JSS) | - | - | 1,426,005 | 1,426,005 | 1,315,820.00 | 110,185 |
| Lariak Primary School | 3,000,000 | - | - | 3,000,000 | 2,627,273.00 | 372,727 |
| Lelematesho Primary School | - | - | 600,000 | 600,000 | 598,000.00 | 2,000 |
| Lelematesho Primary School | - | - | 700,000 | 700,000 | 676,053.00 | 23,947 |
| Lelematesho Primary School | - | 2,638 | - | 2,638 | - | 2,638 |
| Lobere Primary School | - | - | 1,426,005 | 1,426,005 | 1,353,894.00 | 72,111 |

National Government Constituencies Development Fund (NGCDF)
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| | | | | | | |
|-----------------------------|-----------|-----------|-----------|-----------|--------------|-----------|
| Losogwa Primary School | - | 10,396 | - | 10,396 | - | 10,396 |
| Machunguru Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |
| Magomano Primary School | - | - | 1,400,000 | 1,400,000 | 1,328,457.00 | 71,543 |
| Mahiga Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |
| Makutano Primary School | - | 5,463 | - | 5,463 | - | 5,463 |
| Mariakani Primary School | - | - | 1,497,506 | 1,497,506 | 1,351,506.00 | 146,000 |
| Marura Primary School | - | - | 1,443,003 | 1,443,003 | 1,336,855.00 | 106,148 |
| Mategithi Primary School | - | 7,140 | - | 7,140 | - | 7,140 |
| Mathira Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |
| Matigari Primary School | - | 9,905 | - | 9,905 | - | 9,905 |
| Mbogoini Primary School | - | 800,000 | - | 800,000 | 781,161.00 | 18,839 |
| Melwa Primary School | - | 4,700,000 | - | 4,700,000 | 4,609,473.00 | 90,527 |
| Muguongo Primary School | - | - | 1,443,003 | 1,443,003 | 1,370,201.00 | 72,802 |
| Mukurweini Primary School | 1,400,000 | - | - | 1,400,000 | 798,800.00 | 601,200 |
| Munyu junior Primary School | - | 1,400,000 | - | 1,400,000 | 1,398,332.00 | 1,668 |
| Murichu Primary School | - | 7,978 | - | 7,978 | - | 7,978 |
| Muruai Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |
| Mutamaiyo Primary School | - | - | 2,997,506 | 2,997,506 | 2,995,317.00 | 2,189 |
| Mutamaiyu Primary School | - | - | - | - | | - |
| Muthengera Primary School | - | 65,716 | - | 65,716 | 64,000.00 | 1,716 |
| Mwireri Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |

National Government Constituencies Development Fund (NGCDF)
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| | | Balance (CDB and AIA) | Year Outstanding Disbursements | | | |
|------------------------------|-----------|--------------------------|--------------------------------------|-----------|--------------|-----------|
| | KSh | KSh | KSh | KSh | KSh | KSh |
| Naiborom Primary School | - | - | 1,443,002 | 1,443,002 | 1,324,560.00 | 118,442 |
| Naigera Primary School | 4,500,000 | - | - | 4,500,000 | | 4,500,000 |
| Ndaragwiti Primary School | - | 65,000 | - | 65,000 | 64,500.00 | 500 |
| Ndaragwiti Primary School | 1,500,000 | - | - | 1,500,000 | | 1,500,000 |
| Ndindika Primary School | - | 3,170,967 | - | 3,170,967 | 3,031,342.00 | 139,625 |
| Ndurumo jss Primary School | - | 1,497,506 | - | 1,497,506 | 1,369,334.00 | 128,172 |
| Ndurumo Primary School | 400,000 | - | - | 400,000 | | 400,000 |
| Ndurumo Primary School | - | 4,951,041 | - | 4,951,041 | 4,723,305.00 | 227,736 |
| Ngarenaro Primary School | 3,700,000 | - | - | 3,700,000 | | 3,700,000 |
| Ngelesha Primary School | 1,000,000 | 3,253,355 | - | 4,253,355 | 4,200,760.00 | 52,595 |
| Njorua Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |
| North Tetu Primary School | - | - | 2,871,503 | 2,871,503 | 2,714,921.00 | 156,582 |
| Nyahururu DEB Primary School | - | 1,372 | - | 1,372 | - | 1,372 |
| Nyakiambi Primary School | 3,500,000 | - | - | 3,500,000 | | 3,500,000 |
| Nyakiambi Primary School | - | 2,635 | - | 2,635 | - | 2,635 |
| Ol- Arinyiro Primary School | - | - | 2,850,000 | 2,850,000 | 2,572,932.00 | 277,068 |
| Ol- Ng'arua Primary School | - | - | 3,200,000 | 3,200,000 | 3,196,616.00 | 3,384 |
| Olarabel Primary School | - | 1,008 | - | 1,008 | - | 1,008 |
| Oljabet Primary School | - | 5,707,609 | - | 5,707,609 | 5,620,535.00 | 87,074 |
| Raya Primary School | - | - | 1,500,000 | 1,500,000 | 1,396,531.00 | 103,469 |

