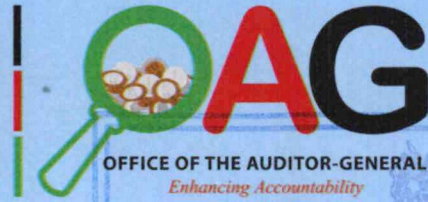


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

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REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – MARAKWET EAST CONSTITUENCY**

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

MARAKWET EAST CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

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



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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Edwin Siele
2.	National Sub-County Accountant	Joshua Otieno
3.	Chairman NGCDFC	Noah Kiptoo
4.	Member NGCDFC	Emmily Kimosop
5.	Member NG CDFC	Nixon Korir Rutto

(c) Fiduciary Oversight Arrangements

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

(d) NGCDF Marakwet East Constituency Headquarters

NGCDF Building
Next to Deputy County Commissioner's office
Chesoi-Kenya

(e) NGCDF Marakwet East Constituency Contacts

P.O. Box 298-30705
Telephone: (254) 712525771
E-mail: cdfmarakweteast@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) NGCDF Marakwet East Constituency Bankers

1. Bank A. Operations account
Equity Bank
Branch-Kapsowar
1570261546678
P.O.BOX 173-30705
KAPSOWAR
2. Bank B. Deposit account
Equity Bank
Branch-Kapsowar
1570285925404
P.O.BOX 173-30705
KAPSOWAR
3. Bank C. Project Management Committee Accounts
Equity bank
Kapsowar Branch
P.O. Box 173-30705
4. Kenya Commercial Bank
Kapsowar branch
P.O.Box 133-30705

(g) Independent Auditor

Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084






National Government Constituencies Development Fund (NGCDF)
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GPO 00100
Nairobi, Kenya


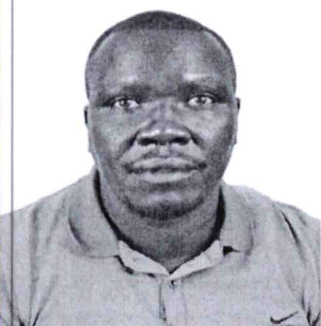



(h) Principal Legal Adviser

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

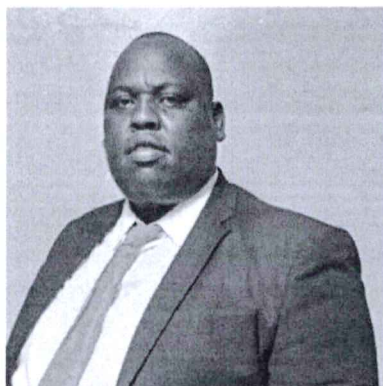
3. NGCDF Committee

Name	Details
	<p>Noah Kiptoo Male adult representative from Endo ward. Born on 01-01-1982 He has served for four terms as a CDFC chair Noah attained form four certificate</p>
	<p>Mohmmmed Maow Deputy County Commissioner</p>
	<p>Mrs Eunice Chemweno. Born on 01-01-1974 Member from Sambirir ward representing Persons living with disability. She is serving her second term as a CDFCs. Eunice attained form four certificate</p>
	<p>Mrs Cynthia Biwott Born on 02/12/1994 Female youth representative from Embobut/Embolot ward. She is currently serving her second term as a CDFC. She is a farmer and business lady Cynthia attained Diploma in clinical medicine</p>
	<p>Mr Julius Chebet Born on 11/02/1987 Male adult representative from Sambirir ward. He is serving his third term. He is a farmer and a business man. Julius attained form four certificate</p>

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	<p>Mr Bethwel Bitok Born on 07-02-1978 Co-opted member from Kapyego ward. He is serving his third term. He is a farmer and a business man. Bethwel attained form four certificate</p>
	<p>Mr. Nixon Korir Rutto Born on 23-10-1994 Member from Embobut/Embolot ward for male youth He is serving his second term under CDFC tenure. He is a business man and a farmer. Nixon has degree in business management Representing. Embobut Embolot. County bursary chairman. Mungwa healthy centre chairman. St Mary's Kaben catholic church chairman. Mungwa primary school chairman. St' Michael deputy chairman. Ng-cdf committee member. Marakwet east C.R.C KERRA chairman.</p>
	<p>Mrs Monica Komen Born on 25/12/1979 Member from Endo ward for female adult representative She has served three terms as a CDFC. She is a farmer and a business lady Monicah attained form four certificate</p>
	<p>Emmily Kimosop Born on 01/11/1980 Member from Kapyego ward for female adult representative. A farmer and business lady Emmily attained form four certificate</p>
	<p>Edwin Siele Fund Account Manager for Marakwet East Posted in 2014</p>

4. NG-CDFC Chairman’s Report



**NOAH KIPTOO-CHAIRMAN,
 MARAKWET EAST NG-CDF**

NG-CDF fund has continued to transform lives of common citizen down at the grass root level. That has been achieved through bursary fund to the needy bright school going children who would have dropped out if not for NG-CDF bursary fund intervention. Notably also there is need from the Board to enhance policy structure to administer the social security program in the constituency. NG-CDF board issued regulations towards social security programmes which shall be implemented soon in the constituency.

The slow implementation of projects was due to delayed disbursement of funds from NG-CDF Board and instances of insecurity in the constituency. There is need for bursary/social security allocation to be reviewed upwards to match increasing

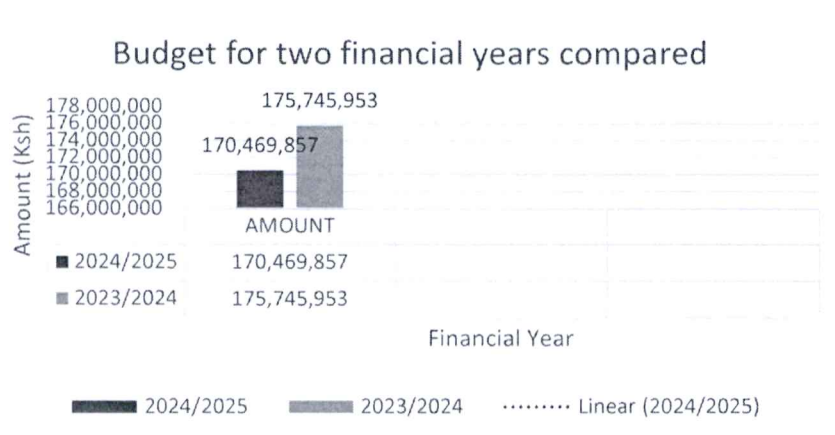
needs of school fees.

There are quite a number of challenges facing constituents in Marakwet East constituency ranging from poor road networks, power outages, communication/network problems, insecurity along the borders, landslides, thunder and lightning strikes. With collaboration, networking and partnering with stakeholders, the above challenges could be solved. The management developed constituency strategic plan in November 2023 which aims at giving strategic direction, focus and concentration of funds to ensure maximum benefit to all in an effective and efficient manner.

I would like to thank all stakeholders in CDF projects in Marakwet East including the project management committees, development partners, and government line ministries.

Budget for two financial years compared

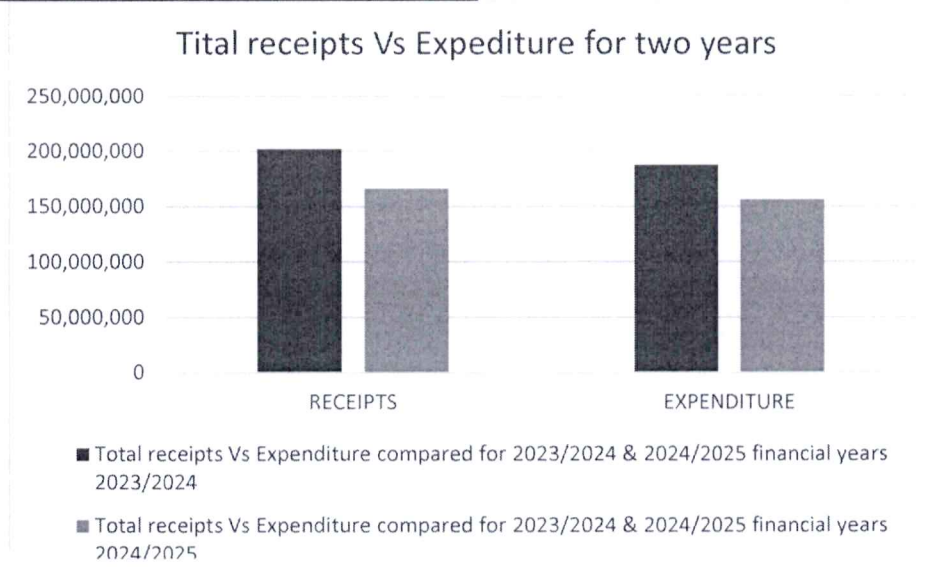
FY	AMOUNT
2024/2025	170,469,857
2023/2024	175,745,953



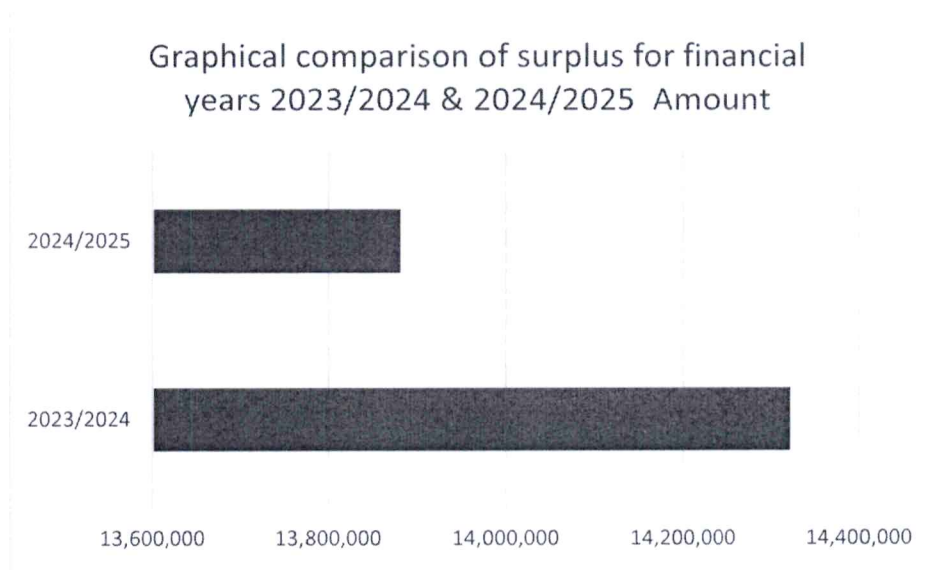
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Total receipts Vs Expenditure compared for 2023/2024 & 2024/2025 financial years

FY	2023/2024	2024/2025
RECEIPTS	202,068,106	165,981,759
EXPENDITURE	187,745,648	156,140,857



Graphical comparison of surplus for financial years 2023/2024 & 2024/2025	
Surplus/Deficit Compared	Amount
2023/2024	14,322,459
2024/2025	13,881,889



Emerging issues

Advancement in technology as this emerge the constituency can harness to make services more accessible and increase our productivity. The constituency should leverage on advancement in infrastructure development technology and locally available materials to reduce costs of projects development. Another emerging issue is the E-government standards and policies that change from time to time leading in operations and budgeting implications.

Challenges

Unavailability of ownership documents on public land. Untimely subdivision and transfer of tittle deeds, land succession challenges have impacted negatively and cause delayed implementation of NG-CDF funded projects. Government circulars to all public institutions on mandatory acquisition of tittle deeds, NGCDF act on land ownership, confirmation from the physical planner in case of public land, Due diligence on purchase of land as per NGCDF Reg 2016 11(1k) on land ownership. Other challenges include limited resources, banditry, high poverty rates, high unemployment levels, climate change.

Way forward

The members of the public are guided to explore resource mobilization from other partners. Partnering and collaboration with other stakeholders in addressing the infrastructural needs of the society.



