

REPUBLIC OF KENYA



**REPORT**


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**OF**

**THE AUDITOR-GENERAL**

**ON**

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

 <b>NATIONAL ASSEMBLY PAPERS</b>	
<b>FOR THE YEAR ENDED</b>	
<b>DATE: 17 FEB 2026 30 JUNE, 2025</b>	
<b>TUESDAY</b>	
<b>TABLED BY:</b>	DEPUTY MAJORITY LEADER
<b>CLERK-AT THE-TABLE:</b>	FINLAY



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**NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND**

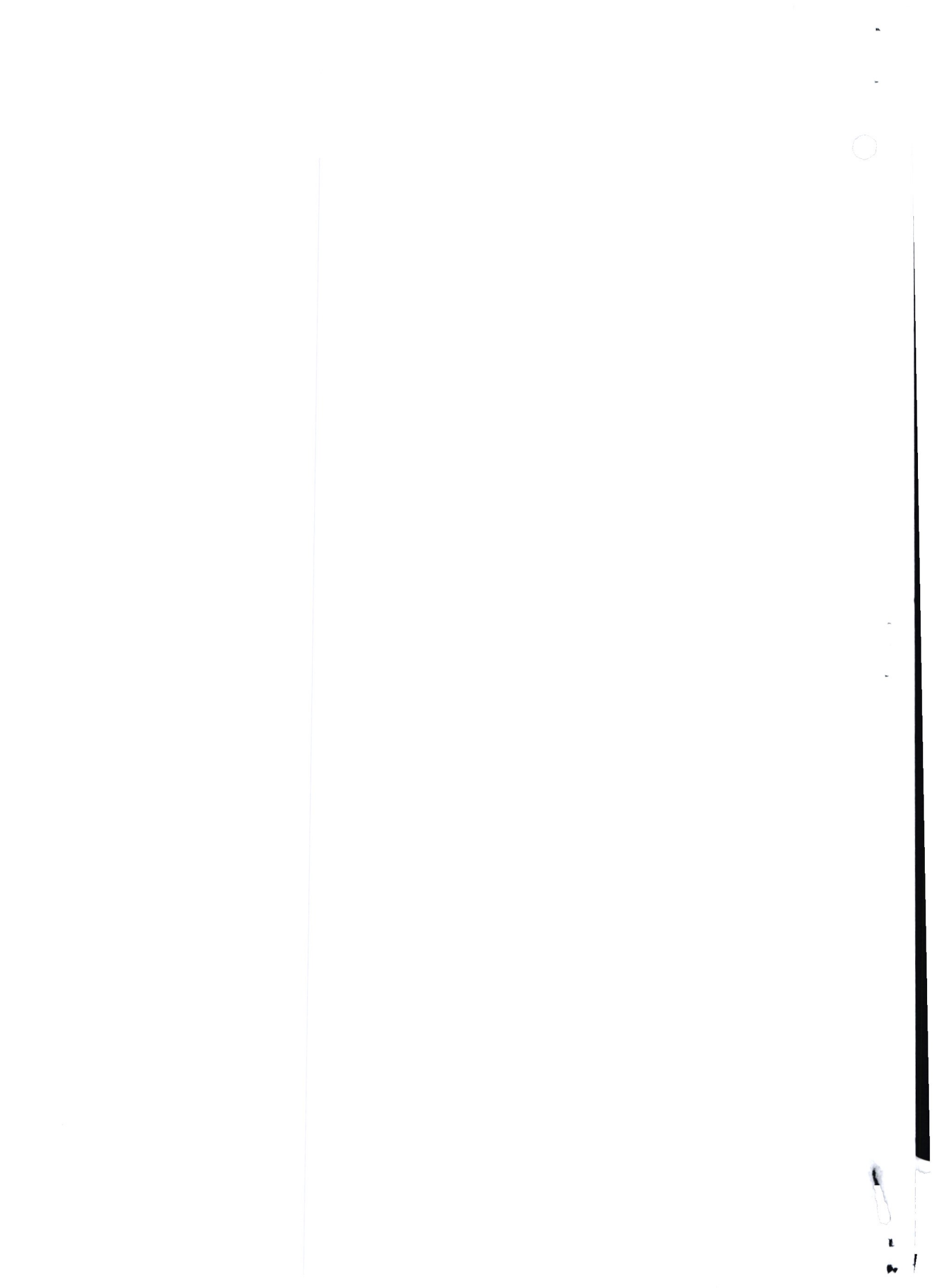
**KISUMU EAST CONSTITUENCY**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE FINANCIAL YEAR ENDED  
30<sup>th</sup> JUNE 2025**

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**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)*  
*Kisumu 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
CPE	Certificate of Primary Education
CSR	Cooperate Social Responsibility
DCC	Deputy County Commissioner
FAM	Fund Account Manager
FY	Financial Year
IPSAS	International Public Sector Accounting Standards
JSS	Junior Secondary School
KCE	Kenya Certificate of Education
KCPE	Kenya Certificate of Primary Education
KCSE	Kenya Certificate of Secondary Education
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
SHOFCO	Shining Hope For Communities
USAID	United States Agency for International Development

**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 Kisumu 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 30<sup>th</sup> June 2025 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Rotich Kiptoon
2.	National Sub-County Accountant	Cynthia Leting
3.	Chairman NGCDFC	Geroge Onyango Ondere
4.	Member NGCDFC	Susan Nunda(Alternate Operation)
5.	Member NG CDFC	Jackton Achola(Deposit)

#### **(c) Fiduciary Oversight Arrangements**

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Kisumu 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 Kisumu East Constituency Headquarters**

Kisumu East NGCDF Building  
Kibos- Chiga Road  
Kisumu, Kenya

**(e) NGCDF Kisumu East Constituency Contacts**

P.O. Box 3618-40100 Kisumu  
Telephone: (254) 0111641871  
E-mail: [cdfkisumueast@ngcdf.go.ke](mailto:cdfkisumueast@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(f) NGCDF Kisumu East Constituency Bankers**

**1. Operations Account**

Equity Bank  
Kisumu –Oginga Odinga Branch  
P. O Box 3621 - 40100  
Kisumu

**2. Deposit account**

Equity Bank  
Kisumu –Oginga Odinga Branch  
P. O Box 3621 - 40100  
Kisumu

**3. Project Management Committees Accounts**

Equity Bank  
Kisumu –Oginga Odinga Branch  
P. O Box 3621 - 40100  
Kisumu

Equity Bank  
Kisumu –Ang’awa Branch  
P. O Box 1763 - 40100  
Kisumu

Sidian Bank  
Kisumu Branch  
P. O Box 2738 -40100  
Kisumu

Cooperative Bank of Kenya  
Kisumu Branch  
P. O Box 48231 - 40100  
Kisumu

**(g) Independent Auditor**

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



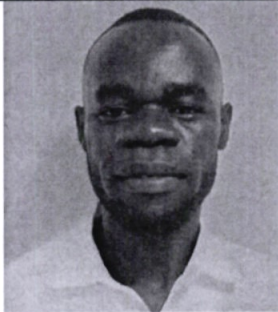
**(h) Principal Legal Adviser**

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

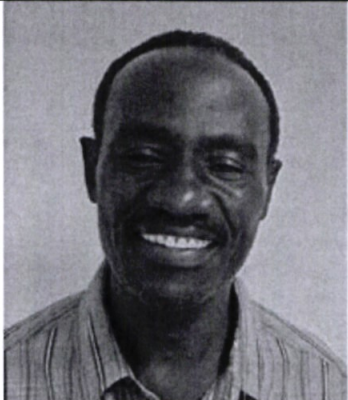


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**3. NGCDF Committee**



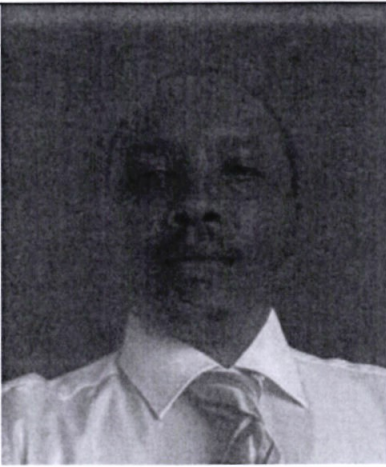
(provide details for all the NG CDFC members in the format below)

Name	Details
 <p>Jackton Achola Chairman</p>	<p><b>Date of Birth</b> 1962</p> <p><b>Academic Qualification</b> CPE, KCE,</p> <p><b>Professional qualification</b> Electrician</p> <p><b>Work experience</b> Over 20 years' experience in electrical installation, Farmer(currently), Businessman Currently serving as chairperson of Kisumu East Ngcdfc</p>
 <p>Susan Nunda- Secretary</p>	<p><b>Date of Birth</b> 1970</p> <p><b>Academic Qualification</b> KCPE, KCSE</p> <p><b>Professional Qualification</b> Nov. 2008 -Aug. 2009: Emergency Medical Technician Level 1 Course March 2015- May 2015: Certificate in Computer Packages</p> <p><b>Community health volunteer</b> June 2018 To Date – SHOFKO Kisumu June 2010 – March 2022 County Government of Kisumu June 2018 – February 2019 USAID (Mwendo Project) Currently serving as a member of Kisumu East Ngcdfc</p>
	<p><b>Date of Birth</b> 24/08/1993</p> <p><b>Academic and Professional qualification:</b> Diploma in Early childhood development education.</p> <p><b>Work experience:</b> He serves as ECDE teacher.</p> <p>Currently serving as a member of Kisumu East Ngcdfc</p>