National Government Constituencies Development Fund (NGCDF)
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| | | | | | | |
|---|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|
| Rumuruti special pry sch | - | 281 | - | 281 | - | 281 |
| Salama Primary School | - | 500,000 | - | 500,000 | 475,494.00 | 24,506 |
| Shamanei Primary School | - | 100 | - | 100 | - | 100 |
| Shamanei Primary School | - | 955 | - | 955 | - | 955 |
| Simotwo Primary School | 3,500,000 | - | - | 3,500,000 | | 3,500,000 |
| Sipili Primary School | 3,000,000 | - | - | 3,000,000 | | 3,000,000 |
| St Louis Primary School | 4,500,000 | - | - | 4,500,000 | | 4,500,000 |
| ST Louis Primary School | - | 2,014 | - | 2,014 | - | 2,014 |
| Sub-total | 70,388,152 | 54,273,809 | 41,684,612 | 166,346,573 | 97,801,525 | 68,545,048 |
| 9.0 Secondary Schools Projects (List all the Projects) | | | | - | | - |
| Tetu Day Secondary School | 4,000,000 | - | - | 4,000,000 | - | 4,000,000 |
| Kiriti secondary School | 4,000,000 | - | - | 4,000,000 | - | 4,000,000 |
| Karandi Day Secondary School | 4,000,000 | - | | 4,000,000 | - | 4,000,000 |
| Salama Secondary School | 3,507,624 | 4,047,241 | 2,571,972 | 10,126,837 | 9,285,736 | 841,101 |
| Pesi Secondary School | 900,000 | - | | 900,000 | | 900,000 |
| Kundarilla Secondary School. | - | - | 1,500,000 | 1,500,000 | 1346010 | 153,990 |
| Mung'etho Secondary School | - | - | 350,000 | 350,000 | 333,322.00 | 16,678 |
| Nganoini Sec Sch | - | 2,000,000 | | 2,000,000 | 1,195,000.00 | 805,000 |
| Uaso Narok Secondary School | - | 2,127 | - | 2,127 | - | 2,127 |
| Chereta day sec school | - | 37,945 | - | 37,945 | - | 37,945 |

*National Government Constituencies Development Fund (NGCDF)
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| | | | | | | |
|--|-------------------|-------------------|------------------|-------------------|-------------------|-------------------|
| Pesi day Secondary School | - | 341,292 | - | 341,292 | - | 341,292 |
| Shamanei day Secondary School | - | 421,869 | - | 421,869 | 378,113.00 | 43,756 |
| Tandare Secondary School | - | 708 | - | 708 | - | 708 |
| Thigio Secondary School | - | 10,008 | - | 10,008 | - | 10,008 |
| G.G. Kinamba Secondary School | - | | 77,877 | 77,877 | 39,995.00 | 37,882 |
| THIRU SEC | | | 700,000 | 700,000 | 664,562.00 | 35,438 |
| Sub-total | 16,407,624 | 13,704,153 | 5,199,849 | 35,311,626 | 18,974,606 | 16,337,020 |
| 10.0 Tertiary institutions Projects (List all the Projects) | | | | - | | - |
| Laikipia west tti | - | 260 | - | 260 | - | 260 |
| Ministry of e .rumuruti | - | 187 | - | 187 | - | 187 |
| MOE Rumuruti | - | 1,187 | - | 1,187 | - | 1,187 |
| | - | | - | - | - | - |
| | - | | - | - | - | - |
| Sub-total | - | 1,634 | - | 1,634 | - | 1,634 |
| 11.0 Security Projects | | | | - | | - |
| 18 Centre Chief's Office | 1,700,000 | | | 1,700,000 | - | 1,700,000 |
| DCC rumuruti | - | 400 | - | 400 | | 400 |

*National Government Constituencies Development Fund (NGCDF)
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| | | Approved Budget and PA | Actual Years Outstanding Disbursements | | | |
|---------------------------------|-----------|---------------------------|---|-----------|-----------|-----------|
| Kamwenje police post | - | 345,678 | - | 345,678 | 332,820 | 12,858 |
| KARANDI POLICE STATION | - | 485,836 | - | 485,836 | 485836 | - |
| Karandi police station | 1,000,000 | | - | 1,000,000 | 244862 | 755,138 |
| KIAMARIGA ASTU | | | 3,500,000 | 3,500,000 | 1429138 | 2,070,862 |
| Kinamba chiefs office | - | 600,000 | - | 600,000 | - | 600,000 |
| Mahianyu police post | - | 4,690 | - | 4,690 | - | 4,690 |
| MANGUO POLICE POST | | | 1,400,000 | 1,400,000 | 1330000 | 70,000 |
| marmanet chiefs office | | 339 | | 339 | | 339 |
| matwiku assistant chiefs office | | 966 | | 966 | | 966 |
| Matwiku patrol base | - | 14,725 | - | 14,725 | - | 14,725 |
| MBOGOINI POLICE POST | | | 450,000 | 450,000 | 431,161 | 18,839 |
| Mbogoini police post | - | 4,914 | - | 4,914 | - | 4,914 |
| Mithiga chiefs office | | 814 | | 814 | - | 814 |
| NDURUMO POLICE POST | | | 1,200,000 | 1,200,000 | 1,198,646 | 1,354 |
| Ndurumo police post | - | 9,464 | - | 9,464 | - | 9,464 |
| Ndurumo police post | - | 79,132 | - | 79,132 | - | 79,132 |
| NJIGARI ANTI STOCK UNIT | - | | 2,500,000 | 2,500,000 | 1190948 | 1,309,052 |
| OL MORAN POLICE STATION | | | 1,500,000 | 1,500,000 | 1354138 | 145,862 |
| Pesi asst, chief office | - | 104,848 | - | 104,848 | 104575 | 273 |

