

REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 21 APR 2026	DAY: TUESDAY
TABLED BY:	HON. SILVIANUS OSORO, MP (MAJORITY PARTY WHP)
CLERK-AT THE-TABLE:	INZOFU MWALE

PARLIAMENT
OF KENYA
LIBRARY

REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT FUND -
KURESOI SOUTH CONSTITUENCY**

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





NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KURESOI SOUTH CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

Table of Contents	Page
1. Acronyms and Definition of Key Terms.....	ii
2. Key Constituency Information and Management	iii
3. NGCDF Committee	viii
4. NG-CDFC Chairman’s Report.....	xi
5. Statement Of Performance Against Predetermined Objectives for FY 2024/25.....	xvi
6. Governance Statement.....	xviii
8. Environmental and Sustainability Reporting.....	xxvi
9. Statement Of Management Responsibilities.....	xxx
10. Report Of the Auditor-General on the NGCDF- Kuresoi South Constituency.....	xxxii
11. Statement of Financial Performance for the Year Ended 30th June 2025.....	1
12. Statement Of Financial Position As At 30th June, 2025	2
13. Statement of Changes in Net Assets for the year ended 30 June 2025.....	4
14. Statement Of Cash Flows for The Year Ended 30th June 2025.....	5
15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025.....	6
16. Budget Execution by Sectors And Projects For The Year Ended 30 th June 2025.....	8
17. Notes to the Financial Statements.....	26
18. Annexes	64

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

- 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 Kuresoi South Constituency's day-to-day management is under the following key organs:

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Susan Nthiiri
2.	National Sub-County Accountant	Benard C Kirui
3.	Chairman NGCDFC	Wilson Bii
4.	Member NGCDFC	David Langat (operations bank account)
5.	Member NG CDFC	Peter Chepchilat (deposit bank account)

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Kuresoi South 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 Kuresoi South Constituency Headquarters

NG-CDF Building
Keringet - Olenguruone Road
Keringet, KENYA.

(e) NGCDF Kuresoi South Constituency Contacts

P.O. Box 112
Telephone: (254) 0723526168
E-mail: cdfkuresoisouth@ngcdf.go.ke
Website: www.cdfkuresoisouth.go.ke

(f) NGCDF Kuresoi South Constituency Bankers

1. Operations Account.
Equity Bank Limited
Molo Branch
A/C 0230261796290
P.O. Box 927-20106
Molo
2. Deposit account.
Equity Bank Limited
Molo Branch
A/C 0230285540541
P.O. Box 927-20106
Molo
3. PMC Accounts
Equity Bank Limited
Molo Branch
P.O. Box 927-20106

(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




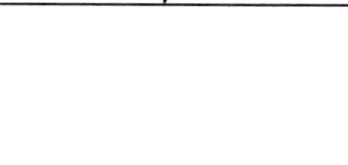
The Attorney General
State Law Office
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

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

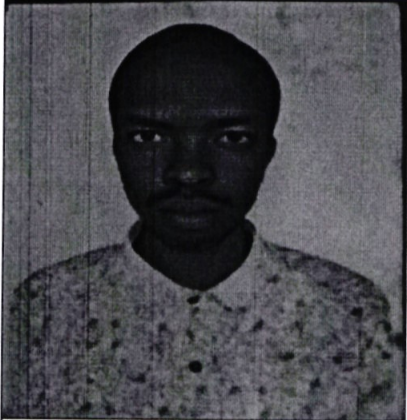


3. NGCDF Committee

Name	Details
 <p>Wilson Bii Chairman</p>	<p>Date of Birth: 15/08/1958 Highest Academic Qualification: Master's Degree in Agronomy Professional Course: Senior Management Work Experience: 31 Years as an Agricultural Officer and five years as NG-CDF Chair.</p>
 <p>David Langat Constituency Nominee</p>	<p>Date of Birth: 02/01/1972 Highest Academic Qualification: KCSE Work Experience: 10 Years in Environment Conservation</p>
 <p>Rael Chepkoech Keter Female Adult</p>	<p>Date of Birth: 12/12/1974 Highest Academic Qualification: Certificate in ECDE Work Experience: 7 Years as NGCDF Committee member</p>

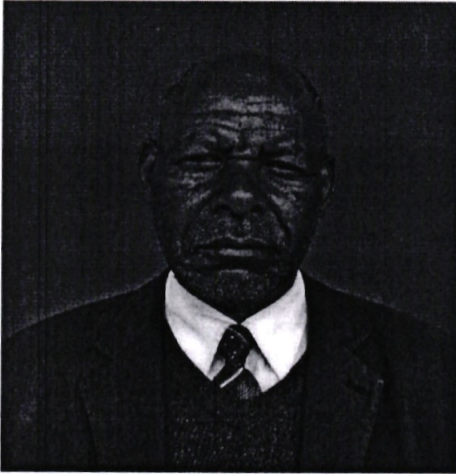
*National Government Constituencies Development Fund (NGCDF)
Kuresoi South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

	<p>Date of Birth: 14/03/2002 Highest Academic Qualification: KCSE Work Experience: 1 Year as NGCDF Committee member</p>
<p>Mercy Chepkirui Female Youth</p>	
	<p>Date of Birth: 01/01/1970 Highest Academic Qualification: Degree in Theology Work Experience: 29 years as pastor</p>
<p>Henry Cheruiyot Bii Co-opted Member</p>	
	<p>Date of Birth: 01/01/1986 Highest Academic Qualification: KCSE Work Experience: 7 Years as NG-CDF Committee</p>
<p>Lenox Kimutai Koech PWD Representative</p>	
	<p>Date of Birth: 03/03/1985 Highest Academic Qualification: KCSE Work Experience: 7 Years as NG-CDF Committee</p>
<p>Betty Jebet Kemboi Constituency Nominee</p>	

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

	<p>Date of Birth: 28/08/1998 Highest Academic Qualification: KCSE Work Experience: 3 Years as NGCDF Committee</p>
<p>Japhet Kiplangat Rono Male Youth</p>	
	<p>DCC Kuresoi South</p>
<p>Malack Namai DCC</p>	
	<p>FAM with NGCDF Board</p>
<p>Susan Nthiri Fund Account Manager</p>	

4. NG-CDFC Chairman's Report



Name: Wilson Bii
Chairman NGCDF Committee

Kuresoi South National Government Constituency Development Fund in the 2024-2025 financial year had a total receipt of Kshs. 175,330,210 and Balance brought forward of Ksh 13,229,753 from financial year 2023-2024 making total available funds to be Ksh 188,559,963.

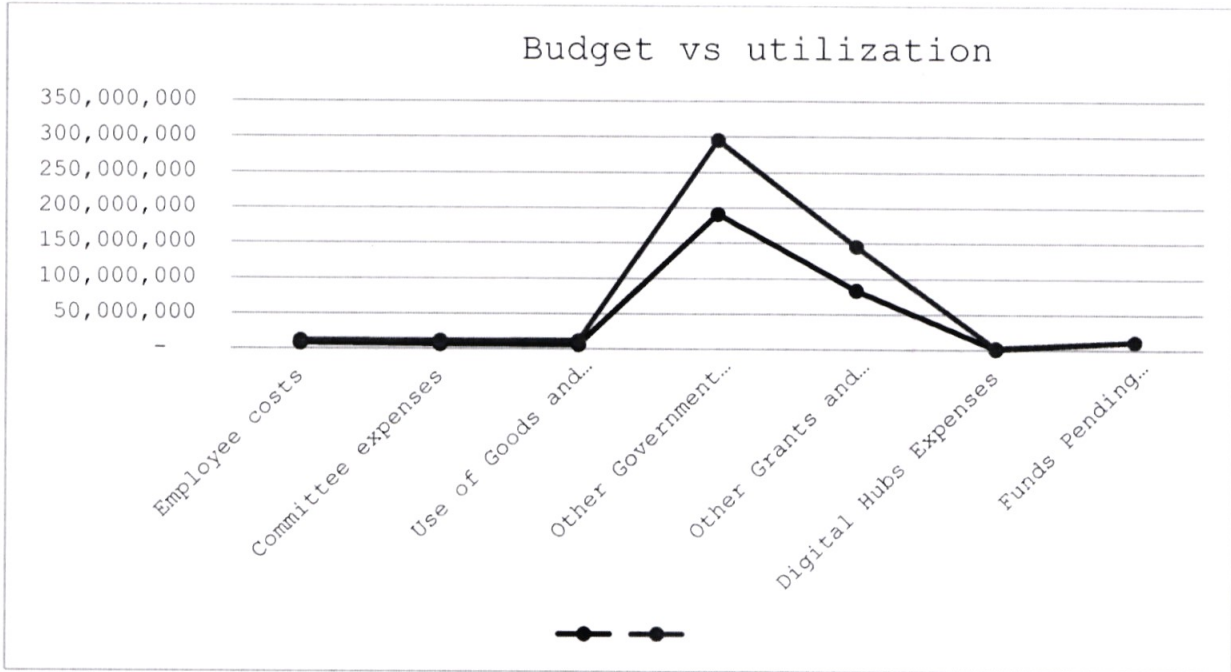
During the financial year 2024/2025 Kshs. 111,826,994 was spent during the year.

The undisbursed fund from the board for this financial year is Ksh. 41,469,857 making our utilization budget at an average of 87% which is an improvement from the previous year which was at 83% this was mainly contributed by the prompt disbursement of funds from NGCDF Board and quick absorption rate by the NG-CDFC to PMC accounts for project implementation.

The NG-CDFC has been able to give bursary to more than six thousand students in secondary and tertiary institutions. The fund also was disbursed to various development works in the constituency in the education and security sector.

The committee also ensures that all the development projects are to completion and those that are incomplete are given priority in funding. Some of the projects implemented in the year are shown below.

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





Kapkwen Primary School: Construction of Six Office Administration Block



Tembwo Primary School: Construction of Six Office Administration Block

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



Simotwet Secondary School: Construction of 45 student capacity laboratory



Simotwet Secondary School: Construction of 45 student capacity laboratory



Ketitui Central Primary School: Renovation to completion of 10 Classrooms

Emerging issues

Emerging issues include;

1. High demand for bursary due to high poverty index
2. High cost of building materials making the cost of construction higher hence reducing the number of projects to be implemented in a financial year.

Challenges

1. Inaccessibility of schools due to poor road infrastructure led by heavy rainfall throughout the year.
2. Limited source of constituency fund
3. Delay in disbursement of funds from the Board
4. High emergency cases due to climatic conditions
5. Caveat on lands within the constituency hindering purchase of land for schools and security projects.

Recommendation

1. There should be more funds allocated to improving the road infrastructure within the constituency.
 2. Increased allocation of funds should be made to NGCDF Board.
- NGCDF Board should fast track remittance of funds to the constituencies

.....
Wilson Bii
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY 2024/25

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 Kuresoi South Constituency 2024-2025** plan are to:

1. Increase the number of classes in the constituency to comfortably have 80% of the students in the constituency accommodated.
2. Improve on security infrastructure to curb crime in the constituency.
3. Increase tertiary institutions in the constituency to allow the growth and learning of alternative skills.
4. Empower constituents to afford 100% transition from primary to secondary schools through bursary funding
5. To improve the environment by planting more trees and also increasing more water harvesting solutions.