.....
Name: Noah Kiptoo
Chairman NGCDF Committee

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

Introduction

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

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

- a) Education- To improve student outcomes and enabling environment for quality learning
- b) Security- To create peaceful, secure and enabling environment through support of infrastructure in the ministry of interior at the constituency.
- c) Sports- To create opportunities for young people and marginalized group to harness their potential and capabilities through sports.
- d) Environment- To strengthen environmental conservation and protection through supporting community environmental initiatives.
- e) Emergency- To respond effectively and efficiently to unforeseen occurrences hampering lives of the constituents of Marakwet East Constituency.

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	Enhance access to education.	<ol style="list-style-type: none"> 1. Improved better instructions, teaching and learning environment for improved students learning outcomes 2. Increased pupils class attendance 	- number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary beneficiaries at all levels	In financial year 2024/2025- Fourteen primary schools received funds for construction of new classrooms while ten received funds for renovation, three received funds for equipping with beds One secondary school received funds for

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		3. Talents developed and strengthened Increased employability skills among the youth		purchase of 46 seater school bus. KMTCC Kerio Valley was fully funded by NGCDF with Laboratory, administration block, and tuition block. On bursary 4,200 students in secondary schools and 3,680 in tertiary and colleges were allocated funds from the bursary kitty
Security	To create peaceful, secure and enabling environment through support of infrastructure in the ministry of interior at the constituency	1. Effective and efficient security and administration department in the constituency 2. Reduction of criminal behaviours, insecurity and delinquency 3. Increased community ownership of security and peace	-number of complete and usable chiefs' camps and police stations -Decreased number of insecurity cases	Four chiefs offices received funds for completion of offices while one received funds for fencing. Office of the DCC was renovated.
Climate change mitigation activities	To strengthen environmental conservation and protection through supporting community	1. Strengthened environment conservation and protection 2. Increased tree cover and green spaces	Percentage of increased forest cover.	In financial year 2024/2025 Five institutions were issued with funds for purchase and planting of tree seedlings

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	environmental initiatives.	in schools and community Increased Community ownership of environment initiatives		
Emergency	Respond effectively and efficiently to unforeseen occurrences that may affect lives of constituents	1. Ensure learning in schools continue uninterrupted by natural calamities Improve service delivery to the residents by mitigating effects of natural disasters	Number of emergency projects funded using emergency funds within a financial year. -number of beneficiaries of emergency project	In financial year 2024/2025 Eight institutions benefitted from the emergency mitigation for construction of toilets uninterrupted service delivery to the citizens.

6. Governance Statement

a. NG-CDFC process of appointment

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

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

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

The current NGCDFC members were gazetted in 21st May 2025 and the first meeting was held in 27th June 2025.

The persons appointed are drawn from different groupings as follows:

- Male Adult-Noah Kiptoo-Chairman
- Male youth --Nixon Korir Rutto - Member
- Female adult—Emmily Kimosop- Member

- Female youth—Cynthia Biwott - Member
- PWD REP—Eunice Chemweno -secretary
- Co-opted Member—Bethwel Bitok - Member
- Male adult—Julius Chebet - Member
- Male adult—Monica Komen - Member

b) NG-CDFC Tenure

Section 41 (8) of the Ng-CDF Act states that;

The term of office of the members of the Constituency Committee shall be two years irrespective of a term of Parliament and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

c) The Role of the Constituency Committee

Section 11 of the NG-CDF regulations 2016 stipulates the functions of a constituency committee

(1) The functions of a Constituency Committee shall be to—

- (a) Build the capacity of project management committees and sensitize the Community on the operations of the Fund;
- (b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- (c) Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- (d) Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- (e) In approving a project and before submitting the to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) falls within the functions of the National Government under the Constitution;
- (f) Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- (g) In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;

- (h) Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- (i) Rank projects proposals in order of priority while ensuring that on-going projects take precedence; (j) ensure that all projects receive adequate funding and are completed within three years;
- (k) Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies; (l) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- (m) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- (n) Ensure that project reports are prepared and submitted to the Board;
- (o) Ensure formation of Project Management Committees, opening of project accounts, project implementation and closure of projects;
- (p) Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- (q) Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- (r) Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- (s) Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act;
- (t) submit to the Board the report stipulated in section 5(5) of the Act, which report shall contain—
 - (i) A list of all the new projects commenced during the financial year and their completion status; and (ii) A list of all projects approved, funded and commenced during previous financial years, and their completion status;

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- (u) Enter into performance contracting with the Board on an annual basis;
- (v) In exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution;
- (w) Receive returns from project management committees in accordance with regulation 15;
- (x) Maintain a database of project management committees and reports from the respective committees;
- (y) Ensure that the reports referred to in paragraph (x) are received before funding is released for each phase of the project being implemented;
- (z) Record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office;
- (aa) Receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
- (bb) Ensure that the committee does not enter into commitments for which funding has not been allocated; (cc) ensure projects are labelled in accordance with the guidelines issued by the Board; and
- (ee) perform any other function assigned to it by the Board.

Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of thirty days. (11) The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

d) Removal of a member

Section 41 sub section (13) of the NG-CDF Act stipulates that a member of the Constituency Committee may be removed from office, on any one or more of the following grounds-

- (a) lack of integrity;
- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) promoting unethical practices;
- (f) causing disharmony within the committee;
- (g) physical or mental infirmity.

Section 41 subsection (14) stipulates that a decision to remove a member under subsection (13) shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made.

e) NG-CDFC Induction and training

The board is mandated to induct new members of the constituency committees across the country and issue policy guidelines operationalizing the fund at the constituency.

Further section 23 (9) states that;

Monitoring and evaluation of ongoing, projects and capacity building of various operatives may be considered as a development project provided that not more than three per centum shall be allocated for this purpose.

f) Number of meetings

Section 41 (11) of the NG-CDF Act states that;

The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

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We managed to hold 13 meetings within the year including the sub-committee meetings.

	Name of the committee member	Meetings held												
		6/7/24	7/7/24	13/7/24	18/7/24	12/9/24	23/1/25	19/1/25	7/2/25	19/2/25	4/4/25	23/4/25	25/4/25	14/6/25
1	Noah Kiptoo-Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Bethwel Bitok-Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Mohammed Maow-DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Eunice Chemweno	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Emily Kimosop	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Nixon Korir Rutto	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Cynthia Biwott	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Monica Komen	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Julius Chebet	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

g) Remuneration Rates

National Government constituencies development fund committee members are remunerated from the 5% administration vote at a rate determined by salaries and remuneration committee. Each member is given ksh 5,000 and ksh 7,000 for chairperson per sitting per meeting.

h) Disclose the policy on conflict of interest

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

i) Succession plan

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

j) Ethics and code of conduct

While in office members are governed by public officers and ethics act since they are public officers gazetted under NG-CDF Act. At the same time members conduct themselves under the public service order act which informs their behavior and conduct with the public.

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

k) Risk Management

NG-CDF board adopted risk management policy and has integrated in its operations throughout the fund from national to grassroots. Risk management policy developed by the board informs the concept of risk identification, mapping and mitigation strategies in place. The constituency has a risk policy which they observe and are required to maintain a risk register. The committee has the following responsibilities

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

7. Environmental and Sustainability Reporting

NG-CDF Marakwet East contributes to the Vision 2030 social pillar, which aims at a just and cohesive society enjoying equitable social development in a clean and secure environment.

The constituency disbursed funds to support environmental projects for purchase of tree seedlings in twenty schools.

1. Sustainability strategy and profile -

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

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

2. Environmental performance

The management of the fund at the constituency being cognizant of environmental conservation and protection through supporting community environmental initiatives has

strengthened environment conservation and protection by ensuring increased tree cover and green spaces in our environment. Environmental conservation is now fully integrated in the NG-CDF activities where schools have been given tree seedlings to plant in their compounds, water harvesting in institutions, soil conservation activities, sewerage systems which includes septic tanks, toilets in schools and public spaces.

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Marakwet East constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

4. Market place practices-

Marakwet East NGCDF Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

Responsible competition practice by encouraging fair competition and zero tolerance to corruption

Good business practice including cordial Supply chain and supplier relations by honoring contracts and respecting payment practices.

Responsible marketing and advertisement

Product stewardship by safeguarding consumer rights and interest

5. Community Engagements-

Marakwet East NGCDF has endeavored to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through sports and community projects.

Public Participation in Project Identification and Implementation and Monitoring

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

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

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

Public Awareness

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

Marakwet East NG-CDF has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.



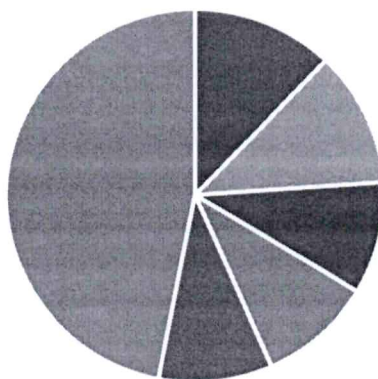
Name: EDWIN SIELE
Fund Account Manager.

8. Management Discussion and Analysis

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

S/NO	FINANCIAL YEAR	AMOUNT
1	2024/2025	170,469,856.74
2	2023/2024	166,601,720.00
3	2022/2023	138,215,033.00
4	2021/2022	137,088,879.00
5	2020/2021	137,088,879.31
		661,605,006.50

AMOUNT KSH

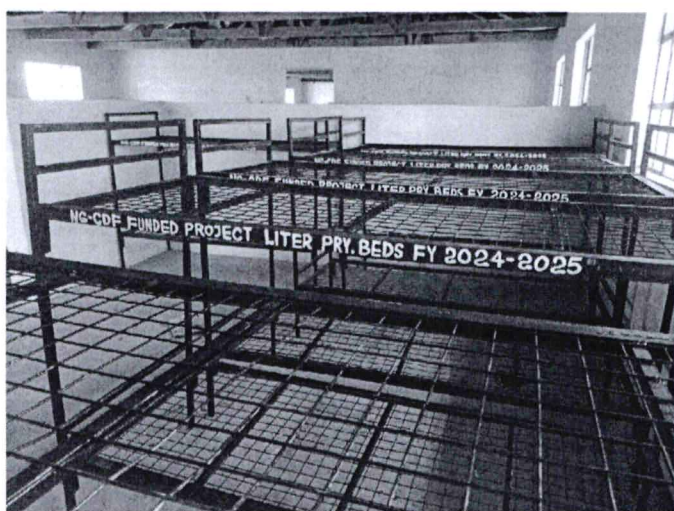


■ 1 2024/2025 ■ 2 2023/2024 ■ 3 2022/2023 ■ 4 2021/2022 ■ 5 2020/2021 ■

Outstanding projects started and completed in the financial year

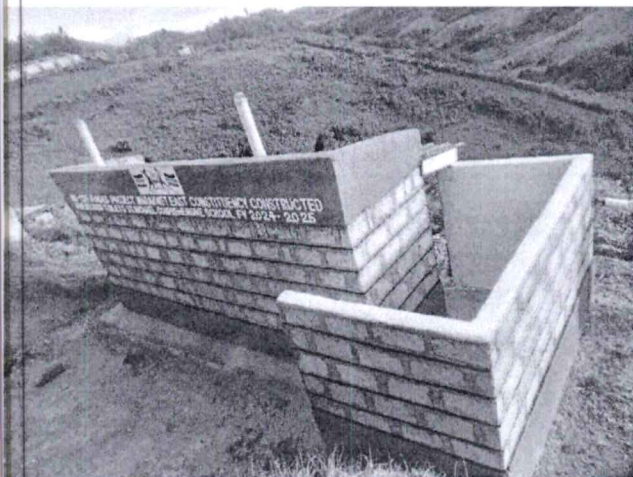


Emergency toilets funded at Kaben chiefs office. This will help improve sanitation of the security facility and enhance service delivery at the locational level



Equipping of 120 student capacity dormitory at Liter primary school with double decker metallic beds. This will improve learning conditions and learner retention hence better performance in schools.

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Construction of five door pit latrine at St Michael primary school with urinal. The facility will improve sanitation in the school hence reduced exposure to infections and other related illnesses.