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| Programme/sub-programme | Original Budget | Actuals | Disbursements | Final Budget | Actuals | Final Budget |
|--|------------------|------------------|-------------------|-------------------|-------------------|------------------|
| Rumuruti police station | 1,000,000 | 1,301,524 | - | 2,301,524 | 2278930 | 22,594 |
| SERIA POLICE POST | | | 400,000 | 400,000 | 374738 | 25,262 |
| SIPILI POLICE STATION | 1,000,000 | | - | 1,000,000 | 245,198 | 754,802 |
| Sipili police station | - | 188,198 | - | 188,198 | 188,198 | - |
| Siron chiefs office | - | 808 | - | 808 | - | 808 |
| WANGWACHI POLICE STATION | 1,000,000 | 1,338 | | 1,001,338 | 980880 | 20,458 |
| Sub-total | 5,700,000 | 3,143,674 | 10,950,000 | 19,793,674 | 12,170,068 | 7,623,606 |
| 12.0 Acquisition of assets | | | | - | | - |
| 12.1 Motor Vehicles (including motorbikes) | - | 28,000 | - | 28,000 | - | 28,000 |
| 12.2 Purchase of furniture and fittings | | 712,000 | | 712,000 | 712,000 | - |
| 12.2 Construction of CDF office | | | | - | - | - |
| Sub-total | - | 740,000 | - | 740,000 | 712,000 | 28,000 |
| 13.0 Others | | | | - | | - |
| COC | | 10,000 | - | 10,000 | - | 10,000 |
| kinamba acc office digital hub | 8,500,000 | | - | 8,500,000 | - | 8,500,000 |
| muhotetu chief camp digital hub | 5,000,000 | | 3,500,000 | 8,500,000 | | 8,500,000 |

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| | | Current Balance (C/B) and AIA | Previous Year Outstanding Disbursements | | | |
|---------------------------------|--------------------|-------------------------------------|--|--------------------|--------------------|--------------------|
| | | Ksh | Ksh | | | |
| pesi digital hub | 6,000,000 | | - | 6,000,000 | - | 6,000,000 |
| Sports | - | - | - | - | - | - |
| total | 19,500,000 | 10,000 | 3,500,000 | 23,010,000 | - | 23,010,000 |
| S.P | - | 200,000 | | 200,000 | | 200,000 |
| Sub-total | - | 200,000 | - | 200,000 | - | 200,000 |
| Funds pending approval** | - | - | - | - | - | - |
| unapproved projects | | - | 1,939,000 | 1,939,000 | | 1,939,000 |
| AiA | - | 154,000 | | 154,000 | | 154,000 |
| Sub-total | - | 154,000 | 1,939,000 | 2,093,000 | - | 2,093,000 |
| Total | 188,414,052 | 80,472,658 | 72,888,934 | 341,775,643 | 204,867,470 | 136,908,173 |

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

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Laikipia West Constituency principal activity is to disburse funds to the project management committees in line with the NGCDF Act to accelerate development in the constituency in line with the Government development agenda.

2. Statement of Compliance and Basis of Preparation

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

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

and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

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

3. Adoption of New and Revised Standards

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

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

ii. New and amended standards and interpretations in issue but not yet effective in the year ended 30 June 2024.

| | |
|--|--|
| IPSAS 43: | <i>Applicable 1st January 2025</i> |
| Leases | The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. <i>Not Applicable</i> |
| IPSAS 44: | <i>Applicable 1st January 2025</i> |
| Non- Current Assets Held for Sale and Discontinued | The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: |

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| | |
|---|---|
| Operations | <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 performance.</p> <p>Not Applicable</p> |
| <p>IPSAS 45: Property Plant and Equipment</p> | <p>Applicable 1st January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>Not Applicable</p> |
| <p>IPSAS 46: Measurement</p> | <p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |

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| | |
|--|--|
| | <i>Not Applicable</i> |
| IPSAS 47: Revenue | <i>Applicable 1st January 2026</i> This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. <i>Not Applicable</i> |
| IPSAS 48: Transfer Expenses | <i>Applicable 1st January 2026</i> The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. <i>Not Applicable</i> |
| IPSAS 49: Retirement Benefit Plans | <i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. <i>Not Applicable</i> |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. |

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| | |
|--|--|
| | <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p><i>Not Applicable</i></p> |
|--|--|

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on 30th June 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 actuals as per the statement of financial performance has been presented under section 15 of these financial statements.

c) Property, plant and equipment

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

are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

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

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

e) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity*.

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

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

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

l) Employee benefits

Retirement benefit plans

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

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

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

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

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6. Transfers from the NGCDF Board

| Description | |
|--|--------------------|
| NGCDFB Transfers (Allocation for the FY 2024/2025) | 188,414,015 |
| TOTAL | 188,414,015 |

7. Transfers from domestic and foreign partners

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

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

| Description | |
|--|---------------|
| Rental Income | - |
| Income from sale of tenders | 45,000 |
| Hire of plant/equipment/facilities | - |
| Other Income Not Classified Elsewhere <i>(specify)</i> | - |
| Total | 45,000 |

10. Employees cost

| 10. Employees cost | |
|--|------------------|
| NG-CDFC Basic staff salaries | 4,567,436 |
| Personal allowances paid as part of salary | - |
| House Allowance | 406,500 |
| Transport Allowance | - |
| Leave allowance | - |
| Gratuity to contractual employees | 1,091,336 |
| Employer Contributions Compulsory national social security schemes | 246,081 |
| Employer Contributions Compulsory Housing levy | 75,042 |
| Employer contributions to National Industrial Training Authority | 2,700 |
| Other Specify | - |
| Total | 6,389,095 |

11. Committee Expenses

| 11. Committee Expenses | |
|--------------------------|------------------|
| Sitting allowance | 1,364,000 |
| Other Committee expenses | 1,904,500 |
| Total | 3,268,500 |