Progress on the attainment of Strategic development objectives

To implement and cascade the above development objectives to specific sectors, all the development objectives were made specific, measurable, achievable, realistic, and time-bound (SMART) and converted into development outcomes. Attendant indicators were identified for reasons of tracking progress and performance measurement. Below, we provide the progress on attaining the stated objectives:

Sector	Objective	Outcome	Indicator	Performance
Education	-To increase basic and secondary school completion cycles by liaising with school's administration to identify most vulnerable and deserving bursary cases whilst	Increased enrolment in primary and secondary schools and improved infrastructure in institutions	-Number of usable physical infrastructure build in primary, secondary institutions	In FY 2024/2025 we managed to construct 34 classrooms, 2 administration blocks 1 in secondary school and another in primary school. Also we put up 1 administration block in secondary school. We disbursed bursary to 9,188 students, 6,000 in Secondary schools and 3,188 in Tertiary institutions.

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

	improving institutions physical infrastructure			Bursary beneficiaries at all levels were as per the attached schedules
Security	-To support security agencies for better service delivery through infrastructure development	-Reduced number of crime rates in the constituency - Improved physical security infrastructure i.e. National Police Service and National Government Administration offices (DCC, ACC, Chiefs)	-Number of security infrastructure constructed	In the FY 2024/2025 the NG-CDFC constructed 2 chiefs' offices to completion that includes 4 offices that is Togat Chiefs Office and Kabongoi Chiefs Office.
Climate Change	-To enhance sustainable environmental management -To increase forest cover and enhance agro-forestry at household level	-Enhanced water harvesting, programs in institutions	-Number of water tanks installed in education institutions	- In the financial year 2024/2025 1 primary school benefitted with 5,000 litres water tanks for tapping rain water for school consumption.
Sports	-To engage the youths on sport activities to promote talent, peace and unity	- United youths on matters of development. Improved talents in sport activities	-Number of youths engage in sport activities -new number of sports talents within the constituency	In the financial year 2024/2025 we did not implement sporting activities.
Emergency	-To cater for any unforeseen event	-Better built projects with a greater impact	- Number of completed projects in use	-There was no emergency occurrence in the financial year period.

6. Governance Statement

a. NG-CDFC process of appointment

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

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

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

The current NGCDFC members were gazetted in 29th November 2022 and the first meeting was held in 31st October 2022

The persons appointed are drawn from different groupings as follows:

- Male Adult-Wilson Bii-Chairman
- Male youth —Japhet Rono - Member

- Female adult-Rael Keter - Member
- Female youth—Mercy Chepkirui - Member
- PWD REP- Lenox Koech -secretary
- Co-opted Member- Henry Bii - Member
- Nominee of constituency Office- Betty Kemboi - Member
- Nominee of constituency Office- David Langat - Member

b. NG-CDFC Tenure

NG-CDFC are appointed on a 3 year contract which is renewable

c. The Role of the Constituency Committee

- I. Convene public meetings in every ward in the constituency to deliberate on development matters.
- II. Deliberate on project proposals and any other projects that are beneficial to the constituency.
- III. Prepare list of projects to be submitted in accordance with the Act to be submitted to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act
- IV. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects. They also build the capacity of project management committees and sensitize the community on the operations of the Fund.
- V. Ensure that all projects receive adequate funding and are completed within three years.
- VI. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the board.
- VII. Submit financial statements to the board within sixty days of the end of the financial year to enable the Board comply with sections 39(4) of the Act.
- VIII. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.

- IX. Enter into performance contracting with the Board on an annual basis.
- X. Receiving and addressing all complaints from the constituents.

d. Removal of a member

Members of the NGCDFC may be removed in accordance with provisions of the NG-CDF Act 2015, and relevant regulations.

Grounds for removal include;

- (a) Lack of integrity
- (b) Gross misconduct
- (c) Embezzlement of public funds
- (d) Physical or mental infirmity
- (e) Promoting unethical practises
- (f) Causing disharmony within the committees
- (g) Bringing the committee into disrepute through unbecoming personal public conduct

e. NG-CDFC Induction and training

Upon appointment, NGCDFC Members undergo a comprehensive induction program.

This program equips Members with a thorough understanding of their roles, responsibilities and ethical obligations. Training sessions are conducted regularly to keep Members updated on relevant laws, regulations and best practises in governance, finance and project management.

f. Number of meetings;

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

In Kuresoi South Constituency, the NG-CDF Committee conducted 11 meetings and 6 sub-committee meetings.

National Government Constituencies Development Fund (NGCDF)

Kuresoi South Constituency

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

	Name of committee member	Meetings held										
		05/7/2024	14/8/2024	26/9/2024	17/10/2024	13/11/2024	11/12/2024	10/06/2025	12/06/2025	16/06/2025	18/06/2025	25/06/2025
1	Wilson Bii - Chairperson	√	√	√	√	√	√	√	√	√	√	√
2	David Langat-Secretary	√	√	√	√	√	√	√	√	√	√	√
3	Rael Keter-Member	√	√	√	√	√	√	√	√	√	√	√
4	Henry Bii-Member	√	√	√	√	√	√	√	√	√	√	√
5	Japhet Rono-Member	√	√	√	√	√	√	√	√	√	√	√
6	Betty Kemboi-Member	√	√	√	√	√	√	√	√	√	√	√
7	Mercy Chepkirui-Member	√	√	√	√	√	√	√	√	√	√	√
8	Malack Namai- DCC	√	√	√	√	√	√	√	√	√	√	√
9	Lenox Koech-Member	√	√	√	√	√	√	√	√	√	√	√

g. Members Remuneration Rates

NG-CDFC Members serve the constituency and are not given a salary but an allowance as compensation for their service. This ensures that their decisions and actions are guided solely by the best interests of the constituency and not influenced by personal gain with chairpersons sitting allowance at Ksh 7,000 and Members at Ksh 5,000

h. Disclose the policy on conflict of interest

The NG-CDFC is committed to maintaining the highest standards of integrity and transparency. To address potential conflicts of interest, The Members are required to declare any conflict during meetings, which whenever declared, would be recorded in the minutes and in the register.

i. Succession plan

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

j. Ethics and code of conduct

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

k. Risk Management

The constituency has a risk policy which they observe and are required to maintain a risk register. The committee, in collaboration with relevant stakeholders, assesses and mitigates risk associated with project implementation, financial management and governance. Regular risk assessments are conducted to identify potential threats and develop strategies to address them. This governance statement reflects our commitment to ensuring responsible and effective governance of Kuresoi South NG-CDF.

7. Management Discussion and Analysis

The primary function of the NG-CDF funds is to facilitate grass root development and reduce poverty by allocating funds to projects identified by the community from each ward. For the past 5 financial years NG-CDF Kuresoi South has received a total of **Ksh. 749,456,368** from the board.

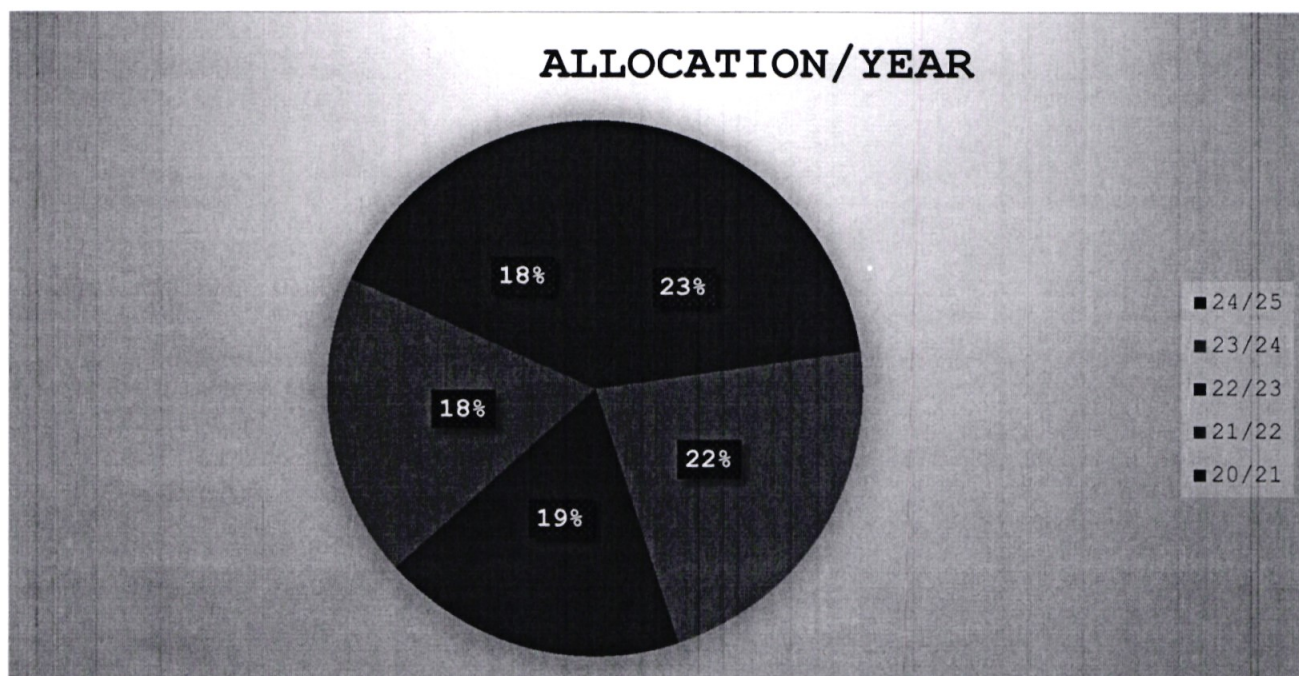
I. Operational Performance

The major operations of the fund have been on bursaries for needy students both in secondary and tertiary institutions, primary and secondary schools infrastructure that is classes and washrooms, climate change and social security just to mention a few.

FUNDING FOR THE PAST FIVE YEARS					
FY	24/25	23/24	22/23	21/22	20/21
TOTAL	170,469,857	166,593,720	138,215,033	137,088,879	137,088,879

The table below shows funding for the past 5 financial years. From these we can deduce that the funding has been increasing annually. This has hence improved the learning conditions of students and improved school infrastructure supporting the free primary education and the 100% transition from primary to secondary school.

FY	AMOUNT
24/25	170,469,857
23/24	166,593,720
22/23	138,215,033
21/22	137,088,879
20/21	137,088,879
TOTAL	749,456,368



II. Key Projects

S.NO	PROJECT NAME	ACTIVITY	BUDGET	STATUS	COMPLETION(%)
1	Chebara Secondary School	Six Roomed Administration Block	3,500,000	Complete	100%
2	Cheptuech Secondary School	Renovation of Four Classrooms	2,000,000	Complete	100%
3	Amalo Chiefs Office	Construction of 4 roomed chiefs office	1,700,000	Complete	100%
4	Kamwaura Secondary School	Six Roomed Administration Block	3,500,000	Complete	100%
5	Ketitui Central primary school	Completion of 10 Classrooms	3,100,000	Complete	100%

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

23/24	√	√	√
22/23	√	√	√
21/22	√	√	√
20/21	√	√	√

IV. Risks

- a) Late disbursement of funds from the board
- b) Constitutional risk due to the legality of the NG-CDF funds.