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<b>George Pete – Member</b>	
 <p><b>John Ondele Adoyo</b> Member</p>	<p><b>Date of Birth</b> 1965</p> <p><b>Academic</b> CPE, KCE</p> <p><b>Professional qualification</b> April 2012 to September 2012: Certificate in Public Relations, University of Nairobi</p> <p><b>Work experience</b> Served in the County Government of Kisumu as a an Elected Councilor Kondele Ward Currently serving as a member of Kisumu East Ngcdf</p>
 <p><b>Lilian Adhiambo Aloys</b> Member</p>	<p><b>Date of Birth</b> 27<sup>th</sup> October 1984</p> <p><b>Academic Prequalification</b> KCPE, KCSE</p> <p><b>Work experience</b> 2006-2007:Secretary-Gwassi Constituency Office Business lady Farmer Currently serving as a member of Kisumu East Ngcdf</p>
 <p><b>Mercy Adhiambo - Member</b></p>	<p><b>Date of Birth</b> 20/11/1995</p> <p><b>Academic and Professional qualification:</b> April - December 2013 - Kenya Youth Empowerment Program/Kenya Private Sector Alliance - Life Skills And Core Business Skills Training</p> <p><b>Work experience</b> 2013 - 2018 Life Blood Donors Association, Kisumu Designation : Volunteer Mobilizer Currently serving as a member of Kisumu East Ngcdf</p>

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	<p><b>Date of Birth</b> 15/07/1990</p> <p><b>Academic and Professional qualification:</b> 2004 - 2008 Kisumu Day High School (Kisumu) May - July 2021 Caspian Computer Systems - Certificate Of Computer Proficiency</p> <p><b>Work experience</b> 2014 - 2018 Mini Bakeries (Nairobi) Ltd Designation : Sales Person 2013 - 2018 Life Blood Donors Association, Kisumu Designation : Volunteer Mobilizer Currently serving as a member of Kisumu East Ngcdfc</p>
 <p><b>Titus Omondi Nyaguti</b></p>	<p><b>Date of Birth:01/01/1972</b></p> <p><b>Academic and Professional qualification:</b> <b>Bachelor of Arts in Arts</b></p> <p><b>Work experience</b> Currently DCC Kisumu east Sub-county Member of Kisumu East NGCDFC</p>
	<p><b>Date of Birth</b> 10<sup>th</sup> April 1984</p> <p><b>Academic and Professional qualification:</b> 2004 -2006 – Eldoret Polytechnic - Diploma in Accountancy. 2008 -2013 – KASNEB – CPA Section 1 - 6 2010 – 2013 -Mt Kenya University – Business Administration. 2020 -2023 – Catholic University of Eastern Africa – Masters in Business Adminstration</p> <p><b>Work experience:</b> 2008 – 2009 – Moi Educational Centre – Transport officer. 2009 – 2010 – HELB – Registry Clerk. 2011 – 2013 – Mount Kenya University – Accounts Assistant. Currently serving as the Fund Account Manager of Kisumu East Ngcdf</p>

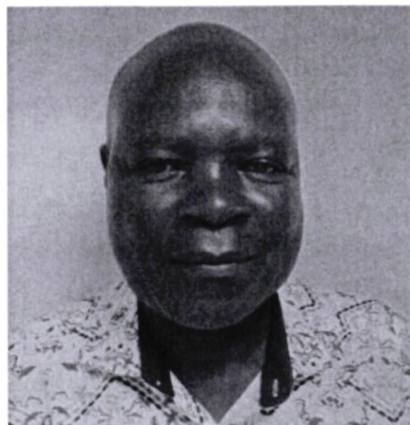
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**NGCDFC members who exited during the financial year**

<b>S/No</b>	<b>Name</b>	<b>Position</b>	<b>Period served</b>
<b>1.</b>	Zachary Ng'wena Odida	Male Youth representative	2022-2025
<b>2.</b>	Donna Otieno	Female Adult representative	2022-2025
<b>3.</b>	George Onyango Ondere	Nominee of the constituency	2022-2025

#### 4. NG-CDFC Chairman's Report



**Jackton Achola**  
Chairperson Kisumu East NGCDFC

#### **Executive Summary**

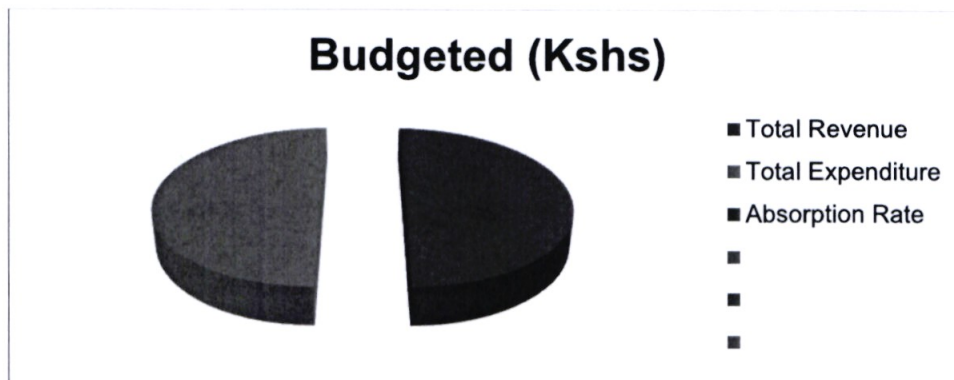
The Chairman of the Kisumu East National NGCDFC has provided steadfast leadership during the 2024/25 financial year, guiding the constituency through remarkable development milestones and operational risks. Under his stewardship, Kisumu East NG-CDF has made significant progress in project planning and implementation, with a strategic focus on infrastructure, education, digital innovation, and social development.

While the total revenue for the year was Kshs 329.9 million, actual expenditure stood at Kshs 190.0 million, reflecting an absorption rate of 68.94%. The year saw commendable investment in Certified Works and Grants & Transfers, laying a strong foundation for sustainable community development.

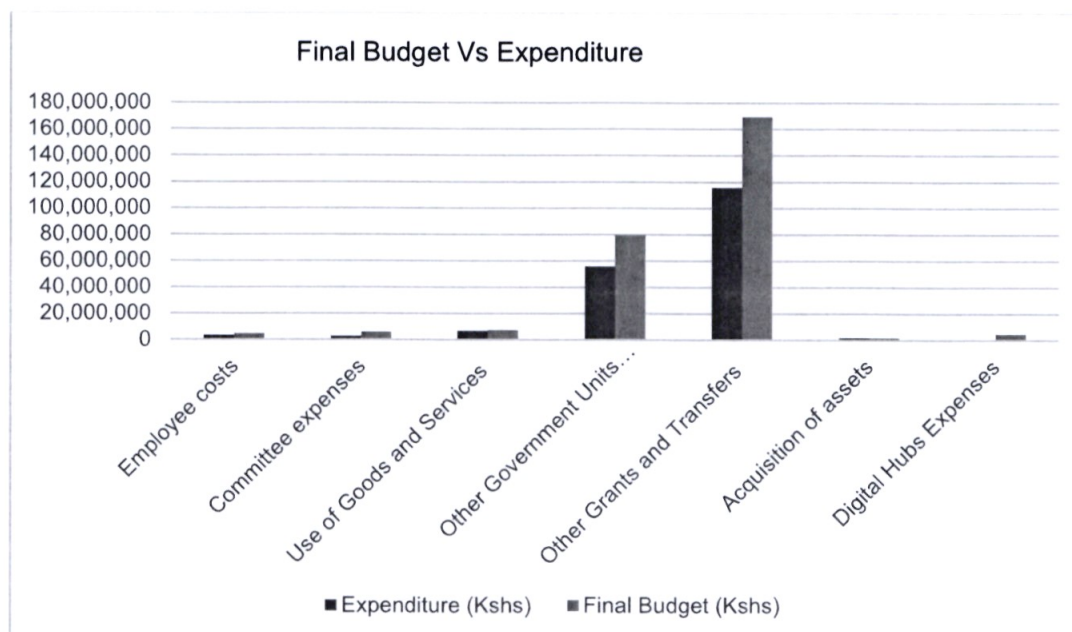
#### **Budget Performance Summary**

Description	Budgeted (Kshs)	Actual (Kshs)	Variance (Kshs)
Total Revenue	329,984,817	278,542,863	51,441,954
Total Expenditure	329,984,817	190,019,647	139,965,170
Absorption Rate		68.94%	

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Sector	Expenditure (Kshs)	Final Budget (Kshs)
Employee costs	3,410,510	4,700,263
Committee expenses	2,686,914	6,027,590
Use of Goods and Services	6,835,659	7,346,636
Other Government Units Certified Works	56,145,578	79,841,827
Other Grants and Transfers	115,600,304	169,363,865
Acquisition of assets	2,000,000	2,000,000
Digital Hubs Expenses	-	4,800,000



### **Key Achievements during the FY 2024/2025**

The Kisumu East NG-CDF Committee successfully implemented a range of impactful development projects across the constituency. These interventions have not only addressed critical service delivery gaps but have also contributed significantly to social welfare, youth empowerment, and education. Notable achievements include:

#### **1. Education Infrastructure Development**

The Fund prioritized the construction of additional classrooms across various schools, particularly focusing on the Junior Secondary Schools. This intervention played a pivotal role in ensuring the JSS learners had adequate infrastructure for conducive learning and also decongesting learning spaces, enhancing the quality of education, and supporting the government's 100% transition policy.