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12. Use of Goods and services

| | |
|--|------------------|
| Utilities, supplies and services | 102,278 |
| Communication, supplies and services | 600,000 |
| Domestic travel and subsistence | 1,142,900 |
| Printing, advertising and information supplies & services | 150,000 |
| Office Rent | - |
| Training expenses | 846,920 |
| Hospitality supplies and services | - |
| Insurance costs | 24,340 |
| Specialized materials and services | - |
| Office and general supplies and services | 1,124,720 |
| Fuel, oil & lubricants | 724,999 |
| Bank Charges | 2,520 |
| Routine maintenance – vehicles and other transport equipment | 518,880 |
| Routine maintenance – other assets | - |
| Strategic plan expenses | 200,000 |
| Other operating expenses | 325,032 |
| Total | 5,762,589 |

13. Other Government Units Actual expenditure

| | |
|--|--------------------|
| Primary Schools Actual expenditure | 102,403,508 |
| Secondary Schools Actual Expenditure | 18,511,039 |
| Tertiary Institutions Actual Expenditure | - |
| Total | 120,914,547 |

14. Other Grants and transfers Actual expenditure

| | |
|--|-------------------|
| | |
| Bursary – secondary schools | 37,998,750 |
| Bursary – tertiary institutions | 13,079,500 |
| Bursary – special schools | 2,000,000 |
| Bursary - Education Support programmes | - |
| Social Security programmes (SHIF) | - |
| Security projects Actual Expenditure | 11,495,518 |
| Climate change mitigation projects | 1,488,588 |
| Emergency projects Actual Expenditure | 6,794,648 |
| Roads projects | - |
| Others specify | - |
| Total | 72,857,004 |

15. Depreciation and Amortization Expenses

| | |
|------------------------------|----------------|
| | |
| Property Plant and Equipment | 273,975 |
| Intangible Assets | - |
| Total | 273,975 |

16. Digital Hubs Expenses

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

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17. Gain/loss on Sale of Assets

| 2024-2025 | |
|--|----------|
| 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 | - |
| <i>(Include financial instruments that are impaired)</i> | - |
| Total Impairment Loss | - |

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

| Name of Bank, Account No. (Operations account) | | |
|---|-------------------|-------------------|
| Bank Accounts (Cash Book Bank Balance) | | |
| <i>Name Of Bank, Account No. (Operations account)</i> | 46,778,295 | 14,130,313.00 |
| <i>Operations account pending closure (Indicate name & account no.)</i> | - | - |
| <i>Name of Bank, account No. (Deposit account)</i> | 986,062 | - |
| <i>Name of Bank, account No. (PMC's account)</i> | 30,729,765 | 66,297,345.00 |
| Total | 78,494,122 | 80,427,658 |
| Cash Balances | | |
| Location 1 | - | - |
| Location 2 | - | - |
| Other Locations <i>(Specify)</i> | - | - |
| Total | - | - |
| <i>[Provide Cash Count Certificates for Each]</i> | | |

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

20. Receivables from Exchange Transactions

| | | |
|---|---|---|
| | | |
| Total receivables | | |
| Other exchange debtors (<i>Specify</i>) | - | - |
| - | - | - |
| Total receivables | - | - |
| a. Current receivables | - | - |
| b. Non-current receivables | - | - |
| Total Receivables (a+b) | - | - |

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

i. Ageing Analysis for Receivables

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

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21. Receivables from Non-Exchange Transactions

| Description | Period ended June 2025 | |
|-----------------------|------------------------|-------------------|
| | Ksh | US\$ |
| Transfers from NGCDFB | 58,414,052 | 72,888,934 |
| Outstanding imprest | - | - |
| Total | 58,414,052 | 72,888,934 |

| | Current FY | % of the total | Opening Balance | % of the total |
|--------------------|-------------------|----------------|-------------------|----------------|
| Less than 1 year | 58,414,052 | 100% | 72,888,934 | |
| Between 1- 2 years | | 0% | - | |
| Between 2-3 years | - | 0% | - | 0% |
| Over 3 years | - | 0% | - | 0% |
| Total (a+b) | 58,414,052 | 100% | 72,888,934 | 0% |

22. Prepayments

| | | |
|--------------------------------------|---------------|----------|
| Prepaid Rent | - | - |
| Prepaid Insurance | 51,507 | - |
| Prepaid Electricity Costs | - | - |
| Other Prepayments (<i>Specify</i>) | - | - |
| Total | 51,507 | - |

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23. Property, Plant and Equipment

| Depreciation Rate | | 10% | | 20% | 12.50% | 30.00% | | | |
|--|-------------|-------------|-------------|-------------|---------------|---------------|-------------|-------------|-------------|
| Cost | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Opening Bal as 1st July 2024 | - | - | 322,000 | - | - | - | - | - | 322,000 |
| Additions | - | - | - | - | - | 712,000 | - | - | 712,000 |
| Disposals | - | - | - | - | - | - | - | - | - |
| Transfer/Adjustments | - | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | - | - | 322,000 | - | - | 712,000 | - | - | 1,034,000 |
| Depreciation And Impairment | | | | | | | | | |
| Opening bal accumulated depreciation 1st July 2024 | - | - | 80,500 | - | - | - | - | - | 80,500 |
| Depreciation | - | - | 60,375 | - | - | 213,600 | - | - | 273,975 |
| Disposals | - | - | - | - | - | - | - | - | - |
| Impairment | - | - | - | - | - | - | - | - | - |
| Transfer/Adjustment | - | - | - | - | - | - | - | - | - |
| As At 30th June 2025 | - | - | 140,875 | - | - | 213,600 | - | - | 354,475 |
| Net Book Values | | | | | | | | | |
| Opening Bal as at 1st July 2024 | - | - | 241,500 | - | - | - | - | - | 241,500 |
| As At 30th June 2025 | - | - | 181,125 | - | - | 498,400 | - | - | 679,525 |