V. Material arrears

- a) The constituency has no arrears on Tax matters.

VI. Future developments

- The fund under NGCDF Kuresoi South has a plan of putting up a new secondary school at Siwot, Lelaitich and Tirigoi. This will reduce the distance the pupils from that village travel to attend school.
- The fund also has a plan to either build and equip or equip digital hubs in all the four wards within the constituency.



Susan Nthiri
Fund Account Manager

8. Environmental and Sustainability Reporting

The constituency allocated Ksh 100,000 towards water harvesting in 1 primary schools by purchasing 5000 litre water tanks, water gutters and setting up five water points to enable learners to fetch clean water and wash their hands.

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

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Kuresoi South 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, reafforestation, grassroots sensitization, and tree seedling production.

2. Environmental performance

NGCDF Kuresoi South has funded initiatives like planting indigenous trees and purchasing water tanks for various institutions. These actions contribute positively to environmental conservation and sustainability in several ways:

1. **Indigenous Tree Planting:** Planting indigenous trees helps to restore and conserve the natural ecosystem. Indigenous trees are adapted to the local environment, providing habitat and food for native wildlife while also helping to prevent soil erosion, regulate water cycles, and sequester carbon dioxide from the atmosphere.

2. **Water Tank Purchases:** Providing water tanks to institutions helps to promote water conservation and efficient water management. By harvesting rainwater, institutions can reduce their reliance on groundwater or surface water sources, especially during dry seasons. This helps to ensure a more reliable water supply while also alleviating pressure on local water resources. These initiatives demonstrate a commitment to environmental sustainability and community resilience within the Kuresoi South constituency. They not only address immediate needs for tree cover and water access but also contribute to long-term environmental health and sustainability. It would be beneficial for NGCDF Kuresoi South to continue supporting such initiatives and to explore additional projects that promote environmental conservation and sustainable development in the area

3. Employee welfare

We invest in providing the best working environment for our employees. Kuresoi South 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. Kuresoi South 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-

Kuresoi South Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Kuresoi South 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

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

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

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

Public Awareness

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

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


.....
Susan Nthiiri
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-Kuresoi South 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-Kuresoi South Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the constituency's financial statements give a true and fair view of the state of entity's transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer in charge of the NGCDF- Kuresoi South 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)
Kuresoi South Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

The Accounting Officer in charge of the NGCDF Kuresoi South 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- Kuresoi South Constituency financial statements were approved and signed by the Accounting Officer on 08/12/ 2025.



.....
Name: Wilson Bii

Chairman – NGCDF Committee



.....
Name: Susan Nthiiri

Fund Account Manager

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Kuresoi South Constituency set out on pages 1 to 78, 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, statement of comparison of budget and actual amounts and budget execution by sectors and projects for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public

Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kuresoi South Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023), National Government Constituencies Development Regulations, 2016 and the Public Finance Management Act, 2012 and National Treasury and Economic Planning Circular No. 3 of 14 April, 2025.

Basis for Qualified Opinion

1. Non-Compliance with Transitional IPSAS Reporting Template

The cover page to the annual report and financial statements indicates "Transitional IPSAS financial statements/Prepared in accordance with accrual basis of accounting method under International Public Sector Accounting Standards (IPSAS). This is indicative of Management failure to choose the method adopted to prepare the financial statements. Further, under Note 2 to Financial Statements on Statement of Compliance and Basis of Preparation of the financial statements, Management having taken advantage of the transitional provisions under IPSAS 33 have not indicated the elements of the financial statements that have not been recognized and the steps being taken towards full compliance with IPSAS Accrual.

In the circumstances, the financial statements as prepared and presented are not in compliance with IPSAS reporting framework.

2. Inaccuracies in Cash and Bank Balances

The statement of financial position and as disclosed in Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.86,225,048. Review of records provided for audit review revealed that the Management did not conduct monthly bank reconciliations for the PMC accounts.

In the circumstances, the accuracy and completeness of the cash and cash equivalents balance Kshs.86,225,048 as at 30 June, 2025 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 - Kuresoi South Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis amounts of Kshs.309,853,302 and Kshs.268,383,445 respectively, resulting to under-funding amount of Kshs.41,469,857

or 13% of the budget. Further, the Fund spent an amount of Kshs.182,158,397 against actual receipts of Kshs.268,383,445, resulting to an under-utilization of Kshs.86,225,048 or 32% of actual receipts.

The under-funding and under-utilization affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the prior year audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Fund in 2024/2025 revealed that the following eleven (11) issues remained unresolved:

No.	Financial Year	Audit Issue
1	2023/2024	Inaccurate Opening Amounts
2	2023/2024	Unsupported Bursary
3	2023/2024	Non-Disclosure of Gratuity Under Accounts Payable
4	2023/2024	Non-Disclosure of Expenditure on National Industrial Training Authority
5	2023/2024	Unsupported Expenditure on Sports Project
6	2023/2024	Unverified Cash and Cash Equivalents
7	2023/2024	Unsupported Project Management Committee Accounts Balances
8	2023/2024	Budgetary Control and Performance
9	2023/2024	Project Implementation
10	2023/2024	Irregular Recruitment of Staff
11	2023/2024	Lack of an Approved Fraud and Risk Management Policy

Other Information

The Management is responsible for the Other Information set out on page ii to xxxi which comprise of Key Constituency Information and Management, National Government Constituencies Development Fund Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Environmental and Sustainability Reporting, Report of the Fund Account Manager, Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Delay in Project Implementation

Review of the project implementation status as at 30 June, 2025 disclosed that the Constituency Committee planned to implement fifty-eight (58) projects at a cost amount of Kshs.95,155,480. Analysis of the project implementation status revealed that three (3) projects costing an amount of Kshs.5,200,000 were complete and in use while ten (10) projects valued at Kshs.35,591,100 were still ongoing. However, forty-five (45) projects valued at Kshs.54,364,380 were not started.

In the circumstances, value for money and service delivery for the delayed projects amounting to Kshs.54,364,380 could not be confirmed.

2. Inaccuracies in the Payroll Data

The statement of financial performance and as disclosed in Note 10 to the financial statements reflects employee costs of Kshs.4,918,609. However, review of the payroll data and monthly payrolls revealed that some missing unique identifiers that ought to be included during data capture of the officers were omitted from the payroll. This included, but not limited to; particulars on the gender, date of birth, personal identification number (KRA PIN), ethnicity, disability status etc. thereby casting doubts on the completeness and regularity of the payroll.

In the circumstances, lack of payroll data integrity exposes the Fund to risks of erroneous payments, ghost workers, and payroll manipulation.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities

that govern them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Approved Fraud Policy

The Fund Management did not have in place an approved Fraud Management Policy during the year under review to assist in detecting and preventing fraud or falsification of records. This was contrary to Section 165 (1) of the Public Finance Management Act (National Government) Regulations, 2015 which provides that the Accounting Officer shall ensure that the National Government entity develops a risk management strategy, which include fraud prevention mechanism; and a system of risk management and internal control that builds robust business operations.

In the circumstances, it was not possible to confirm the effectiveness of the internal controls, risk management and governance of the Fund.

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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


Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi


05 December, 2025

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

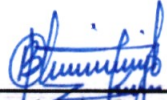
11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	FY 2024-2025 Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		170,469,857
Expenses		
Employee costs	10	4,918,609
Committee expenses	11	5,098,800
Use of Goods and Services	12	5,783,311
Other Government Units Actual expenditure	13	103,901,502
Other Grants and Transfers Actual expenditure	14	61,555,014
Depreciation and amortization expense	15	132,321
Digital Hubs Expenses Actual expenditure	16	1,972,943
Total expenses		183,362,500
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(12,892,643)

The Constituency financial statements were approved by the NGCDFC on 03/12/ 2025 and signed by:



 Chairman NG-CDF
 Committee
 Name: Wilson Bii



 National Sub-County
 Accountant
 Name: Benard C Kirui
 ICPAK M/No:



 Fund Account Manager
 Name: Susan Nthiiri

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

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

	Note	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	86,225,048	93,053,235
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	41,469,857	46,330,210
Prepayments	22	48,068	37,234
Total Current Assets		127,742,973	139,420,679
Non-Current Assets			
Property, Plant and Equipment	23	926,245	1,058,565
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		926,245	1,058,565
Total Assets (A)		128,669,218	140,479,245
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	-	-
Lease Liabilities	28	-	-
Gratuity provision	29	2,572,673	1,490,057
Total Current Liabilities		2,572,673	1,490,057
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		2,572,673	1,490,057
Net Assets (A-B)		126,096,545	138,989,188
Represented by:			
Revaluation Reserves		126,096,545	138,989,188
Accumulated Surplus			
Total Net Assets		126,096,545	138,989,188

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

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

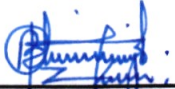
Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	14,719,810	-	14,719,810
Adjustments			
Recognition of Assets	125,759,434	-	125,759,434
Recognition of Liabilities	1,490,057	-	1,490,057
As at July 1, 2025	138,989,188	-	138,989,188
Surplus/(Deficit) For the Period	-	(12,892,643)	(12,892,643)
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	138,989,188	(12,892,643)	126,096,545

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

The Constituency financial statements set out on pages three to four approved by NG CDFC on 08/12 2025 and signed by:



Chairman NG-CDF
Committee
Name: Wilson Bii



National Sub-County
Accountant
Name: Benard C Kirui
ICPAK M/No:



Fund Account Manager
Name: Susan Nthiiri

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

	Notes	FY 2024-2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		175,330,210
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		175,330,210
Payments		
Employee costs		3,835,993
Committee expenses		5,098,800
Use of Goods and Services		5,794,145
Other Government Units Certified Works		103,901,502
Other Grants and Transfers		61,555,014
Digital Hubs Expenses		1,972,943
Total Payments		182,158,397
Net Cash Flows from/ (used in) Operating Activities	30	(6,828,187)
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		(6,828,187)
Net increase/(decrease) in cash & Cash equivalents		
Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		(6,828,187)
Cash and cash equivalents at 1 July	19	93,053,235
Cash and cash equivalents at 30 June	19	86,225,048

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c =100
	FY 2024 -2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	FY 2024-2025	FY 2024-2025		
Revenue							
Transfers From the NGCDF Board	170,469,857	93,053,235	46,330,210	309,853,302	268,383,445	41,469,857	87%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	170,469,857	93,053,235	46,330,210	309,853,302	268,383,445	41,469,857	87%
Expenses							
Employee costs	5,083,436	3,499,895	-	8,583,331	3,835,993	4,747,338	45%
Committee expenses	4,257,319	2,540,301	-	6,797,620	5,098,800	1,698,820	75%
Use of Goods and Services	6,001,524	387,949	-	6,389,473	5,794,145	595,328	91%
Other Government Units Certified Works	79,455,480	78,858,113	32,930,210	191,243,803	103,901,502	87,342,301	54%
Other Grants and Transfers	63,672,098	6,424,421	13,400,000	83,496,518	62,193,986	21,302,532	74%
Digital Hubs Expenses	-	1,342,557	-	1,342,557	1,333,971	8,586	99%
Funds Pending Approval**	12,000,000	-	-	12,000,000	-	12,000,000	0%
Total Expenditure	170,469,857	93,053,235	46,330,210	309,853,302	182,158,397	127,694,905	59%
Surplus for the period	0	-	(0)	0	86,225,048	(86,225,048)	

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

***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 project*

Explanatory Notes.