.....
Name; Edwin Siele
Fund Account Manager

9. Environmental and Sustainability Reporting

NG-CDF Marakwet East contributes to the Vision 2030 social pillar, which aims at a just and cohesive society enjoying equitable social development in a clean and secure environment. The constituency disbursed funds to support environmental projects for purchase of tree seedlings in 5 schools.

1. Sustainability strategy and profile -

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

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

2. Environmental performance

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

3. Employee welfare

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

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Marakwet East constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

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

4. Marketplace practices-

Marakwet East Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification, Implementation, and Monitoring

Marakwet East Constituency deliberated on project proposals from all the wards in the constituency and considered the most beneficial to the constituents, considering the national development plans and policies and the constituency strategic development plan. The

identified list of priority projects, both immediate and long-term, was submitted to the NGCDF Board in accordance with the Act.

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

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

Public Awareness

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

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



Name EDWIN SIFE
Fund Account Manager.

10. Statement of Management Responsibilities

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

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

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

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

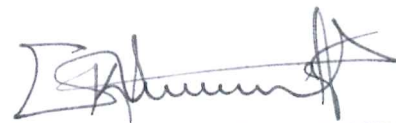
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

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



.....
Name: Noah Kiptoo
Chairman – NGCDF Committee



.....
Name: Edwin Siele
Fund Account Manager

REPUBLIC OF KENYA

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HEADQUARTERS
Anniversary Towers
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NAIROBI

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - MARAKWET EAST CONSTITUENCY FOR THE YEAR ENDED 30 JUNE 2025

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

- A. Report on the financial statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements.
- B. Report on Lawfulness and Effectiveness in use of public resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure government achieves value for money and that such funds are applied for intended purpose.
- 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, the risk management environment, and the internal controls developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Marakwet East Constituency set out on pages 1 to 81, which comprise of the statement of financial position as at 30 June, 2025, statement of financial performance, and the statement of cash flows and the statement of

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

comparison of budget and actual amounts for the year then ended 30 June, 2025, and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which, to the best of my knowledge and belief, were necessary for the purpose of the audit.

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

Basis for Qualified Opinion

1. Presentation, Accuracy and Disclosure of the Financial Statements

a) Presentation of the Financial Statements

Review of the annual report and financial statements submitted for audit revealed the following anomalies:

- i.) The statement of changes in net assets has opening Fund balance of Kshs.144,782,380 comprising of Fund balance as at 30 June, 2025, amount of Kshs.19,997,883, recognition of assets balance of Kshs.126,663,971 and recognition of liabilities balance of Kshs.1,879,474 indicated under accumulated surplus column instead of capital reserves column.
- ii.) Aging analysis for third party deposits under Note 27 was not filled with the required financial information.

b.) Accuracy and Disclosure in the Financial Statements

- (i) The statement of comparison of budget and actual amounts total expenditure row was left blank and instead the correct totals were erroneously posted under the surplus row. Further, actual surplus of Kshs.118,872,394 has not been indicated.
- (ii) Statement of financial position reflects cash and cash equivalents balance of Kshs.118,872,594 which according to Note 19 to the financial statements, included PMC account balances amounting to Kshs.86,588,855. Annex 2 supporting PMC bank account balances reflected project account balances totaling to Kshs.4,960,223 whereas budget execution by sectors and projects reflects utilization differences or balances of Kshs.10,219,070 which are at variance with the PMC bank accounts. No reconciliations were provided to explain the differences.

Project	Amount Transferred (Kshs)	Amount Utilized (Kshs)	Utilization Difference (Kshs)	PMC Account Balance (Kshs)
Liter Police Station	0	0	0	1,103
Chepkog Primary school	1,000,000	1,000,000	3,876	416,036
St. Michael primary School	0	0	0	2,001,600
Kamogo Secondary School	22,000,000	11,786,475	10,213,525	736,355
Kapyego Secondary School	800,000	798,331	1,669	801,669
Chesewew Sec. School	1,000,000	1,000,000	0	1,003,460
Total	24,800,000	14,584,806	10,219,070	4,960,223

In the circumstances, the accuracy and completeness of the financial statements could not be confirmed.

2.0 Failure to Disburse Funds

The statement of financial position and Note 21 to the financial statement reflects receivables from non-exchange transaction balance of Kshs.41,469,857 which are funds budgeted for but had not been received by the NGCDF Marakwet East as at 30 June, 2025.

In the circumstances, delayed disbursements affect implementation of programmes and activities planned for the year which in turn constrains delivery of services to the residents of Marakwet East Constituency.

3.0 Unconfirmed Project Management Committee's Account Balances

The statement of financial position and Note 19 to the financial statement reflects cash and cash equivalents balance of Kshs.118,872,594. Included in the balance is Kshs.86,588,855 being held in one hundred and seventy-nine (179) Project Management Committee (PMC) accounts. However, cashbooks, bank reconciliation statements and bank balance confirmation certificates were not provided to support this balance. Further, it was noted that the reported balance of Kshs.86,588,855 includes retention money due to contractors of Kshs.1,594,611 as disclosed in Note 27 and treated as third party deposits under liabilities of which a separate retention's ledger account was not maintained.

In addition, bank account balances for seventy-seven (77) complete projects amounting Kshs.742,084 had not been closed and bank balances surrendered to the main Constituency Fund bank account in compliance with Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires all unutilized funds of the Project Management Committee to be returned to the Constituency account.

Also, it was noted that the statement of financial position had opening statement of cash and cash equivalents of Kshs.109,031,692 which included Kshs.89,033,809 being prior year PMC balances. These balances were however not confirmed as no cash books and bank reconciliation statements were provided to support them. Further, it was not clear whether all the PMC account balances were disclosed as some could still be open and are not disclosed.

In the circumstances, the accuracy, regularity and completeness of the cash and cash equivalents balance of Kshs.118,872,594 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund-Marakwet East management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

1. Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects a final revenue budget of Kshs.316,483,308 against actual receipts of Kshs.275,013,451 resulting to underfunding of Kshs.41,469,857 or 13% of the budget. Similarly, the Fund spent Kshs.156,140,857 against actual receipts of Kshs.275,013,451 resulting into overall under expenditure of Kshs.108,872,594 or 40% of the actual receipts.

The under expenditure and under receipts may have affected service delivery to the residents of Marakwet East Constituency.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, one (1) issue was raised under the Report on Financial Statements and two(2) issues under Other Matter. However the issues have not been resolved to date. (See Appendix 1).

Other Information

The Management is responsible for the Other Information set out on pages (ii) to (xxxv) which comprise of Key Entity Information and Management, NGCDF Committee, NGCDFC Committee Chairman's Report, Statement of Performance against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for conclusion

1. Other Government Units Actual Expenditure

1.1 Construction of Four Classrooms at Sambirir Boys Secondary

The statement of financial performance and Note 13 to the financial statements reflects other Government units' actual expenditure of Kshs.100,690,086. During the year, the Fund made disbursement of Kshs.2,000,000 through PV. No. 108 and cheque no. dated 13 November, 2024 to Sambirir Boys Secondary for the construction of four (4) classrooms. However, review of project records revealed the following anomalies;

- i. The project was co-funded by the school funds and National Government Constituencies Development Fund - Marakwet East Constituency. However, formal agreement clearly outlining the scope and financial contributions or the distinct part of the project funded by each party was not provided for audit.

- ii. Measurement sheets were not provided to distinguish the works done and paid for by the school and the pending works that was to be done by the - National Government Constituencies Development Fund – Marakwet East Constituency.
- iii. The Fund entered into contract agreement with a local contractor on 31 July, 2024 for the construction of the four classrooms at contract sum of Ksh.9,993,627 and a contract duration of sixteen (16) weeks from the date of possession. The school had requested for Ksh.5,000,000 for completion of the project. However, the engineers estimate for the completion works dated February, 2024 was Ksh.10,531,466 and had moved from the initial estimated cost of Kshs.8,126,313. It was not clear why Kshs.4,993,627 more than what was requested by the school was approved and why the variance between the initial estimate of Kshs.8,126,313 and the new estimate of Kshs.10,531,466.
- iv. Site Handing over certificate was not provided. However, the bill of quantity indicated under particular preliminaries that the contract period was 16 weeks.
- v. Physical verification revealed that the project was completed and in use.
- vi. The professional opinion was not done in conformity with the Public Procurement and Asset Disposal Regulations, 2020 Nineth (9th) Schedule Template.

1.2 Completion of One Storey Tuition Block at Kamogo Secondary School

The statement of financial performance and Note 13 to the financial statements reflects other government units' actual expenditure of Kshs.100,690,086. Examination of expenditure records for the expenditure revealed that the Fund engaged a local contractor on 26 September, 2023 for the completion of one storey tuition block of 12 classrooms, painting, terazzo installation of 6 classrooms and construction of ramp access at a contract sum of Kshs.39,138,541. The project was estimated to take 24 weeks to complete. During the year under review, the Fund disbursed Kshs.23,000,000 towards completion of the project.

Review of project records and physical verification revealed the following unsatisfactory matters:

- i. The contract agreement expired on 26 March, 2024 however, the contractor sent a request for extension on 14 May, 2024 after the contract had already lapsed contrary to Section 88(1) of the Public Procurement and Asset Disposal Act, 2015 which states that before the expiry of the period during which tenders shall remain valid the Accounting Officer of a procuring entity may extend that period. The document for extension of the contract was not provided for audit.
- ii. As per the completion certificate the completion date of the project was to be 10 May, 2025 and the contract extension request by the contractor was done on 14 May, 2025.
- iii. The professional opinion was not in conformity with the Public Procurement and Asset Disposal Regulations, 2020 Nineth Schedule Template.

- iv. Scoring sheets for each evaluator for the preliminary evaluation and technical evaluation were not provided for audit. Further, the engineers estimate for the project and contract documents including the winning firm's bill of quantity was not provided.

In the circumstances, the regularity of the tender award and tender sum could not be confirmed.

1.3 Failure to Report Emergency Projects

The statement of financial performance reflects other government units' actual expenditure of Kshs.100,690,086 which according to Note 13 to the financial statements included emergency projects actual expenditure amounting to Kshs.3,324,590. Examination of expenditure records relating to this expenditure revealed that eight (8) emergency projects were disbursed Kshs.5,218,091. However, the utilization of the emergency Fund was not reported to the Board within thirty (30) days of the occurrence of the emergency in the format prescribed by the Board contrary to regulations. Further, no evidence was provided indicating that the funded projects qualified as emergency projects and why they were not budgeted for as normal projects.

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

2. Other Grants and Transfers Actual Expenditure

2.1 Management of Bursary

The statement of financial performance and Note 14 to the financial statements reflects other grants and transfers actual expenditure of Kshs.45,878,765. Review of records and documents in support of the expenditure revealed bursary disbursements of Kshs.30,526,420 and Kshs.9,713,155 to secondary schools and tertiary institutions respectively. However, the following observations were made;

- (i) The bursary issuing criteria adopted by the bursary sub-committee did not include the following categories; persons with special needs including persons with disability, disadvantaged girl child, disadvantaged boy child, children of single parent and children from street families as required in circular reference number – NG-CDF/CEO/BOARD CIRCULARS VOL II (021) dated 18 June 2020.
- (ii) Appointment letters of the bursary sub-committee were not provided for audit review.
- (iii) There was no report done by the - National Government Constituencies Development Fund Committee to show that there was periodic monitoring visit to sampled education institutions in order to determine the effectiveness and impact of the bursary programme.
- (iv) Bursary quarterly reports to the National Government Constituencies Development Fund Board were not provided for audit review.

(v) Bursary payments totalling to Kshs.3,076,360 were not acknowledged by the receiving institutions and there was no confirmation that the amounts were credited to the accounts of the beneficiary students.

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

3. Delayed Implementation of Projects

During the year under review, the Fund had planned to implement sixty-two (62) projects with an allocated amount of Kshs.106,802,296. However, out of this number, fifteen (15) of the projects costing Kshs.38,368,085 had not started, five (5) of the projects costing Kshs.68,864,111 were ongoing while only one project worth Kshs.2,000,000 had been completed as shown in the **Appendix – Project Implementation Status**.