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Valuation

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

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:

| | | Accumulated Depreciation | |
|---|------------------|--------------------------|----------------|
| | Ksh | Ksh | |
| Land | - | - | - |
| Buildings | | - | - |
| Plant And Machinery | - | - | - |
| Motor Vehicles, Including Motorcycles | 322,000 | 140,875 | 181,125 |
| Computers And Related Equipment | 712,000 | 213,600 | 498,400 |
| Office Equipment, Furniture, And Fittings | - | - | - |
| Total | 1,034,000 | 354,475 | 679,525 |

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 | - | - |

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 2023 (Comparative period) | - | - | - | - |
| Additions | - | - | - | - |
| As At 30 June 2024 (Comparative Period) | - | - | - | - |
| Additions | - | - | - | - |
| As At 30 June 2025 (Current FY) | - | - | - | - |
| | - | - | - | - |
| Accumulated Depreciation | | | | |
| As At 1 July 2023 (Comparative period) | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2024 (Comparative period)) | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2025 (Current FY) | - | - | - | - |
| | | | | |
| Carrying Amount | | | | |

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

26. Trade and Other Payables

| | | | | |
|---|-------------------|-----------------------|----------------------------|-----------------------|
| | | | | |
| 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) | - | - | - | - |

27. Third-Party deposits

| | | |
|--|------------------|------------------|
| Retention as at start of the period (A) | 4,584,148 | - |
| Retention held during the period (B) | 8,165,373 | 4,584,148 |
| Retention paid during the period (C) | 4,187,115 | - |
| Closing Retention as at period xx, D= A+B-C | 8,562,406 | 4,584,148 |

Retentions aging analysis.

| | 2024-2025 | % of total | 2023-2024 | % of total |
|------------------|------------------|------------|------------------|------------|
| Less than 1 year | 8,562,406 | 100% | - | % |
| 1-2 years | - | % | 4,584,148 | 100% |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | 8,562,406 | | 4,584,148 | |

(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 | - | - |

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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

| Description | Period ended June 2025 | Opening Balance |
|---|------------------------|------------------|
| Gratuity at the beginning of the period (A) | 1,281,978 | - |
| Gratuity held during the period (B) | 1,091,336 | 1,281,978 |
| Gratuity paid during the period (C) | - | - |
| Total Gratuity provision as at period xx D=(A+B-C) | 2,373,314 | 1,281,978 |

30. Cash Generated from Operations

| | |
|--|---------------------|
| Surplus for the period before tax | (21,006,658) |
| Adjusted for: | |
| Depreciation | 273,975 |
| Non-cash grants received | - |
| Contributed assets | - |
| Impairment | - |
| Gains and losses on disposal of assets | - |
| Contribution to provisions | - |
| Contribution to impairment allowance | - |
| Working capital adjustments | |
| Changes in inventory | - |
| Changes in receivables | (14,441,552) |
| Changes in deferred income | - |
| Changes in Third party deposits | (3,978,258) |
| Changes in gratuity provision | (1,091,336) |
| Changes in payments received in advance | - |
| Net cash flow from operating activities | (1,221,536) |

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

31. Financial Risk Management

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

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i) Credit risk

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

Financial Risk Management

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

| | | | | |
|--|--------------------|--------------------|---|---|
| As at 30th June 2025 | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 58,414,052 | 58,414,052 | - | - |
| Bank balances | 46,778,295 | 46,778,295 | - | - |
| Total | 105,192,347 | 105,192,347 | - | - |
| As at 30 June 2024 | - | - | - | - |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | 72,888,934 | 72,888,934 | - | - |
| Bank balances | 14,130,313 | 14,130,313 | - | - |
| Total | 87,019,247 | 87,019,247 | - | - |

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

Financial Risk Management

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

ii) Liquidity risk management

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

| Contractual maturities of financial liabilities | | | | |
|---|---------------------|----------------------------------|----------------------------------|---------------------|
| | Less than 12 months | 12 months to less than 24 months | 24 months to less than 36 months | More than 36 months |
| As at 30th June (Current FY) | | | | |
| Trade payables | - | - | - | - |
| Current proportion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Gratuity Provision | - | - | 2,373,314 | 2,373,314 |
| Total | - | - | 2,373,314 | 2,373,314 |
| As at 30th June (Previous FY) | - | - | - | - |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |

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| | | | | |
|-----------------------------|---|---|------------------|------------------|
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Employee benefit obligation | - | - | 1,281,978 | 1,281,978 |
| Total | - | - | 1,281,978 | 1,281,978 |

iii) Market risk

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

a) Foreign currency risk

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

b) Interest rate risk

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

Management of interest rate risk

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

iv) Capital Risk Management

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

| | 2025 | 2024 |
|---|--------------|--------------|
| Revaluation Reserve | 126,703,486 | 147,710,144 |
| Retained Earnings | - | - |
| Capital Reserve | - | - |
| Total Funds | - | - |
| Total Borrowings | - | - |
| Less: Cash and Bank Balances | (78,494,122) | (80,427,658) |
| Net Debt/(Excess Cash And Cash Equivalents) | 48,209,364 | 67,282,486 |
| Gearing | -% | -% |

32. Related Party Disclosures

| 32. Related Party Disclosures | | |
|--|--------------------|--------------------|
| Committee Members Remuneration | | |
| Sitting allowance of committee Members during the year | 1,364,000 | 1,137,000 |
| | | |
| Transaction with the NGCDF Board | | |
| Transfers from the NGCDF Board during the year | 202,888,934 | 206,049,053 |
| Total | 204,252,934 | 207,186,053 |