#### **2. Support to Needy Students through Bursaries**

More than 14,500 deserving students from vulnerable households benefited from bursary allocations. This financial support enabled them to remain in school and pursue their education with minimal disruption, thereby promoting equitable access to learning opportunities across the constituency.

#### **3. Flagship Projects Implemented in FY 2024/2025 – Kisumu East NG-CDF**

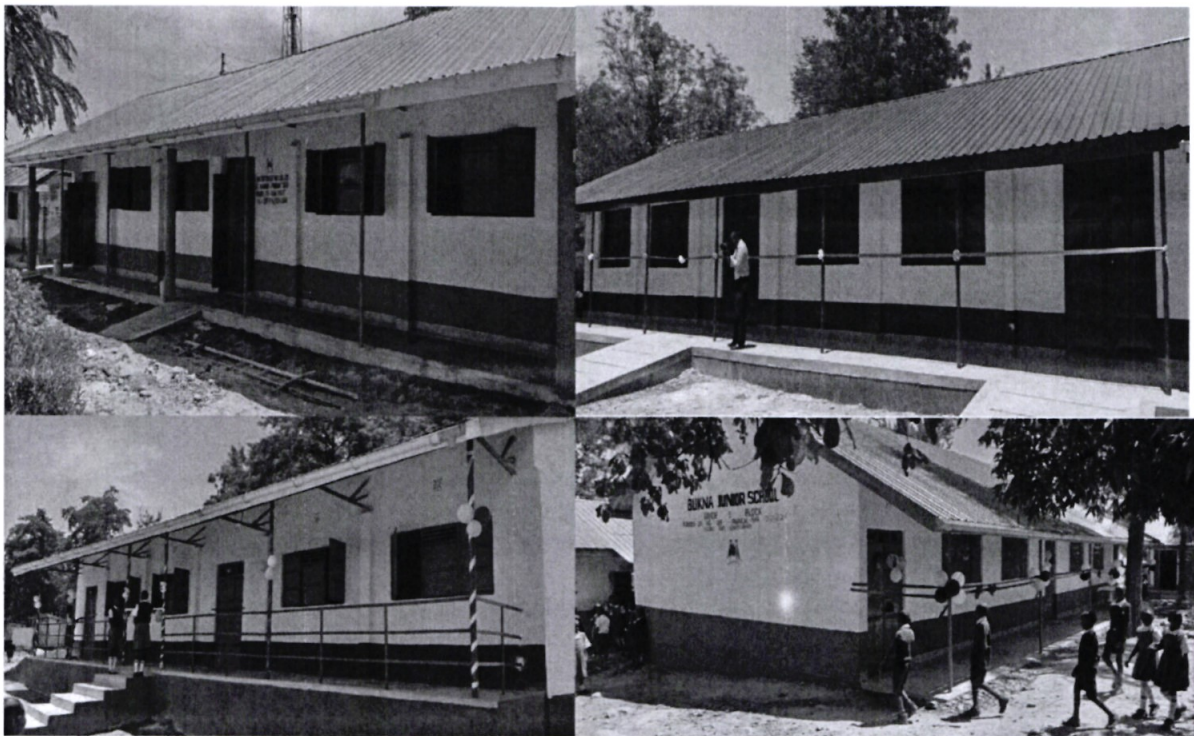
During the financial year 2024/2025, the Kisumu East NG-CDF Committee successfully initiated and executed several high-impact development projects aimed at improving learning environments, enhancing public service delivery, and strengthening institutional infrastructure. The following are some of the most outstanding projects:

#### **4. Primary Schools – Construction of Junior Secondary School classrooms**

The Fund facilitated the construction to completion of 20 classrooms for JSS in 10 different primary schools within the constituency. This initiative was aligned with the Competency-Based Curriculum (CBC) framework, aimed at enhancing quality education.

**5. Construction of Police Stations –Kasagam Police Station & Chiga Police Station**

In support of security and public service delivery, the Fund facilitated the construction of two Police stations across the constituency to enhance service delivery to the public. The projects were implemented in two wards namely Nyalenda 'A' and Kolwa East. The projects were necessitated by increased insecurity. It is worth noting that Kasagam police station is complete and operational while chiga police station is still under construction



**Figure 1: Primary Schools – Construction of Junior Secondary School classrooms**

**Figure 2: Kasagam Police Station – Complete and in use**



**Figure 2: Construction of Chiga Police Station**

### **Emerging Issues**

- Strained Education Infrastructure: Increased enrolment stretching existing facilities.
- Environmental Pressures: Need for stronger long-term strategies.
- Limited Youth Engagement: Restricted variety of youth programs, particularly in sports.
- Disaster Preparedness: Rising severe weather events require urgent attention.

### **Implementation Challenges and Recommended Way Forward**

#### **(a) Education Infrastructure**

One of the pressing challenges in the constituency is the issue of overpopulation in classrooms and inadequate dormitory facilities, especially in Junior Secondary Schools. To address this, the Kisumu East NG-CDF is prioritizing the construction of additional classrooms and laboratories. The Fund is also actively engaging with key stakeholders to mobilize additional resources for educational development.

**(b) Weak Environmental Frameworks**

The lack of robust environmental protection measures has negatively affected the constituency's resilience and long-term sustainability. In response, community education initiatives have been launched to raise awareness about conservation. Additionally, integrated environmental management plans are being developed to ensure sustainable practices are incorporated into all development activities.

**(c) Youth Program Gaps**

There is limited variety in youth engagement programs across the constituency, resulting in underutilization of young people's potential. The NG-CDF is working to broaden the scope of youth initiatives by investing in modern sports facilities, digital innovation hubs, and vocational training centers that cater to diverse interests and skills.

**(d) Disaster Risk**

Frequent floods, storms, and other emergencies have continued to disrupt community life. Currently, the constituency lacks a coordinated approach to disaster preparedness and response. To mitigate this, a comprehensive constituency-level disaster management plan is being developed. This includes establishing local disaster response teams and creating awareness programs to strengthen community preparedness.

.....  
**Jackton Achola**  
**Chairman NGCDF Committee**

## 5. Statement of Performance against Predetermined Objectives for FY2024/2025

### 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 **NG-CDF Kisumu East Constituency 2024-2028** plan are to:

1. To improve academic performance in schools
2. To support skilling of youths for improved youth employment
3. To improve security service delivery
4. To increase mitigate land degradation
5. To ensure prudent and sustainable utilization of the Fund

### 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
<b>Education</b>	To construct more educational infrastructure and disburse time bursaries to school going children	Construction of classrooms and disbursement of bursaries	Number of infrastructure build in primary, secondary number of bursary's beneficiaries at all levels	In FY 2024/2025 -we constructed a total of twenty five new classrooms across Twelve Schools, one dormitory and one laboratory -We have awarded Bursary to approximately 7000 beneficiaries at all levels.
<b>Security</b>	To enhance security within the constituency	Improved security and provision of services to constituents within the constituency	Number of chiefs, ACC, DCC, assistant chief offices constructed. Number of police posts, stations constructed or	1 police station constructed to completion in Kasagam Police station

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Sector	Objective	Outcome	Indicator	Performance
			rehabilitated	
<b>Climate change mitigation activities</b>	To prevent global warming, reduce soil erosion and boost soil fertility	Improved forest cover	No of trees planted in public institutions	In the financial year under review a total of 1200 seedlings were planted in primary schools, secondary schools and Chiefs offices
<b>Emergency</b>	To respond to emergency projects	Increased response to unforeseen events that require emergency funding	Number of emergency response units established, disaster response time, number of people assisted during emergencies	In FY 2024/25: - Constructed a total of 66 doors toilet Spread across 6 primary schools one secondary School and one assistant Chief's office. - Which served over 5,000 students and other members of public
<b>Others (Specify)</b>	To strengthen the institutional capacity of the NGCDF office and support various community projects	Improved operational efficiency and successful implementation of community projects	Number of community projects supported, institutional capacity building initiatives	In FY 2024/25: Conducted capacity building for [5] staff members, improving operational efficiency by [80] %.

