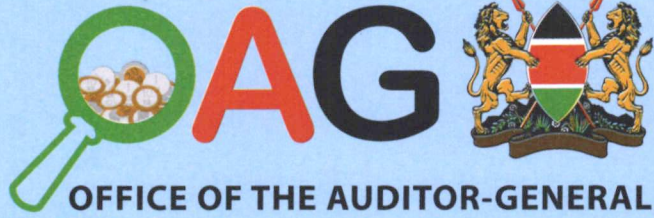
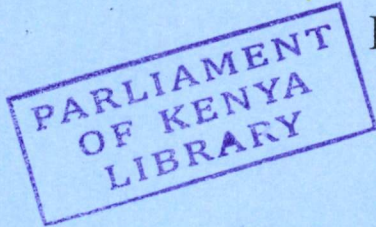


REPUBLIC OF KENYA



Enhancing Accountability

268



REPORT

OF

THE AUDITOR-GENERAL

ON

EQUALISATION FUND

FOR THE YEAR ENDED

30 JUNE, 2025

COUNTY GOVERNMENT OF WEST POKOT

PAPERS LAID	
DATE	19/2/2026
TABLED BY	Munyonyo W. W. -
COMMITTEE	-
CLERK AT THE TABLE	Angela B.





**COUNTY GOVERNMENT WEST POKOT
EQUALISATION FUND**

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

**Prepared in accordance with the Accrual Basis of Accounting Method under the International Public
Sector Accounting Standards (IPSAS)**

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1. Acronyms and Definition of Key Terms

A: Acronyms

AGPO	Access to Government Procurement Opportunities
CA	County Assembly
CBK	Central Bank of Kenya
CDF	Constituency Development Fund
CEO	Chief Executive Officer
CECM	County Executive Committee Member
CIDP	County Integrated Development Plan
CRA	Commission on Revenue Allocation
CT	County Treasury
EF	Equalisation Fund
EFAB	Equalisation Fund Advisory board
ICPAK	Institute of Certified Public Accountants of Kenya
IPSAS	International Public Sector Accounting Standards
OCOB	Office of the Controller of Budget
OAG	Office of the Auditor General
NGO	Non-Governmental Organisation
OSHA	Occupational Safety and Health Act of 2007
PFM	Public Finance Management
PIIC	Project Identification and Implementation Committee
PPE	Property, Plant & Equipment
PPPs	Public Private Partnerships
PSASB	Public Sector Accounting Standards Board
SAGAs	Semi-Autonomous Government Agencies
WB	World Bank

B: Definition of Key Terms

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

Comparative Year- Means the prior period.

This is the first year of preparing financial statement for the Equalization Fund for the County government of West Pokot.

2. Key Entity Information and Management

(a) Background information

The Equalisation Fund was established under Article 204 (1) of the Constitution of Kenya (CoK), 2010, and operationalized by the Public Finance Management (Equalisation Fund Administration) Regulations, 2021. The Equalisation Fund (EF) is domiciled in West Pokot County, Kenya.

(b) Principal Activities

The EF shall be used to provide basic services, including water, roads, health facilities, and electricity, to marginalized areas to the extent necessary to bring the quality of those services to the level generally enjoyed by the rest of the nation.

(c) Key Management

The *Fund's* management is under the following key organs:

No.	Designation
1.	County Technical Committee
2.	Sub County Technical Committee
3.	Project Identification and Implementation Committee

(d) 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.	County Executive Committee Member for Finance	Hon. Paul Woyakapel
2.	Head of Finance	Mr. Haron Muruny
3.	Head of Procurement	Mr. Stephen Kapel

(e) Fiduciary Oversight Arrangements-

Equalisation Fund Advisory Board (EFAB)

The principal mandate of the Equalization Fund is stipulated under Article 204 (2) of the Constitution of Kenya to provide funding to support the provision of basic services including water, roads, health

Annual Report and Financial Statements for the year ended June 30, 2025

facilities and electricity to marginalized areas to the extent necessary to bring the quality of those services in those areas to the level generally enjoyed by the rest of the nation, so far as possible

- a) appraise and evaluate projects proposed under the workplans submitted by county technical committees to ensure compliance with the Constitution and the recommendations issued by the Commission on Revenue Allocation;
- b) make recommendations on the priority areas requiring financing and implementation in accordance with the workplans
- c) oversee, in consultation with the county governments, the implementation of the projects to ensure compliance with the Constitution;
- d) monitor and evaluate the projects implemented by county governments using equalization funds to determine their impact in addressing the factors contributing to the marginalization of the areas identified in the counties;
- e) put in place measures to ensure transparency and accountability in the implementation of equalization fund projects by county governments;
- f) establish a framework for collaboration between the national government and county governments in the implementation of projects in line with the Constitution;
- g) review the consolidated quarterly reports prepared by the Secretary on the implementation of the projects and make recommendations to the Cabinet Secretary on performance improvement;
- h) review and propose the annual estimates of expenditure of the Fund for approval by the Cabinet Secretary;
- i) undertake project public participation in line with Article 201 of the Constitution

County Equalisation Fund Technical Committee

The County Technical Committee shall be responsible for approving all projects to be financed from the Fund. The functions of the County Executive Committee Member responsible for matters relating to finance with respect to the Fund in each eligible county shall be to—

- (a) consolidate all projects approved by the county technical committee and submit to the Secretary of the Board for funding with copy to the Commission on Revenue allocation;
- (b) prepare financial statements for the Fund for each financial year in a form prescribed by the Accounting Standards Board in accordance with the Act and submit to the Secretary of the Board;
- (c) prepare quarterly financial statements for the fund in a form prescribed by the Accounting Standards Board and submit to the Secretary of the Board;

Annual Report and Financial Statements for the year ended June 30, 2025

(d) prepare quarterly reports on funds received and implementation status of all projects financed by the Fund with a copy to the Secretary of the Board, Commission on Revenue Allocation and Controller of Budget; and

(e) prepare annual report on implementation of all projects financed by the Fund with a copy to the Secretary, Commission on Revenue Allocation, Controller of Budget and Parliament

Parliamentary Oversight (Special Funds Committees)

The National Assembly, through its relevant Select Committees, ensures fiduciary oversight of projects funded by the Equalization Fund to promote transparency, accountability, and effective use of public resources in marginalized areas. Guided by Article 95(4)(c) of the Constitution and the Standing Orders, committees such as the Public Accounts Committee, Budget and Appropriations Committee, and Special Funds Accounts Committee perform key functions including reviewing expenditure reports, conducting field visits, summoning implementing agencies, and ensuring alignment with approved budgets.

Oversight mechanisms include audit compliance reviews in collaboration with the Auditor-General, quarterly and annual project monitoring reports, public participation forums, and tabling reports in Parliament with actionable recommendations. These measures ensure prudent management and impact of the Fund in targeted communities.

Senate Committee Activities

The Senate by virtue of its constitutional mandate has secondary oversight responsibility over County governments. The County Public Accounts and Investment Committee of the Senate has been directly involved in oversight over County governments.

(f) County Executive Headquarters

P.O. Box 222 - 30600

Office of the Governor

Off Kapenguria County Hospital Road

Kapenguria, Kenya

(g) County Executive Contacts

Telephone: (254) 0532014000

E-mail: info@westpokot.go.ke

Website: www.westpokot.go.ke

(h) County Executive Bankers

Central Bank of Kenya
Haile Selassie Avenue
P.O. Box 60000
City Square 00200
NAIROBI, KENYA

(i) Independent Auditor


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

(j) Principal Legal Adviser

1. The Attorney General
State Law Office and Department of Justice
Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

2. County Attorney
P.O. Box 222-30600
KAPENGURIA
West Pokot County

3. Key Management Team

Name	Profile	Details
Hon. Paul Woyakapel		<p>Date of Birth: 4th December, 1973</p> <p>Qualification: Masters in Business Administration</p> <p>Experience: 26 years</p> <p>Position: CECM – Finance & Economic Planning</p>
CPA. Haron Muruny		<p>Date of Birth: 6th December 1989</p> <p>Qualification: BSc Commerce.</p> <p>Experience: 8 years</p> <p>Position: Head of Accounting Services</p>
Mr. Stephen Kapel		<p>Date of Birth: 1st December 1969</p> <p>Qualification: BA Economics</p> <p>Experience: 11 years</p> <p>Position: Head of Procurement</p>

4. Report of the County Executive Committee Member for Finance

The Constitution of Kenya, 2010, marked a turning point in the country's development by promoting inclusive growth and devolved governance. To address the needs of historically marginalized communities, Article 204 established the Equalization Fund, allocating 0.5% of the national government's annual revenue to support development in marginalized areas.

In line with this constitutional provision, West Pokot County formed a County Technical Committee as outlined in the Equalization Fund Administration Regulations. The Commission on Revenue Allocation (CRA), through its second policy introduced in 2018, identified 149 marginalized areas within the county. Based on this policy, West Pokot County received an allocation of Kshs. 1,021,690,952 to implement projects across the equalisation sectors.

The process of identifying these projects was grounded in participatory public engagement. Public participation forums were organized across all marginalized sub-locations, facilitated by the Equalization Fund Identification and Implementation Committee. Stakeholders, including members of the public, faith-based organizations, community-based organizations, and representatives from special interest groups, were involved in identifying and prioritizing projects. These proposals were reviewed by Sub-County Technical Committees and later approved by the County Technical Committee. The result was a strong sense of ownership and collaboration among the community, the Equalization Fund Advisory Board (EFAB), the National Government, and the County Government. A total of 70 projects across four sectors—roads, water, health, and education—were approved by the Equalization Fund Advisory Board as part of the 2023 Appropriation. This included 31 road projects, 24 in the water sector, 14 in health, and one education project. Transparent tendering procedures were followed, including advertising tenders in national newspapers and online platforms. Bill of quantities were prepared, and successful bidders were awarded contracts according to the law.