Project Details	Budgeted for Projects		Implemented Projects		Unimplemented Projects	
	No. of Projects	Amount	No. of Projects	Amount	No. of Projects	Amount
				(Kshs.)		
Primary Schools Projects	29	37,010,512	24	30,510,512	5	6,500,000
Secondary Schools Projects	12	51,143,248	7	19,525,163	5	31,618,085
Security Projects	5	3,990,926	5	3,990,926	0	0
Environment	5	250,000	0	0	5	250,000
Tertiary	1	14,407,610	1	14,407,610	0	0
Total	62	106,802,296	37	68,834,211	15	38,368,085

In the circumstances, the residents of Marakwet Constituency are not likely to get the benefits which would have accrued from the implementation of sixteen projects which had not started.

4. Project Verification

During the year under review, thirteen (13) projects with a budget of Kshs.53,892,163 were verified. It was noted that out of the thirteen (13) projects costing Kshs.53,892,163, nine (9) projects costing Kshs.48,001,237 were complete and in use, two (2) projects costing Kshs.3,200,000 were ongoing and the other two (2) projects with an allocation of Kshs.2,690,926 had not started.

As a result of the delays, the residents of Marakwet East Constituency did not receive services which would have accrued from the incomplete projects. No plausible reasons have been provided for the delays in completing or initiating the projects as detailed below;

	Project	Activity	Amount Allocated (Kshs.)	Remarks
	Completed			
1	Sambirir Boys Secondary	completion of one storey tuition block 4 classrooms: Painting, terrazzo installation, fixing of staircase rails, window glazing and electrical works.	2,993,627	<ul style="list-style-type: none"> Project Completed but not in use Branding done
2	Kamasia Primary	Construction to completion of two classrooms	2,400,000	<ul style="list-style-type: none"> Project Completed and in use Branding done
3	Kapkuto Secondary School	Construction to roofing level of 45 students' capacity laboratory: Foundation and walling up to roofing level.	2,200,000	Project not started
4	Lukuget primary school	Completion of one classroom to completion	1,000,000	<ul style="list-style-type: none"> The project is complete, labelled and in use. Handover reports not availed for audit review Work plans by PMC not provided
5	Toroko primary school	Construction to completion of one classroom and supply and delivery of 50 lockers and 50 chairs.	1,000,000	<ul style="list-style-type: none"> Flooring, roofing, plastering and painting works done. The project is complete,

	Project	Activity	Amount Allocated (Kshs.)	Remarks
	Completed			
				labelled and in use
6	Kamwoko primary school	Construction of one classroom to completion	1,200,000	<ul style="list-style-type: none"> The project is complete, labelled and in use. Handover reports not availed for audit review Work plans by PMC not provided
7	Kabkobil primary school	Construction of one classroom to completion	1,000,000	<ul style="list-style-type: none"> The Project is complete, labeled and in use. The Handover was done to the school management.
8	Kamogo mix day secondary school	Completion of one storey tuition block of 12 classrooms; terrazzo installation of 6 classroom and construction of ramp access	23,000,000	<ul style="list-style-type: none"> Plastering and painting of the twelve classrooms done. Electrical installation and plumbing works done. one ramp access not completed. Project completed, hand over done to the school and in use.
9	Kerio Valley KMTc	Landscaping of 11,800 square metre compound. Bush clearing, dozing and excavation,	14,407,610	<ul style="list-style-type: none"> Septic tank completed and in use. Fifty Double decker bed with

	Project	Activity	Amount Allocated (Kshs.)	Remarks
	Completed			
		purchase of 10 metallic library book shelves , purchase of 50 metallic double decker bed, cabro parking laying and stone pitching , construction of 20 metre masonry wall and septic tank		<ul style="list-style-type: none"> mattress supplied to the institution. Bush clearing and excavation done. Cabro parking laying installed. Twenty metre masonry wall erected at a height of 1900 metre and the painting works done Project completed and handover was done to the institution
		Sub total	48,001,237	
	Ongoing			
10	Kamasia Secondary	Completion of 120 students' capacity dormitory; Roofing, fixing of doors and windows, plastering, flooring, plumbing works, electrical works and branding	1,500,000	<ul style="list-style-type: none"> Project not completed Contractor not on site Works Done - Walling, roofing, plastering, fixing of doors and windows Pending Works – Flooring, painting, electrical works, Plumbing
11	Kaptich Chiefs Office	Completion of 3 roomed chief's office: flooring, plastering, painting, fixing	1,190,926	<ul style="list-style-type: none"> Contractor on site Works is ongoing

	Project	Activity	Amount Allocated (Kshs.)	Remarks
	Completed			
		of doors and windows, paving slab, branding and electrical works.		
	Subtotal		2,690,926	
	Not Started			
12	Chesewew Secondary School	Completion of 240 students' capacity storey Dormitory	1,000,000	Project not started
13	St john toroko mixed secondary	Fencing to completion of 600 metre school compound with metallic post	1,000,000	<ul style="list-style-type: none"> Barbed wire fence erected at height of 1300 millimeter instead of the defined height in the bill of quantities of 1800 millimeter. Double corner post was not supported with Galvanized hook bolt and straining wire as stipulated in the bill of quantities.
		Sub total	3,200,000	
		Grand Total	53,892,163	

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

14 November, 2025

Appendix 1-Unresolved Prior Year Matters


No	Issue
	Report on Financial Statements
1	Unconfirmed Project Management Committee (PMC) Bank Accounts
	Other Matter
2	Project Implementation Status
3	Project Verification


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

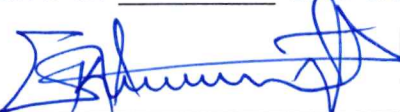
12. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	2024/2025 Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		170,469,857
Expenses		
Employee costs	10	4,329,044
Committee expenses	11	2,419,100
Use of Goods and Services	12	3,114,657
Other Government Units Actual expenditure	13	100,690,086
Other Grants and Transfers Actual expenditure	14	45,878,765
Depreciation and amortization expense	15	156,316
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		156,587,968
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	(-)
Surplus/(Deficit) for the year		13,881,889

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


 Chairman NG-CDF
 Committee
 Name: Noah Kiptoo


 National Sub-County
 Accountant
 Name: Joshua Otieno
 ICPAK M/No: 34906


 Fund Account Manager
 Name: Edwin Siele

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

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

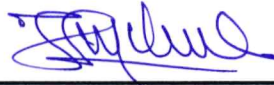
	Note	2024/2025	Opening Statement 1st July 2025
		Kshs	Kshs
Assets			
Current Assets			
Cash and Cash Equivalents	19	118,872,594	109,031,692
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	41,469,857	36,981,759
Prepayments	22	-	-
Total Current Assets		160,342,450	146,013,451
Non-Current Assets			
Property, Plant and Equipment	23	492,086	648,402
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		492,086	648,402
Total Assets (A)		160,834,537	146,661,853
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third Party Deposits	27	1,594,611	1,400,000
Lease Liabilities	28	-	-
Gratuity Provision	29	575,657	479,474
Total Current Liabilities		2,170,268	1,879,474
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		2,170,268	1,879,474
Net Assets (A-B)		158,664,268	144,782,379
Represented by:			
Revaluation Reserves		158,664,269	144,782,380
Accumulated Surplus		-	-
Total Net Assets		158,664,269	144,782,380

The Constituency financial statements set out on pages 1 to 14 approved by NG CDFC on _____ 2025 and signed by:


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



Chairman NG-CDF
Committee
Name: Edwin Siele



National Sub-County
Accountant
Name: Joshua Otieno
ICPAK M/No: 34906



Fund Account Manager
Name: Edwin Siele

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	-	19,997,883	19,997,883
Adjustments	-		
Recognition of Assets	-	126,663,971	126,663,971
Recognition of Liabilities	-	1,879,474	1,879,474
As at July 1, 2024	-	144,782,380	144,782,380
Surplus/(Deficit) For the Period	-	13,881,889	13,881,889
Revaluation Gain/Loss	-	-	-
As at June 30, 2025 (current year)	-	158,664,269	158,664,269

Note:

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

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

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

	Notes	2024/2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		165,981,759
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		165,981,759
Payments		
Employee costs		4,232,860
Committee expenses		2,419,100
Use of Goods and Services		3,114,657
Other Government Units Certified Works		100,495,475
Other Grants and Transfers		45,878,765
Digital Hubs Expenses		-
Total Payments		156,140,857
Net Cash Flows from/ (used in) Operating Activities	30	9,840,902
Cash flows From Investing Activities		
Purchase of PPE		(-)
Purchase of Intangible assets		(-)
Proceeds from Sale of PPE		-
Net Cash Flows from Investing Activities		9,840,902
Net increase/(decrease) in cash &		-

*National Government Constituencies Development Fund (NGCDF)
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Cash equivalents		
Cash Flows from Financing Activities		
Lease Payment		(-)
Net Cash Flows from Financing Activities		9,840,902
Cash and cash equivalents at 1 July	19	109,031,692
Cash and cash equivalents at 30 June	19	118,872,594

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Revenue							
Transfers from the NGCDF Board	170,469,857	109,031,692	36,981,759	316,483,308	275,013,451	41,469,857	86.90%
Transfers from domestic and foreign partners	-	-	-	-	-	-	-
Finance income	-	-	-	-	-	-	-
Miscellaneous income	-	-	-	-	-	-	-

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Totals	170,469,857	109,031,692	36,981,759	316,483,308	275,013,451	41,469,857	86.90%
Expenses							
Employee costs	4,697,822	723,583	-	5,421,405	4,232,860	1,188,544	78.08%
Committee expenses	3,585,000	2,578,655	-	6,163,655	2,419,100	3,744,555	39.25%
Use of Goods and Services	6,412,665	28,673	-	6,441,338	3,114,657	3,326,681	48.35%
Other Government Units Certified Works	102,561,346	69,383,177	36,981,759	208,926,282	100,495,475	108,430,808	48.10%
Other Grants and Transfers	53,213,024	36,317,604	-	89,530,628	45,878,765	43,651,863	51.24%
Digital Hubs Expenses	-	-	-	-	-	-	-
Funds Pending Approval**	-	-	-	-	-	-	-
Total Expenditure	-	-	-	-	-	-	-
Surplus for the period	170,469,857	109,031,692	36,981,759	316,483,308	156,140,857	160,342,451	49.34%

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

**National Government Constituencies Development Fund (NGCDF)
Marakwet East Constituency**

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

Explanatory Notes.