## **6. Governance Statement**

### **1. Overview**

The Kisumu East National Government Constituency Development Fund Committee has made a firm commitment to upholding a high standard of corporate governance, as evidenced by the performance contract signed for the 2023/2024 financial year. The committee has established mechanisms to ensure compliance with all applicable laws and regulations in the management of the fund and its interactions with the public.

Our unwavering dedication to the utmost levels of corporate governance and ethical business practices remains steadfast. Strong corporate governance practices are indispensable for delivering sustainable value to our stakeholders and shareholders over the long term.

We continually evaluate our governance operational framework to ensure the presence of robust internal governing bodies and effective systems and processes that support the Board and management in driving change, setting strategic direction, and formulating high-level objectives and policies. The governance of the organization falls under the purview of the Kisumu East National Government Constituency Development Fund Committee. Committee members are deeply committed to fulfilling their fiduciary responsibilities and have implemented a range of principles essential for ensuring that good governance is adhered to in all interactions with the organization's constituents, customers, and other pertinent stakeholders.

**2. Organizational Structure:**

- i) **The National Treasury and Planning** is responsible for allocating budgetary provisions and providing policy guidance on development matters to the fund. It also funds the NGCDF budgets and offers financial directives for the effective and efficient management of the Fund.
- ii) **The NG-CDF Board** operates as a corporate board under the jurisdiction of the National Treasury and Planning. Its primary role is to ensure the efficient management of funds within constituencies. The board has a secretariat located in Nairobi, led by the Chief Executive Officer.
- iii) **The NG-CDF Committee (NG-CDFC)** is tasked with formulating project proposals in consultation with the local community through periodic ward-level forums. These proposals are then submitted to the NG-CDF Board for approval, and the committee facilitates Project Management Committees (PMCs) in the planning, implementation, and sustainability of projects at the constituency level.
- iv) **The Project Management Committee (PMC)** is responsible for executing projects on behalf of the local community. They collaborate with relevant government departments and prepare reports for submission to the NG-CDF Committee.
- v) **The NGCDFC staff** comprises key personnel responsible for managing the affairs of the constituency. Key positions within the current staffing include the Clerk of Works, Accountant, Account Assistant, Records Officer, Clerical Officer, Driver and Grounds man.

**a. NG-CDFC process of appointment**

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

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

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

The current NGCDFC members were gazetted in 21<sup>st</sup> May 2025 and the first meeting was held on 18<sup>th</sup> June 2025.

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The persons appointed were drawn from different groupings as follows:

S/No	Name	Category	Position
1	Jackton Achola	Male Adult	Chairman
2	Susan Nunda	Female adult	Secretary
3	Lilian Aloys	Female adult	Member
4	Mercy Odhiambo	Female youth	Member
5	Titus Nyaguti	Male Youth	Member
6	George Pete	PLWD	Member
7	John Ondele	Co-opted Member	Member

**b. NG-CDFC Tenure**

Section 43(8) of the NGCDF Act 2015 provides that the term of office of the members of the Constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board.

The tenure of the Kisumu East National Government Constituencies Development Fund Committee (NGCDFC) will run for a period of two years, commencing from the date of its gazettelement (21<sup>st</sup> May 2025) under Gazette Notice No.Vol. CXXVII – N0.98. This term presents a crucial opportunity for the Committee to spearhead transformative development, ensure prudent utilization of public resources, and strengthen service delivery across the constituency. With well-defined timelines and responsibilities, the Committee is expected to uphold the highest standards of transparency, accountability, and community-centered leadership throughout its mandate.

**c. The Role of the Constituency Committee**

- 1 Project Identification:** Committee members identify development projects that align with the needs and priorities of their constituencies.
- 2 Project Planning:** They participate in the planning of projects, ensuring they are feasible, cost-effective, and beneficial to the community.

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- 3 **Budget Allocation:** Committee members allocate funds from the Constituencies Development Fund (CDF) to approved projects, considering their potential impact and importance.
- 4 **Project Monitoring:** They monitor the implementation of projects, ensuring they are carried out according to the agreed-upon plans and timelines.
- 5 **Accountability:** Committee members are responsible for ensuring transparency and accountability in the use of allocated funds, making sure they are properly utilized and not misappropriated.
- 6 **Community Engagement:** They engage with the local community to gather input and feedback on development priorities and projects, fostering community participation.
- 7 **Evaluation:** After completion, they evaluate the outcomes and impact of projects to assess their effectiveness in addressing the constituency's needs.
- 8 **Reporting:** Committee members report on the progress and outcomes of projects to relevant authorities, constituents, and other stakeholders.
- 9 **Conflict Resolution:** They may address conflicts and issues that arise during project implementation and ensure that disputes are resolved in a fair and timely manner.
- 10 **Advocacy:** Committee members may advocate for additional resources and support for their constituencies from the national government and other relevant institutions.
- 11 **Capacity Building:** They may facilitate training and capacity-building initiatives for local communities to empower them in participating effectively in development processes.
- 12 **Policy Recommendations:** Based on their experiences and observations, committee members can provide insights and recommendations to the government for improving development policies and strategies.

Overall, the roles and functions of NG-CDF committee members in Kenya aim to promote inclusive and sustainable development at the constituency level.

**d. Removal of a member**

1. **Misconduct Evaluation:** In case of complaints or alleged misconduct against a committee member, the CDF Implementation Committees investigate the matter.

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2. **Disciplinary Measures:** If the allegations are found to be true, the CDF Implementation Committees may recommend disciplinary measures such as suspension, retraining, or removal to the NG-CDF Board.
3. **NG-CDF Board Evaluation:** The NG-CDF Board evaluates the recommendation and decides whether to enforce the recommended disciplinary measures or removal.
4. **Approval:** If the NG-CDF Board approves the removal, the Minister in charge of Finance undertakes the necessary steps to officially remove the committee member.

It is important to note that the precise details and procedures may vary slightly as per the CDF Act and any subsequent regulations or guidelines issued by the relevant authorities.

**e. NG-CDFC Induction and training**

By the end of the financial year under review Induction had not been held though this was scheduled to held in July 2025.

**f. Number of meetings**

NG-CDF Act Section 13 stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In Kisumu East Constituency, the NG-CDF Committee conducted 9 meetings.

	Name of committee member	Meetings held										
		5/7/24	26/8/24	19/9/24	23/10/24	15/1/25	24/1/25	6/2/25	27/3/25	1/4/25	23/4/25	30/6/25
1	Jackton Achola –Chairman	√	√	√	√	√	√	√	√	√	√	√
2	Susan Nunda – Secretary	√	√	√	√	√	√	√	√	√	√	√
3	Lilian Aloys – Member	√	√	√	√	√	√	√	√	√	√	√
4	Mercy Odhiambo	√	√	√	√	√	√	√	√	√	√	√
5	John Ondele Member	√	√	X	x	√	√	√	√	√	√	√
6	Titus Nyaguti – Member	√	√	√	√	√	√	√	√	√	√	√
7	George Pete –Member	√	√	√	√	√	√	√	x	√	√	√
8	June Saliku – ACC	√	√	√	√	√	√	√	√	√	√	√
9	Kiptoon Rotich – FAM	√	√	√	√	√	√	√	√	√	√	√

**g. Remuneration Rates**

The remuneration of NGCDFC members may be through; considerations for allowances which the Chairperson of the Committee receives Kenya Shillings Seven Thousand and other Members Receiving Five Thousand Only per sitting.

**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**

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

**k. Risk Management**

The constituency has a risk policy which they observe and are required to maintain a risk register. The constituency has the following responsibilities.

1. To assist in ensuring all internal policies, procedures, standards and control are complied with.
2. To provide a greater level of transparency into the operations of the fund.
3. To enable the fund follow best practice in risk management.
4. To establish current level of risk within the constituency.
5. To enable the constituency detect any forthcoming risks and take the necessary actions.

## 7. Management Discussion and Analysis

Over the past five financial years, the Kisumu East National Government Constituencies Development Fund (NG-CDF) has consistently aligned its development priorities with national goals and Vision 2030. Despite budgetary constraints and rising costs, the Fund has demonstrated steady financial discipline and growth in project delivery.

Between FY 2020/2021 and FY 2024/2025, Kisumu East NG-CDF disbursed a cumulative of over Kenya Shillings Seven Hundred and Seventy four million (774,000,000). This funding was channeled toward critical sectors such as education, security, health, and digital empowerment.