The impact of the Equalization Fund has been significant. In the roads sector, several previously inaccessible areas have now been opened up. A notable example is the construction of the Simat-Pkooor-Tokison-Sapai road in Endough Ward, which has connected isolated communities and spurred economic activity in those regions.

In the water sector, the fund has improved access to clean and safe water in schools, health facilities, and households. Villages that previously relied on walking long distances to fetch water now benefit from nearby water points. This has also supported livestock productivity and reduced the burden on school children who no longer have to leave class to collect water, hence high retention rates.

West Pokot County Government

Equalisation Fund

Annual Report and Financial Statements for the year ended June 30, 2025

In education, the construction of a girls' dormitory in Nakuyen, Suam Ward, is already having a positive impact. It is expected to boost enrolment and retention, particularly in an area affected by female genital mutilation and early marriages. In the health sector, infrastructure development is helping the county move closer to achieving Universal Health Coverage. New facilities have improved access to healthcare in remote areas, easing pressure on Kapenguria County Referral Hospital.

During the financial year under review, the County received Kshs. 586,561,741 from the Equalization Fund Advisory Board to facilitate the implementation of ongoing projects. However, the implementation process has not been without challenges. One key issue has been inadequate funding to cater for administrative expenses incurred by the County Technical Committee and other officers overseeing project execution. Additionally, delays in disbursing funds from the national level have hindered timely implementation. Another concern is the need for more accurate and inclusive identification of marginalized areas. One ward, home to the Sengwer minority group, was omitted from the list of marginalized areas, which risks excluding vulnerable communities from critical development support. It is recommended that the CRA conducts more thorough consultations and public participation to ensure that all deserving areas are adequately represented in future allocations.

In conclusion, the Equalization Fund has had a transformative impact on infrastructure and service delivery in West Pokot County. Continued success will depend on sustained collaboration, timely disbursement of funds, and inclusive planning that ensures no community is left behind.



.....
Hon. Paul Woyakapel
CECM-Finance and Economic Planning

5. Statement of Performance against Predetermined Objectives for FY 2024/2025

In compliance with Section 164(2)(f) of the Public Finance Management Act, 2012. West Pokot County Equalization Fund is committed to addressing service delivery disparities in marginalized areas/sub locations. Guided by the County Integrated Development Plan (2023-2027), the annual development plans and County Fiscal Strategy Paper, the Fund prioritized key development interventions aligned to two core strategic themes during the FY 2024/2025 period. These themes guided the development of the annual work plan and performance contracts and formed the basis for quarterly and annual performance assessments.

West Pokot County has two strategic pillars/ themes/issues and objectives within the current Strategic Plan for the FY 2024/2025. These strategic pillars/ themes/ issues are as follows:

Pillar /theme/issue 1: Improved Access to Basic Infrastructure Services

Pillar/theme/issue 2: Strengthening Health and Education Services in marginalized County Areas

West Pokot County develops its annual work plans based on the above 2 pillars/Themes/Issues. Assessment of the Board’s performance against its CIDP is done on a quarterly basis. The West Pokot County achieved its performance targets set for the FY 2024/25 period for its 2 strategic pillars, as indicated in the table below:

Strategic Pillar/Theme/Issues	Objective	Key Performance Indicators	Activities	Achievements
Improved Access to Basic Infrastructure Services	Enhance equitable access to clean water, roads, and electricity in marginalized wards and sub locations	% increase in households accessing clean and safe water	Drilling, installation of solar power and distribution to nearby villages and public institutions	24 new boreholes drilled with solar power and fully operational
		Km of all-weather access roads constructed, opened maintained or rehabilitated	Opening, Grading Murraming of rural access roads including structure installation	Mor than 400km of roads opened and maintained cross 18 wards; a total of 28 road sector projects

*West Pokot County Government
Equalisation Fund*

Annual Report and Financial Statements for the year ended June 30, 2025

Strengthening Health and Education Services in Marginalized Areas	Improve delivery of quality healthcare in marginalized areas	Number of health facilities Constructed and full equipped	Procurement of medical supplies; recruitment of support staff	12 health facilities Constructed; 9 health facilities fully equipped and supplied with specialized equipment
	Improve delivery of education in marginalized areas	Number of Dormitories constructed	Construction of Nakuyen Primary Girls Domitory and Fencing	1 dormitory constructed and fenced

The implementation of Equalization Fund projects in FY 2024/2025 was guided by performance contracts with implementing departments. Quarterly review meetings were held to assess progress, challenges, and emerging priorities by the three county equalization committees from the identification and implementation committee to the county equalization county technical committee. Regular field monitoring visits and stakeholder consultations helped improve accountability and community ownership.

In FY 2024/2025, West Pokot County Equalization Fund made significant progress in reducing development disparities across marginalized areas through targeted investments in basic infrastructure, health, education, and roads. Performance achievements were aligned with strategic objectives and reflected in sectoral work plans and contracts. The County remains committed to inclusive development and effective service delivery.

6. Corporate Governance Statement

a) Composition of Committees.

County Technical Committee

1. County Commissioner-Chairperson
2. County Executive Committee Member for Finance.
3. Constituency Development Fund managers.
4. Representative of County Assembly.
5. Representatives of implementing sectors with prioritized Projects.
6. Chairperson of the Constituency Development Fund (CDF)

Sub-County Technical Committee

1. Sub-County Commissioner-Chairperson.
2. Four technical officers from ministries relevant to funding priorities.
3. Chairpersons of Project Identification and Implementation Committees within the sub-county.
4. Secretary of the Constituency

Project Identification and Implementation Committee

1. Assistant Sub-County Commissioner-Chairman
2. The village administrators of areas defined by the Commission on Revenue Allocation as marginalized.
3. Representative of the women, youth, minorities and persons with disabilities from marginalized areas.
4. A representative of the Constituency Development Fund committee member at the sub-county level; A representative of religious group or local Non-Governmental Organisation (NGO) with office at ward level

b) Functions of Committees

County Technical Committee

1. Approving all projects to be financed from the Fund.

Sub-County Technical Committee.

1. Receive project funding proposals from respective Project Identification and Implementation committees.
2. Evaluate and prioritize all development proposals from the Project Identification and Implementation Committees.

Annual Report and Financial Statements for the year ended June 30, 2025

3. Assess the feasibility and cost all project proposals received from the Project Identification and Implementation Committees.
4. Submit project proposals and funding requests received from the Project Identification and Implementation Committees to the county government.
5. Monitor all projects being undertaken and ensure they meet the objectives they are originally meant to achieve.
6. Prepare quarterly reports on funds received and implementation status of all projects financed by the Fund to the county technical committee with a copy to the County Executive Committee Member responsible for matters relating to finance.
7. Prepare and submit annual reports on implementation of all projects financed by the Fund to the county technical committee with a copy to the County Executive Committee Member for Finance.

Project Identification and Implementation Committee.

1. Undertake public participation, in beneficiary areas.
2. Identify and prioritize project in beneficiary areas in line with guidelines issued by the administrator of the Fund.
3. Prepare and submit project funding proposals to sub-county technical committee.
4. Provide oversight on project implementation.

Annual Report and Financial Statements for the year ended June 30, 2025

7. Management Discussion and Analysis

The Equalization Fund under the second CRA policy targeted 149 marginalized areas in West Pokot County. A total of Kshs. 1,021,690,952 was allocated to implement 70 projects across various sectors. These projects underwent a robust participatory selection process through public participation in every marginalized sublocation by project identification and implementation committee and are at different stages of completion. Fund allocation by sector is as shown in the table below

Sector	No. of Projects	Total Allocation (Kshs)
Roads	31	473,071,658
Water	24	306,572,821
Health	14	231,723,854
Education	1	10,322,619
Total	70	1,021,690,952

Financial and Operational Performance (as of 30th June 2025)

Metric	Amount (Kshs)
Approved Allocation	1,021,690,952
Total Contracted	923,400,563.10
Amount Certified	586,961,488.50
Amount Paid	584,899,888.50
Pending Payables	338,500,674.60
Average Project Completion Rate	64%

Project Status Summary

Completion Range	No. of Projects
0–25%	4
26–50%	12
51–75%	17
76–99%	16
100%	27

Compliance with Statutory Requirements

The Equalization Fund is being managed in compliance with:

- Public Finance Management Act, 2012.
- Equalization Fund Administration Regulations, 2023.
- Guidelines by the Public Sector Accounting Standards Board (PSASB).
- Auditor General and Controller of Budget requirements.

Timely preparation and submission of financial reports and disclosures have been upheld.

Annual Report and Financial Statements for the year ended June 30, 2025

Major Risks Facing the Fund

Risk Type	Description
Delayed Disbursements	Late release of funds from National Treasury.
Procurement Delays	Lengthy processes delay project execution.
Climate and Insecurity	Flooding, droughts, and insecurity in remote areas.
Contractor Performance	Some contractors underperform or delay project delivery.

Arrears in Statutory and Financial Obligations

As of 30th June 2025:

- Pending Payables: Kshs. 338.5 million.
- No material arrears in taxes or statutory contributions reported.

Review of the Economy and Sector

a. Economic Environment

- National inflation and exchange rate volatility have increased the cost of materials.
- Reduced national revenue sharing has constrained county budget execution.

b. Sectoral Review

- **Water:** Improved access in arid and semi-arid areas.
- **Health:** Expanded dispensary services and access to essential care.
- **Roads:** Enhanced security and connectivity in remote areas.
- **Education:** Ongoing dormitory project aimed at improving girls' school retention.