1. An amount owing from the board as at 30th June 2025 amounting to ksh 41,469,856.74 and the list of projects to be financed as approved by NG-CDF board is annexed hampered the utilization of all the budget.
2. Overallly from the above comparison the constituency managed to utilize 53% average of the budget approved and allocated to the constituency due owing balances and delayed disbursement of funds to the constituency by NGCDF board.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	160,342,451
Less undisbursed funds receivable from the Board as at 30 th June 2025	(41,469,857)
Cash and Cash Equivalents at the end of the 30 th June 2025	118,872,594

The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on _____ 2025 and signed by:



Fund Account Manager

Name: Edwin Siele



National Sub-County Accountant

Name: Joshua Otieno
ICPAK M/No: 34906



Chairman NG-CDF Committee

Name: Noah Kiptoo

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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,697,822	723,583		5,421,405	4,232,860	1,188,545
1.2 Committee allowances	1,648,000	1,299,456		2,947,456	2,419,100	528,356
1.3 Use of goods and services	3,838,665			3,838,665	1,411,248	2,427,417
Sub-total	10,184,487	2,023,039	-	12,207,526	8,063,208	4,144,318
Sub-total						
2.0 Monitoring and evaluation						
2.1 Capacity building	1,278,000			1,278,000	1,010,000	268,000
2.2 Committee allowances	1,937,000	1,279,199		3,216,199	-	3,216,199
2.3 Use of goods and services	1,296,000	28,673		1,324,673	445,973	878,700
Sub-total	4,511,000	1,307,872	-	5,818,872	1,455,973	4,362,899
Sub-total						
3.0 Emergency						
unutilized	4,007	-	-	4,007		4,007
LITER POLICE STATION	618,091	-	-	618,091	618,091	-
CHEPKOG PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KIPYEBO PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
ST.MICHAEL PRIMARY SCHOOL	700,000	-	-	700,000	700,000	-
KAPCHEBAU PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
KABEN CHIEFS OFFICE	650,000	-	-	650,000	650,000	-
KATILIT PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
SAMBALAT PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
KAPCHOGE PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
TOT DAY SECONDARY SCHOOL	700,000	-	-	700,000	700,000	-
KONOT PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
ST.PETERS KORION PRIMARY	500,000	-	-	500,000	500,000	-
ST.MICHAEL SECONDARY SCHOOL	600,000	-	-	600,000	600,000	-
MOGIL PRIMARY SCHOOL	650,000	-	-	650,000	650,000	-
Sub-total	8,972,098	-	-	8,972,098	8,968,091	4,007

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-total						
4.0 Bursary and Social Security						
4.1 Primary Schools						
4.2 Secondary Schools	30,000,000	14,697,239	-	44,697,239	30,584,420	14,112,819
4.3 Tertiary Institutions	10,000,000	20,000,000	-	30,000,000	9,713,155	20,286,845
4.4 Universities	-	-	-	-	-	-
4.5 Social Security	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
5.0 Climate Change Mitigation	40,000,000	34,697,239	-	74,697,239	40,297,575	34,399,664
MUNGWA PRIMARY SCHOOL	50,000	-	-	50,000	50,000	-
KASOKOTOW PRIMARY SCHOOL	50,000	-	-	50,000	50,000	-
KAPKOBIL PRIMARY SCHOOL	50,000	-	-	50,000	50,000	-
CHESETAN PRIMARY SCHOOL	50,000	-	-	50,000	50,000	-
KAPTOPENDO PRIMARY SCHOOL	50,000	-	-	50,000	50,000	-
Sub-total	250,000	-	-	250,000	250,000	-
6.0 Primary Schools Projects (List all the Projects)						

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Kumbulul Primary School	309,320	-	-	309,320	309,320	-
St Peters Korion Primary School	749,605	-	-	749,605	749,605	-
Kipsimbo Primary School	309,320	-	-	309,320	309,320	-
Lukuget Primary School	629,665	-	-	629,665	629,665	-
Chechan Primary School	1,312,578	-	-	1,312,578		1,312,578
Kamasia Primary School	2,400,000	-	-	2,400,000	2,400,000	-
Tebe Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Kapsanayan Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Kalya Primary School	1,200,000	-	-	1,200,000	-	1,200,000
Maina Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Nyirar Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Itum Primary School	2,400,000	-	-	2,400,000	2,168,348	231,652
Kombasses Primary School	2,400,000	-	-	2,400,000	2,400,000	-
Segon Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Kamwoko Primary School	2,400,000	-	-	2,400,000	2,400,000	-
Kamogo Primary School	2,000,000	-	-	2,000,000	1,800,000	200,000
Meuno Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Liter Primary School	960,000	-	-	960,000	960,000	-
Kreel Primary School	1,100,000	-	-	1,100,000	-	1,100,000

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Kabaldamet Primary School	1,000,000	-	-	1,000,000	1,000,000	-
Kimongo Primary School	1,100,000	-	-	1,100,000	-	1,100,000
Katilit Primary School	2,000,000	-	-	2,000,000	1,000,000	1,000,000
Wewo Primary School	1,000,000	-	-	1,000,000	1,000,000	-
Marichor Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Toroko Primary School	1,000,000	-	1,000,000	2,000,000	1,000,000	1,000,000
Kapkeny Primary School	1,300,000	-	-	1,300,000	1,300,000	-
Kapchoge Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Kararia Primary School	640,000	-	-	640,000	-	640,000
Kapsicha Primary School	1,200,000	-	-	1,200,000	1,200,000	-
Lukuget primary school	-	-	1,000,000	1,000,000	1,000,000	-
Kapkobil Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Kapchebau Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Tuturung Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Cheptany Primary School	-	-	3,000,000	3,000,000	3,000,000	-
Kapero Primary School	-	1,000,000	1,000,000	2,000,000	2,000,000	-
Tangul Primary School	-	1,000,000	581,759	1,581,759	581,759	1,000,000
Chelimwo Primary School	-	-	1,000,000	1,000,000	1,000,000	-
Kipyebo Primary School	-	900,000	-	900,000	900,000	-

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Chepundaria Primary School	-	1,000,000	-	1,000,000		1,000,000
Kimitel Primary School	-	1,000,000	-	1,000,000		1,000,000
Matum Primary School	-	1,000,000	-	1,000,000		1,000,000
Mokwony Primary School	-	1,000,000	-	1,000,000		1,000,000
Chesoi primary school	-	300,000	-	300,000		300,000
MARON PRIMARY SCHOOL	-	685	-	685		685
KAMOGO PRIMARY SCHOOL	-	989	-	989	-	989
MKENO PRIMARY SCHOOL	-	11,480	-	11,480		11,480
RATIA PRIMARY SCHOOL	-	1,697	-	1,697		1,697
KILANGATA PRIMARY SCHOOL	-	3,324	-	3,324		3,324
KAPSICHA PRIMARY SCHOOL	-	2,108	-	2,108		2,108
KOISABUL PRIMARY SCHOOL	-	474	-	474		474
ST PETERS KORION PRIMARY SCHOOL	-	2,104	-	2,104		2,104
KAPTORA PRIMARY SCHOOL	-	224	-	224		224

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
MOKWONY PRIMARY SCHOOL	-	1,000,595	-	1,000,595		1,000,595
KAMASIA PRIMARY SCHOOL	-	4,328	-	4,328		4,328
KAPCHELAGA PRIMARY SCHOOL	-	9,075	-	9,075		9,075
KAPCHOGE PRIMARY SCHOOL	-	2,547	-	2,547		2,547
TEBE PRIMARY SCHOOL	-	1,469	-	1,469		1,469
TANGUL PRIMARY SCHOOL	-	1,417,108	-	1,417,108		1,417,108
KAMELEI PRIMARY SCHOOL	-	8,744	-	8,744		8,744
KAPERO PRIMARY SCHOOL	-	1,170,314	-	1,170,314		1,170,314
TENDERWA PRIMARY SCHOOL	-	675	-	675		675
KAPCHEMURKELDET PRIMARY SCH	-	11,277	-	11,277		11,277
KABIEGO PRIMARY SCHOOL	-	2,005,557	-	2,005,557		2,005,557
KIMUREN PRIMARY SCHOOL	-	44,349	-	44,349		44,349
MAINA PRIMARY SCHOOL	-	5,083	-	5,083		5,083

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KUMBULUL PRIMARY SCHOOL	-	2,791	-	2,791		2,791
KONOT PRIMARY SCHOOL	-	52,185	-	52,185		52,185
CHESONGOCH SMALL HOME	-	330	-	330		330
TOT PRIMARY SCHOOL	-	1,999,678	-	1,999,678	-	1,999,678
CHESAWACH PRIMARY SCHOOL	-	1,794	-	1,794		1,794
LITER PRIMARY SCHOOL	-	427,832	-	427,832		427,832
KABALDAMET PRIMARY SCHOOL	-	631	-	631		631
BARBERI PRIMARY SCHOOL	-	807,367	-	807,367		807,367
KIPYEBO PRIMARY SCHOOL	-	701,106	-	701,106		701,106
TENDERWA CHIEFS OFFICE	-	1,526	-	1,526		1,526
CHEPTOBOT CHIEFS OFFICE	-	4,005	-	4,005		4,005
KATILIT PRIMARY SCHOOL	-	1,115	-	1,115		1,115
CHEPTOBOT PRIMARY SCHOOL	-	2,366	-	2,366		2,366

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
CHECHAN PRIMARY SCHOOL	-	1,201,976	-	1,201,976		1,201,976
CHESETAN PRIMARY SCHOOL	-	849	-	849		849
KABETWA PRIMARY SCHOOL	-	2,008,320	-	2,008,320		2,008,320
KREEL PRI SCH	-	5,212	-	5,212		5,212
KERBUT PRI SCH	-	1,040,058	-	1,040,058		1,040,058
KIMITEL PRI SCH	-	1,000,838	-	1,000,838		1,000,838
BOROKO PRIMARY SCHOOL	-	1,004,077	-	1,004,077		1,004,077
KALYA PRIMARY SCHOOL	-	56,982	-	56,982		56,982
KAPKAIN PRIMARY SCHOOL	-	1,241	-	1,241		1,241
CHUGOR PRIMARY SCHOOL	-	238,916	-	238,916		238,916
CHESOI PRIMARY SCHOOL	-	7,863	-	7,863		7,863
ENDIWA PRIMARY SCHOOL	-	33,712	-	33,712		33,712
MOGIL PRIMARY SCHOOL	-	-	-	-		-
TIRAP PRIMARY SCHOOL	-	27,061	-	27,061		27,061

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
CHEMWOROR PRIMARY SCHOOL	-	2,324	-	2,324		2,324
CHEBILIL CHIEFS'OFFICE	-	896	-	896		896
MEUNO PRIMARY SCHOOL	-	154,142	-	154,142		154,142
MOROR PRI SCH	-	550,672	-	550,672		550,672
TOT DAY SEC SCH	-	1,805	-	1,805		1,805
CHESONGOCH PRI SCH	-	2,000,937	-	2,000,937		2,000,937
MURETO PRI SCH	-	35,319	-	35,319		35,319
SAMBALAT PRI SCH	-	3,001,348	-	3,001,348		3,001,348
CHEBILIL PRI SCH	-	896	-	896		896
KAMASIA SEC SCH	-	2,030,412	-	2,030,412		2,030,412
WEWO ASSISTANT CHIEF'S OFFICE	-	211,228	-	211,228		211,228
LUKUGET SECONDARY SCH	-	1,397	-	1,397		1,397
KOIBIRIR CHIEFS'OFFICE	-	1,050	-	1,050		1,050
TOT POLICE STATION	-	130	-	130		130
TOT SECONDARY SCHOOL	-	1,805	-	1,805		1,805
KIPKANER SECONDARY SCHOOL	-	2,120	-	2,120		2,120

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KMTC KERIO VALLEY SCHOOL	-	13,744,219	-	13,744,219		13,744,219
KAPSANAIYA PRIMARY SCHOOL	-	2,000,000	-	2,000,000		2,000,000
KAPTICH CHIEFS OFFICE	-	7,189	-	7,189		7,189
SEGON PRIMARY SCHOOL	-	500	-	500		500
CHAWIS PRIMARY SCHOOL	-	1,017	-	1,017		1,017
CHORWA PRIMARY SCHOOL	-	601,053	-	601,053		601,053
NYIRAR PRIMARY SCHOOL	-	3,382	-	3,382		3,382
CHELMWO PRIMARY SCHOOL	-	1,004,233	-	1,004,233		1,004,233
MUSWON PRIMARY SCHOOL	-	615	-	615		615
KAPKUTO PRIMARY SCHOOL	-	33,576	-	33,576		33,576
KOMBASES PRIMARY SCHOOL	-	1,010	-	1,010		1,010
KAPKOBIL PRIMARY SCHOOL	-	1,000,282	-	1,000,282		1,000,282
QUEEN OF PEACE CHESEGER PRIMARY	-	1,005	-	1,005		1,005

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
MURKUTWO PRIMARY SCHOOL	-	7,829	-	7,829		7,829
CHEMISTO PRIMARY SCHOOL	-	1,001,191	-	1,001,191		1,001,191
LITER POLICE STATION	-	1,103	-	1,103		1,103
CHEBILIL AP LINE	-	85	-	85		85
MOGIL POLICE STATION	-	13,480	-	13,480		13,480
KIPCHUMWA CHIEFS' OFFICE	-	6,745	-	6,745		6,745
KIPKANER CHIEFS' OFFICE	-	21,159	-	21,159		21,159
KIMONGO PRIMARY SCHOOL	-	620	-	620		620
SANGACH PRIMARY SCHOOL	-	886	-	886		886
ITUM PRI SCHOOL	-	908	-	908		908
LUKUGET PRIMARY SCHOOL	-	1,011,689	-	1,011,689		1,011,689
SEBERO PRIMARY SCHOOL	-	1,121	-	1120.5		1,121
CHEPTANY PRI SCH	-	5,418	-	5,418		5,418
NYIRAR CHIEFS' OFFICE	-	475	-	475		475