Financial Performance Summary (FY 2021/2022 – FY 2024/2025)

Below is the Fund's annual budget allocation and absorption for the last four financial years:

Financial Year	Budget Allocation (KES)	Actual Expenditure (KES)	Absorption Rate
2020–2021	137,088,879.	137,088,879.	100%
2021–2022	137,088,879.	137,088,879.	100%
2022–2023	145,087,603.	145,087,603.	100%
2023–2024	175,361,810.	170,400,625.	97%
2024–2025	179,441,954.	178,560,554.	99.4%
<b>Total</b>	<b>774,069,125.</b>	<b>768,226,540.</b>	<b>99.3%</b>

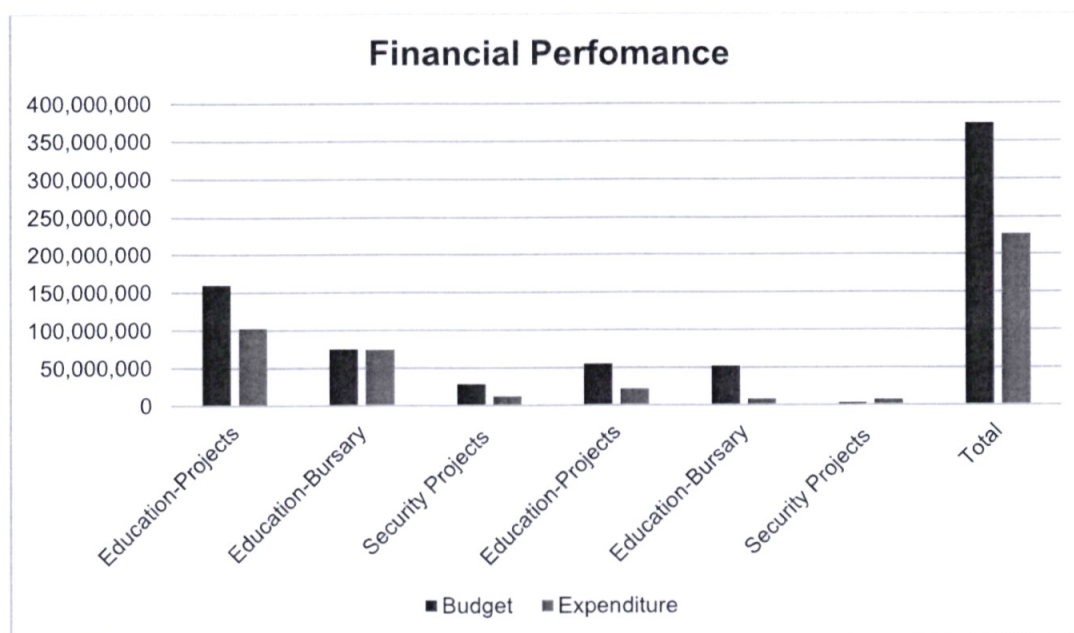
The Fund has demonstrated high budget absorption rates year-on-year, averaging **over 99%** for the past five years. This performance underscores the Fund's effective planning and execution capacity.

The below table further illustrates the expenditure performance of Kisumu East NG-CDF in the past two years;

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Financial Year	Sector	Budget	Expenditure
2024-2025	Education-Projects	79,841,827	45,724,526
	Education-Bursary	64,572,579	74,267,563
	Security Projects	83,876,143	60,662,790
2023-2024	Education-Projects	170,652,445	134,865,125
	Education-Bursary	64,861,615	48,474,295
	Security Projects	75,500,000	57,200,000
	<b>Total</b>	<b>539,304,609</b>	<b>286,464,039</b>

Sector	Sector Budget	Percentage
Education	303,331,509	78.1%
Security	117,862,790	21.9%
<b>Total</b>	<b>421,194,299</b>	



Based on the above information for the last two financial years; the key consumer of the resources is Education sector with an average of 78.1% of the entire allocation and secondly the security sector with average of 21.9%. This is an indicator that the Fund has put more

efforts in improving the academic standards of Kisumu East constituency through both the infrastructure and bursaries to needy students studying in various institutions.

Further from the above analysis, it is important to note that the Fund has been able to serve the rural communities and be able to improve on the living standards of the people, poverty eradication being one of its key objective. The management advocates for more resource allocation to further improve on its mandate.

### **Sector Performance**

Over the reporting period, the Kisumu East NG-CDF focused its interventions in key sectors as outlined below:

#### **Education Sector**

- Over 30 classrooms constructed across primary and secondary schools.
- More than 12,000 students benefited from bursaries over five years.
- New science laboratories under construction for secondary school

#### **Security Sector**

- Construction of Ragumo Police station which is operational
- Construction of Kasagam Police station which is operational
- Construction of Chiga Police station which is 90% complete
- Construction of Kolwa Central location chief's office which is earmarked for construction
- Construction of Gita ACC's office which is operational

#### **ICT and Digital Empowerment**

- Digital Innovation: Initial implementation of a Constituency Digital Hub, expected to promote access to internet and online jobs.

### **Key Projects Implemented and Ongoing**

1. **Kasagam Police Station- complete**
  - Additional funds were allocated to support the completion of a storey building so that services can be offered once construction is complete.
2. **Chiga Police Station**
  - Additional funds were allocated to support the completion of a storey building so that services can be offered once construction is complete.



Figure 1: Construction of Kasagam Police Station

### **Statutory Compliance and Financial Obligations**

Kisumu East NG-CDF as an entity is fully guided by the Kenyan Constitution 2010, NG-CDF Act 2023, PFM Act 2012, PPADA 2015 and many other laws and has been in full compliance.

Kisumu East NG-CDF has been able to equally meet its tax obligations by deducting VAT and Withholding from contractors and other supplies, Deducting PAYE and other levies from Staff and Committees and remitting them to KRA. Kisumu East NG-CDF is fully committed to run its operation within the law at any given time.

### Major Risks Facing the Fund

- **Delayed Disbursements:** Timely release of funds from the National Treasury remains a challenge, impacting project timelines.
- **Inflation and Cost Escalation:** Rising costs of construction materials affect project scope and delivery.

### Mitigation Measures:

- Engaging Treasury through the NG-CDF Board for timely disbursements.
- Early procurement and cost forecasting.
- Collaboration with local land offices for due diligence.

### Review of the Economy and Sector Performance

The national economy experienced moderate recovery post-COVID-19, but fiscal tightening has led to cautious spending. In the education sector, the introduction of the Competency-Based Curriculum (CBC) has increased demand for infrastructure in Junior Secondary Schools. The Fund responded by allocating resources to classroom construction and science laboratories.

### Future Developments

Looking ahead, the Fund will focus on:

- **Full operationalization of Digital Hubs** to foster youth employment.
- **Greening and environmental initiatives** such as tree planting in schools.
- **Completion of all infrastructure projects** in education and security.
- **Increased stakeholder participation** to enhance community ownership and accountability.



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**Name: Rotich Kiptoon.**  
**Fund Account Manager**

***National Government Constituencies Development Fund (NGCDF)***  
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## **8. Environmental and Sustainability Reporting**

Environmental concerns, with an emphasis on climate change mitigation, are central to the government's agenda. The recent amendment to the NG-CDF Act 2022, which raised the allocation for climate change activities from 2% to 5%, reinforces the commitment to addressing these issues through the NG-CDF Fund. In the 2024-2025 financial year, Kisumu East NG-CDF allocated Kshs 8,920,000 for tree planting projects in three institutions within the constituency. These efforts aim to enhance sustainability and contribute to environmental conservation, aligning with the government's broader strategy to combat climate change.

### **1. Sustainability strategy and profile -**

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

- a. **Education and Training:** Kisumu 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 a forestation, reforestations, grassroots sensitization, and tree seedling production.

## **2. Environmental performance**

The constituency uses Climate Change and Mitigation programme as a guiding policy which articulates how to conserve the environment and its components. It has succeeded in planting over 5000 trees and installation of water tanks in various learning institutions but is however faced with the challenge of long dry seasons. To manage biodiversity, the fund has planted indigenous trees. The constituency has also intensified awareness creation and sensitized the community on the fundable projects by NG-CDF including Climate Change Mitigation which is championed by the Agenda of the government of the day. The NG-CDFC has undertaken public participation to sensitize the youth/Community on the impact of HIV Infections and drug abuse.

The constituency has ensured security measures by constructing Four police posts including Kisumu East Sub-county Divisional Headquarters.

## **3. Sustainability strategy and profile -**

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

- a. **Education and Training:** Kisumu 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.
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long run by providing a better working environment for law enforcement agencies while collaborating with the community in trust on matters of security.

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#### **4. Marketplace practices-**

Kisumu East Constituency is committed to fair and ethical marketplace 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. Employee welfare**

We invest in providing the best working environment for our employees. Kisumu 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. KISUMU 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, Fire Assembly points and accessible visible escape routes in case of an emergency.

## **6. Community Engagements-**

Kisumu 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**

Kisumu 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 NG CDF Board in accordance with the Act.

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

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

### **Public Awareness**

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

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



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**Name: Rotich Kiptoon.**  
**Fund Account Manager**

## **9. Statement of Management Responsibilities**

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

The Accounting Officer in charge of the NGCDF-Kisumu 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-Kisumu 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-Kisumu East Constituency further confirms the completeness of the accounting records maintained for Kisumu East 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 Kisumu 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 Kisumu East Constituency 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-Kisumu East Constituency financial statements were approved and signed by the Accounting Officer on 15.08 2025.