During the financial year 2024-2025, there was underutilization in the below sectors because of the following reasons;

- (a) Compensation Of Employees – Underutilization was due to the provision of gratuity which was not paid out as the end of the financial year due to Non-elapsed of employee contracts and unpaid salaries balance
- (b) Committee Expenses – NG-CDFC did not fully exhaust there kitty on allowances
- (c) Use of Goods and Services – Underutilization was because the NGCDFC did not completely exhaust the allocated budget.
- (d) Transfers to Other Government Units- Funds had not been transferred to the PMC accounts due to delay in disbursement of funds from the Board.
- (e) Other Grants and Transfers- Funds had not been utilized due to delay in disbursement of funds from the Board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	127,694,905
Less undisbursed funds receivable from the Board as at 30 th June 2025	41,469,857
Cash and Cash Equivalents at the end of the 30 th June 2025	86,225,048

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 03/12/ 2025 and signed by:




 Fund Account Manager

Name: Susan Nthiiri



 National Sub-County Accountant

Name: Benard C Kirui



 Chairman NG-CDF Committee

Name: Wilson Bli

ICPAK M/No:

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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,083,436	3,499,895		8,583,331	3,835,993	4,747,338
1.2 Committee allowances	1,100,000	81,238		1,181,238	565,500	615,738
1.3 Use of goods and services	4,044,755	181,235		4,225,990	3,162,173	1,063,817
Sub-total	10,228,191	3,762,368	-	13,990,559	7,563,666	6,426,893
2.0 Monitoring and evaluation						
2.1 Capacity building	1,285,319	436,700	-	1,722,019	657,400	1,064,619
2.2 Committee allowances	1,872,000	2,022,363	-	3,894,363	4,533,300	(638,937)
2.3 Use of goods and services	1,956,769	206,714	-	2,163,483	1,974,572	188,911
Sub-total	5,114,088	2,665,777	-	7,779,865	7,165,272	614,593
3.0 Emergency						
3.1 Unutilized	8,972,098	-	-	8,972,098	-	8,972,098
Sub-total	8,972,098	-	-	8,972,098	-	8,972,098
4.0 Bursary and Social Security						

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

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
4.1 Primary Schools	-	-	-	-	-	-
4.2 Secondary Schools	27,800,000	945	-	27,800,945	27,135,000	665,945
4.3 Tertiary Institutions	20,200,000	67,500	-	20,267,500	16,778,000	3,489,500
4.4 Special	2,000,000	1000	-	2,001,000	1,901,000	100,000
4.5 Social Security	-	3,000,000	-	3,000,000	-	3,000,000
Sub-total	50,000,000	3,069,445	-	53,069,445	45,814,000	7,255,445
5.0 Climate Change Mitigation						
5.1	-	-	-	-	-	-
5.2	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
Sub-total						
6.0 Primary Schools Projects						
ARORWET COMPREHENSIVE SCHOOL	3,000,000	-	-	3,000,000	-	3,000,000
BANANA COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
BONDET PRIMARY SCHOOL - KERINGET	2,465,800	-	-	2,465,800	-	2,465,800

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
BONDET PRIMARY SCHOOL - KIPKONGOR	500,000	-	-	500,000	-	500,000
BORON COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
BUCHECHET PRIMARY SCHOOL	1,500,000	-	-	1,500,000	-	1,500,000
CHEBIRWOBEI PRIMARY SCHOOL	400,000	-	-	400,000	-	400,000
CHEPTEBES COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
GETICHA COMPREHENSIVE SCHOOL	1,500,000	-	-	1,500,000	-	1,500,000
IRONGO COMPREHENSIVE SCHOOL	3,000,000	-	-	3,000,000	-	3,000,000
KABIGERIET COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
KABONGOI COMPREHENSIVE SCHOOL	1,500,000	-	-	1,500,000	-	1,500,000
KAPANDE PRIMARY SCHOOL	726,740	-	-	726,740	-	726,740
KAPKEET COMPREHENSIVE SCHOOL	669,100	-	-	669,100	-	669,100
KIBANGUI COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
KIMUGUL COMPREHENSIVE SCHOOL	1,500,000	-	-	1,500,000	-	1,500,000
KIPTARAGON COMPREHENSIVE SCHOOL	3,000,000	-	-	3,000,000	-	3,000,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KIPTENDEN COMPREHENSIVE SCHOOL	800,000	-	-	800,000	-	800,000
KIRANDICH COMPREHENSIVE SCHOOL	3,000,000	-	-	3,000,000	-	3,000,000
KITOBEN COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
KORAO COMPREHENSIVE SCHOOL	950,000	-	-	950,000	-	950,000
KOROFA COMPREHENSIVE SCHOOL	1,200,000	-	-	1,200,000	-	1,200,000
MWANGATE COMPREHENSIVE SCHOOL	200,000	-	-	200,000	-	200,000
NDASIATA COMPREHENSIVE SCHOOL	300,000	-	-	300,000	-	300,000
OLENGURUONE RC COMPREHENSIVE SCH	300,000	-	-	300,000	-	300,000
SIWOT COMPREHENSIVE SCHOOL	2,800,000	-	-	2,800,000	-	2,800,000
TIRIGOI COMPREHENSIVE SCHOOL	600,000	-	-	600,000	-	600,000
TULWET COMPREHENSIVE SCHOOL	2,600,000	-	-	2,600,000	-	2,600,000
ARARET PRIMARY SCHOOL	-	450,000.00	750,000	1,200,000	1,097,629	102,371
CHEPTUECH PRIMARY SCHOOL	-	165.00	1,600,000	1,600,165	1,525,704	74,461
CHERAM PRIMARY SCHOOL	-	680.00	3,600,000	3,600,680	3,435,680	165,000
FAITH KIPYEGON PRIMARY SCHOOL	-	-	2,700,000	2,700,000	2,690,215	9,785

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAPAON PRIMARY SCHOOL	-	-	1,450,000	1,450,000	-	1,450,000
KAPKEET PRIMARY SCHOOL	-	7.50	2,400,577	2,400,584	2,338,991	61,593
KAPLAMAI PRIMARY SCHOOL	-	2,400,377.45	100,000	2,500,377	2,498,003	2,374
KAPNANDA PRIMARY SCHOOL	-	51.20	2,400,000	2,400,051	2,290,171	109,880
KAPNO PRIMARY SCHOOL	-	1,200,125.00	-	1,200,125	1,172,129	27,996
KABUGUNOT PRIMARY SCHOOL	-	55.00	300,000	300,055	286,212	13,843
KIMOROROCH PRIMARY SCHOOL	-	865.00	3,600,000	3,600,865	3,434,571	166,294
KIPKOIBET PRIMARY SCHOOL	-	1,290.00	1,200,288	1,201,578	1,200,706	872
KIPSOTET PRIMARY SCHOOL	-	49,870.00	350,000	399,870	332,054	67,816
LELAITICH PRIMARY SCHOOL	-	48.30	2,400,577	2,400,625	2,289,797	110,828
LONGET PRIMARY SCHOOL	-	3,344,962.00	-	3,344,962	3,268,324	76,638
SAPTET PRIMARY SCHOOL	-	221,987.05	978,769	1,200,756	1,200,372	384
SOTIKI PRIMARY SCHOOL	-	3,050,893.63	300,000	3,350,894	2,669,662	681,232
TEGAT PRIMARY SCHOOL	-	198,189.70	800,000	998,190	958,734	39,456
TEMBWO PRIMARY SCHOOL	-	35,007.10	3,000,000	3,035,007	2,895,700	139,307
ABOSI PRIMARY SCHOOL	-	200.00	-	200	-	200
ANGURWET PRIMARY SCHOOL	-	416.05	-	416	-	416
AOON PRIMARY SCHOOL	-	1,200,135.00	-	1,200,135	1,199,919	216
BANDIAT PRIMARY SCHOOL	-	47,069.70	-	47,070	44,575	2,495

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
BARAO PRIMARY SCHOOL	-	100,490.00	-	100,490	99,000	1,490
BARARGET PRIMARY SCHOOL	-	2,500,230.00	-	2,500,230	2,493,943	6,287
BONDET PRIMARY SCHOOL - KIPKONGOR	-	200.00	-	200	-	200
BORON PRIMARY SCHOOL	-	30,675.00	-	30,675	30,000	675
CHEBARA PRIMARY SCHOOL	-	350,500.85	-	350,501	349,668	833
CHEMANER PRIMARY SCHOOL	-	410.00	-	410	-	410
CHENUGU PRIMARY SCHOOL	-	99,966.00	-	99,966	99,915	51
CHEPKISWET PRIMARY SCHOOL	-	22,585.00	-	22,585	-	22,585
CHEPNYALILO PRIMARY SCHOOL	-	23,620.00	-	23,620	-	23,620
CHEPTEBES PRIMARY SCHOOL	-	379.60	-	380	-	380
CHESARUR PRIMARY SCHOOL	-	1,201,495.00	-	1,201,495	1,201,318	177
CHIGAMBA PRIMARY SCHOOL	-	1,200,060.00	-	1,200,060	1,185,667	14,393
GETICHA PRIMARY SCHOOL	-	1,200,445.00	-	1,200,445	1,191,486	8,959
GOSEMIA PRIMARY SCHOOL	-	727.60	-	728	-	728
HIGHLAND PRIMARY SCHOOL	-	500.00	-	500	-	500
IRONGO PRIMARY SCHOOL	-	89.05	-	89	-	89
KABEER PRIMARY SCHOOL	-	452,631.00	-	452,631	395,650	56,981
KABIGERIET PRIMARY SCHOOL	-	2,401,231.00	-	2,401,231	2,347,700	53,531
KAMWAURA PRIMARY SCHOOL	-	35.00	-	35	-	35