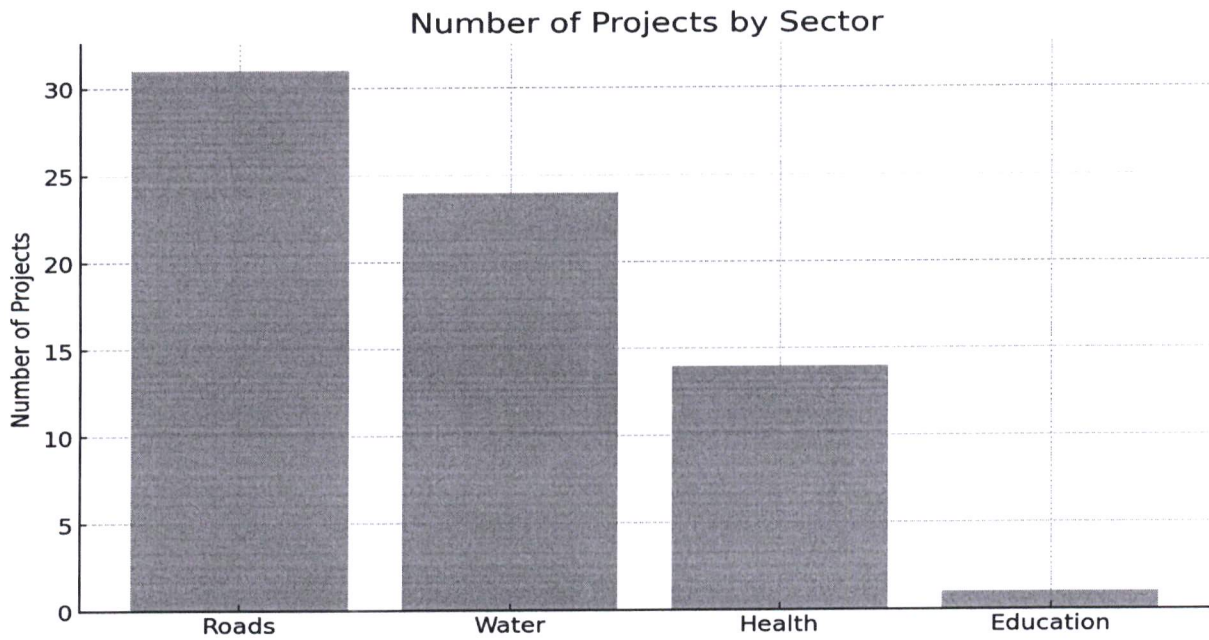
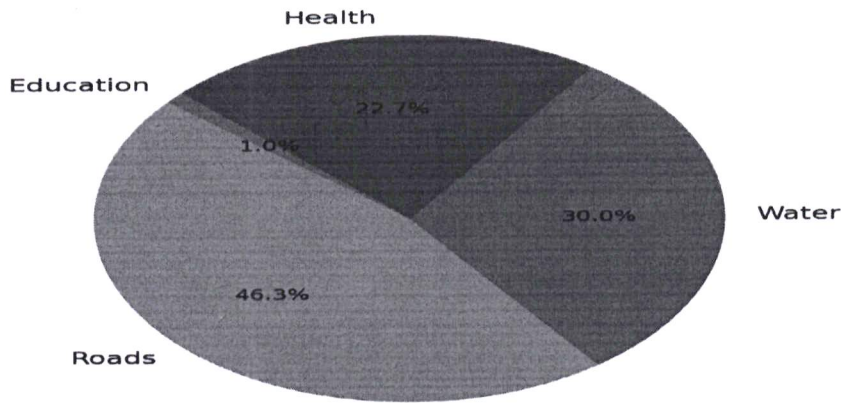
Future Developments

- Focus on full completion and sustainability of ongoing projects.
- Strengthen monitoring, evaluation, and community feedback mechanisms.
- Explore digitization of project tracking for accountability and transparency.
- Secure additional resources to scale up successful models in marginalized zones.

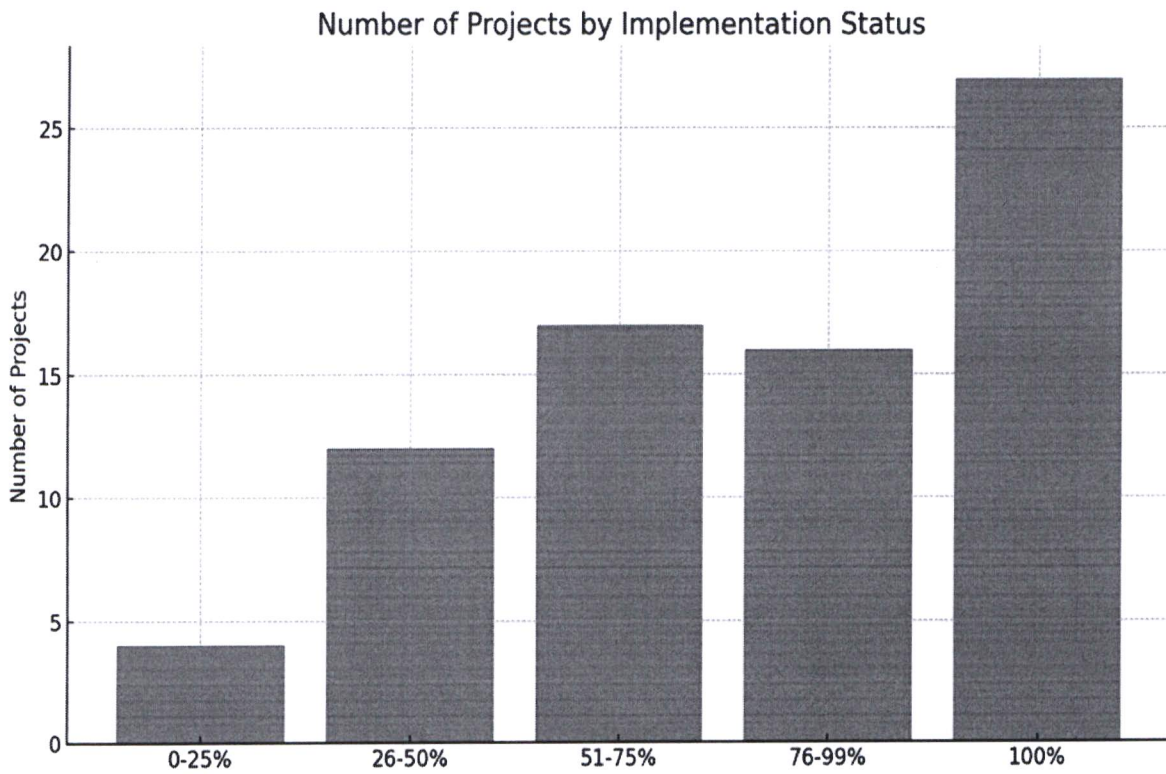
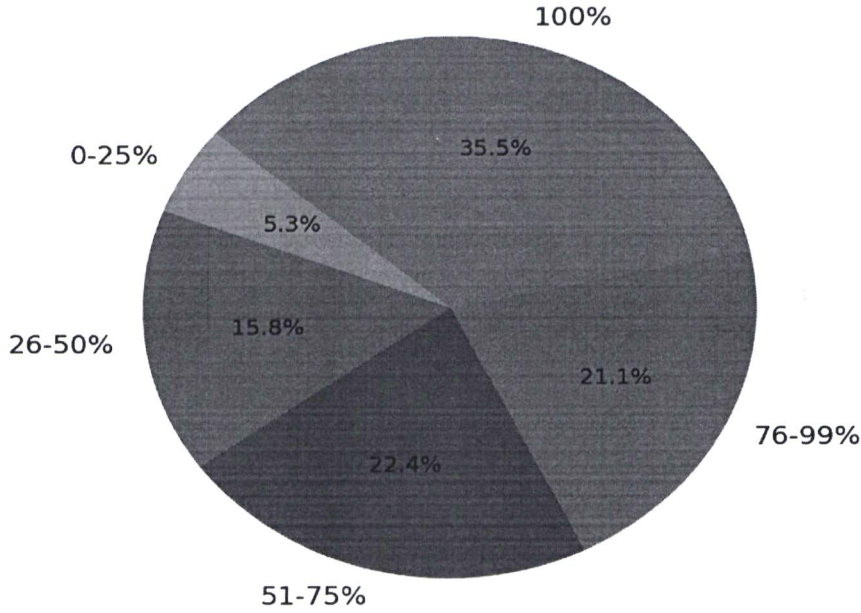
Additional Notes

- A robust partnership with local communities, CBOs, and sectoral departments has significantly improved project uptake and ownership.
- Ongoing efforts to improve contractor supervision and adherence to timelines are underway.

Equalization Fund Allocation by Sector (2024/2025)



Project Implementation Status as of 30th June 2025



8. Environmental and Sustainability Reporting

i) Sustainability Strategy and Profile

The West Pokot Equalization Fund Management, under the leadership of the County Technical committee recognizes sustainability as a key pillar in the delivery of equitable and impactful development. The Fund's sustainability strategy is aligned with national development goals, the Constitution of Kenya (2010), and the Sustainable Development Goals (SDGs), especially those focused on clean water and sanitation (Goal 6), good health and well-being (Goal 3), and sustainable infrastructure (Goal 9).

Key Considerations:

- **Macroeconomic trends:** Inflation, delays in national disbursements, and currency depreciation affected material costs and project timelines.
- **Political trends:** Devolution has promoted localized participation, aligning project selection with community priorities.
- **International Best Practices:** The Fund has adopted participatory development, inclusive planning, and transparency in procurement and implementation.
- **Achievements:** 64% average completion rate of projects; 100% implementation rate in over 25% of projects.
- **Shortcomings:** Delayed payments, logistical challenges in remote areas, and slow contractor delivery in some sectors.

ii) Environmental Performance

Environmental Policy:

The Equalization Fund operations are guided by the West Pokot County Environmental Policy 2021, which aligns with EMCA (Environmental Management and Coordination Act) and National Environmental Policy 2013.