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

| 34. Contingent Assets and Contingent Liabilities | | |
|--|----------|----------|
| 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 xx 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 Laikipia West Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

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18. Annexes
Annex 1: Summary of Asset Register

| | | | |
|--|-------------------|----------------|----------|
| Land | - | | |
| Buildings and structures | 12,000,000 | - | - |
| Transport equipment | 5,322,000 | - | - |
| Office equipment, furniture and fittings | 1,003,150 | - | - |
| ICT Equipment, Software and Other ICT Assets | 781,400 | 712,000 | - |
| Other Machinery and Equipment | - | - | - |
| Heritage and cultural assets | - | - | - |
| Intangible assets | - | - | - |
| Total | 19,106,550 | 712,000 | - |

(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

| | | | | |
|------------------------------------|-----------------------|--------------------|---------|-----------|
| 91 municipality Primary School | Equity bank Nyahururu | ,016028432 6457 | 53,293 | 53,293 |
| BETHEL PRY SCHOOL | Equity bank Nyahururu | ,016028575 3185 | 34,691 | - |
| Bondeni Primary School | Equity bank Nyahururu | ,0160284441 969 | 601 | 67,682 |
| Chereta day sec school | Equity bank Nyahururu | ,016028260 9515 | 37,945 | 37,945 |
| DEB RUMURUTI PRY | Equity bank Nyahururu | ,0160166134 211 | 69,604 | 387 |
| EMGWEN PRY SCHOOL | Equity bank Nyahururu | ,016028588 5642 | 70,882 | - |
| G.G kinamba special Primary School | Equity bank Nyahururu | ,016028460 097 | 18,252 | 18,252 |
| G.G. Kinamba Secondary School | Equity bank Nyahururu | ,016028528 2087 | 37,882 | 77,877 |
| GATUNDIA PRY SCHOOL | Equity bank Nyahururu | ,0160286510 965 | 293,339 | - |
| GG KINAMBA PRY SCHOOL | Equity bank Nyahururu | ,0160286154 001 | 1,199 | - |
| GG KINAMBA PRY SCHOOL | Equity bank Nyahururu | ,016028458 6738 | 1,642 | - |
| Gituamba Primary School | Equity bank Nyahururu | ,016028537 8142 | 301 | 72,785 |
| GITUAMBA PRY SCHOOL | Equity bank Nyahururu | ,016028576 0440 | 68,130 | - |
| Huhoini Primary School | Equity bank Nyahururu | ,016028543 8702 | 165,380 | 3,850,000 |
| Huhoini Secondary School | Equity bank Nyahururu | ,016027663 4110 | 586 | 57,086 |
| Igwamiti Primary School | Equity bank Nyahururu | ,016028543 9861 | 47,858 | 2,900,000 |
| Kabati Primary School | Equity bank Nyahururu | ,016028458 6143 | 132,039 | 132,039 |
| Kabati Secondary School | Equity bank Nyahururu | ,016028546 3283 | 33,387 | 650,000 |
| Kagaa Primary School | Equity bank | ,0160163392 | 3,620 | 3,620 |

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| | Nyahururu | 326 | | |
|------------------------------|-----------------------|--------------------|-----------|-----------|
| KAICHAKUN PRY SCHOOL | Equity bank Nyahururu | ,016028583 3224 | 110,172 | - |
| Kamwenje police post | Equity bank Nyahururu | ,016028433 4877 | 12,858 | 345,678 |
| Kangumo day Secondary School | Equity bank Nyahururu | ,016028543 8475 | 210,412 | 4,200,000 |
| Kangumo day Secondary School | Equity bank Nyahururu | ,016028447 5023 | 4,823 | 4,823 |
| KAPKURES PRY | Equity bank Nyahururu | ,016028588 3467 | 1,500,000 | - |
| Karaba primary school | Equity bank Nyahururu | ,016028542 0831 | 338,078 | 4,100,000 |
| KARANDI POLICE STATION | Equity bank Nyahururu | ,016028435 0608 | 750,000 | 485,836 |
| KARANDI POLICE STATION | Equity bank Nyahururu | ,016028435 0608 | 5,138 | - |
| Karangi Primary School | Equity bank Nyahururu | ,016028432 6577 | 1,679 | 1,679 |
| KEBEN PRY SCHOOL | Equity bank Nyahururu | ,016028455 9573 | 28,697 | 27,645 |
| KIAHITI PRY SCHOOL | Equity bank Nyahururu | ,016028588 2912 | 71,171 | - |
| KIAMARIGA ASTU | Equity bank Nyahururu | ,016028635 0991 | 2,070,862 | - |
| Kiamariga Primary School | Equity bank Nyahururu | ,016028543 4036 | 500,000 | 500,000 |
| KIAMBOGO PRY | Equity bank Nyahururu | ,016028544 3172 | 153,066 | 3,000,000 |
| KIANJOGU PRY SCH | Equity bank Nyahururu | ,016028597 3739 | 115,412 | - |
| Kigumo junior Primary School | Equity bank Nyahururu | ,016028542 6977 | 110,399 | 1,400,000 |
| Kigumo Primary School | Equity bank Nyahururu | ,016028542 6988 | 155,327 | 4,700,000 |
| Kinamba chiefs office | Equity bank Nyahururu | ,016028269 9741 | 600,000 | 600,000 |
| KIRITI PRY SCHOOL | Equity bank Nyahururu | ,016028632 6323 | 35,818 | - |
| Kisima Primary School | Equity bank | ,016028434 | 2,392 | 2,392 |