Name: Jackton Achola  
Chairman – NGCDF Committee



Name: Rotich Kiptoon.  
Fund Account Manager

# REPUBLIC OF KENYA

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

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### PREAMBLE

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

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

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

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

### REPORT ON THE FINANCIAL STATEMENTS

#### Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Kisumu East Constituency set out on pages 1 to 69, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in

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

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

### **Basis for Qualified Opinion**

#### **1. Inaccuracies in Presentation and Disclosure of Explanatory Notes**

Review of the annual report and financial statements revealed that the Notes indicated in the financial position and financial performance do not match the corresponding Notes to the financial statements.

In the circumstances, Management was in breach of National Government Constituencies Development Fund Reporting Template issued by Public Sector Accounting Standards Board.

#### **2. Irregular Misclassification of Expenditure**

The statement of financial performance and as disclosed in Note 11 to the financial statements reflects use of goods and services amount of Kshs.6,835,659. This amount includes hospitality expenditure amount of Kshs.420,260 which had been wrongly classified as it related to committee allowances.

In the circumstances, the expenditure on use of goods has been overstated and the committee expenses understated.

#### **3. Irregular Payment of Transport Allowances**

The statement of financial performance and as disclosed in Note 11 to the financial statements reflects use of goods and services amount of Kshs.6,835,659. This amount includes domestic travel and subsistence amount of Kshs.1,152,000 out of which Kshs.278,000 was paid in respect of transport allowances to its project management committee (PMC) and Constituency Development Fund Committees (CDFC). The payment however, was not supported by any documentation governing the allowances neither was their approved circular by Salaries and Remuneration Commission on rates used to make the payments. Below is a list of payments made:

In the circumstances, the allowance paid were irregular.

#### **4. Unsupported Bursary to Secondary School**

The statement of financial performance reflects an amount of Kshs.56,798,587 relating to other government units' actual expenditure, which as disclosed in Note 12 to the financial statements includes bursary payments of Kshs.19,956,755 transferred to secondary schools. It was observed that an amount of Kshs.10,546,600 was made as bursary to various secondary schools but there were no minutes attached to support the payments. In addition, there were no acknowledgements from the schools for the amounts.

In the circumstances, the accuracy of the payment could not be confirmed.

#### **5. Project Management Committee (PMC) Bank Account Balances**

The statement of financial position reflects an amount of Kshs.88,523,216 in respect of cash and cash equivalents, which as disclosed in Note 18 to the financial statements reflects cash and cash equivalent balance of Kshs.18,622,070 in respect of Project Management Committee (PMC) balances which, represents bank account balances for seventy (70) Project Management Committees. However, Bank reconciliations, bank statements and certificates of bank balance for the seventy (70) bank accounts were not provided for audit review.

In the circumstances, the accuracy and completeness of the PMC bank account balances of Kshs.18,622,070 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 – Kisumu East Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

#### **Emphasis of Matter**

##### **Budgetary Control and Performance**

The statement of comparison of budget and actual amounts for the year ended 30 June, 2025 recurrent and development reflects final receipts budget and actual amounts on comparable basis of Kshs.329,984,817 and Kshs.278,542,863 respectively, resulting to underfunding of Kshs.51,542,954 or 15.6% of the budget. Similarly, the entity spent Kshs.190,019,647 against an approved budget of Kshs.329,984,817 resulting to under absorption of Kshs.139,965,170 or 42.4% of the budget.

In the circumstances, the underfunding and under absorption may have affected achievement of the planned activities of Kisumu East Constituency resulting in a negative impact on service delivery to the public.

My opinion is not modified in respect of this matter.

## Key Audit Matters

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

## Other Matter

### Unresolved Prior Year Matters

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

	Financial Year	Audit Issue
1	2023/2024	Project Management Committee (PMC) Bank Balances
2	2023/2024	Lack of Land Ownership Document
3	2023/2024	Budgetary Control and Performance
4	2023/2024	Proposed Construction of an Administration Block at Nyamasaria Secondary School
5	2023/2024	Proposed Construction of 8 no Classrooms at Nyamonge Primary School
6	2023/2024	Proposed Construction of 8 no of Classrooms at Mbeme Primary School
	2023/2024	Lack of Strategic Plan

## Other Information

The Management are responsible for the Other Information set out on page iv to xxxix which comprise of Key Entity Information and Management, NGCDF Committee, NGCDF Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

# REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

## **Conclusion**

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

## **Basis for Conclusion**

### **1. Failure to Comply with Climate Change and Financing Requirements**

The entity did not establish mandatory climate change policies required by the Climate Change Act, 2016, and constitutional provisions under Articles 42 of the Constitution of Kenya, 2010. The Institution did not establish structured procedures to regularly evaluate environmental effects and maintain compliance with environmental requirements.

There was no evidence that the entity had undertaken public awareness and conducted public consultations as required by Section 24 of the climate change act 2016.

### **2. Delayed Completion of Chiga Police Station**

The statement of financial performance reflects other grants and transfers of Kshs.116,112,594 as disclosed in Note 14 to the financial statements. Included in this figure is security projects of Kshs.61,175,080. During the year under review, a company was contracted for construction of Chiga Police Station at a contract price of Kshs.24,932,564. The contract agreement was signed on 11 June, 2024 and a completion period of 224 days indicated, therefore the project ought to have been completed by 21 January, 2025. Review of records indicated that as at the time of audit, the contractor had been paid Kshs.8,000,000. However, physical verification done on 4 November, 2025 revealed that the project has not been completed, 287 days after expiry of the contract period.

The Project was behind schedule and value for money for the expenditure incurred on the project may not be realized.

### **3. Project Implementation Status**

Management did not provide project implementation status at year end. Although management provided a link to the system, it was noted that the link was not functional.

In the circumstances, the status of the projects could not be confirmed.

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Lack of a Strategic Plan**

Review of the records revealed that the Kisumu East NG-CDF does not have a strategic plan and it is not clear how the Management will work towards attaining the vision for the future and identify the Fund's goals and objectives.

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

### **Responsibilities of the Management and those Charged with Governance**

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

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

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

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

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**


**05 December, 2025**

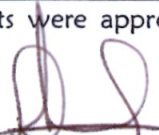
*National Government Constituencies Development Fund (NGCDF)  
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11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	Insert Current FY Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,954
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
<b>Total revenue</b>		<b>179,441,954</b>
<b>Expenses</b>		
Employee costs	10	2,581,208
Committee expenses	11	6,027,590
Use of Goods and Services	12	6,835,659
Other Government Units Actual expenditure	13	56,798,587
Other Grants and Transfers Actual expenditure	14	116,112,594
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	-
<b>Total expenses</b>		<b>188,355,638</b>
<b>Other gains/(losses)</b>		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		<b>(8,913,684)</b>

The Constituency financial statements were approved by the NGCDFC on 15/08 2025 and signed by:

  
Chairman NG-CDF  
Committee  
Jackton Achola

  
National Sub-County  
Accountant  
Cynthia J. Leting  
ICPAK M/No:

  
Fund Account Manager  
Rotich Kiptoon

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

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

	Note	<i>Insert Current FY</i>	<i>Opening Statement 1st July 2025</i>
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	88,523,216	90,747,270
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	51,441,954	59,795,593
Prepayments	22	-	-
<b>Total Current Assets</b>		<b>139,965,170</b>	<b>150,542,863</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	2,000,000	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>2,000,000</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>141,965,170</b>	<b>150,542,863</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third Party Deposits	27	1,165,299	-
Lease Liabilities	28	-	-
Gratuity Provision	29	412,711	1,242,019
<b>Total Current Liabilities</b>		<b>1,578,010</b>	<b>1,242,019</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>1,578,010</b>	<b>1,242,019</b>
<b>NetAssets (A-B)</b>		<b>140,387,160</b>	<b>149,300,844</b>
<b>Represented by:</b>			
Revaluation Reserves		<b>140,387,160</b>	<b>149,300,844</b>
Accumulated Surplus			
<b>Total Net Assets</b>		<b>140,387,160</b>	<b>149,300,844</b>

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

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The Constituency financial statements set out on pages Kisumu East to Kisumu East approved by NGCDF on 15.08 2025 and signed by:



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Chairman NG-CDF  
Committee  
Jackson Achola



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National Sub-County  
Accountant  
Cynthia J. Leting  
ICPAK M/No:



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Fund Account Manager  
Rotich Kiptoon

*National Government Constituencies Development Fund (NGCDF)*  
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**13. Statement of Changes in Net Assets for the year ended 30 June 2025**

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 <sup>th</sup> June 2024	17,671,844	-	17,671,844
<b>Adjustments</b>			
Recognition of Assets	132,871,019		132,871,019
Recognition of Liabilities	1,242,019		1,242,019
<b>As at July 1, 2025</b>	<b>149,300,844</b>		<b>149,300,844</b>
Surplus/(Deficit) For the Period	(8,913,684)		(8,913,684)
Revaluation Gain/Loss	-	-	-
<b>As at June 30, 2025</b>	<b>140,387,160</b>	<b>-</b>	<b>140,387,160</b>

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.