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
MURKUTWO AP CAMP	-	803,028	-	803,028		803,028
CHESEWEW BOYS SECONDARY SCH	-	3,460	-	3,460		3,460
TUTURUNG ASSISTANT CHIEFS' OFFICE	-	51,193	-	51,193		51,193
MUNGWA PRIMARY SCHOOL	-	560	-	560		560
KASOKOTOW PRIMARY SCHOOL	-	2,620	-	2,620		2,620
METIPSOO PRIMARY SCHOOL	-	2,697	-	2,697		2,697
SAMBIRIR COMMUNITY LIBRARY	-	2,206	-	2,206		2,206
CHEBILIL CHIEFS OFFICE	-	1,785	-	1,785		1,785
ENDUL ASSISTANT CHIEFS OFFICE	-	302,012	-	302,012		302,012
KAMOGO CHIEFS OFFICE	-	230	-	230		230
MURKUTWA AP CAMP	-	803,028	-	803,028		803,028
MARAKWET EAST SUB-COUNTY HEADQUARTERS	-	6,123	-	6,123		6,123
MATUM PRIMARY SCHOOL	-	1,001,100	-	1,001,100		1,001,100

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAPTOBENDO PRIMARY SCHOOL	-	1,114,881	-	1,114,881		1,114,881
KABEN CHIEF'S OFFICE	-	2,240	-	2,240		2,240
KAPKOBIL AP CAMP	-	602,370	-	602,370		602,370
WEWO PRIMARY SCHOOL	-	50,002	-	50,002		50,002
ST. MICHAEL PRI SCH	-	2,001,600	-	2,001,600		2,001,600
TOROKO PRI SCH	-	1,000,867	-	1,000,867		1,000,867
CHEPKOG PRI SCH	-	1,003,876	-	1,003,876	1,000,000	3,876
NGENYIREEL PRI SCH	-	413	-	413		413
CHESONGOCH ACC's office	-	768	-	768		768
KESSOM ASSISTANT CHIEFS OFFICE	-	3,756	-	3,756		3,756
LITER POLICE STATION	-	1,103	-	1,103		1,103
ST. MARYS KAPKUTO MIXED DAY SEC	-	6,247	-	6,247		6,247
TUTURUNG PRIMARY SCHOOL	-	1,006,100	-	1,006,100	1,000,000	6,100
KOROU ASSISTANT CHIEFS OFFICE	-	436	-	436		436
KIPSIMBO PRI SCH	-	1,064,662	-	1,064,662	1,000,000	64,662
KAMELEI AP CAMP	-	1,677,723	-	1,677,723		1,677,723

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KIBIRIEM CHIEFS OFFICE	-	45	-	45		45
KAPYEGO POLICE STATION	-	101	-	101		101
TOT ACC OFFICE	-	1,078	-	1,078		1,078
TOT POLICE STATION	-	896	-	896		896
ST MARYS KAPKUTO DAY SEC SCH	-	6,247	-	6,247		6,247
MURKUTWA PRIMARY SCHOOL	-	7,829	-	7,829		7,829
ENDO CHIEFS' OFFICE	-	366	-	366		366
KIPCHUMWA SECURITY CAMP	-	870	-	870		870
SANGACH PRIMARY SCHOOL	-	886	-	886		886
ENDO CHIEFS OFFICE	-	366	-	366		366
CHESOI SPECIAL SCHOOL	-	499	-	499		499
MARICH OR PRIMARY SCHOOL	-	650,535	-	650,535	650,000	535
DEPUTY COUNTY COMMISSIONER OFFICE	-	1,000,500	-	1,000,500	1,000,000	500
CHEPUNDARIA PRIMARY SCHOOL	-	2,023,850	-	2,023,850	2,000,000	23,850

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KAPKENY PRIMARY SCHOOL	-	940,980	-	940,980		940,980
TENDERWA PRIMARY SCHOOL	-	1,420	-	1,420		1,420
METIPSOO ASSISTANT CHIEFS OFFICE	-	228,326	-	228,326		228,326
Sub-total	37,010,488	69,383,177	10,581,759	116,975,424	45,958,017	15,484,230
7.0 Secondary Schools Projects (List all the Projects)						
Sambirir Boys Secondary School	2,993,627	-	2,000,000	4,993,627	4,993,627	-
Kamogo Secondary School	8,577,170	736,355	22,900,000	32,213,525	22,000,000	10,213,525
Kapchelaga Secondary School	2,509,074	-	-	2,509,074	2,509,074	(0)
Kamasia Secondary School.	1,500,000	-	-	1,500,000	1,500,000	-
Chesewew Boys Secondary School	12,436,085	-	-	12,436,085	1,000,000	11,436,085
Kapkuto Secondary School	2,200,000	-	1,500,000	3,700,000	1,500,000	2,200,000
Kapchebau Girls Secondary School	3,000,000	-	-	3,000,000	-	3,000,000
Karena Secondary School	1,000,000	-	-	1,000,000	1,000,000	-
Ishmael Chelanga Secondary School	11,482,000	-	-	11,482,000	500,000	10,982,000

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Toroko Day Secondary School	945,292	-	-	945,292	945,292	0
Tot Secondary School	2,500,000	-	-	2,500,000		2,500,000
ST Paul Kapkondot Secondary School	2,000,000	-	-	2,000,000	2,000,000	-
MOGIL DAY SECONDARY SCHOOL	-	581	-	581	-	581
KAPTICH GIRLS SECONDARY SCHOOL	-	228	-	228	-	228
LITER SECONDARY SCHOOL	-	1,171	-	1,171	-	1,171
KIPKANER DAY SECONDARY SCHOOL	-	2,120	-	2,120	-	2,120
SAMBIRIR GIRLS SECONDARY SCHOOL	-	296,694	-	296,694	-	296,694
CHESEWEW BOYS SECONDARY SCH	-	12,606	-	12,606	-	12,606
ST MICHAEL SECONDARY SCHOOL	-	361	-	361	-	361
ST PAULS KAPKONDOT SEC SCH	-	1,004,877	-	1,004,877	1,000,000	4,877
KAPCHEBAU SEC SCH	-	1,001,017	-	1,001,017	1,000,000	1,017
KAPYEGO SECONDARY SCHOOL	-	801,669	-	801,669	800,000	1,669

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
TOROKO DAY SECONDARY SCHOOL	-	1,016,711	-	1,016,711	1,000,000	16,711
KARENA DAY SECONDARY SCHOOL	-	1,000,287	-	1,000,287	1,000,000	287
KAPCHELAGA MIXED DAY SEC SCH	-	1,401,000	-	1,401,000	1,400,000	1,000
ST MARYS MON SECONDARY	-	1,001,732	-	1,001,732	1,000,000	1,732
ISHMAEL CHELANGA SECONDARY	-	10,251	-	10,251	-	10,251
KERIO VALLEY SEC SCH	-	3,001,351	-	3,001,351	3,000,000	1,351
Sub-total	51,143,248	-	26,400,000	77,543,248	48,147,993	40,684,266
8.0 Tertiary institutions Projects (List all the Projects)						
KMTC Kerio valley campus	14,407,610	-	-	14,407,610	-	14,407,610
Sub-total						
9.0 Security Projects						
Kaptich Chief's Office	1,190,926	-	-	1,190,926	-	1,190,926
Kapsicha Assistant Chief's Office	600,000	-	-	600,000	-	600,000
Endul Assistant Chief's Office	600,000	-	-	600,000	600,000	-
Endo Chiefs Office	900,000	820,365	-	1,720,365	900,000	820,365

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Murkutwo Security Camp	700,000	-	-	700,000	700,000	-
Metipsoo Assistant Chiefs Office	-	800,000	-	800,000	800,000	-
Sub-total	3,990,926	1,620,365	-	5,611,291	3,000,000	2,611,291
10.0 Acquisition of assets						
10.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
10.2 Construction of CDF office	-	-	-	-	-	-
10.3 Purchase of furniture and equipment	-	-	-	-	-	-
10.4 Purchase of computers	-	-	-	-	-	-
10.5 Purchase of land	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
11.0 Digital Hubs						
<i>(Itemize as per the code list)</i>	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
12.0 Others						
12.1 Strategic Plan	-	-	-	-	-	-
Sub total	-	-	-	-	-	-
13.0 Funds pending approval**						
13.1 Unapproved projects	-	-	-	-	-	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
13.2 AIA	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
Total	170,469,857	109,031,692	36,981,759	316,483,308	156,140,857	160,342,451

4. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Marakwet East Constituency principal activity is security and education.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Marakwet East has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement.

The NG-CDF Marakwet East has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2024/2025 up to the reporting date.

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

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets

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and Equipment	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.
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>

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

iii. **Early adoption of standards**

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of

economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

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6. Transfers from the NGCDF Board

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

7. Transfers from domestic and foreign partners

Description	2024/2025
	Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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10. Employees cost

	2024/2025
	Kshs
NG-CDFC Basic staff salaries	3,481,200
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	578,888
Employer Contributions Compulsory national social security schemes	207,456
Employer Contributions Compulsory Housing levy	51,900
Employer contributions to National Industrial Training Authority	9,600
Other Specify	-
Total	4,329,044

11. Committee Expenses

	2024/2025
	Kshs
Sitting allowance	2,144,100
Other Committee expenses	275,000
Total	2,419,100

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12. Use of Goods and services

	2024/2025
	Kshs
Utilities, supplies and services	405,683
Communication, supplies and services	85,826
Domestic travel and subsistence	23,400
Printing, advertising and information supplies & services	162,650
Office Rent	-
Training expenses	-
Hospitality supplies and services	417,689
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	316,000
Fuel, oil & lubricants	588,300
Bank charges	17,325
Routine maintenance – vehicles and other transport equipment	93,784
Routine maintenance – other assets	17,400
Strategic plan expenses	-
Other operating expenses	986,600
Total	3,114,657

13. Other Government Units Actual expenditure

Description	2024/2025
	Kshs
Primary Schools Actual expenditure	46,297,568
Secondary Schools Actual expenditure	41,277,974
Tertiary Institutions Actual expenditure	13,114,544
Total	100,690,086

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14. Other Grants and transfers Actual expenditure

	2024/2025
	Kshs
Bursary – secondary schools	30,526,420
Bursary – tertiary institutions	9,713,155
Bursary – special schools	58,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	2,256,600
Climate change mitigation projects	-
Emergency projects Actual expenditure	3,324,590
Roads projects Actual expenditure	-
Others specify	-
Total	45,878,765

15. Depreciation and Amortization Expenses

Description	2024/2025
	Kshs
Property Plant and Equipment	156,316
Intangible Assets	-
Total	156,316

16. Digital Hubs Expenses

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

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17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name of Bank and Account No.	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
Equity bank A/C no. 1570261546678 Kapsowar Branch	31,704,850	19,997,883
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
Equity Bank A/c No. 1570285925404 Kapsowar Branch Deposit account	578,888	-
<i>KCB-Kapsowar branch, Equity bank-Kapsowar branch</i>	86,588,855	89,033,809
Total	118,872,594	109,031,692
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
Total	-	-

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20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

Description	2023/2024		Opening Statement 1 st July 2024	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

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21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	41,469,857		36,981,759	
Outstanding imprest	-		-	
Total	41,469,857		36,981,759	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

22. Prepayments

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

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	249,500	614,414	-	-	863,914
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	249,500	614,414	-	-	863,914
Depreciation and Impairment								
Opening Depreciation	-	-	-	31,188	184,324	-	-	215,512
Depreciation	-	-	-	27,289	129,027	-	-	156,316
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	58,477	313,351	-	-	371,828
Net Book Values								
Opening Bal as at 1 st July 2024	-	-	-	218,313	430,090	-	-	648,402
As At 30 th June 2025	-	-	-	191,023	301,063	-	-	492,086

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Valuation

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

23 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land		-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

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

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

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24. Intangible Assets

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

25. Right-of use assets

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

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As At 30 June 2024. (Comparative Period)	-	-	-	-
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26. Trade and Other Payables

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

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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	1,400,000	-
Retention held during the period (B)	194,611	1,400,000
Retention paid during the period (C)	-	-
Closing Retention as at period 30th June 2025, D= A+B-C	1,594,611	1,400,000

Retentions aging analysis.