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| | | Account number | | |
|------------------------------|-----------------------|--------------------|-----------|-----------|
| | Nyahururu | 6645 | | |
| KISIMA PRY | Equity bank Nyahururu | ,016028587 7912 | 68,548 | - |
| KITE PRY SCHOOL | Equity bank Nyahururu | ,016028647 7587 | 68,791 | - |
| Kiwanja Day Secondary School | Equity bank Nyahururu | ,0160163392 734 | 4,397 | 4,397 |
| Kiwanja Primary School | Equity bank Nyahururu | ,016028544 9698 | 1,244,999 | 4,400,000 |
| Kundarilla Primary School | Equity bank Nyahururu | ,0160168696 012 | 340 | 340 |
| KUNDARILLA SECSCHOOL | Equity bank Nyahururu | ,0160286231 306 | 153,990 | - |
| LAIKIPIA RANCHING PRY SCH | Equity bank Nyahururu | ,016028598 9369 | 110,185 | - |
| Laikipia west tti | Equity bank Nyahururu | ,016028432 7058 | 260 | 260 |
| LARIAK PRY SCHOOL | Equity bank Nyahururu | ,016028652 4242 | 372,727 | - |
| Lariak Secondary School | Equity bank Nyahururu | ,016027663 4934 | 343,948 | 343,948 |
| LELEMATESHO PRY SCHOOL | Equity bank Nyahururu | ,016028429 0469 | 23,947 | 2,638 |
| Limunga Secondary School | Equity bank Nyahururu | ,016029968 4357 | 584 | 82,584 |
| LOBERE PRY SCHOOL | Equity bank Nyahururu | ,016028588 2741 | 72,111 | - |
| Losogwa Primary School | Equity bank Nyahururu | ,0160293851 056 | 10,396 | 10,396 |
| MAGOMANO PRY SCH | Equity bank Nyahururu | ,1830285961 592 | 164,035 | - |
| Makutano Primary School | Equity bank Nyahururu | ,0160166058 313 | 5,463 | 5,463 |
| MAKUTANO SEC | Equity bank Nyahururu | ,0160286106 106 | 800 | - |
| MANGUO POLICE POST | Equity bank Nyahururu | ,0160286271 729 | 70,000 | - |
| MARIAKANI PRY SCHOOL | Equity bank Nyahururu | ,016028590 8653 | 146,000 | - |
| MARURA PRY SCH | Equity bank | ,0160285871 | 106,148 | - |

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| | Nyahururu | 497 | | |
|-------------------------------------|-----------------------|--------------------|-----------|-----------|
| Mategithi Primary School | Equity bank Nyahururu | ,016028438 5079 | 7,140 | 7,140 |
| Matigari Primary School | Equity bank Nyahururu | ,183028257 2265 | 9,905 | 9,905 |
| Matwiku patrol base | Equity bank Nyahururu | ,016028429 4358 | 14,725 | 14,725 |
| MBOGOINI POLICE POST | Equity bank Nyahururu | ,016028545 8513 | 18,839 | - |
| Mbogoini police post | Equity bank Nyahururu | ,0160284291 423 | 4,914 | 4,914 |
| Mbogoini Primary School | Equity bank Nyahururu | ,016028545 8513 | 18,839 | 800,000 |
| Melwa Primary School | Equity bank Nyahururu | ,016028540 7422 | 90,527 | 4,700,000 |
| MOE Rumuruti | Equity bank Nyahururu | ,1830280155 502 | 1,187 | 1,187 |
| MUGUONGO PRY SCHOOL | Equity bank Nyahururu | ,016028556 5885 | 72,802 | - |
| MUGUONGO PRY SCHOOL | Equity bank Nyahururu | ,016028632 3718 | 35,592 | - |
| MUHOTETU CHIEF CAMP DIGITAL ICT HUB | Equity bank Nyahururu | ,016028623 4926 | 3,500,000 | - |
| Muhotetu Girls Secondary School | Equity bank Nyahururu | ,016029565 7991 | 70,558 | 70,558 |
| MUKURWEINI PRY | Equity bank Nyahururu | ,016028637 9193 | 5,000,600 | - |
| MUNGETHO SEC SCHOOL | Equity bank Nyahururu | ,016028608 0567 | 16,678 | - |
| Munyaka Secondary School | Equity bank Nyahururu | ,0160163699 426 | 2,032 | 400,163 |
| Munyu junior Primary School | Equity bank Nyahururu | ,0160285413 551 | 1,668 | 1,400,000 |
| Murichu Primary School | Equity bank Nyahururu | ,016027663 3480 | 7,978 | 7,978 |
| Muruku Secondary School | Equity bank Nyahururu | ,016027906 8958 | 7,788 | 7,788 |
| MUTAMAIYU PRY SCH | Equity bank Nyahururu | ,016028590 8613 | 2,189 | - |
| NAIBOROM PRY SCH | Equity bank | ,016028588 | 118,442 | - |