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

	Notes	Insert Current FY
		Kshs
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from the NGCDF Board		187,795,593
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
<b>Total Receipts</b>		<b>187,795,593</b>
<b>Payments</b>		
Employee costs		3,410,516
Committee expenses		6,027,590
Use of Goods and Services		6,835,659
Other Government Units Certified Works		56,145,578
Other Grants and Transfers		115,600,304
Digital Hubs Expenses		-
<b>Total Payments</b>		<b>188,019,647</b>
<b>Net Cash Flows from/ (used in) Operating Activities</b>	30	<b>(224,054)</b>
<b>Cash flows From Investing Activities</b>		
Purchase of PPE		2,000,000
Purchase of Intangible assets		-
Proceeds From Sale of PPE		
<b>Net Cash Flows from Investing Activities</b>		<b>2,000,000</b>
<b>Net increase/(decrease) incash&amp; Cash equivalents</b>		<b>(2,224,054)</b>
<b>Cash Flows from Financing Activities</b>		
Lease Payment		-
<b>Net Cash Flows from Financing Activities</b>		<b>(2,224,054)</b>
Cash and cash equivalents at 1 July	19	<b>90,747,270</b>
<b>Cash and cash equivalents at 30 June</b>	19	<b>88,523,216</b>

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

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

*National Government Constituencies Development Fund (NGCDF)*  
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15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	A	b		C=(a+b)	D	e=(c-d)	f=d/c*100
	<i>Period ended June 2025</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>Period ended June 2025</i>	<i>Period ended June 2025</i>		
<b>Revenue</b>							
Transfers From the NGCDF Board	179,441,954	90,747,270	59,795,593	329,984,817	278,542,863	51,441,954	84.38%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
<b>Totals</b>	<b>179,441,954</b>	<b>90,747,270</b>	<b>59,795,593</b>	<b>329,984,817</b>	<b>278,542,863</b>	<b>51,441,954</b>	<b>84.38%</b>
<b>Expenses</b>							
Employee costs	3,005,432	1,280,831	414,000	4,700,263	3,410,516	1,289,747	73%
Committee expenses	7,941,000	771,168	2,336	8,714,504	6,027,590	2,686,914	69%
Use of Goods and Services	4,851,209	2,443,161	52,266	7,346,636	6,835,659	510,977	93%
Other Government Units Certified Works	22,080,000	40,361,827	17,400,000	79,841,827	56,145,578	23,696,249	42%
Other Grants and Transfers	86,364,313	45,872,561	37,126,991	169,363,865	115,600,304	53,763,561	40%
Acquisition of assets	2,000,000	17,722	-	2,017,722	2,000,000	17,722	100%
Digital Hubs Expenses	-	-	4,800,000	4,800,000	-	4,800,000	0.00%

*National Government Constituencies Development Fund (NGCDF)*  
*Kisumu 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
	<i>Period ended June 2025</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>Period ended June 2025</i>	<i>Period ended June 2025</i>		
Funds Pending Approval**	53,200,000	-	-	53,200,000		53,200,000	
<b>Total Expenditure</b>	<b>179,441,954</b>	<b>90,747,270</b>	<b>59,795,593</b>	<b>329,984,817</b>	<b>190,019,647</b>	<b>139,965,170</b>	
Surplus for the period	-	-	-	-	88,523,216	(88,523,216)	

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

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Explanatory Notes.

- i. Compensation of employees has a utilization rate of 73%. The difference 38% represents the three year's gratuity not paid.
- ii. Committee expenses has a utilization of 69% due to late disbursement by the Board.
- iii. Use of goods and services comprise a utilization rate of 93% which represents optimum utilization.
- iv. Transfers to other government units is at 42 The difference of 58% represents the late disbursement of funds by the Board and projects pending approval by the Board.
- v. Other grants of 40%. The difference of 60% represents the late disbursement of funds by the Board.
- vi. . Acquisition of Assets is optimally utilized.
- vii. Digital Hub is at 0% due to land disputes in the proposed site.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	139,965,170
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2025	51,441,954
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2025	88,523,216

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 15.08 2025 and signed by:



Fund Account Manager

Rotich Kiptoon



National Sub-County Accountant

Cynthia J. Leting  
 ICPAK M/No:



Chairman NG-CDF Committee

Jackton Achola

*National Government Constituencies Development Fund (NGCDF)*

*Kisumu East Constituency*

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**16. Budget Execution by Sectors And Projects For The Year Ended 30<sup>th</sup> 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
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	3,005,432	1,280,831	414,000	4,700,263	3,410,516	1,289,747
1.2 Committee allowances	2,964,000	500,700	2,336	3,467,036	2,989,890	477,146
1.3 Use of goods and services	4,555,209	392,294	52,266	4,999,769	4,071,714	928,055
<b>Sub-total</b>	<b>10,524,641</b>	<b>2,173,825</b>	<b>468,602</b>	<b>13,167,068</b>	<b>10,472,120</b>	<b>2,694,948</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,820,000	227,468	-	2,047,468	600,490	1,446,978
2.2 Committee allowances	3,157,000	43,000	-	3,200,000	3,037,700	162,300
2.3 Use of goods and services	296,000	344,322	-	640,322	470,000	170,322
<b>Sub-total</b>	<b>5,273,000</b>	<b>614,790</b>	<b>-</b>	<b>5,887,790</b>	<b>4,108,190</b>	<b>1,779,600</b>
<b>3.0 Emergency</b>						
<b>unutilized</b>	<b>9,444,313</b>	<b>1,814,214</b>		<b>11,258,527</b>		<b>11,258,527</b>
Renja Primary School	-	-	-	-	850,000	(850,000)
Oyola Primary School	-	700,000	-	700,000	1,200,000	(500,000)
Nyalunya Secondary School	-	-	-	-	565,000	(565,000)
Koyango Chief's Office	-	-	-	-	1,297,988	(1,297,988)
St Aloys Mayenya Sec School	-	-	-	-		-
St Aloys MayenyaPri School	-	-	-	-	-	-

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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	Kshs	Kshs	Kshs	Kshs
St MarysOngadiPri School	-	-	-	-	-	-
OteraBahati Primary School	-	-	-	-	1,300,000	(1,300,000)
KasagamPoice Station	-	-	-	-	4,000,000	(4,000,000)
<b>Sub-total</b>	<b>9,444,313</b>	<b>2,514,214</b>	<b>-</b>	<b>11,958,527</b>	<b>9,212,988</b>	<b>2,745,539</b>
<b>4.0 Bursary and Social Security</b>						
4.1 Primary Schools	-	-	-	-	-	-
4.2 Secondary Schools	30,000,000			30,000,000	19,956,755	10,043,245
4.3 Tertiary Institutions	14,000,000	474,579	15,000,000	29,474,579	25,767,771	3,706,808
4.4 special needs	-			-	-	-
4.5 Education Support Programmes	-			-	-	-
4.6 Social Security	3,000,000	773,000	1,325,000	5,098,000	-	5,098,000
<b>Sub-total</b>	<b>47,000,000</b>	<b>1,247,579</b>	<b>16,325,000</b>	<b>64,572,579</b>	<b>45,724,526</b>	<b>18,848,053</b>
<b>6.0 Environment</b>						
Alango Primary School	1,300,000	-	-	1,300,000	-	1,300,000
Anywang Primary School	2,170,000	-	-	2,170,000	-	2,170,000
Kibos Primary School	1,012,069	-	-	1,012,069	-	1,012,069
Nyamonge Primary School	1,867,930	-	-	1,867,930	-	1,867,930
Ofunyu Primary School	1,610,000	-	-	1,610,000	-	1,610,000
Rae Kajulu Primary School	960,001	-	-	960,001	-	960,001

*National Government Constituencies Development Fund (NGCDF)*  
*Kisumu 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			
Mayhatta Chiefs Office-Seedlings	-	2,833	33,783	36,616		36,616
<b>Sub-total</b>	<b>8,920,000</b>	<b>2,833</b>	<b>33,783</b>	<b>8,956,616</b>	<b>-</b>	<b>8,956,616</b>
<b>7.0 Primary Schools Projects</b>						
Kasagam Primary School	2,000,000	-	-	2,000,000		2,000,000
Nyatege Primary School	3,000,000	-	-	3,000,000		3,000,000
OteraBahati Primary School	4,500,000	79,025	-	4,579,025	3,916,044	662,981
RariedaKaloo Primary School	3,000,000	-	-	3,000,000		3,000,000
Senior Chief Onunga School For The Deaf	3,000,000	-	-	3,000,000		3,000,000
St. Francis Nyamonge Primary School	3,000,000	-	-	3,000,000	-	3,000,000
St. John Oriang Primary School	780,000	-	-	780,000	-	780,000
St MarysMayenyaPri (5 Door Toile)	-	-	1,500,000	1,500,000	-	1,500,000
Bwanda Primary Sch(6 Door Toilets)	-	5,325	900,000	905,325	765,162	140,163
Alango Primary School	-	7,707	-	7,707	-	7,707
Ayaro Primary School	-	303,543	-	303,543	301,543	2,000
Bukna Primary School	-	3,007,712	-	3,007,712	2,810,918	196,794
Bungu Primary School	-	15,509	-	15,509	-	15,509
Chiga Primary School	-	32,043	-	32,043	-	32,043