Key Environmental Practices:

- **Project Screening:** Water and road projects undergo Environmental Impact Assessments (EIA) before commencement.
- **Biodiversity Management:** Water projects are designed to protect natural water catchments and avoid encroachment on ecologically sensitive zones.
- **Waste Management:** Construction waste is managed through site-level waste collection and controlled disposal in partnership with the County Environment Department.
- **Sustainable Energy:** Installation of solar-powered water systems in over 20 boreholes minimizes carbon footprint and promotes renewable energy.
- **Shortcomings:** Some remote sites lack formal waste management infrastructure, and not all contractors comply consistently with environmental mitigation measures.

iii) Employee Welfare

Hiring & Inclusivity:

- Recruitment adheres to Kenya's Employment Act and the Public Service Commission Guidelines.
- Policies promote fair recruitment, with deliberate inclusion of:
 - Marginalized communities
 - Youth and women
 - Persons with disabilities (PWDs)
- Gender ratio in project committees and technical teams is monitored to ensure balance.

Skills Development:

- Staff and field officers are trained in project management, community engagement, and environmental compliance.

Annual Report and Financial Statements for the year ended June 30, 2025

- Quarterly performance appraisals guide training, promotions, and rewards.

Occupational Health & Safety:

- The Fund complies with the Occupational Safety and Health Act (OSHA), 2007.
- Contractors are required to provide Personal Protective Equipment (PPE) and adhere to site safety protocols.
- Incident reporting and risk assessments are part of project monitoring.

iv) Marketplace Practices

a) Responsible Competition Practice:

- All tenders are floated through open national tendering in accordance with the Public Procurement and Asset Disposal Act.
- Anti-corruption declarations are signed by all bidders.
- No political involvement or favoritism is tolerated in project approvals or implementation.
- Transparency and fairness are promoted by involving ward committees, sub-county technical teams, and public barazas.

b) Responsible Supply Chain and Supplier Relations:

- Contracts are awarded competitively, with clear deliverables and timelines.
- The Fund has achieved a 30% AGPO (Access to Government Procurement Opportunities) compliance, targeting youth, women, and PWDs.
- Payment timelines are honored as per contract, although some delays due to Treasury disbursement affect settlement speed.

c) Responsible Marketing and Advertisement:

- Project updates and tender notices are published via County Website, Print Media, and Notice Boards in sub-counties wards and all relevant platforms as provided the law
- No exaggerated or misleading information is published; only verified progress is shared publicly.

d) Product Stewardship:

- All public infrastructure projects prioritize community safety, functionality, and durability.
- Water systems are designed for ease of maintenance, while health facilities are aligned with Ministry of Health standards.
- Projects are handed over through formal ceremonies and community trainings, ensuring that residents understand their use and maintenance

Annual Report and Financial Statements for the year ended June 30, 2025

9. Statement of Management Responsibilities

Section 167 of the Public Finance Management Act, 2012 and Sec 20 of the Public Finance Management (Equalisation Fund Administration) Regulations, 2021 requires that, at the end of each financial year, the Administrator of a County Fund shall prepare financial statements for the Fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board.

The Management of the County Equalisation Fund is responsible for the preparation and presentation of the Fund's financial statements, which give a true and fair view of the state of affairs of the Fund as at the end of the financial year ended on June 30, 2025. This responsibility includes: (i) maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; (ii) maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Fund; (iii) 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; (iv) safeguarding the assets of the Fund; (v) selecting and applying appropriate accounting policies; and (vi) making accounting estimates that are reasonable in the circumstances.

The Management of the County Equalisation Fund accepts responsibility for the Fund's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS), and in the manner required by the PFM Act, 2012 and Public Finance Management (Equalisation Fund Administration) Regulations, 2021. The Management of the Fund is of the opinion that the Fund's financial statements give a true and fair view of the state of the Fund's transactions during the financial year ended June 30, 2025, and of the Fund's financial position as at that date. The Management further confirms the completeness of the accounting records maintained for the Fund, which have been relied upon in the preparation of the Fund's financial statements as well as the adequacy of the systems of internal financial control.

In preparing the financial statements, the Management of the County Equalisation Fund has assessed the Fund's ability to continue as a going concern and nothing has come to the attention of the Management to indicate 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 Fund's financial statements were approved by the Management on 15/12/ 2025 and signed on its behalf by:



.....
Hon. Paul Woyakapel

CECM Finance and Economic Planning

REPUBLIC OF KENYA

Telephone: +254-(20) 3214000
Email: info@oagkenya.go.ke
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OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON WEST POKOT COUNTY EQUALIZATION FUND 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.

An Adverse Opinion is issued when the Auditor-General determines that the financial statements are materially misstated and are not fairly presented in accordance with the applicable financial reporting framework. The Report on the 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

Adverse Opinion

I have audited the accompanying financial statements of West Pokot County Equalization Fund set out on pages 1 to 34, which comprise of the statement of financial position as at 30 June, 2025, and the statement of statement of financial performance, statement of

Report of the Auditor-General on West Pokot County Equalization Fund for the year ended 30 June, 2025

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

In my opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of my report, the financial statements do not present fairly, in all material respects, the financial position of the West Pokot County Equalization Fund as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and do not comply with the Public Finance Management (Equalization Fund Administration) Regulations, 2021 and the Public Finance Management Act, 2012.

Basis for Adverse Opinion

1. Unaudited Comparative Opening Balances

The financial statements reflect comparative amounts and balances for the 2023/2024 financial year as opening balances for the 2024/2025 financial year. However, the corresponding financial statements for the year ended 30 June, 2024 were not submitted for audit. It was not possible to obtain sufficient appropriate audit evidence regarding these amounts and balances.

In the circumstances, the accuracy and completeness of the comparative information and the opening balances in the financial statements could not be confirmed.

2. Inaccuracies of the Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects original budget as appropriated in current year amount of Kshs.1,021,690,952. However, the amounts shown in this column instead represent balances brought forward from the total approved allocation from the 2023/2024 appropriation which remained unspent and was carried forward into the 2024/2025 financial year and no separate budget was appropriated for the 2024/2025 financial year.

In the circumstances, the accuracy and completeness of the statement of comparison of budget and actual amounts could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the West Pokot County Equalization Fund 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 adverse opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts indicates a final approved revenue budget of Kshs.1,021,690,952. However, actual revenue realized amounted to Kshs.586,561,741 resulting in an underfunding of Kshs.435,129,211 or 43% of the budgeted revenue. Similarly, statement reflects actual expenditure total of Kshs.586,561,741 against the budgeted amount of Kshs.1,021,690,952 resulting in an underutilization of Kshs.435,129,211 or 43% of the budget.

The revenue shortfall and underutilization may have negatively affected the Fund's ability to meet its financial obligations and delivery of services 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 Adverse Opinion, I have determined that there are no other key audit matters to communicate in my report.

Other Information

Management is responsible for the Other Information set out on page iv to xxi which comprise of Key Entity Information and Management, Governance Statement, Report of the County Executive Committee Member for Finance, Statement of Performance Against Predetermined Objectives, Corporate Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

In connection with my audit on the Fund's financial statements, my responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this Other Information and I am required to report that fact. Based on the audit procedures performed, because of the significance of the matters described in my Basis for Adverse Opinion, I confirm that the Other Information is materially inconsistent with the financial statements.

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, because of the significance of the matters discussed in the Basis for Adverse Opinion and the Basis for Conclusion on Lawfulness and Effectiveness in the Use of Public Resources sections of my report, I confirm that public resources have not been applied lawfully and in an effective way

Basis for Conclusion

1. Failure to Include Equalization Fund Conditional Grant in CARA

Review of documents revealed that although an allocation of Kshs.1,021,690,952 was approved by the Equalization Fund Advisory Board (EFAB) and disclosed in the County Finance Report as a conditional grant under the indirect model provided for in Article 204(3)(b), the allocation was not included in the County Allocation of Revenue Act (CARA) for the year under review. This was contrary to Section 190 of the Public Finance Management Act, 2012 which requires that conditional grants be disclosed in CARA before counties can appropriate and utilize the funds.

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

2. Lack of a Memorandum of Understanding (MoU) Between the National Treasury and West Pokot County on Management of the Fund

Review of documents revealed that The National Treasury, as administrator of the Equalization Fund, did not execute a Memorandum of Understanding (MoU) with the County Government of West Pokot on the Management of the amount of Kshs.1,021,690,952 conditional grant. This was contrary to Section 190 of the Public Finance Management Act, 2012 which requires clear terms and conditions to govern the administration of conditional grants. good fiduciary practice requires a formal agreement, such as an MoU, outlining roles, responsibilities, reporting obligations and Fund-Management protocols between the grant administrator and the beneficiary county.

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

3. Irregularities in Procurement Procedures

Review of sampled procurement records revealed that the Fund Management entered into contracts with various suppliers on contracts amounting to Kshs.99,502,020 before they accepted the intention to award. This was contrary to Section 87(2) of the Public Procurement and Assets Disposal Act, 2015 which provides that the successful bidder

shall signify in writing the acceptance of the award within the timeline specified in the notification of the award.

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

4. Projects Implementation Status Overview

Review of the implementation status revealed that out of seventy-six (76) projects initiated, only twenty-four (24) projects with a budget of Kshs.229,158,043 and contract sum of Kshs.209,368,477 were fully completed, with the entire amount certified. However, forty-four (44) projects remained ongoing with an approved budget of Kshs.700,533,009 and contract sum of Kshs.638,998,363, while only Kshs.377,593,012 certified to date, representing less than 60% of the contract sums. Further, eight (8) projects with an approved budget of Kshs.91,999,900 and contract sum of Kshs.75,033,723 had not yet been started.

Implementation Status	No. of projects	Approved Budget Kshs.	Contract Sum Kshs.	Amount Certified Kshs.
Fully Completed Projects	24	229,158,043	209,368,477	209,368,477
On-Going Projects	44	700,533,009	638,998,363	377,593,012
Projects not Started	8	91,999,900	75,033,723	-
Total	76	1,021,690,952	923,400,563	586,961,489

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

5. Implementation of Projects Without NEMA Approvals

Review of documents revealed that the Fund Management implemented twenty-two (22) Equalization Fund water and solar-powered borehole projects costing Kshs.263,086,686 out of which payments totaling Kshs.199,152,600 had been made, despite the absence of the required National Environment Management Authority (NEMA) approvals. This was contrary to the Environmental Management and Coordination Act (EMCA), 1999 (as amended), together with the Environmental (Impact Assessment and Audit) Regulations, 2003, which require that projects listed in the Second Schedule—including borehole drilling, water supply systems, and related infrastructure—undergo an Environmental Impact Assessment (EIA) and obtain EIA licenses from the National Environment Management Authority (NEMA) prior to commencement.