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| | | Account number | | |
|-------------------------------|-----------------------|--------------------|-----------|-----------|
| | Nyahururu | 6861 | | |
| NAIBOROM PRY SCH | Equity bank Nyahururu | ,016028643 0790 | 45,958 | - |
| Ndaragwiti Primary School | Equity bank Nyahururu | ,016028484 6656 | 500 | 65,000 |
| Ndindika Primary School | Equity bank Nyahururu | ,016028544 5950 | 139,625 | 3,170,967 |
| Ndurumo jss Primary School | Equity bank Nyahururu | ,016028543 4580 | 128,172 | 1,497,506 |
| NDURUMO POLICE POST | Equity bank Nyahururu | ,016028558 6642 | 1,354 | - |
| Ndurumo police post | Equity bank Nyahururu | ,183028244 7714 | 9,464 | 9,464 |
| Ndurumo police post | Equity bank Nyahururu | ,016028450 5456 | 79,132 | 79,132 |
| Ndurumo Primary School | Equity bank Nyahururu | ,0160163391 170 | 1,041 | 1,041 |
| Ndurumo Primary School | Equity bank Nyahururu | ,016028543 4569 | 626,695 | 4,950,000 |
| Ndururi Secondary School | Equity bank Nyahururu | ,016028483 0818 | 80,987 | 753,949 |
| NGANOINI | Equity bank Nyahururu | ,016028633 2376 | 805,000 | - |
| Ngarachi day Secondary School | Equity bank Nyahururu | ,016027856 5798 | 91,837 | 91,837 |
| Ngelesha Primary School | Equity bank Nyahururu | ,0160285471 612 | 49,240 | 3,250,000 |
| NGERANARO | Equity bank Nyahururu | ,016028587 8494 | 10,612 | - |
| Ngeresha Primary School | Equity bank Nyahururu | ,016027747 2548 | 3,355 | 3,355 |
| NJIGARI ANTI STOCK UNIT | Equity bank Nyahururu | ,016028650 9765 | 1,309,052 | - |
| Njorua secondary school | Equity bank Nyahururu | ,0160168577 728 | 53,774 | 53,774 |
| NORTH TETU PRY | Equity bank Nyahururu | ,183028559 0658 | 156,582 | - |
| Nyahururu DEB Primary School | Equity bank Nyahururu | ,0160280341 697 | 1,372 | - |
| Nyakiambi Primary School | Equity bank | ,0160266117 | 2,635 | 2,635 |

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| | | | | |
|-------------------------------|-----------------------|----------------|---------|-----------|
| | Nyahururu | 416 | | |
| Ol ngarua Secondary School | Equity bank Nyahururu | ,0160294025510 | 574 | 574 |
| OL ARINYIRO PRY SCHOOL | Equity bank Nyahururu | ,0160285731664 | 277,068 | - |
| Ol arinyiro Secondary School | Equity bank Nyahururu | ,0160166058546 | 4,719 | 120,793 |
| OL JABET PRY SCHOOL | Equity bank Nyahururu | ,0160285459150 | 87,074 | 5,707,609 |
| OL MORAN POLICE STATION | Equity bank Nyahururu | ,0160286493347 | 145,862 | - |
| OL NGARUA PRIMARY SCHOOL | Equity bank Nyahururu | ,0160285729744 | 3,384 | - |
| Olarabel Primary School | Equity bank Nyahururu | ,0160284466683 | 1,008 | 1,008 |
| Pesi asst, chief office | Equity bank Nyahururu | ,0160284327152 | 273 | 104,848 |
| PESI SEC | Equity bank Nyahururu | ,0160163850606 | 341,292 | 341,292 |
| RAYA PRY SCH | Equity bank Nyahururu | ,0160285882672 | 103,469 | - |
| RUMURUTI POLICE STATION | Equity bank Nyahururu | ,1830285436544 | 19,962 | 1,300,000 |
| Rumuruti special pry sch | Equity bank Nyahururu | ,1830281356263 | 281 | 281 |
| SALAMA POLICE POST | Equity bank Nyahururu | ,0160286539362 | 68,618 | - |
| Salama Primary School | Equity bank Nyahururu | ,0160285462423 | 24,506 | 500,000 |
| SALAMA SEC SCHOOL | Equity bank Nyahururu | ,0160285256787 | 841,101 | 4,047,241 |
| SERIA POLICE POST | Equity bank Nyahururu | ,0160286015641 | 25,262 | - |
| Shamanei day Secondary School | Equity bank Nyahururu | ,0160101249074 | 43,756 | 421,869 |
| Shamanei Primary School | Equity bank Nyahururu | ,0160284368050 | 100 | 100 |
| Shamanei Primary School | Equity bank Nyahururu | ,0160166787824 | 955 | 955 |
| SIPII POLICE STATION | Equity bank | ,060284291 | 505,500 | 188,198 |

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| | Nyahururu | 308 | | |
|-----------------------------|-----------------------|--------------------|-------------------|-------------------|
| SIPILI PRY SCHOOL | Equity bank Nyahururu | ,0160286321 416 | 35,577 | - |
| Siron chiefs office | Equity bank Nyahururu | ,0160171210 898 | 808 | 808 |
| ST Louis Primary School | Equity bank Nyahururu | ,016028432 6662 | 2,014 | 2,014 |
| Tandare Secondary School | Equity bank Nyahururu | ,016028274 5634 | 708 | 708 |
| Thigio Secondary School | Equity bank Nyahururu | ,016029503 7585 | 20,008 | 10,008 |
| THIRU SEC | Equity bank Nyahururu | ,016028620 9526 | 35,438 | - |
| Uaso Narok Secondary School | Equity bank Nyahururu | ,0160166067 191 | 2,127 | 2,127 |
| WANGWACHI ASTU | Equity bank Nyahururu | ,016028652 9748 | 116,690 | - |
| WANGWACHI POLICE STATION | Equity bank Nyahururu | ,016028432 7663 | 19,120 | 1,338 |
| GRANT TOTAL | | | 26,140,647 | 66,243,834 |

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.

| | Recommendation from Auditor | Management comments | Status | Timeframe |
|---|--|--|--------------|-----------|
| 1 | Note 19.4 to the financial statements reflect Project Management Committees (PMC) account balances amounting to 66,318,348 as detailed in annex 5. However, returns from PMCs to the constituency committee detailing the use of funds were not provided for audit review. | The returns were not availed and they have been given to the auditing team for | Not Resolved | Two weeks |