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAPANDE PRIMARY SCHOOL	-	1,502,119.00	-	1,502,119	1,431,020	71,099
KAPKOI PRIMARY SCHOOL	-	307.00	-	307	-	307
KAPKORES PRIMARY SCHOL	-	131.00	-	131	-	131
KAPKWEN PRIMARY SCHOOL	-	261,591.75	-	261,592	260,115	1,477
KAPRENGERO PRIMARY SCHOOL	-	1,802,050.00	-	1,802,050	1,732,072	69,978
KAPSIMBEIYWO PRIMARY SCHOOL	-	1,079,935.00	-	1,079,935	1,079,220	715
KAPTEMBWO PRIMARY SCHOOL	-	112,714.00	-	112,714	-	112,714
KERINGET BOARDING PRIMARY SCHOOL	-	1,300,205.00	-	1,300,205	1,296,319	3,886
KETITUI CENTRAL PRIMARY SCHOOL	-	3,509,130.00	-	3,509,130	3,362,454	146,676
KIBANGUI PRIMARY SCHOOL	-	530.00	-	530	-	530
KIMUGUL PRIMARY SCHOOL AMALO	-	47.05	-	47	-	47
KIPTAGICH PRIMARY SCHOOL	-	522,891.70	-	522,892	513,431	9,461
KIPTENDEN PRIMARY SCHOOL AMALO	-	1,200,755.00	-	1,200,755	1,198,959	1,796
KOITAB TINET PRIMARY SCHOOL	-	1,306.35	-	1,306	-	1,306
KONOIN PRIMARY SCHOOL	-	300,190.00	-	300,190	276,255	23,935
KORAO PRIMARY SCHOOL	-	651,326.10	-	651,326	647,850	3,476
KOROFA PRIMARY SCHOOL	-	1,200,200.00	-	1,200,200	1,184,368	15,832

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
LELAIBEI PRIMARY SCHOOL	-	300,765.00	-	300,765	-	300,765
LELKOITA PRIMARY SCHOOL	-	1,201,010.00	-	1,201,010	1,181,846	19,164
LELPANGA PRIMARY SCHOOL	-	3,500,310.00	-	3,500,310	3,440,330	59,980
LELTANY PRIMARY SCHOOL	-	1,200,364.00	-	1,200,364	1,143,078	57,286
MAZIWA PRIMARY SCHOOL	-	70.00	-	70	-	70
MOLUO PRIMARY SCHOOL	-	520.00	-	520	-	520
MWANGATE PRIMARY SCHOOL	-	1,100,761.95	-	1,100,762	1,100,003	759
NDABIBIT PRIMARY SCHOOL	-	1,200,057.75	-	1,200,058	1,197,260	2,798
NDASIATA PRIMARY SCHOOL	-	1,200,000.00	-	1,200,000	1,197,053	2,947
NGENDA PRIMARY SCHOOL	-	2,416,085.00	-	2,416,085	2,363,568	52,517
NUKIAT PRIMARY SCHOOL	-	1,200,463.75	-	1,200,464	1,022,459	178,005
OGIEK PRIMARY SCHOOL	-	55.00	-	55	-	55
OLENGURUONE D.E.B BOARDING PRIMARY SCHOOL	-	21,344.65	-	21,345	-	21,345
RIBOT PRIMARY SCHOOL	-	450,000.00	-	450,000	405,841	44,159
RWAGET PRIMARY SCHOOL	-	996,390.00	-	996,390	981,849	14,541
SAPTOK PRIMARY SCHOOL	-	225.00	-	225	-	225
SHAMBA NDOVU PRIMARY SCHOOL	-	100,760.00	-	100,760	-	100,760
TACHASIS PRIMARY SCHOOL - KERINGET	-	1,370.00	-	1,370	-	1,370

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
TENDWET PRIMARY SCHOOL	-	300,827.05	-	300,827	300,289	538
TETA PRIMARY SCHOOL	-	137.74	-	138	-	138
TIMBWALO PRIMARY SCHOOL	-	2,400,130.00	-	2,400,130	2,364,111	36,019
TINET PRIMARY SCHOOL	-	4,152,740.25	-	4,152,740	4,021,147	131,593
TUIYOBEI PRIMARY SCHOOL - KIPTAGICH	-	1,203,190.00	-	1,203,190	1,144,778	58,412
TUIYOBEI PRIMARY SCHOOL-KERINGET	-	350,411.75	-	350,412	349,856	556
TULWET PRIMARY SCHOOL	-	8,162.95	-	8,163	-	8,163
MERKECHECHET PRIMARY SCHOOL	-	-	1,350,000	1,350,000	-	1,350,000
CHESOEN PRIMARY SCHOOL AMALO	-	45	-	45	-	45
EMITIK G. SCHOOL NG-CDF	-	20	-	20	-	20
EMITIK H/C WATER PROJECT	-	121	-	121	-	121
EMITIK PRIMARY SCHOOL	-	70	-	70	-	70
KABONGOI PRIMARY SCHOOL	-	285	-	285	-	285
KAPMONDOI PRIMARY SCHOOL	-	60	-	60	-	60
KAPSOIYO NURSERY SCHOOL	-	605	-	605	-	605
KAPYEMIT PRIMARY SCHOOL	-	700	-	700	-	700
KERINGET ESTATE PRIMARY SCHOOL	-	40	-	40	-	40

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KITOBEN PRIMARY SCHOOL	-	45	-	45	-	45
KORABARIET PRIMARY SCHOOL	-	1,080	-	1,080	-	1,080
LANGWENDA-KABARIS BRIDGE	-	780	-	780	-	780
SAPTET PRIMARY SCHOOL AMALO	-	20	-	20	-	20
SILIBWET PRIMARY SCHOOL	-	55	-	55	-	55
SOTIKI-AIC BONDET KIPTARAGON ROAD	-	560	-	560	-	560
SUGUTEK PRIMARY SCHOOL	-	50	-	50	-	50
TIRIGOI PRIMARY SCHOOL	-	260	-	260	-	260
WAMKONG PRIMARY SCHOOL	-	60	-	60	-	60
BARAKA PRIMARY SCHOOL	-	1,235	-	1,235	-	1,235
BORON BRIDGE	-	725	-	725	-	725
BURGEI NURSERY	-	780	-	780	-	780
CDF SOCIAL HALL PROJECT M N	-	280	-	280	-	280
CHEBARA PRIMARY SCHOOL	-	833	-	833	-	833
CHEBIRWOBEI NURSERY	-	1	-	1	-	1
CHEBITOIK PRIMARY SCHOOL	-	120	-	120	-	120
CHEPKOSIGEN PRIMARY SCHOOL	-	200	-	200	-	200

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KAMWAURA MARKET JUNCTION-GETICHA PRIMARY SCHOOL ACCESS ROAD	-	181	-	181	-	181
KAPKALI PRIMARY SCHOOL	-	200	-	200	-	200
KAPKORES WATER DAM PROJECT	-	1,115	-	1,115	-	1,115
KAPKEET DISPENSARY	-	450	-	450	-	450
KIMAECH PRIMARY SCHOOL	-	646	-	646	-	646
KIPLELI PRIMARY SCHOOL	-	330	-	330	-	330
KIPTULWO ROAD PROJECT	-	505	-	505	-	505
KOITAB-TINET PRIMARY SCHOOL	-	1,306	-	1,306	-	1,306
KURESOI ATHLETICS	-	540	-	540	-	540
KURESOI SOUTH CDF WEBSITE DESIGN	-	890	-	890	-	890
KURESOI SOUTH CONSTITUENCY SPORTS	-	2,347	-	2,347	-	2,347
MAKUTANO NURSERY SCHOOL	-	580	-	580	-	580
MAWINGU ROAD	-	1,160	-	1,160	-	1,160
OLENGURUONE DEB BOARDING PRIMARY SCHOOL	-	735	-	735	-	735
PANGANI NURSERY SCHOOL	-	616	-	616	-	616
SIBO PRIMARY SCHOOL	-	260	-	260	-	260
SILANGA WATER PROJECT	-	166	-	166	-	166

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
SINENDET DISPENSARY	-	1	-	1	-	1
SINGORWET PRIMARY SCHOOL	-	120	-	120	-	120
SIONGIRIO NURSARY SCHOOL	-	99,670	-	99,670	-	99,670
TILINDI PRIMARY	-	1,052	-	1,052	-	1,052
AMBUSKET PRIMARY SCHOOL	-	85	-	85	-	85
AONET TEA BUYING CENTRE	-	6,345	-	6,345	-	6,345
BARAGEWET PRIMARY SCHOOL	-	325	-	325	-	325
BONDET PRIMARY SCHOOL	-	380	-	380	-	380
CHEROKYET PRIMARY SCHOOL	-	2,094	-	2,094	-	2,094
IKUMBI HEALTH CENTRE	-	656	-	656	-	656
KIPTULWO PRIMARY SCHOOL	-	119	-	119	-	119
LELBANGA PRIMARY SCHOOL	-	620	-	620	-	620
SAOSET PRIMARY SCHOOL	-	114	-	114	-	114
SEANIN PRIMARY SCHOOL	-	125	-	125	-	125
SIGOWET PRIMARY SCHOOL	-	5,708	-	5,708	-	5,708
SIMOTWET PRIMARY SCHOOL	-	54	-	54	-	54
SINENDET 'B' PRIMARY SCHOOL	-	2,213	-	2,213	-	2,213
SITOTWET NURSERY SCHOOL	-	490	-	490	-	490
Sub-total	34,311,640	58,681,473	29,280,210	122,273,323	81,419,026	40,854,297

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
7.0 Secondary School Projects						
CHEMANER SECONDARY SCHOOL	11,482,000	-	-	11,482,000	-	11,482,000
CHEROKYET SECONDARY SCHOOL	1,371,840	-	-	1,371,840	-	1,371,840
MARWA SECONDARY SCHOOL	2,000,000	-	-	2,000,000	-	2,000,000
OGIEK KWANZA SECONDARY SCHOOL	3,300,000	-	-	3,300,000	-	3,300,000
OGIEK SOTIKI SECONDARY SCHOOL	3,500,000	-	-	3,500,000	-	3,500,000
OGIEK SOTIKI SECONDARY SCHOOL	750,000	-	-	750,000	-	750,000
CHEBARA SECONDARY SCHOOL	1,100,000.00	2,400,028	-	3,500,028	2,290,041	1,209,987
CHEPTUECH SECONDARY SCHOOL	-	2,000,000	650,000	2,650,000	2,610,347	39,653
KIPTAGICH SECONDARY SCHOOL	-	197,640	3,000,000	3,197,640	3,058,980	138,660
AINAMOI SECONDARY SCHOOL	-	2,153	-	2,153	-	2,153
ARORWET SECONDARY SCHOOL	-	99,710	-	99,710	99,115	595
CHEBOTOI SECONDARY SCHOOL	-	295,553	-	295,553	-	295,553
IRONGO SECONDARY SCHOOL	-	51,535	-	51,535	-	51,535

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAMWAURA SECONDARY SCHOOL	-	3,500,332	-	3,500,332	3,471,838	28,494
KAPNGOROT SECONDARY SCHOOL	-	74	-	74	-	74
KAPSIMBEIYWO SECONDARY SCHOOL	-	206	-	206	-	206
KERINGET SECONDARY SCHOOL	-	1,206,560	-	1,206,560	1,070,987	135,573
KIPLEMEIYWO SECONDARY SCHOOL	1,300,000	40	-	1,300,040	-	1,300,040
MARWA SECONDARY SCHOOL	-	2,001,020	-	2,001,020	1,994,478	6,542
MOI SECONDARY SCHOOL AMALO	-	750,000	-	750,000	715,530	34,470
OGIEK KWANZA SECONDARY SCHOOL	-	1,601,005	-	1,601,005	1,599,825	1,180
OGIEK SOTIKI SECONDARY SCHOOL	-	405	-	405	-	405
SIWOT GIRLS SECONDARY SCHOOL	-	480	-	480	-	480
SILIBWET SECONDARY SCHOOL	-	90	-	90	-	90
SIMOTWET SECONDARY SCHOOL	1,900,000	1,037,705	-	2,937,705	963,209	1,974,496
SINENDET SECONDARY SCHOOL	-	2,500,875	-	2,500,875	2,489,955	10,920