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

6. Project Management Failures and Financial Irregularities

The audit review of sixteen (16) projects, representing a total original contract value of Kshs.239,317,905, revealed failures in contract management, financial control and quality

assurance putting public funds at risk and resulted in the delivery of substandard or non-functional projects as detailed below:

6.1 Failure in Site Supervision and Contract Administration

The contracts for construction of a dormitory and fence at Nakuyen Girls Primary School at a contract sum of Kshs.10,121,696, the modern female ward at Orolwo Dispensary at a contract sum of Kshs.18,205,144 and the Karameri borehole solar installation at a contract sum of Kshs.13,806,957 were all found with lapsed contract dates and no documented approvals for time extensions. Physical site inspection confirmed these sites were abandoned with no contractor present, indicating a breach of contractual obligations. Similarly, the construction of the paediatric Ward at Kacheliba Sub-County Hospital at a contract sum of Kshs.9,995,248 also had a lapsed end date with evidence of extension approvals.

In the circumstances, the value for money on projects implemented under contracts costing Kshs.53,129,044 could not be confirmed.

6.2 Non-Compliance with Technical Specifications

Audit review revealed non-compliance with technical specifications in projects cumulatively costing Kshs.52,021,172. The construction of the pediatric ward at Kacheliba Sub-County Hospital at a contract sum of Kshs.9,995,248 and the construction of Tamkal Health Centre at a contract sum of Kshs.34,015,295 both showed the identical defect of installing plastic medical sinks instead of the specified stainless-steel units. Further, physical inspection of projects including the girls' dormitory at Nakuyen Primary School at a contract sum of Kshs.10,121,696, the modern OPD at Orolwo dispensary at a contract sum of Kshs.18,205,144 and the proposed female ward at Chepkobegh dispensary at a contract sum of Kshs.9,020,332 revealed substandard construction, poor finishing and other critical omissions.

In the circumstances, Management failed to ensure adherence to the bill of quantities, leading to poor workmanship that compromised the quality, functionality and safety of the facilities.

6.3 Duplicate Payments and Overcharging

Review of documents and physical inspections revealed financial irregularities in solar water projects, involving certified payments totaling Kshs.20,457,122. Duplicate billing was identified where contractors received payments for the repeated line item "Supply, deliver to site and install matching solar disconnect switch" within a single bill. The improper payments certified were: Karameri borehole by Kshs.1,890,000, solar installation at Lodony borehole by Kshs.1,468,000, upgrading of Lolebon borehole by Kshs.2,378,256 and solar installation at Cheptuyu borehole by Kshs.2,019,350 all totalling to Kshs. 7,755,606. Further, payment of Kshs.2,323,300 was certified for an over-quoted cattle trough at Lodony and the certification of Kshs.10,379,216 for the opening of the Mikoyo-Lowaspei-Apuke road where no works were done.

In the circumstances, there was risk of duplicate payments, over-quotation and payment for unexecuted works.

6.4 Under-Delivery on Contractual Scope

Review of documents and physical site inspection revealed that the solar pump installation at Lodony at a contract sum of Kshs.12,811,382, the borehole works at Srumben at a contract sum of Kshs.13,536,568 and the upgrading of Lolebon borehole at a contract sum of Kshs.9,083,219 all failed to install the full set of 24 solar panels, delivering 15, 15, and 10 panels respectively with no supporting variation approvals. The resulting variations were not approved.

This represents a shortfall in the delivered works for which full payments were being processed.

6.5 Non-Utilization of Completed Projects

Physical site inspection revealed non-utilization of three completed projects, representing a total certified expenditure of Kshs.31,260,453. Despite full payment, the proposed female ward at Chepkobegh dispensary at a contract sum of Kshs.9,020,332, the Kamketo Dispensary staff houses and latrines at a contract sum of Kshs.12,256,521 and the extended Toghomo water project to Chepsoulo at a contract sum of Kshs.9,263,100 are all non-operational due to missing equipment, omitted fixtures, or an inability to verify value.

In the circumstance, the value for money on the funds incurred on the projects could not be confirmed.

6.6 Lapsed Contracts Not Extended

Audit review revealed failure in contract administration, with 31 projects, representing a total original contract value of Kshs.431,787,841, incomplete beyond their stipulated completion dates without any documented evidence of formally approved time extensions.

In the circumstances, Management failed to control the contractors and value for money may not be realized on the incomplete projects.

6.7 Functional Deficiencies in Water Projects

Review of six major water projects, with a combined approved budget of Kshs.184,525,000 revealed that a total of Kshs.68,395,263 was disbursed for these projects, yet only two, the Tamarukwo borehole at a contract sum of Kshs.2,494,956 and Kaptarin Secondary School borehole at a contract sum of Kshs.2,453,196 in Kapenguria, were confirmed as fully operational. The remaining four projects, were non-functional. The Kopro-Weiwei water project where Kshs.38,344,275 was spent had incomplete

pipelines with no water flow. The multi-borehole project in Kacheliba where Kshs.13,065,986 was spent had a non-functional well at the inspected Kiwawa site. The Pusol water project at Kshs.9,773,662 had constructed tanks and pipes but holds no water due to intake blockages. The Konyao Centre borehole where Kshs.2,263,188 was spent exists but yields no water.

In the circumstances, the value for money on Kshs.63,446,121 out of the Kshs.68,395,263 disbursed could not be confirmed.

7. Non-Remittance of Public Procurement Capacity Building Levy

Review of documents revealed that Management did not deduct and remit the public procurement capacity building levy. This was contrary to Paragraph 3(1) of Legal Notice 206 of the Levy Order 2023 which provides that there shall be paid a levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015 and based on the audit procedures performed, because of the significance of the matters discussed in the Basis for Adverse Opinion, I confirm that internal controls, risk management and governance were not effective.

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual

Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

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

Auditor-General's Responsibilities for the Audit


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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I

consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1) a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

16 December, 2025

11. Statement of Financial Performance for the year ended 30 June 2025

Description	Note	FY 2024 -2025	FY 2023 -2024
		Kshs	Kshs
Revenue from Non-Exchange Transactions			
Transfers from Equalisation fund	5	-	1,021,690,952
Total Revenue		-	1,021,690,952
Expenditure			
Use of goods and services	6	177,091,224	409,870,264
Total Expenditure		177,091,224	409,870,264
Surplus/(deficit) for the Period		(177,091,224)	611,820,688

The notes set out on pages 13 to 15 form an integral part of these Financial Statements. The Financial Statements set out on pages 1 to 5 were signed by:



Name: Paul Woyakapel

CECM-Finance

Date

15/12/2025



Name: Haron Muruny

Fund Accountant

ICPAK M/No: 26158

Date

15/12/2025

12. Statement of Financial Position as at 30th June 2025

Description	Note	FY 2024 -2025	FY 2023 -2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	7	45,814,424	-
Receivables non-exchange transactions	8	435,129,211	1,021,690,952
Total Assets (A)		480,943,635	1,021,690,952
Liabilities			
Current Liabilities			
Retention	9	44,152,571	-
Accounts Payables	10	2,061,600	409,870,264
Total Liabilities (B)		46,214,171	409,870,264
Net Assets (A-B)		434,729,464	611,820,688
Represented by:			
Accumulated Surplus		434,729,464	611,820,688
Net Assets		434,729,464	611,820,688

The financial statements set out on pages 1 to 4 were signed by:



Name: Paul Woyakapel

CECM-Finance

Date 15/12/2025



Name: Haron Muruny

Fund Accountant

ICPAK M/No: 26158

Date 15/12/2025

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

Description	Accumulated surplus
	Kshs
Prior Year	
Balance As At 1 July 2023	-
Surplus/(Deficit) For the Period	611,820,688
Balance As At 30 June 2023	611,820,688
Current Year	
Balance As At 1 July 2024	611,820,688
Surplus/(Deficit) For the Period	(177,091,224)
Balance As At 30th June 2025	434,729,464

14. Statement of Cash Flows for the year ended 30 June 2025

Description	Note	FY 2024 - 2025	FY 2023 - 2024
		Kshs	Kshs
Cash flows from operating Activities			
Receipts			
Receipt from Equalisation Fund		586,561,741	-
Total Receipts		586,561,741	-
Payments			
Use of goods and services		540,747,317	-
Net cash flows (to)/from operating activities (a)	11	45,814,424	-
Cash flows from investments			
Net cash flows (to)/from investing activities (b)			
Cash flows from financing			
Net cash flows (to)/from financing activities (c)			
Movement in cash and cash equivalents			
Net increase/ decrease in cash and cash equivalents. (d) = (a) + (b) +(c)		<u>45,814,424</u>	
Cash and cash equivalents at the beginning of the year	7	-	-
Cash and cash equivalents at the end of the Period Ended 30th June 2025	7	<u>45,814,424</u>	-

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

Description	Original budget(s)	Balance from Previous Years	Final budget of Total funds appropriated	Actual on comparable basis	Performance difference	% of utilization
	As Appropriated in current Year					
	Kshs	Kshs	Kshs	Kshs	Kshs	
Revenue	a	b	c=(a+b)	d	e=(c-d)	f=d/c*100
Transfers from EQF	1,021,690,952	-	1,021,690,952	586,561,741	435,129,211	57%
Expenses			-			
Road projects	473,071,658	-	473,071,658	225,838,301	247,233,357	48%
Water project	306,572,821	-	306,572,821	200,814,199	105,758,622	66%
Health facilities	231,723,854	-	231,723,854	154,156,627	77,567,227	67%
Energy	-	-	-	-	-	
Education facilities	10,322,619	-	10,322,619	5,752,614	4,570,005	56%
Total Expenditure	1,021,690,952	-	1,021,690,952	586,561,741	435,129,211	57%
Surplus/Deficit	-	-	-	-		

Reconciliation table

	Operating	Financing	Investing	Total
Actual amounts on comparable basis presented in the budget and actual comparative statement	-	-	-	-
Classification Differences				
Deposits and Retentions	44,152,571			44,152,571
Closing Bank Balances for FY 2023 2024				-
Special Purpose Account	1,661,853			1,661,853
Actual in the statement of cashflows	45,814,424	-	-	45,814,424

Budget notes

1. **Total Expenditure of (57%):** Low absorption is due to non-disbursement of funds from Equalization fund.