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

28. Lease Liabilities

<i>Description</i>	<i>2024/2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

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Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	<i>Period ended June 2025</i>	<i>Opening Statement</i>
	Kshs	<i>1st July 2024</i> Kshs
Gratuity at the beginning of the period (A)	479,474	479,474
Gratuity held during the period (B)	578,888	-
Gratuity paid during the period (C)	482,705	-
Total Gratuity provision as at period ended June 2025 D=(A+B-C)	575,657	479,474

30. Cash Generated from Operations

	2024/2025
	Kshs
Surplus/Deficit for the year	13,881,889
Adjusted for:	
Depreciation	156,316
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Increase/decrease in receivables	4,488,098
Increase/decrease in payables	(290,794)
Net cash flow from operating activities	9,840,902

31. Financial Risk Management

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

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i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	41,469,857	41,469,857	-	-
Bank balances	31,704,850	31,704,850	-	-
Total	73,174,707	73,174,707	-	-
As at 30 June (Previous FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	36,981,759	36,981,759	-	-
Bank balances	19,997,883	19,997,883	-	-
Total	56,979,642	56,979,642	-	-

Financial Risk Management

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

ii) Liquidity risk management

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

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

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

iii) Market risk

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

a) Foreign currency risk

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

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2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities			
Trade and Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

The following table demonstrates the effect on the Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
Current FY			
Euro	10%	-	-
USD	10%	-	-
Previous FY			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one

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percentage point as a decrease/increase. A rate increase/decrease of 5% would result in a decrease/increase in profit before tax

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land and Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June 2024				

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Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land and Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

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

Description	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(-)	(-)
Net Debt/(Excess Cash And Cash Equivalent)	-	-
Gearing	-%	-%

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32. Related Party Disclosures

	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,419,100	2,475,317
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	165,981,759	202,068,106
Total	168,400,859	204,543,423

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

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Contingent Liabilities

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

35. Capital Commitments

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

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments maybe those that have been authorised by the board but at the end of the year had not been contracted or those already contracted for and ongoing).

36. Events after the Reporting Period

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

37. Ultimate and Holding Entity

The Marakwet East Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

5. Annexes
 Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	1,200,000	-	-	1,200,000
Buildings and structures	14,069,369	-	-	14,069,369
Transport equipment	9,483,255	-	-	9,483,255
Office equipment, furniture, and fittings	772,600	-	-	772,600
ICT Equipment and Other ICT Assets	1,426,914	-	-	1,426,914
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	26,952,138	-	-	26,952,138

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Annex 2 –PMC Bank Balances as at 30th June 2025

PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
MARON PRIMARY SCHOOL	KCB-KAPSOWAR	1135282293	685	685
KAMOGO PRIMARY SCHOOL	KCB-KAPSOWAR	1130448673	1,800,989	989
MKENO PRIMARY SCHOOL	KCB-KAPSOWAR	1135120455	11,480	11,480
KAPKENY PRIMARY SCHOOL	KCB-KAPSOWAR	1136920218	-	-
RATIA PRIMARY SCHOOL	KCB-KAPSOWAR	1148065253	10,017	1,697
KILANGATA PRIMARY SCHOOL	KCB-KAPSOWAR	1106926781	3,324	3,324
KAPSICHA PRIMARY SCHOOL	KCB-KAPSOWAR	1150322349	1,201,982	2,108
KOISABUL PRIMARY SCHOOL	KCB-KAPSOWAR	1169983677	474	474
ST PETERS KORION PRIMARY SCHOOL	KCB-KAPSOWAR	1275242111	445,287	2,104
KAPTORA PRIMARY SCHOOL	KCB-KAPSOWAR	1127186736	224	224
MOKWONY PRIMARY SCHOOL	KCB-KAPSOWAR	1135150052	1,000,595	1,000,595
KAMASIA PRIMARY SCHOOL	KCB-KAPSOWAR	1113957042	2,404,088	4,328
KAPCHELAGA PRIMARY SCHOOL	KCB-KAPSOWAR	1137196505	9,075	9,075
KAPCHOGE PRIMARY SCHOOL	KCB-KAPSOWAR	1235111008	552,421	2,547
TEBE PRIMARY SCHOOL	KCB-KAPSOWAR	1135612331	1,469	1,469
TANGUL PRIMARY SCHOOL	KCB-KAPSOWAR	1131575555	5,317	1,417,108
KAMELEI PRIMARY SCHOOL	KCB-KAPSOWAR	1103110896	8,744	8,744

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
KAPERO PRIMARY SCHOOL	KCB-KAPSOWAR	1125897643	1,495,426	1,170,314
TENDERWA PRIMARY SCHOOL	KCB-KAPSOWAR	1135369011	675	675
KAPCHEMURKELDET PRIMARY SCH	KCB-KAPSOWAR	1137061073	777	11,277
KABIEGO PRIMARY SCHOOL	KCB-KAPSOWAR	1169491650	9,747	2,005,557
KIMUREN PRIMARY SCHOOL	KCB-KAPSOWAR	1147892253	44,349	44,349
MAINA PRIMARY SCHOOL	KCB-KAPSOWAR	1180097815	1,205,083	5,083
KUMBULUL PRIMARY SCHOOL	KCB-KAPSOWAR	1130965198	151,985	2,791
KONOT PRIMARY SCHOOL	KCB-KAPSOWAR	1135067910	2,185	52,185
CHESONGOCH SMALL HOME	KCB-KAPSOWAR	1138718556	330	330
TOT PRIMARY SCHOOL	KCB-KAPSOWAR	1103110063	3,738	1,999,678
CHESAWACH PRIMARY SCHOOL	KCB-KAPSOWAR	1131308190	1,794	1,794
LITER PRIMARY SCHOOL	KCB-KAPSOWAR	1102608777	1,387,832	427,832
KABALDAMET PRIMARY SCHOOL	KCB KAPSOWAR	1178117979	261,666	631
BARBERI PRIMARY SCHOOL	KCB KAPSOWAR	1167891481	807,367	807,367
KIPYEBO PRIMARY SCHOOL	KCB KAPSOWAR	1110465470	315,152	701,106
MOGIL DAY SECONDARY SCHOOL	KCB KAPSOWAR	1103039156	581	581
KAPTICH GIRLS SECONDARY SCHOOL	KCB KAPSOWAR	1133716342	228	228
LITER SECONDARY SCHOOL	KCB KAPSOWAR	1135436606	1,171	1,171

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
KIPKANER DAY SECONDARY SCHOOL	KCB KAPSOWAR	110311)259	2,120	2,120
SAMBIRIR GIRLS SECONDARY SCHOOL	KCB KAPSOWAR	1137266678	36,855	296,694
CHESEWEW BOYS SECONDARY SCH	KCB KAPSOWAR	1116492776	12,606	12,606
ST MICHAEL SECONDARY SCHOOL	KCB KAPSOWAR	1135257183	570,361	361
ST PAULS KAPKONDOT SEC SCH	KCB KAPSOWAR	1125069430	2,060,972	1,004,877
KAPCHEBAU SEC SCH	KCB KAPSOWAR	1158544421	1,001,017	1,001,017
SAMBIRIR BOYS SEC SCH	KCB KAPSOWAR	1127490168	7,264,812	4,861,606
TENDERWA CHIEFS OFFICE	KCB KAPSOWAR	1179550374	1,526	1,526
CHEPTOBOT CHIEFS OFFICE	KCB KAPSOWAR	1179478711	4,005	4,005
KATILIT PRIMARY SCHOOL	KCB KAPSOWAR	1135191689	1,001,115	1,115
CHEPTOBOT PRIMARY SCHOOL	KCB KAPSOWAR	1183902352	2,366	2,366
CHECHAN PRIMARY SCHOOL	KCB KAPSOWAR	1198782641	1,201,976	1,201,976
CHESETAN PRIMARY SCHOOL	KCB KAPSOWAR	1198683414	849	849
KABETWA PRIMARY SCHOOL	KCB KAPSOWAR	1130959112	9,320	2,008,320
KREEL PRI SCH	KCB KAPSOWAR	1181293995	5,212	5,212
KERBUT PRI SCH	KCB KAPSOWAR	1149202122	1,058	1,040,058
KIMITEL PRI SCH	KCB KAPSOWAR	1136434178	42,547	1,000,838
BOROKO PRIMARY SCHOOL	KCB KAPSOWAR	1136778918	1,059	1,004,077

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
KALYA PRIMARY SCHOOL	KCB KAPSOWAR	1205071318	56,982	56,982
KAPKAIN PRIMARY SCHOOL	KCB KAPSOWAR	1136944087	1,241	1,241
CHUGOR PRIMARY SCHOOL	KCB KAPSOWAR	1137160551	1,916	238,916
CHESOI PRIMARY SCHOOL	KCB KAPSOWAR	1286373050	7,863	7,863
ENDIWA PRIMARY SCHOOL	KCB KAPSOWAR	1153760347	2,144	33,712
MOGIL PRIMARY SCHOOL	KCB KAPSOWAR	1233552325	650,000	-
TIRAP PRIMARY SCHOOL	KCB KAPSOWAR	1214152937	27,061	27,061
CHEMWOROR PRIMARY SCHOOL	KCB KAPSOWAR	1148682791	2,324	2,324
CHEBILIL CHIEFS'OFFICE	KCB KAPSOWAR	1135319650	896	896
MEUNO PRIMARY SCHOOL	KCB KAPSOWAR	1106939050	284,114	154,142
MOROR PRI SCH	KCB KAPSOWAR	1103111388	1,672	550,672
TOT DAY SEC SCH	KCB KAPSOWAR	1116213451	1,805	1,805
CHESONGOCH PRI SCH	KCB KAPSOWAR	1131341473	2,487	2,000,937
MURETO PRI SCH	KCB KAPSOWAR	1149668245	35,319	35,319
SAMBALAT PRI SCH	KCB KAPSOWAR	1274517354	361,348	3,001,348
CHEBILIL PRI SCH	KCB KAPSOWAR	1135319650	896	896
KERIO VALLEY SEC SCH	KCB KAPSOWAR	1275236340	3,591	3,001,351
KAMASIA SEC SCH	KCB KAPSOWAR	1135055750	1,851,963	2,030,412
WEWO ASSISTANT CHIEF'S OFFICE	KCB KAPSOWAR	1258454963	57,028	211,228

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LUKUGET SECONDARY SCH	KCB KAPSOWAR	1183574436	67,777	1,397
KOIBIRIR CHIEFS'OFFICE	KCB KAPSOWAR	1258454580	1,050	1,050
TOT POLICE STATION	KCB KAPSOWAR	1271726106	130	130
TOT SECONDARY SCHOOL	KCB KAPSOWAR	1116213451	1,805	1,805
KIPKANER SECONDARY SCHOOL	KCB KAPSOWAR	1103113259	2,120	2,120
KMTC KERIO VALLEY SCHOOL	KCB KAPSOWAR	1283444836	15,037,285	13,744,219
KAPKCHEBAU PRIMARY SCHOOL	KCB KAPSOWAR	1281611921	22,571	1,001,017
KAPSANAIYA PRIMARY SCHOOL	KCB KAPSOWAR	1329609212	23,224	2,000,000
KAPTICH CHIEFS OFFICE	KCB KAPSOWAR	1277013721	7,189	7,189
SEGON PRIMARY SCHOOL	KCB KAPSOWAR	1325225649	1,200,374	500
CHAWIS PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570266414935	1,017	1,017
CHORWA PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264054753	1,053	601,053
NYIRAR PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570262635352	1,203,382	3,382
CHELMWO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264231010	1,003,536	1,004,233
MUSWON PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264205214	615	615
KAPKUTO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570266863037	33,576	33,576
KOMBASES PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570267124604	2,401,010	1,010
KAPKOBIL PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264023478	55,582	1,000,282
QUEEN OF PEACE CHESEGER PRIMARY	EQUITY-KAPSOWAR	1530261739240	1,005	1,005