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
TACHASIS SECONDARY SCHOOL	2,000,000	2,000,200	-	4,000,200	2,000,080	2,000,120
TENDWET SECONDARY SCHOOL	1,000,000	468,188	-	1,468,188	118,091	1,350,097
TINET MIXED SECONDARY SCHOOL	-	620	-	620	-	620
TULWET SECONDARY SCHOOL	-	930	-	930	-	930
TINET KAPKOI SECONDARY SCHOOL	-	395	-	395	-	395
CHEMANER SECONDARY SCHOOL	-	719	-	719	-	719
BARAO SECONDARY	-	44,700	-	44,700	-	44,700
KIMOROROCH SECONDARY SCHOOL	-	140	-	140	-	140
AMANI SECONDARY SCHOOL	-	136	-	136	-	136
OLENGURUONE SECONDARY SCHOOL	-	30	-	30	-	30
KAPLAMBOI SECONDARY SCHOOL	-	350	-	350	-	350
SUKUTEK SECONDARY SCHOOL	-	26	-	26	-	26
CHIGAMBA SECONDARY SCHOOL	-	620	-	620	-	620

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KIPTARAGON SECONDARY SCHOOL	-	14,175	-	14,175	-	14,175
Sub-total	29,703,840	20,176,640	3,650,000	53,530,480	22,482,476	31,048,004
8.0 Tertiary institutions Projects						
KIPTARAGON TVC	15,440,000	-	-	15,440,000	-	15,440,000
	-	-	-	-		
Sub-total	15,440,000	-	-	15,440,000	-	15,440,000
9.0 Security Projects						
AINAMOI CHIEFS OFFICE	100,000	350,025	-	450,025	350,025	100,000
AMALO CHIEFS OFFICE	400,000	1,700,000	-	2,100,000	1,664,514	435,486
KERINGET POLICE STATION	700,000	54,131	-	754,131	-	754,131
KURESOI SOUTH SUB-COUNTY DCC RESIDENCE	1,400,000	-	-	1,400,000	-	1,400,000
SOTIKI CHIEFS OFFICE	100,000	-	-	100,000	-	100,000
TEGAT CHIEFS OFFICE	100,000	-	1,700,000	1,800,000	1,620,825	179,175
TAITA CHIEFS OFFICE	400,000	1,300	-	401,300	-	401,300
KABONGOI CHIEFS OFFICE	-	-	1,700,000	1,700,000	1,534,820	165,180
KAPLAMAI CHIEFS OFFICE	-	120	-	120	-	120
KIMUGUL CHIEFS OFFICE	-	25,180	-	25,180	25,000	180
KIPTAGICH POLICE STATION	-	200	-	200		200

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KURESOI SOUTH DCC RESIDENCE	-	199,773	-	199,773	199,500	273
SOTIKI LOCATION CHIEFS OFFICE	-	350,170	-	350,170	346,330	3,840
TINET CHIEFS HALL	-	655	-	655	-	655
DO'S RESIDENCE	-	280	-	280	-	280
OLENGURUONE	-	240	-	240	-	240
CHEPTUECH POLICE POST	-	240	-	240	-	240
Sub-total	3,200,000	2,682,074	3,400,000	9,282,074	5,741,014	3,541,060
10.0 Acquisition of assets						
10.1 Motor Vehicles (including motorbikes)						
10.2 Construction of CDF office						
10.3 Purchase of furniture and equipment						
10.4 Purchase of computers						
10.5 Purchase of land						
Sub-total						
11.0 Digital Hubs						
AMALO ICT HUB	-	407,000	-	407,000	406,000	1,000
KERINGET ICT HUB NGCDF	-	121,557	-	121,557	115,971	5,586
KIPTAGICH ICT HUB	-	407,000	-	407,000	406,000	1,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
TINET ICT HUB	-	407,000	-	407,000	406,000	1,000
Sub-total	-	1,342,557	-	1,342,557	1,333,971	8,586
12.0 Others						
KURESOI SOUTH NGCDF HALL	700,000	280	-	700,280	-	700,280
KURESOI SOUTH NG-CDF OFFICES	800,000	669,059	-	1,469,059	638,972	830,087
REREC ELECTRIFICATION PROGRAMME	-	-	10,000,000	10,000,000	10,000,000	-
STRATEGIC PLAN	-	988	-	988	-	988
CDF OFFICE KERINGET	-	680	-	680	-	680
KURESOI SOCIAL HALL	-	1,570	-	1,570	-	1,570
KURESOI SOUTH ENVIRONMENT	-	325	-	325	-	325
Sub-total	1,500,000	672,902	10,000,000	12,172,902	10,638,972	1,533,930
13.0 Funds pending approval**						
unapproved projects	12,000,000	-	-	12,000,000	-	12,000,000
AiA	-	-	-	-	-	-
Sub-total	12,000,000	-	-	12,000,000	-	12,000,000
Total	170,469,857	93,053,235	46,330,210	309,853,302	182,158,397	127,694,905

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 Kuresoi South Constituency principal activity is development of school infrastructure and security projects funded by the NG CDF.

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 Kuresoi South 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 Kuresoi South has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

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

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

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></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>IPSAS 46: Measurement</p>	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
<p>IPSAS 47: Revenue</p>	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue</p>

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

	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.
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.
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.
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: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

The entity classifies its financial assets as subsequently measured at 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

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.

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

6. Transfers from the NGCDF Board

Description	FY 2024-2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	170,469,857
Total	170,469,857

7. Transfers from domestic and foreign partners

Description	FY 2024-2025
	Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

10. Employees cost

	FY 2024-2025
	Kshs
NG-CDFC Basic staff salaries	3,492,330
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	90,000
Gratuity to contractual employees	1,082,616
Employer Contributions Compulsory national social security schemes	195,877
Employer Contributions Compulsory Housing levy	52,386
Employer contributions to National Industrial Training Authority	5,400
Other Specify	-
Total	4,918,609

11. Committee Expenses

	FY 2024-2025
	Kshs
Sitting allowance	565,500
Other Committee expenses	4,533,300
Total	5,098,800

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

12. Use of Goods and services

	FY 2024-2025
	Kshs
Utilities, supplies and services	71,053
Communication, supplies and services	254,600
Domestic travel and subsistence	909,700
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	657,400
Hospitality supplies and services	50,000
Insurance costs	60,486
Specialized materials and services	200,000
Office and general supplies and services	1,295,200
Fuel, oil & lubricants	500,000
Bank charges	-
Routine maintenance – vehicles and other transport equipment	564,872
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	1,220,000
Total	5,783,311

13. Other Government Units Actual expenditure

Description	FY 2024-2025
	Kshs
Primary Schools Actual expenditure	81,419,026
Secondary Schools Actual expenditure	22,482,476
Tertiary Institutions Actual expenditure	-
Total	103,901,502

14. Other Grants and transfers Actual expenditure

	FY 2024-2025
	Ksh
Bursary – secondary schools	27,135,000
Bursary – tertiary institutions	16,778,000
Bursary – special schools	1,901,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	5,741,014
Climate change mitigation projects	-
Emergency projects Actual expenditure	-
Roads projects Actual expenditure	-
Others specify	10,000,000
Total	61,555,014

15. Depreciation and Amortization Expenses

Description	FY 2024-2025
	Ksh
Property Plant and Equipment	132,321
Intangible Assets	-
Total	132,321

16. Digital Hubs Expenses

Description	FY 2024-2025
	Ksh
Construction/ renovation/ Actual expenditure	1,972,943
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (<i>specify</i>)	-
Total	1,972,943

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

17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	FY 2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
EQUITY BANK 0230261796290 (OPERATIONS A/C)	77,035,997	13,229,753
Operations account pending closure	-	-
EQUITY BANK 0230285540541 (DEPOSIT A/C)	2,572,673	1,490,057
Equity Bank Molo (PMC A/C)	8,722,378	80,983,425
Total	88,331,048	95,703,235
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
Total	-	-

20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

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

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

21. Receivables from Non-Exchange Transactions

Description	Period ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Transfers from NGCDFB	41,469,857	46,330,210
Outstanding imprest	-	-
Total	41,469,857	46,330,210

Ageing Analysis for Receivables

Description	Period ended June 2025		Opening Statement	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	41,469,857	100%	46,330,210	
Between 1- 2 years	-	0%	-	
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (a+b)	41,469,857	100%	46,330,210	0%

22. Prepayments

Description	Period ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Prepaid Rent	-	-
Prepaid Insurance	48,068	37,234
Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	48,068	37,234

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

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concession assets	Total
Depreciation Rate		10%	25.00%	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2025	-	-	-	-	1,209,789	-	-	-	1,209,789
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At 30TH Sep/Dec/Mar/Jun 2025	-	-	-	-	1,209,789	-	-	-	1,209,789
Depreciation And Impairment									
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	151,224	-	-	-	151,224
Depreciation	-	-	-	-	132,321	-	-	-	132,321
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 30TH Sep/Dec/Mar/Jun 2025	-	-	-	-	283,544	-	-	-	283,544
Net Book Values									
Opening Bal as at 1st July 2025	-	-	-	-	1,058,565	-	-	-	1,058,565
As At 30TH JUNE, 2025	-	-	-	-	926,245	-	-	-	926,245

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

Valuation

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30th June 2020). These amounts were adopted on 1st July 2024.

22 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land		-	-
Buildings		-	-
Plant And Machinery		-	-
Motor Vehicles, Including Motorcycles		-	-
Computers And Related Equipment		-	-
Office Equipment, Furniture, And Fittings	1,209,789	283,544	926,245
Total	1,209,789	283,544	926,245

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

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

24. Intangible Assets

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

25. Right-of use assets

Description	Buildings Kshs	Plant Kshs	Equipment Kshs	Total Kshs
Cost				
As At 1 July 2023	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024	-	-	-	-
Additions				
As At 30 June 2025				
	-	-	-	-
Accumulated Depreciation				
As At 1 July 2023	-	-	-	-
Charge for the period				
As At 30 June 2024				
Charge for the period	=	=	=	=
As At 30 June 2026	-	-	-	-
	-	-	-	-
Carrying Amount				
As At 30 June 2025 (Current FY)	-	-	-	-
As At 30 June 2024.	-	-	-	-

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

26. Trade and Other Payables

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

27. Third-Party deposits

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

Retentions aging analysis.