16. Notes to the Financial Statements

1. Statement of Compliance and Basis of Preparation

The County Equalisation Fund Financial Statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS). The Financial Statements are presented in Kenya shillings, which is the functional and reporting currency of the Fund. The accounting policies have been consistently applied to all the years presented. The Financial Statements have been prepared on the basis of historical cost, unless stated otherwise. The cash flow statement is prepared using the indirect method. The Financial Statements are prepared on the accrual basis.

2. Adoption of New and Revised Standards

- i) *New and amended standards and interpretations in issue effective in the year ended 30 June 2024.*

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.

Annual Report and Financial Statements for the year ended June 30, 2025.

Standard	Effective date and impact:
IPSAS 45- Property Plant and Equipment	<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>
IPSAS 46 Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS; iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47- Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>

Annual Report and Financial Statements for the year ended June 30, 2025.

Standard	Effective date and impact:
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.

iii) Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption and impact on entity's financial statements.)*

3. 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 recognised upon submission and approval of the payment request by the transferring agency (Equalisation Fund).

b) Certified Works

Certified works are recognized when the works can be measured reliably and/ or when certificates of work done are received and approved by the Equalisation Fund.

c) Budget information

The Appropriation Act for the FY was passed by Parliament. The allocation shall continue in force until all projects identified are completed.

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. Included in the budget statement are balances of appropriations from previous years, not yet disbursed.

d) 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. 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 Fund measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

i) Financial assets

Classification of financial assets

The Fund 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

Annual Report and Financial Statements for the year ended June 30, 2025.

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

ii) Financial liabilities

Classification

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

e) Changes in accounting policies and estimates

The Fund recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

f) Related parties

The Fund 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 Fund, or vice versa. Members of key management of the Fund are regarded as related parties.

g) Cash and cash equivalents.

Cash and cash equivalents comprise cash on hand and cash at bank. Bank account balances include amounts held at the Central Bank of Kenya special purpose account and the deposit account at the end of the financial year.

h) Comparative figures

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

i) 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, 20xx.

4. Significant Judgments and Sources of Estimation Uncertainty

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

State all judgements, 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 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.

5. Transfers from Equalisation Fund

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
Transfers for roads		473,071,658
Transfers for water projects		306,572,821
Transfers for health facilities		231,723,854
Transfers for education facilities		10,322,619
Total	-	1,021,690,952

6. Use of Goods and Services

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
Certified works for roads	89,417,421	136,420,880
Certified works for water project	52,760,296	148,453,904
Certified works for health facilities	34,913,507	119,242,866
Certified works for education facilities		5,752,614
Total	177,091,224	409,870,264

7. Cash and Cash Equivalents

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
Special Purpose Account	1,661,853	-
Deposit Account	44,152,571	-
Total Cash and cash equivalents	45,814,424	-

8. Receivables from non-exchange transactions

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
Receivables from Equalisation Fund	435,129,211	1,021,690,952
Total receivables	435,129,211	1,021,690,952

Ageing analysis for Receivables from non-exchange transactions

Description	FY 2024 - 2025		FY 2023 - 2024	
	Kshs		Kshs	
	FY 2024 - 2025	% of the total	FY 2023 2024	% of the total
Less than 1 year	-	-	1,021,690,952	100%
Between 1- 2 years	435,129,211	100%	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	435,129,211	100%	1,021,690,952	100%

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9. Retention

Description	FY 2024 - 2025		FY 2023 - 2024	
	Kshs		Kshs	
Retention monies	44,152,571		-	
Total retention money	44,152,571		-	
Ageing analysis:	FY 2024 - 2025	% of the Total	FY 2023 - 2024	% of the Total
Under one year	44,152,571	100%	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	44,152,571	100%	-	-

10. Accounts Payables

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
Accounts Payables	2,061,600	409,870,264
Total receivables	2,061,600	409,870,264

Ageing analysis for Accounts Payables

Description	FY 2024 - 2025		FY 2023 - 2024	
	Kshs		Kshs	
	FY 2024 - 2025	% of the total	FY 2023 2024	% of the total
Less than 1 year			409,870,264	100%
Between 1- 2 years	2,061,600	100%	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	2,061,600	100%	409,870,264	100%

11. Cash Generated from Operations

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
Surplus for the year before tax	(177,091,224)	611,820,688
Adjusted for:		
Working capital adjustments		
Increase/Decrease in Receivables	586,561,741	(611,820,688)
Increase in payables (Retention)	44,152,571	-
Increase in Accounts Payables	(407,808,664)	
Net cash flow from operating activities	45,814,424	-

12. Financial Risk Management

The Fund'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 fund does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The fund's financial risk management objectives and policies are detailed below:

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, as well as receivables. 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 of the value of any collateral obtained is made up as follows:

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 Fund's management, 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

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contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

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) 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 the surplus or deficit of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

iv) Capital Risk Management

The objective of the Fund'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:

13. Related Party Disclosures

a) Nature of related party relationships

Entities and other parties related to the corporation include those parties who have ability to exercise control or exercise significant influence over its operating and financial decisions.

Related parties include management personnel, their associates and close family members.

b) County Government of West Pokot

The county Government of West Pokot is the principal shareholder of the *Entity*, holding 100% of the *Entity's* equity interest. The County Government has provided full guarantees to all long-term lenders of the entity.

c) Other related parties include:

- i) The Parent Department.
- ii) County Governments
- iii) Other County Corporations

iv) Key management.

d) Transactions with related parties

Description	FY 2024 2025	FY 2023 2024
	Kshs	Kshs
a) Grants /transfers from the government		
Grants from EF	586,561,741	-
Grants from other levels of Government	-	
Donations in kind	-	-
Total	586,561,741	-

14. Contingent Assets and Contingent Liabilities

The fund has no contingent assets nor liabilities

15. Events after the Reporting Period

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

16. Ultimate And Holding Entity

The Entity is a Fund under the Department of Finance and Economic Planning. Its ultimate parent is the County Government of West Pokot.

17. Currency

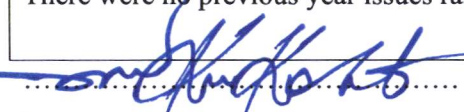
The financial statements are presented in Kenya Shillings (Kshs) rounded to the nearest Kshs.

17. Appendices

Appendix 1: Implementation Status of Auditor General's Recommendations

The following is the summary of issues raised by the external auditor and management comments that were provided to the auditor.

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)
There were no previous year issues raised by the external auditor.				



Hon. Paul Woyakapel

County Executive Committee Member for Finance

Date: 15/12/2025

Appendix II: Projects Implementation Status Report.

S/No.	Project Name (A)	Sector(B)	Constituency (C)	Ward (D)	Approved Budget/total allocation (E)	Contract Sum (F)	Amount certified (G)	Amount Paid (H)	Payable amount	% Status of implementation (J)
									I=(G-H)	
1	INTAKE CONSTRUCTION AND WATER SUPPLY FROM OKILIN-NAURORO-LOKITELEUYAN-NAPIS VILLAGE	Water	Kacheliba	Alale	10,000,000.00	9,426,320.10	3,395,900.00	3,395,900.00	6,030,420.10	36%
2	BOREHOLES DRILLING AND SOLAR INSTALLATION AT POMOT AND NAKWAILAP VILLAGE AND DISTRIBUTIONS	Water	Kacheliba	Alale	17,383,221.00	16,317,161.00	16,317,161.00	16,317,161.00	-	100%
3	SOLAR PUMP INSTALLATION AT LODONY AND INSTALLATION OF ELEVATED PRESSED STEEL TANK AND DISTRIBUTION TO KONYAO TOWN AND NEARBY VILLAGES	Water	Kacheliba	Kapchok	17,871,435.00	12,811,382.00	5,729,571.00	5,729,571.00	7,081,811.00	45%
4	DRILLING OF KAMKETO CENTRE BOREHOLE, SOLAR INSTALLATION AND DISTRIBUTION TO KAMKETO DISPENSARY, KAMKETO GIRL SECONDARY	Water	Kacheliba	Kasei	10,000,000.00	8,701,800.60	7,069,220.00	7,069,220.00	1,632,580.60	81%

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5	DRILLING OF BOREHOLE AND INSTALLATION OF SOLAR POWER AT KAURIIONG AND SUPPLY TO KAURIIONG PRIMARY AND KAURIIONG DISPENSARY	Water	Kacheliba	Kiwawa	10,000,000.00	8,108,320.00	6,461,350.00	6,461,350.00	1,646,970.00	80%
6	KARAMERI BOREHOLE INSTALLATION OF SOLAR POWER AND PIPING IT TO KARAMERI MARKET, DISPENSARY AND PRIMARY SCHOOL	Water	Kacheliba	Kodich	14,499,723.00	13,806,957.00	6,810,072.00	6,810,072.00	6,996,885.00	49%
7	WATER EXTENSION AND PIPING FROM KANYERUS TO MORLEM CENTRE, NGENGECH PRIMARY SCHOOL, KOPULIO CENTRE AND KOMOLEI CENTRE	Water	Kacheliba	Suam	14,528,821.00	13,002,530.00	13,002,530.00	13,002,530.00	-	100%
8	CONSTRUCTION OF WATER INTAKE AT SEROR AND PIPING TO PTOYO SECONDARY, PRIMARY, HEALTH CENTRE AND PTOYO TRADING CENTRE	Water	Kapenguria	Endugh	10,000,000.00	9,877,662.00	9,877,662.00	9,877,662.00	-	100%
9	DRILLING AND SOLAR INSTALLATION AT KANYARKWAT MIXED SECONDARY SCHOOL	Water	Kapenguria	Riwo	10,000,000.00	9,808,931.00	7,933,048.00	7,933,048.00	1,875,883.00	81%
10	DRILLING OF SIMOTWO BOREHOLE AND INSTALLATION OF SOLAR POWER AND DISTRIBUTION TO NEARBY VILLAGES	Water	Kapenguria	Riwo	10,000,000.00	8,606,266.00	7,096,051.65	7,096,051.65	1,510,214.35	82%