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
MURKUTWO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570263899187	7,829	7,829
CHEMISTO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570262653284	1,578	1,001,191
ST AUGUSTINE KAPYEGO SECONDARY	EQUITY-KAPSOWAR	1570264045144	11,772	801,669
ISHMAEL CHELANGA SECONDARY	EQUITY-KAPSOWAR	1570262776347	10,251	10,251
LITER POLICE STATION	EQUITY-KAPSOWAR	1570261708992	1,103	1,103
CHEBILIL AP LINE	EQUITY-KAPSOWAR	1570264449314	85	85
MOGIL POLICE STATION	EQUITY-KAPSOWAR	1570262692350	13,480	13,480
KIPCHUMWA CHIEFS' OFFICE	EQUITY-KAPSOWAR	1570266061270	6,745	6,745
KIPKANER CHIEFS' OFFICE	EQUITY-KAPSOWAR	1570266548914	21,159	21,159
ST MARYS MON SECONDARY	EQUITY-KAPSOWAR	1570269233373	1,001,732	1,001,732
KIMONGO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264653431	620	620
SANGACH PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570269995814	886	886
ITUM PRI SCHOOL	EQUITY-KAPSOWAR	1570263833431	2,169,256	908
LUKUGET PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264190830	860,506	1,011,689
SEBERO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570271424260	1,121	1,120.50
CHEPTANY PRI SCH	EQUITY-KAPSOWAR	1570264231665	418	5,418
NYIRAR CHIEFS' OFFICE	EQUITY-KAPSOWAR	1570270180458	475	475
MURKUTWO AP CAMP	EQUITY-KAPSOWAR	1570271087501	700,578	803,028
CHESEWEW BOYS SECONDARY SCH	EQUITY-KAPSOWAR	1570268837853	1,003,460	3,460

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
TUTURUNG ASSISTANT CHIEFS' OFFICE	EQUITY-KAPSOWAR	1570271786430	51,193	51,193
MUNGWA PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570264235144	560	560
KASOKOTOW PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570271755916	2,620	2,620
METIPSOO PRIMARY SCHOOL	EQUITY-KAPSOWAR	1570271743991	2,697	2,697
SAMBIRIR COMMUNITY LIBRARY	EQUITY-KAPSOWAR	1570262393420	2,206	2,206
CHEBILIL CHIEFS OFFICE	EQUITY-KAPSOWAR	1570264218132	1,785	1,785
ENDUL ASSISTANT CHIEFS OFFICE	EQUITY-KAPSOWAR	1570262680253	602,012	302,012
KAMOGO CHIEFS OFFICE	EQUITY-KAPSOWAR	1570273274188	230	230
MURKUTWA AP CAMP	EQUITY-KAPSOWAR	1570271087501	803,028	803,028
MARAKWET EAST SUB-COUNTY HEADQUARTERS	EQUITY-KAPSOWAR	1570271246110	6,123	6,123
MATUM PRIMARY SCHOOL	EQUITY KAPSOWAR	1570263932649	1,001,100	1,001,100
KAPTOBENDO PRIMARY SCHOOL	EQUITY KAPSOWAR	1570263777724	1,114,881	1,114,881
KABEN CHIEF'S OFFICE	EQUITY KAPSOWAR	1570270615625	2,740	2,240
KAPKOBIL AP CAMP	EQUITY KAPSOWAR	1570277415487	602,370	602,370
WEWO PRIMARY SCHOOL	EQUITY KAPSOWAR	1570277270019	50,002	50,002
ST. MICHAEL PRI SCH	EQUITY KAPSOWAR	1570277501517	2,001,600	2,001,600
TOROKO PRI SCH	EQUITY KAPSOWAR	1570277359824	14,680	1,000,867
CHEPKOG PRI SCH	EQUITY KAPSOWAR	1570264325860	416,036	1,003,876

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
NGENYIREEL PRI SCH	EQUITY KAPSOWAR	1570264026694	413	413
CHESONGOCH ACC's office	EQUITY KAPSOWAR	1570279240030	768	768
KESSOM ASSISTANT CHIEFS OFFICE	EQUITY KAPSOWAR	1570279317449	3,756	3,756
KIPCHUMWA AP CAMP	EQUITY KAPSOWAR	1570279557327	870	870
LITER POLICE STATION	EQUITY KAPSOWAR	1570261708992	1,103	1,103
ST. MARYS KAPKUTO MIXED DAY SEC	EQUITY KAPSOWAR	1570279584396	1,506,247	6,247
TUTURUNG PRIMARY SCHOOL	EQUITY KAPSOWAR	1570279883754	6,837	1,006,100
KOROU ASSISTANT CHIEFS OFFICE	EQUITY KAPSOWAR	1570279871501	436	436
KIPSIMBO PRI SCH	EQUITY KAPSOWAR	1570279346687	763,396	1,064,662
KAMELEI AP CAMP	EQUITY-KAPSOWAR	1570279189656	1,677,723	1,677,723
KIBIRIEM CHIEFS OFFICE	EQUITY KAPSOWAR	1570279871576	45	45
KAPYEGO POLICE STATION	EQUITY KAPSOWAR	1570277741681	101	101
TOT ACC OFFICE	EQUITY KAPSOWAR	1570280216268	1,078	1,078
TOT POLICE STATION	EQUITY KAPSOWAR	1570262253142	896	896
ST MARYS KAPKUTO DAY SEC SCH	EQUITY KAPSOWAR	1570279584396	1,506,247	6,247
KIPSIMBO PRIMARY SCHOOL	EQUITY KAPSOWAR	1570279346687	4,377	1,064,662
MURKUTWA PRIMARY SCHOOL	EQUITY KAPSOWAR	1570263899187	7,829	7,829
KAMOGO SECONDARY SCHOOL	EQUITY KAPSOWAR	1570278652746	736,355	6,084,447
KAPYEGO SECONDARY SCHOOL	EQUITY KAPSOWAR	1570264045144	801,669	801,669

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PMC	Bank	Account number	Bank Balance 2024/2-25	Bank Balance 2023/2024
ENDO CHIEFS' OFFICE	EQUITY KAPSOWAR	1570280344386	900,366	366
KAMELEI SECURITY CAMP	EQUITY KAPSOWAR	1570279189656	1,677,723	1,677,723
KIPCHUMWA SECURITY CAMP	EQUITY KAPSOWAR	1570279557327	870	870
SANGACH PRIMARY SCHOOL	EQUITY KAPSOWAR	1570269995814	886	886
ENDO CHIEFS OFFICE	EQUITY KAPSOWAR	1570280344386	366	366
TOROKO DAY SECONDARY SCHOOL	EQUITY KAPSOWAR	1570280433428	77,522	1,016,711
KARENA DAY SECONDARY SCHOOL	EQUITY KAPSOWAR	1570284265719	900,287	1,807,390
CHESOI SPECIAL SCHOOL	EQUITY KAPSOWAR	1570264234266	499	499
MARICH OR PRIMARY SCHOOL	EQUITY KAPSOWAR	1570283296977	1,850,535	650,535
KAPCHELAGA MIXED DAY SEC SCH	EQUITY KAPSOWAR	1570284336604	3,215,666	1,401,000
DEPUTY COUNTY COMMISSIONER OFFICE	EQUITY KAPSOWAR	1570282726633	550	1,000,500
CHEPUNDARIA PRIMARY SCHOOL	EQUITY KAPSOWAR	1570284603214	1,508	2,023,850
KAPKENY PRIMARY SCHOOL	EQUITY KAPSOWAR	1570272532793	2,240,980	940,980
TENDERWA PRIMARY SCHOOL	EQUITY KAPSOWAR	1570281313188	1,420	1,420
METIPSOO ASSISTANT CHIEFS OFFICE	EQUITY KAPSOWAR	1570282698797	228,326	228,326
Total			86,588,855	89,033,809

Annex 3: Progress on Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.0	<p>Basis for Qualified Opinion</p> <p>Unconfirmed Project Management Committee (PMC) Bank Accounts Annex 5 to the financial statement disclosed PMC account balance of Kshs.89,033,808 as at 30 June, 2024 held in one hundred and sixty-two (162) bank accounts. However, Management did not provide supporting cashbooks, bank statements and certificates of bank balances.</p> <p>In the circumstances, the accuracy and</p>	<p>The management acknowledges the anomaly and commits to correct in future, please find attached bank statements, bank certificates and sample cashbooks were availed for audit verification. Capacity building on PMCs shall be conducted regularly to ensure compliance with submission of returns</p>	Not resolved	31-12-2025

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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)
	completeness of the PMC bank balances of Kshs.89,033,808 could not be confirmed.			
2.0	Emphasis of Matter Budget Control and Performance The summary statement of appropriation reflects final receipts budget and actual on a comparable basis of Kshs.244,725,290 and Kshs.207,743,531 respectively resulting to an underfunding of Kshs.36,981,759 or 15% of the budget. Similarly, the Fund spent Kshs. 187,745,648 against actual receipts of Kshs.207,743,531 resulting to an under-expenditure of Kshs. 19,997,883 or 9.6% of the budget.	Management response; The above under-funding was as a result of undisbursed funds from the board as per the attached AIEs and lists of projects intended to be funded by the same AIEs. Regular follow ups are being done by the management to ensure timely disbursements from the board and to Project Management Committees. The management commits to implement all approved projects in a timely manner	Not resolved	31-12-2025
3.0	Other Matter 1. Project Implementation Status Review of project implementation status report as at 30 June,	Management response; Management commits to fully implement all approved projects in	Not resolved	31-12-2025

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>2024 indicated that a total of Twenty-Six (26) projects were funded at an estimated cost of Kshs.82,734,300 out of which one (1) project with an estimated value of Kshs.5,000,000 had not started, six (6) projects with an estimated value of Kshs.23,400,000 were on going and nineteen (19) projects were complete.</p> <p>Failure to complete the funded projects is an indication that programs or activities were not implemented as planned thus not achieving the intended objective of improving service delivery of goods and services to the people of Marakwet East Constituency.</p>	<p>the code list in a timely manner and handover to the community for use. All the projects have received funds and are ongoing at the moment they shall be completed soon and handed over for use.</p>		
4.0	<p>Project Verification. During the year under review, twenty-five (25) projects were verified totalling to</p>	<p>Management response; Management acknowledges the above finding however commits to implement</p>		

**National Government Constituencies Development Fund (NGCDF)
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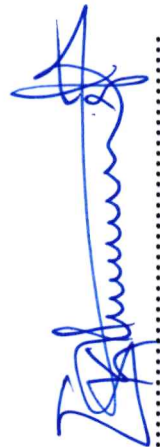
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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Kshs.82,234,300, out of which eighteen (18) projects costing Kshs.54,334,300 were complete and in use, six (6) projects totalling to Kshs.23,400,000 were still ongoing and one (1) project with an allocation of Kshs.5,000,000 had not started.	the project without further delay so as to ensure service to the residents.		
5.0	<p>Unresolved Prior Year Audit Matters</p> <p>In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. However, no report or recommendations from the Management of the</p>	<p>Management response; Management commits to clear all outstanding issues in the previous reports. Response to all issues on prior years was made and follow up done to ensure clearance by the auditor.</p>	Not resolved	31-12-2025

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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)
	Fund and oversight bodies were submitted for audit verification. Further, the issues remain unresolved contrary to Section 68(2)(l) of the Public Finance Management Act, 2012 which require accounting officers designated for National Government entities to try to resolve any issues resulting from an audit that remain outstanding.			



Name: Edwin Siele
 Fund Account Manager.