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

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

28. Lease Liabilities

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

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

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Gratuity at the beginning of the period (A)	1,490,057	1,490,057
Gratuity held during the period (B)	1,082,616	
Gratuity paid during the period (C)	-	-
Total Gratuity provision D=(A+B-C)	2,572,673	1,490,057

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	(13,436,643)
Adjusted for:	
Depreciation	132,321
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	(4,849,519)
Changes in deferred income	-
Changes in Third party deposits	
Changes in gratuity provision	(1,082,616)
Changes in payments received in advance	-
Net cash flow from operating activities	(7,372,187)

(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:

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

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	41,469,857	41,469,857	-	-
Bank balances	77,035,997	77,035,997	-	-
Total	118,505,854	118,505,854	-	-
As at 30 June 2024	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	46,330,210	46,330,210	-	-
Bank balances	13,229,753	13,229,753	-	-
Total	59,559,963	59,559,963	-	-

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

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

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	2,572,673	2,572,673
Total	-	-	2,572,673	2,572,673
As at 30th June 2024	-	-		
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Deferred income	-	-	-	-
Employee benefit obligation	-	-	1,490,057	1,490,057
Total	-	-	1,490,057	1,490,057

iii) Market risk

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

a) Foreign currency risk

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

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs (FY 2024-2025: Kshs). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs (FY 2024-2025 – Kshs)

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.

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

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

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

iv) Capital Risk Management

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

Description	FY 2024-2025	Opening Statement of July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	-	-
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	-%	-%

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

32. Related Party Disclosures

	<i>FY 2024-2025</i>	<i>Opening Statement 1st July 2024</i>
	<i>Kshs</i>	<i>Kshs</i>
Committee Members Remuneration		
Sitting allowance of committee Members during the year	565,500	1,597,000
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	175,330,210	196,170,306
Total	175,895,710	197,767,306

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

<i>Description</i>	<i>FY 2024-2025</i>	<i>Opening Statement 1st July 2024</i>
	<i>Kshs</i>	<i>Kshs</i>
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

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

35. Capital Commitments

Capital Commitments	FY 2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
Total	-	-

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments maybe those that have been 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 Kuresoi South Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

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

18. Annexes
 Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	1,000,000	-	-	1,000,000
Buildings and structures	3,062,010	-	-	3,062,010
Transport equipment	3,000,000	-	-	3,000,000
Office equipment, furniture, and fittings	5,552,816	-	-	5,552,816
ICT Equipment and Other ICT Assets	2,000,000	-	-	2,000,000
Other Machinery and Equipment	200,000	-	-	200,000
Intangible assets	-	-	-	-
Total	14,814,826	-	-	14,814,826

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

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
ABOSI PRIMARY SCHOOL	EQUITY MOLO	0230284605318	-	200
ANGURWET PRIMARY SCHOOL	EQUITY MOLO	0230162803553	-	350,025
AOON PRIMARY SCHOOL	EQUITY MOLO	0230199752270	-	2,153
ARARET PRIMARY SCHOOL	EQUITY MOLO	0230285917698	35,486	1,700,000
BANDIAT PRIMARY SCHOOL	EQUITY MOLO	0230162460280	-	407,000
BARAO PRIMARY SCHOOL	EQUITY MOLO	0230169559394	-	416
BARARGET PRIMARY SCHOOL	EQUITY MOLO	0230167040638	216	1,200,135
BONDET PRIMARY SCHOOL - KIPKONGOR	EQUITY MOLO	0230182337347	102,371	450,000
BORON PRIMARY SCHOOL	EQUITY MOLO	0230166650375	595	99,710
CHEBARA PRIMARY SCHOOL	EQUITY MOLO	0230162552968	-	47,070
CHEMANER PRIMARY SCHOOL	EQUITY MOLO	0230162847872	1,490	100,490
CHENUGU PRIMARY SCHOOL	EQUITY MOLO	0230163498564	6,287	2,500,230
CHEPKISWET PRIMARY SCHOOL	EQUITY MOLO	0230162541864	-	200
CHEPNYALILO PRIMARY SCHOOL	EQUITY MOLO	0230162802865	-	30,675
CHEPTEBES PRIMARY SCHOOL	EQUITY MOLO	0230198163071	-	350,501
CHEPTUECH PRIMARY SCHOOL	EQUITY MOLO	0230262912324	109,987	28
CHERAM PRIMARY SCHOOL	EQUITY MOLO	0230263814511	295,553	295,553
CHESARUR PRIMARY SCHOOL	EQUITY MOLO	0230170615880	-	410

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
CHIGAMBA PRIMARY SCHOOL	EQUITY MOLO	0230162803730	51	99,966
FAITH KIPYEGON PRIMARY SCHOOL	EQUITY MOLO	0230285710788	22,585	22,585
GETICHA PRIMARY SCHOOL	EQUITY MOLO	0230264108637	23,620	23,620
GOSEMIA PRIMARY SCHOOL	EQUITY MOLO	0230162798999	-	380
HIGHLAND PRIMARY SCHOOL	EQUITY MOLO	0230284373903	74,461	165
IRONGO PRIMARY SCHOOL	EQUITY MOLO	0230162472902	39,653	2,000,000
KABEER PRIMARY SCHOOL	EQUITY MOLO	0230162247934	165,000	680
KABIGERIET PRIMARY SCHOOL	EQUITY MOLO	0230162804058	177	1,201,495
KABUGUNOT PRIMARY SCHOOL	EQUITY MOLO	0230162803965	14,393	1,200,060
KAMWAURA PRIMARY SCHOOL	EQUITY MOLO	0230177470198	9,785	-
KAPANDE PRIMARY SCHOOL	EQUITY MOLO	0230199751823	8,959	1,200,445
KAPAON PRIMARY SCHOOL	EQUITY MOLO	0230286013119	-	728
KAPKEET PRIMARY SCHOOL	EQUITY MOLO	0230264837163	-	500
KAPKOI PRIMARY SCHOOL	EQUITY MOLO	0230177473132	-	89
KAPKORES PRIMARY SCHOL	EQUITY MOLO	0230162799934	51,535	51,535
KAPKWEN PRIMARY SCHOOL	EQUITY MOLO	0230190262073	56,981	452,631
KAPLAMAI PRIMARY SCHOOL	EQUITY MOLO	0230161759576	53,531	2,401,231
KAPNANDA PRIMARY SCHOOL	EQUITY MOLO	0230162801419	165,180	-
KAPNO PRIMARY SCHOOL	EQUITY MOLO	0230169981354	13,843	55

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
KAPRENGERO PRIMARY SCHOOL	EQUITY MOLO	0230264407260	-	35
KAPSIMBEIYWO PRIMARY SCHOOL	EQUITY MOLO	0230180823191	28,494	3,500,332
KAPTEMBWO PRIMARY SCHOOL	EQUITY MOLO	0230171488676	71,100	1,502,119
KAPUGUNOT PRIMARY SCHOOL	EQUITY MOLO	0230162803965	1,450,000	-
KERINGET BOARDING PRIMARY SCHOOL	EQUITY MOLO	0230172555967	61,593	8
KETITUI CENTRAL PRIMARY SCHOOL	EQUITY MOLO	0230162406746	307	307
KIBANGUI PRIMARY SCHOOL	EQUITY MOLO	0230169555635	-	131
KIMOROROCH PRIMARY SCHOOL	EQUITY MOLO	0230264628691	-	261,592
KIMUGUL PRIMARY SCHOOL AMALO	EQUITY MOLO	0230162437731	-	120
KIPKOIBET PRIMARY SCHOOL	EQUITY MOLO	0230162825364	2,374	2,400,377
KIPSOTET PRIMARY SCHOOL	EQUITY MOLO	0230177500574	109,880	51
KIPTAGICH PRIMARY SCHOOL	EQUITY MOLO	0230162803993	-	74
KIPTENDEN PRIMARY SCHOOL AMALO	EQUITY MOLO	0230177115471	27,996	125
KOITAB TINET PRIMARY SCHOOL	EQUITY MOLO	0230162876754	69,978	1,802,050
KONAIN PRIMARY SCHOOL	EQUITY MOLO	0230162799145	-	1,079,935
KORAO PRIMARY SCHOOL	EQUITY MOLO	0230162877299	-	206
KOROFA PRIMARY SCHOOL	EQUITY MOLO	0230162481815	112,714	112,714
LELAIBEI PRIMARY SCHOOL	EQUITY MOLO	0230170341976		
LELAITICH PRIMARY SCHOOL	EQUITY MOLO	0230162585656	-	1,300,205

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
LELKOITA PRIMARY SCHOOL	EQUITY MOLO	0230177396472	5,586	121,557
LELPANGA PRIMARY SCHOOL	EQUITY MOLO	0230280823398	135,573	1,206,560
LELTANY PRIMARY SCHOOL	EQUITY MOLO	0230162812562	146,676	3,509,130
LONGET PRIMARY SCHOOL	EQUITY MOLO	0230162459847	-	530
MAZIWA PRIMARY SCHOOL	EQUITY MOLO	0230182319067	166,294	865
MOLUO PRIMARY SCHOOL	EQUITY MOLO	0230169627570	-	25,180
MWANGATE PRIMARY SCHOOL	EQUITY MOLO	0230162852186	-	47
NDABIBIT PRIMARY SCHOOL	EQUITY MOLO	0230162460585	-	1,290
NDASIATA PRIMARY SCHOOL	EQUITY MOLO	0230285709301	-	40
NGENDA PRIMARY SCHOOL	EQUITY MOLO	0230266395949	67,816	49,870
NUKIAT PRIMARY SCHOOL	EQUITY MOLO	0230280805477	-	407,000
OGIEK PRIMARY SCHOOL	EQUITY MOLO	0230178737754	-	200
OLENGURUONE D.E.B BOARDING PRIMARY SCHOOL	EQUITY MOLO	0230172813632	9,461	522,892
RIBOT PRIMARY SCHOOL	EQUITY MOLO	0230162799174	138,660	197,640
RWAGET PRIMARY SCHOOL	EQUITY MOLO	0230172873672	-	1,200,755
SAPTET PRIMARY SCHOOL	EQUITY MOLO	0230162465069	-	1,306
SAPTONOK PRIMARY SCHOOL	EQUITY MOLO	0230263788787	23,935	300,190
SHAMBA NDOVU PRIMARY SCHOOL	EQUITY MOLO	0230179820577	3,476	651,326
SOTIKI PRIMARY SCHOOL	EQUITY MOLO	0230161728101	15,832	1,200,200

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
TACHASIS PRIMARY SCHOOL - KERINGET	EQUITY MOLO	0230162546926	-	199,773
TEGAT PRIMARY SCHOOL	EQUITY MOLO	0230190223963	-	280
TEMBWO PRIMARY SCHOOL	EQUITY MOLO	0230263478621	30,087	669,059
TENDWET PRIMARY SCHOOL	EQUITY MOLO	0230162562984	300,765	300,765
TETA PRIMARY SCHOOL	EQUITY MOLO	0230262893634	110,827	48
TIMBWALO PRIMARY SCHOOL	EQUITY MOLO	0230170360588	19,164	1,201,010
TINET PRIMARY SCHOOL	EQUITY MOLO	0230162913533	59,980	3,500,310
TUIYOBELI PRIMARY SCHOOL - KIPTAGICH	EQUITY MOLO	0230162808851	57,286	1,200,364
TUIYOBELI PRIMARY SCHOOL- KERINGET	EQUITY MOLO	0230163473417	76,638	1,944,962
TULWET PRIMARY SCHOOL	EQUITY MOLO	0230162559456	6,542	2,001,020
AINAMOI SECONDARY SCHOOL	EQUITY MOLO	0230179577461	-	70
ARORWET SECONDARY SCHOOL	EQUITY MOLO	0230180132276	34,470	750,000
CHEBARA SECONDARY SCHOOL	EQUITY MOLO	0230166593721	-	520
CHEBOTOI SECONDARY SCHOOL	EQUITY MOLO	0230162468425	-	1,100,762
CHEPTUECH SECONDARY SCHOOL	EQUITY MOLO	0230285576350	-	1,200,058
IRONGO SECONDARY SCHOOL	EQUITY MOLO	0230162472825	2,947	1,200,000
KAMWAURA SECONDARY SCHOOL	EQUITY MOLO	0230263373966	52,517	2,416,085
KAPNGOROT SECONDARY SCHOOL	EQUITY MOLO	0230162481404	178,005	1,200,464
KAPSIMBEIYWO SECONDARY SCHOOL	EQUITY MOLO	0230199768023	-	1,601,005