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11	DRILLING OF MISKWONY BOREHOLE , INSTALLATION OF SOLAR POWER AND DISTRIBUTION	Water	Kapenguria	Riwo	10,000,000.00	8,227,065.80	5,379,845.90	5,379,845.90	2,847,219.90	65%
12	DRILLING OF BOREHOLE AND SOLAR INSTALLATION AT TAMUGH HEALTH CENTRE AND DISTRIBUTION TO JERUSALEM GIRLS	Water	Kapenguria	Sook	10,000,000.00	9,321,927.00	6,918,110.00	6,918,110.00	2,403,817.00	74%
13	CONSTRUCTION OF INTAKE AND PIPING OF PARUA-ORTUM WATER PROJECT	Water	Pokot South	Batei	47,770,391.00	46,284,900.00	42,030,350.00	39,968,750.00	6,316,150.00	91%
14	DRILLING OF INSTALLATION OF SOLAR POWER AT MOKONGWO (CHEPTIANGWA SUB-LOCATION) AND DISTRIBUTION	Water	Pokot South	Chepareria	10,000,000.00	9,604,560.00	8,075,972.00	8,075,972.00	1,528,588.00	84%
15	DRILLING OF BOREHOLE AND INSTALLATION OF SOLAR POWER AT MONGORION PRIMARY SCHOOLS AND DISTRIBUTION TO MONGORION CENTRE	Water	Pokot South	Chepareria	10,000,000.00	9,177,080.00	6,840,800.00	6,840,800.00	2,336,280.00	75%
16	EXTENSION AND DISTRIBUTION OF TOGHOMO WATER PROJECT TO CHEPSOULO	Water	Sigor	Lomut	10,158,520.00	9,263,100.00	9,263,100.00	9,263,100.00	-	100%

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17	DRILLING OF BOREHOLE AND INSTALLATION OF SOLAR POWER, INSTALLATION OF ELEVATED PRESSED STEEL TANK AND WATER DISTRIBUTION AT SRUMBEN HEALTH CENTER AND SRUMBEN PRIMARY SCHOOL	Water	Sigor	Masool	14,310,710.00	13,536,568.00	11,472,276.00	11,472,276.00	2,064,292.00	85%
18	DRILLING OF BORE HOLE, SOLAR POWER INSTALLATION AND DISTRIBUTION AT KAMBI KARAYA	Water	Sigor	Sekerr	10,000,000.00	8,750,000.00	6,537,913.00	6,537,913.00	2,212,087.00	75%
19	SIGOR GRAVITY PROJECT WATER SUPPLY	Water	Sigor	Weiwei	10,000,000.00	9,995,935.00	3,764,075.00	3,764,075.00	6,231,860.00	38%
20	CONSTRUCTION OF KAURIONG HEALTH CENTRE (LEVEL 3)	Health	Kacheliba	Kiwawa	27,886,402.00	26,983,600.00	26,983,600.00	26,983,600.00	-	100%
21	CONSTRUCTION OF FOUR STAFF HOUSES AND VIP LATRINES, SEPTIC TANK, FEMALE WARD, SOLAR POWER SUPPLY AT SRUMBEN HEALTH CENTRE	Health	Sigor	Masol	28,171,015.00	24,262,376.70	15,185,641.20	15,185,641.20	9,076,735.50	63%
22	CONSTRUCTION OF KAMKETO DISPENSARY, TWIN STAFF HOUSES, VIP LATRINES AND FENCING	Health	Kacheliba	Kasei	13,500,000.00	12,567,521.20	12,567,521.20	12,567,521.20	-	100%
23	CONSTRUCTION OF RITING DISPENSARY, TWIN STAFF HOUSE AND VIP LATRINE IN KOSITEI LOCATION	Health	Kacheliba	Kodich	12,000,000.00	11,734,200.40	5,069,339.20	5,069,339.20	6,664,861.20	43%

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24	CONSTRUCTION OF MODERN OPD , FEMALE WARD AND FENCING OROLWO DISPENSARY	Health	Kacheliba	Suam	20,000,000.00	18,205,144.40	4,951,924.00	4,951,924.00	13,253,220.40	27%
25	CONSTRUCTION OF PEDRIARIC WARD AT KACHELIBA SUB COUNTY HOSPITAL	Health	Kacheliba	Suam	10,000,000.00	9,995,147.60	4,242,004.00	4,242,004.00	5,753,143.60	42%
26	CONSTRUCTION OF OPD AT SEREWU DISPENSARY	Health	Kapenguria	Riwo	10,000,000.00	9,316,453.00	9,316,453.00	9,316,453.00	-	100%
27	CONSTRUCTION OF FEMALE WARD AT CHEPKOBEGH DISPENSARY	Health	Pokot South	Chepareria	10,076,028.00	9,020,332.80	5,747,800.00	5,747,800.00	3,272,532.80	64%
28	CONSTRUCTION OF MATERNITY WING AND STAFF HOUSES AT WAKOR DISPENSARY	Health	Sigor	Weiwei	13,028,799.00	12,319,040.00	3,211,576.00	3,211,576.00	9,107,464.00	26%
29	EQUIPPING OF KANYARKWAT HEALTH CENTRE	Health	Kapenguria	Riwo	10,000,000.00	9,804,000.00	9,804,000.00	9,804,000.00	-	100%
30	EQUIPPING OF SIGOR SUB-COUNTY HOSPITAL	Health	Sigor	Weiwei	10,161,610.00	7,223,100.00	7,223,100.00	7,223,100.00	-	100%
31	OPENING OF MIKOYO-LOWASPEI-APUKE	Road	Kacheliba	Alale	32,000,000.00	30,097,072.00	10,379,216.00	10,379,216.00	19,717,856.00	34%
32	GRADING AND GRAVELLING OF LOKITALAUAYAN-KAMERIS-NARUORA ROAD	Road	Kacheliba	Alale	10,000,000.00	8,850,000.00	6,109,539.05	6,109,539.05	2,740,460.95	69%
33	OPENING, GRADING AND GRAVELLING OF KASEI-ROMOS ROAD	Road	Kacheliba	Kasei	10,000,000.00	9,193,023.20	9,193,023.20	9,193,023.20	-	100%
34	OPENING OF CHELOPOY-TARAKIT ROAD	Road	Kacheliba	Kiwawa	10,000,000.00	9,556,080.00	9,556,080.00	9,556,080.00	-	100%

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35	GRADING, GRAVELLING AND STRUCTURES INSTALLATION OF ALKOK-KATUMKALE ROAD	Road	Kacheliba	Kiwawa	10,000,000.00	9,429,338.90	9,429,338.90	9,429,338.90	-	100%
36	GRADING, GRAVELLING AND STRUCTURE INSTALLATION OF AROL-LOKII ROAD	Road	Kacheliba	Kodich	10,000,000.00	9,099,385.70	9,099,385.70	9,099,385.70	-	100%
37	OPENING, GRADING AND GRAVELLING OF KATIKOMOR-MORLEM-LOKALES SECURITY ROAD	Road	Kacheliba	Suam	10,000,000.00	8,887,920.00	8,887,920.00	8,887,920.00	-	100%
38	OPENING OF TURKWEL-KARON-LOKEKE-KAMUGOGON SECURITY ROAD	Road	Kapenguria	Endugh	11,322,718.00	10,699,308.50	10,699,308.50	10,699,308.50	-	100%
39	GRADING AND GRAVELLING OF SROO FOREST-KETIAM-PTOYO ROAD	Road	Kapenguria	Endugh	10,000,000.00	8,600,000.00	6,019,994.75	6,019,994.75	2,580,005.25	70%
40	GRADING, GRAVELLING AND INSTALLATION OF KAPKORIS-EMBOASIS ROAD	Road	Kapenguria	Kapenguria	17,951,598.00	14,992,000.00	10,574,760.00	10,574,760.00	4,417,240.00	71%
41	GRADING AND GRAVELLING OF CHEPNYAL-MONGIT ROAD	Road	Kapenguria	Sook	10,000,000.00	9,974,097.05	4,271,120.00	4,271,120.00	5,702,977.05	43%
42	OPENING, GRADING, GRAVELLING AND STRUCTURES INSTALLATION OF SIMAT-PKOROW-TOKISOM-PSAPAI ROAD	Road	Kapenguria	Sook	24,105,306.00	20,178,712.00	8,071,484.40	8,071,484.40	12,107,227.60	40%
43	OPENING AND GRAVELLING OF CHEPKONDOL-MESHAU-KAPTUM ROAD	Road	Pokot South	Lelan	6,231,705.00	5,806,380.00	4,753,738.00	4,753,738.00	1,052,642.00	82%