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
KERINGET SECONDARY SCHOOL	EQUITY MOLO	0230263515974	-	55
KIPLEMEIYWO SECONDARY SCHOOL	EQUITY MOLO	0230179103633	-	405
KIPTAGICH SECONDARY SCHOOL	EQUITY MOLO	0230162865543	21,345	21,345
MARWA SECONDARY SCHOOL	EQUITY MOLO	0230280805037	44,159	450,000
MOI SECONDARY SCHOOL AMALO	EQUITY MOLO	0230285347033	14,541	996,390
OGIEK KWANZA SECONDARY SCHOOL	EQUITY MOLO	0230266347270	383	755
OGIEK SOTIKI SECONDARY SCHOOL	EQUITY MOLO	0230172999002	-	225
SIWOT GIRLS SECONDARY SCHOOL	EQUITY MOLO	0230266562089	100,760	100,760
SILIBWET SECONDARY SCHOOL	EQUITY MOLO	0230170052962	-	90
SIMOTWET SECONDARY SCHOOL	EQUITY MOLO	0230182355173	74,496	1,037,705
SINENDET SECONDARY SCHOOL	EQUITY MOLO	0230162804109	10,920	2,500,875
TACHASIS SECONDARY SCHOOL	EQUITY MOLO	0230182131633	-	480
TENDWET SECONDARY SCHOOL	EQUITY MOLO	0230162406931	3,840	350,170
TINET MIXED SECONDARY SCHOOL	EQUITY MOLO	0230264378281	681,232	3,050,894
TULWET SECONDARY SCHOOL	EQUITY MOLO	0230163314568	-	1,370
AINAMOI CHIEFS OFFICE	EQUITY MOLO	0230284261506	120	2,000,200
AMALO CHIEFS OFFICE	EQUITY MOLO	0230285532328	79,175	-
KABONGOI LOCATION CHIEF OFFICE	EQUITY MOLO	0230285997278	39,456	198,190
KAPLAMAI CHIEFS OFFICE	EQUITY MOLO	0230182028668	139,307	35,007

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

PMC	Bank	Account number	Bank Balance FY 2024-2025	Bank Balance FY 2023-2024
KIMUGUL CHIEFS OFFICE	EQUITY MOLO	0230281153184	538	300,827
KIPTAGICH POLICE STATION	EQUITY MOLO	0230284517810	350,097	468,188
KURESOI SOUTH DCC RESIDENCE	EQUITY MOLO	0230170562105	-	138
SOTIKI LOCATION CHIEFS OFFICE	EQUITY MOLO	0230284412638	36,019	2,400,130
TEGAT LOCATION CHIEFS OFFICE	EQUITY MOLO	0230285994606	655	655
TINET CHIEFS HALL	EQUITY MOLO	0230179052155	-	407,000
AMALO ICT HUB	EQUITY MOLO	0230285781553	620	620
KERINGET ICT HUB NGCDF	EQUITY MOLO	0230285702908	131,593	4,152,740
KIPTAGICH ICT HUB	EQUITY MOLO	0230285778555	58,412	1,203,190
TINET ICT HUB	EQUITY MOLO	0230285797179	-	350,412
KURESOI SOUTH NGCDF HALL	EQUITY MOLO	0230264825937	-	8,163
KURESOI SOUTH NG-CDF OFFICES	EQUITY MOLO	0230284458469	-	930
TOTAL			6,616,378	78,072,382

Annex 3: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)	
1	Errors in the Annual Reports and Financial Statements				
	The following opening balances are misstated in the annual reports and financial statements prepared and presented for audit for the year ended 30 June, 2024.				
	Component	Opening Balance as per FS	Balance Certificate	in Variance	
	Sitting Allowance	2,950,200	3,250,200	300,000	
	Office and General Supplies and Services	1,374,300	1,074,300	300,000	
Use of goods	3,899,529	3,599,529	300,000		
			Management has amended the annual reports and financial statements accordingly as seen in Annex 1	Resolved awaiting appearance to parliament	1 year

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

Reference No. on the external audit Report	Issue / Observations from Auditor				Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Committee Expenses-unutilized funds	1,328,766	(181,023)	1,509,789			
	Use of Goods and Services-unutilized funds	1,371,650	1,671,650	300,000			
2	<p>Unsupported Bursary</p> <p>The statement of receipts and payments for the year ended 30 June, 2024 reflects other grants and transfers of Kshs.63, 033,711. The amount includes bursary-secondary schools, bursary- tertiary institutions and bursary special schools of Kshs.22,027,820, Kshs.15,132,500 and Kshs.1,299,000 respectively, as disclosed in note 8 to the financial statements totaling to Kshs.38,459,320 granted to students. However, the bursaries were not supported by vetting reports, list of beneficiaries showing name of student, admission number, learning institution, cheque number and amount awarded.</p>				NG-CDFC conducts bursary vetting across all the sub-locations in the constituency in order to identify the needy and deserving cases to be awarded bursaries, this	Resolved awaiting appearance to parliament	1 year

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>is done in presence of all the members of the public led by their bursary vetting committees, chiefs and assistant chiefs. During the exercise a duly signed report is prepared and a list of beneficiaries is generated and forwarded to the office for processing. Finally the bursary cheques are</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		<p>processed and delivered to institutions where they issue an acknowledgment of the cheque. Find attached sample of Bursary Vetting report, Bursary list and acknowledgements in Annex 2.</p>		
3	<p>Non-Disclosure of Gratuity Under Accounts Payable</p> <p>The statement of receipts and payments reflects compensation of employees' payment of Kshs.4,713, 377 as disclosed under Note 4 of the financial statements out of which Kshs.934,083 are payment for gratuity to contractual employees. This payment was however not paid into the</p>	<p>During the year under review NG-CDFC had not opened a deposit account since the approval to</p>	<p>Resolved awaiting appearance to parliament</p>	<p>1 year</p>

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved/Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>gratuity deposit account and subsequently disclosed under Note 14 to the financial statements – Gratuity. In the circumstances, the accuracy and completeness of the accounts payable for the year ended 30 June, 2024 could not be confirmed.</p>	<p>open had not been granted therefore gratuity was expensed as a provision for gratuity and the same treated in the cashbook as payment. At the time of audit the deposit account had been opened and gratuity held during the year has been deposited into the account as shown in the bank statement</p>		

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		attached in Annex 3.		
4	<p>Non-Disclosure of Expenditure on National Industrial Training Authority</p> <p>The statement of receipts and payments reflects compensation of employees' payment of Kshs.4, 713,377 as disclosed under Note 4 of the financial statements out of which payments totalling to Kshs.4,000 in respect to National Industrial Training Authority was paid but undisclosed. In view of the foregoing, the true and fair view of the financial statements could not be ascertained.</p>	<p>During the year under review contributions to NITA was not budgeted and therefore contributions were not remitted hence no payment was made, however management has since factored in NITA contributions and have been remitted accordingly. See attached</p>	<p>Resolved awaiting appearance to parliament</p>	<p>1 year</p>

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status (Resolved/Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
		sample of payment slip in Annex 4		
5	<p>Unsupported Expenditure - Sports Project</p> <p>The statement of receipt and payments reflects other grants and transfers of Kshs.63,033,711 as disclosed under Note 8 to the financial statements. Included in the amount is Kshs.2,264,300 in respect of sports projects, out of which Kshs.1,964,300 was incurred on constituency sports activities. However, the invoices, delivery notes, stores receipt and issuance ledger together with the distribution lists to the various beneficiaries was not provided for audit contrary to Regulation 168 of the Public Procurement and Asset Disposal Regulations, 2020 that states that an accounting officer of a procuring entity to ensure proper management and distribution of inventory, stores and assets.</p> <p>In the circumstances, the completeness and occurrence of the expenditure of Kshs.2,264,300 could not be confirmed.</p>	At the time of audit only the Payment Vouchers were provided as requested however we have attached the Invoices, store receipts, issuance ledger and distribution list which were in the PMC file for your perusal in Annex 5	Resolved awaiting appearance to parliament	1 Year
6	Unverified Cash and cash equivalents	The financial statements, bank	Resolved awaiting appearance	1 Year

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The statement of Assets and Liabilities as at 30 June 2024 reflects cash and cash equivalents of Ksh.13,229,753.34 as disclosed in note 11 to the financial statements. The amount differs with the cashbook balance of Kshs.13,309,997.50 resulting into an unexplained and unreconciled variance of Kshs.80,244.16. Further, the reconciliation statement provided for audit review reflects cashbook balance of Kshs.13,229,753.34 which differs from the actual cashbook balance of Kshs.13,309,997.50 by Kshs.80,224.16. The cashbook balance could therefore not be verified. In addition, the bank reconciliation statement reflects unrepresented cheques of Kshs.73,675,402.05 out of which twenty-five (25) cheques of Kshs.931,928.05 were stale. There was no explanation given on why the stale cheques had not been reversed. In the circumstances, the completeness and accuracy of the figure of cash and cash equivalents could not be verified.</p>	<p>reconciliation and cashbook have all been harmonized and the correct cashbook balance is as shown in the extract in annex 6.</p> <p>Also Management has scheduled to reverse all the stale cheques after approval by the NGCDFC.</p>	<p>nce to parliament</p>	
7	<p>Unsupported Project Management Committee Accounts Balances</p>	<p>Management has so far initiated the</p>	<p>Resolved awaiting appearance</p>	<p>1 Year</p>

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Note 19.4 to the financial statements reflects Kshs.15,205,881.00 in relation to Project Management Committee accounts. However, evidence in relation to 59 accounts with a balance of Kshs.353,938 indicated that the projects were complete but management had not refunded the balances to CDF bank account in breach of Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which states that, all unutilized funds of the Project Management Committee shall be returned to the constituency account. Further, PMC cashbooks, bank confirmation certificates and bank reconciliation statements were not provided for audit review.</p> <p>in the circumstances, the accuracy and completeness of the Project Management Committee (PMC) account balances of Kshs.15,205,881 as at 30 June, 2024 could not be confirmed.</p>	<p>closure of complete projects accounts. Also we have attached the bank statements and confirmation certificated for all the PMC accounts in Annex 7</p>	<p>nce to parliament</p>	

.....


Susan Nthiiri
Fund Account Manager.