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44	OPENING, GRAVELLING AND STRUCTURE INSTALLATION MWOTOT-CHEMORIL-TORION ROAD	Road	Pokot South	Tapach	25,928,862.00	22,562,000.00	14,587,127.10	14,587,127.10	7,974,872.90	65%
45	OPENING OF KAPORO-CHORWA ROAD	Road	Sigor	Sekerr	29,808,546.00	28,048,204.00	13,240,936.00	13,240,936.00	14,807,268.00	47%
46	GRADING, GRAVELLING AND STRUCTURE INSTALLATION OF MARINY-CHEPKONDOL-CHEPTEM ROAD	Road	Sigor	Sekerr	10,000,000.00	9,890,332.00	9,890,332.00	9,890,332.00	-	100%
47	OPENING OF TOO SESEN-KAMKETO ROAD	Road	Kacheliba	Kasei	10,000,000.00	9,067,580.10	6,183,264.00	6,183,264.00	2,884,316.10	68%
48	EQUIPPING OF KAMKETO DISPENSARY	Health	Kacheliba	Kasei	1,500,000.00	1,495,000.00	1,495,000.00	1,495,000.00	-	100%
49	EQUIPPING OF KURER DISPENSARY	Health	Kacheliba	Alale	1,000,000.00	998,200.00	998,200.00	998,200.00	-	100%
50	EQUIPPING OF SRUMBEN DISPENSARY	Health	Sigor	Masol	3,000,000.00	2,998,500.00	2,998,500.00	2,998,500.00	-	100%
51	EQUIPPING OF RITING DISPENSARY IN ENDOUGH WARD	Health	Kapenguria	Endough	1,000,000.00	998,000.00	998,000.00	998,000.00	-	100%
52	EQUIPPING OF SEREWO DISPENSARY	Health	Kapenguria	Riwo	2,000,000.00	1,990,000.00	1,990,000.00	1,990,000.00	-	100%
53	EQUIPPING OF CHEPKOPEGH DISPENSARY FEMALE WARD	Health	Pokot South	Chepareria	1,400,000.00	1,395,950.00	1,395,950.00	1,395,950.00	-	100%
54	CONSTRUCTION OF TAMKAL HEALTH CENTRE (LEVEL 3)	Health	Sigor	Weiwei	35,000,000.00	34,015,294.80	25,747,406.40	25,747,406.40	8,267,888.40	76%

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55	EQUIPPING WITH SOLAR FRIDGES, CUPBOARDS, CHAIRS, PATIENT'S BES, EXAMINATION COACHES AND TABLES OF MTEMBUR, KAMAYECH, KITALALKAPEL, CHEMAKEU, CHEPOTARAMA, AUSUKUYON AND MISKWONY DISPENSARIES	Health	Kapenguria	Riwo	10,000,000.00	9,066,444.00	9,066,444.00	9,066,444.00	-	100%
56	CONSTRUCTION OF NAKUYEN PRIMARY GIRLS DOMITORY AND FENCING	Education	Kacheliba	Suam	10,322,619.00	10,121,696.00	5,752,614.00	5,752,614.00	4,369,082.00	57%
57	CONSTRUCTION OF KURER DISPENSARY, TWIN STAFF HOUSE, VIP LATRINE AND FENCING	Health	Kacheliba	Alale	12,000,000.00	10,775,783.20	5,164,168.05	5,164,168.05	5,611,615.15	48%
58	PROPOSED INSTALLATION OF SOLAR POWER AT AKIRIAMET, CHEMUMA AND KATUMWOK BOREHOLES	Water	Kapenguria	Riwo	10,000,000.00	9,431,001.60	6,446,619.00	6,446,619.00	2,984,382.60	68%
59	UPGRADING OF LOLEBON BOREHOLE TO SOLAR AND PIPING TO NEARBY VILLAGES	Water	Kacheliba	Alale	10,050,000.00	9,083,219.00	4,417,746.00	4,417,746.00	4,665,473.00	49%
60	SOLAR INSTALLATION OF CHEPTUYU AND BOREHOLE AND DISTRIBUTION TO NAMURUI AND CHEPTUYU VILLAGES	Water	Kapenguria	Endugh	10,000,000.00	9,943,999.40	6,374,827.00	6,374,827.00	3,569,172.40	64%
61	PROPOSED OPENING, GRADING AND GRAVELLING OF HOLY TRINITY -KASARANI-LOKORNOI ROAD	Road	Kapenguria	Riwo	10,000,000.00	8,729,468.00	4,531,234.70	4,531,234.70	4,198,233.30	52%

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62	PROPOSED OPENING, GRADING AND GRAVELLING OF KANYARKWAT -TRANZOLA BORDER-KATKOMOR ROAD	Road	Kapenguria	Riwo	10,000,000.00	9,260,718.40	4,609,458.95	4,609,458.95	4,651,259.45	50%
63	PROPOSED GRADING AND GRAVELLING OF KERINGET - CHEPTUYA -KAPTAREN ROAD	Road	Kapenguria	Mnagei	10,429,262.00	9,000,050.00	7,074,882.70	7,074,882.70	1,925,167.30	79%
64	PROPOSED OPENING, GRADING AND GRAVELLING OF TAPOYO-MOKOWON -PLELAKAN - CHEPTIANGWA ROAD	Road	Pokot South	Chepareria	10,000,000.00	8,896,793.00	3,235,262.05	3,235,262.05	5,661,530.95	36%
65	PROPOSED OPENING, GRADING OF TOMPUL CHEPTRAM KRIICH ROAD	Road	Kapenguria	Endugh	15,000,000.00	13,060,496.00	4,304,454.70	4,304,454.70	8,756,041.30	33%
66	PROPOSED OPENING, GRAVELLING AND STRUCTURE INSTALLATION OF KOSUKWO-SAKAT-CHEMURLOKOTYO-RITIT ROAD	Road	Sigor	Lomut	73,977,010.00	68,052,100.00	35,043,600.00	35,043,600.00	33,008,500.00	51%
67	PROPOSED OPENING OF SIMOTWO-KAPOMBICH ROAD	Road	Kapenguria	Riwo	14,316,751.00	9,315,867.20	9,315,867.20	9,315,867.20	-	100%
68	PROPOSED OPENING, GRADING AND GRAVELLING OF CHEPTIANGWA KAPSINIA CHEMOTONG ROAD	Road	Pokot South	Chepareria	10,000,000.00	8,747,444.00	6,776,720.00	6,776,720.00	1,970,724.00	77%
69	SOLAR INSTALLATION OF FATHER LEO GIRL'S BOREHOLE AND DISTRIBUTION TO THE SCHOOL AND NEARBY VILLAGE	Water	Sigor	Weiwei	10,000,000.00	-	-	-	-	-

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70	CONSTRUCTION OF INTAKE AT PSAPAI AND GRAVITY WATER SUPPLY TO SIMAT DISPENSARY	Water	Kapenguria	Sook	10,000,000.00	9,700,000.00	-	-	9,700,000.00	0%
71	CONSTRUCTION OF BOX CULVERT, GRADING AND GRAVELLING OF KANISA MBILI SENETWO ROAD	Road	Pokot South	Chepareria	13,814,081.00	12,207,271.60	-	-	12,207,271.60	0%
72	GRADING AND GRAVELLING OF TIPET -CHEPOKACHIM ROAD	Road	Kapenguria	Endugh	10,000,000.00	8,979,444.00	-	-	8,979,444.00	0%
73	OPENING OF 15.5KMS KAURIONG-KIMPUR ROAD	Road	Kacheliba	Kiwawa	10,000,000.00	9,039,925.25	-	-	9,039,925.25	0%
74	OPENING OF 12 KMS KOROKOW-OPAL ROAD	Road	Kacheliba	Kasei	18,185,819.00	16,163,103.60	-	-	16,163,103.60	0%
75	GRADING AND GRAVELLING OF ALALE-NAUMA-LOBORKOCHA-UGANDA BORDER	Road	Kacheliba	Alale	10,000,000.00	9,295,342.60	-	-	9,295,342.60	0%
76	GRADING AND GRAVELLING OF KITUTI- ODONG-NAPELAT ROAD	Road	Kacheliba	Alale	10,000,000.00	9,648,636.40	-	-	9,648,636.40	0%
	TOTAL				1,021,690,952.00	923,400,563.10	586,961,488.50	584,899,888.50	338,500,674.60	64%

Appendix III: Transfers from Government Entities

Name of the Entity Transferring the funds	Date received as per bank statement	Total Amount - KES	Where Recorded/recognized		
			Statement of Financial Performance	Receivables	Total Transfers during the Year
Equalisation Fund	22 Oct 2024	222,225,196	222,225,196		222,225,196
Equalisation Fund	31 Dec 2024	187,645,068	187,645,068		187,645,068
Equalisation Fund	17 Apr 2025	176,691,477	176,691,477		176,691,477
Equalisation Fund	30 Jun 2025	-	-	338,500,675	338,500,675
Total		586,561,741	586,561,741	338,500,675	925,062,416

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Appendix IV- Inter-Entity Confirmation Letter


Name of transferring entity: Equalization Fund Board

Name of beneficiary entity: ...County Government of West Pokot.

Confirmation of amounts received by County Government of West Pokot as at 30 th June 2025			
Reference Number	Date Received	Total	Remarks
FT24296NQPSM	22-Oct-24	222,225,196	
FT24366JVMG3	31-Dec-24	187,645,068	
FT2510733GFC	17-Apr-25	176,691,477	
Total		586,561,741	

I confirm that the amounts shown above are correct as of the date indicated.

Head of Accounts Department - Disbursing Entity:
 Name Sign Date

Head of Accounts Department - Beneficiary Entity: 
 Name ...Haron Muruny..... Sign Date...15/12/2025

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Appendix V: Funding Summary

Financial Year	Appropriation during the FY a	Funds received during the FY b	Outstanding funds c=a-b
2024/2025	1,021,690,952.00	586,561,741.15	435,129,210.85
Total	1,021,690,952.00	586,561,741.15	435,129,210.85

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Appendix VI: Reporting of Climate Relevant Expenditures

Project Name	Project Description	Project Objectives	Project Activities	Quarter				Source of Funds	Implementing Partners
				Q1	Q2	Q3	Q4		

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Appendix VII: Reporting on Disaster Management Expenditure

Column I	Column II	Column III	Column IV	Column V	Column VI	Column VII
Programme	Sub-programme	Disaster Type	Category of disaster related Activity that require expenditure reporting (response/recovery/mitigation/preparedness)	Expenditure item	Amount (Kshs.)	Comments