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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	Kshs	Kshs	Kshs	Kshs
Dago Primary School	-	60,433	-	60,433	47,001	13,432
Kadiju Primary School	-	67,053	-	67,053	-	67,053
Kianza primary School	-	3,048,133	-	3,048,133	2,815,815	232,318
Kibos Primary School	-	1,163	-	1,163	827,270	(826,107)
Kindu RC Primary School	-	74,610	-	74,610	-	74,610
Kunya Primary School	-	17,188	-	17,188	-	17,188
Mbeme Primary School	-	251,435	-	251,435	50,435	201,000
Nyatege Primary School	-	7,719	-	7,719	-	7,719
Obino Primary School	-	27,674	-	27,674	-	27,674
Obwolo Primary School	-	3,029,091	-	3,029,091	3,014,288	14,803
Ofunyu Primary School	-	10,089	-	10,089	-	10,089
Ogango Primary School	-	2,905	-	2,905	-	2,905
Okago Primary School	-	1,083	-	1,083	-	1,083
Okok Primary School	-	3,408,406	-	3,408,406	2,968,344	440,062
Omung'i Primary School	-	937	-	937	-	937
Ongadi Primary School	-	20,424	-	20,424	-	20,424
Orongo Primary School	-	3,000,696	-	3,000,696	2,795,501	205,196
Rae Kanyaika Primary School	-	3,161,910	-	3,161,910	2,907,189	254,721
Ragumo primary school	-	3,080,563	-	3,080,563	3,972,159	(891,596)

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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			
		Kshs	Kshs	Kshs	Kshs	Kshs
RariedaKaloo Primary School	-	26,873	-	26,873	-	26,873
Senior Chief Ounga	-	656	-	656	-	656
St. Francis Nyamonge Primary School	-	54,534	-	54,534	2,576,461	(2,521,927)
St. John Oriang' Primary School	-	10,324	-	10,324	-	10,324
St. Johns Masawa Primary School	-	859	-	859	-	859
Wandiege Primary School	-	2,357	-	2,357	-	2,357
oyola Primary School	-	150,000	-	150,000	-	150,000
Nyamonge Primary School	-	1,249,988	-	1,249,988	1,230,288	19,700
Renja Primary School Desk		150,000		150,000	-	150,000
<b>Sub-total</b>	<b>19,280,000</b>	<b>24,367,967</b>	<b>2,400,000</b>	<b>46,047,967</b>	<b>30,998,418</b>	<b>15,049,550</b>
<b>8.1 JSS NGCDF</b>						
BuoyePriSch(Const Of 2 Class-JssCdf)	-	52,200	3,000,000	3,052,200	3,000,000	52,200
TidoPri(2 Classes Jss Ng-Cdf)	-	1,794	3,000,000	3,001,794	2,685,351	316,443
<b>Sub-total</b>	<b>-</b>	<b>53,994</b>	<b>6,000,000</b>	<b>6,053,994</b>	<b>5,685,351</b>	<b>368,643</b>
<b>8.2 JSS NGCDF</b>						
St MarysMayenyaPri (1 Class Jss Moe)	-	-	1,500,000	1,500,000	-	1,500,000
St MarysMayenyaPri (1 Class Jss	-	-	1,500,000	1,500,000	-	1,500,000

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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	Kshs	Kshs	Kshs	Kshs
Moe)						
Sub-total	-	-	3,000,000	3,000,000	-	3,000,000
<b>9.0 Secondary Schools Projects (List all the Projects)</b>						
St Albert AngiraSec(2 Classes)		-	3,000,000	3,000,000	2,893,803	106,197
Dr Aloo GumbiMss (Fencing)	2,000,000	2,021,514	-	4,021,514	4,000,000	21,514
St Aloys Mayenya Ss (2 Classes)	-	1,411	3,000,000	3,001,411	3,000,000	1,411
G.P Owiti Secondary School	-	113,765	-	113,765	92,251	21,514
Got Nyabondo Secondary School	-	14,542	-	14,542	-	14,542
Kibos Secondary School	-	6,601,817	-	6,601,817	6,301,000	300,817
Nyamasaria Secondary School	800,000	2,375,165	-	3,175,165	3,174,755	410
Renja Secondary School	-	4,806,841	-	4,806,841	-	4,806,841
<b>Sub-total</b>	<b>2,800,000</b>	<b>15,935,055</b>	<b>6,000,000</b>	<b>24,735,055</b>	<b>19,461,809</b>	<b>5,273,246</b>
<b>10.0 Tertiary institutions Projects (List all the Projects)</b>						
Akado YOUTH polytechnic	-	4,811	-	4,811	-	4,811
				-		-
<b>Sub-total</b>	<b>-</b>	<b>4,811</b>	<b>-</b>	<b>4,811</b>	<b>-</b>	<b>4,811</b>
<b>11.0 Security Projects</b>						

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		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Chiga Police Station	5,000,000	-	-	5,000,000	-	5,000,000
Chiga Police Station	-	-	-	-	-	-
Kasagam Police Station	2,000,000	-	-	2,000,000	2,000,000	-
Kolwa Central Chiefs Office	5,000,000	-	-	5,000,000	-	5,000,000
Chiga Police Station	1,000,000	-	-	1,000,000	-	1,000,000
Kasagam Police Station(Admin Block)		32,447,262	16,768,208	49,215,470	47,187,601	2,027,869
Chiga Police Station	8,000,000	4,000,000	4,000,000	16,000,000	7,939,205	8,060,795
Koyango Chief's Office	-	2,968,430	-	2,968,430	2,968,430	-
Gita AP line	-	3,873	-	3,873	-	3,873
Gita Assistant County Commissioner Office	-	564,771	-	564,771	561,726	3,045
Otiak AP Camp	-	59,367	-	59,367	-	59,367
Ragumo Administration Police Camp	-	64,232	-	64,232	5,828	58,404
Buoye Chiefs Office	-	1,000,000	-	1,000,000	-	1,000,000
Kadero chiefs Office	-	1,000,000	-	1,000,000	-	1,000,000
<b>Sub-total</b>	<b>21,000,000</b>	<b>42,107,935</b>	<b>20,768,208</b>	<b>83,876,143</b>	<b>60,662,790</b>	<b>23,213,353</b>
<b>12.0 Acquisition of assets</b>						
12.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-

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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	Kshs	Kshs	Kshs	Kshs
12.2 Purchase of furniture and fittings	-	-	-	-	-	-
12.2 Construction of CDF office(Purchase of land)	2,000,000	-	-	2,000,000	2,000,000	-
Kisumu East NG-CDF Office PMC	-	17,722	-	17,722	-	17,722
<b>Sub-total</b>	<b>2,000,000</b>	<b>17,722</b>	<b>-</b>	<b>2,017,722</b>	<b>2,000,000</b>	<b>17,722</b>
<b>13.0 Others</b>						
Innovation Hub	-	-	4,800,000	4,800,000	-	4,800,000
Kisumu East NG-CDF Strategic Plan	-	1,706,545	-	1,706,545	1,693,455	13,090
<b>Sub-total</b>	<b>-</b>	<b>1,706,545</b>	<b>4,800,000</b>	<b>6,506,545</b>	<b>1,693,455</b>	<b>4,813,090</b>
Funds pending approval** unapproved projects						
Dago Shabbir Primary School	5,000,000	-	-	5,000,000	-	5,000,000
Nyalunya Secondary School	1,500,000	-	-	1,500,000	-	1,500,000
Dr. Aloo Gumbi Mixed Secondary School	7,500,000	-	-	7,500,000	-	7,500,000
Obwolo Secondary School	8,000,000	-	-	8,000,000	-	8,000,000
Okok Secondary School	7,500,000	-	-	7,500,000	-	7,500,000
St. Dominic Bukna Secondary	1,500,000	-	-	1,500,000	-	1,500,000

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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	Kshs	Kshs	Kshs	Kshs
School						
Kasagam Police Station	7,200,000	-	-	7,200,000	-	7,200,000
Migosi Police Station	15,000,000	-	-	15,000,000	-	15,000,000
AiA	-	-	-	-	-	-
<b>Sub-total</b>	<b>53,200,000</b>	<b>-</b>	<b>-</b>	<b>53,200,000</b>	<b>-</b>	<b>53,200,000</b>
<b>Total</b>	<b>179,441,954</b>	<b>90,747,270</b>	<b>59,795,593</b>	<b>329,984,817</b>	<b>190,019,647</b>	<b>139,965,170</b>

## **17. Notes to the Financial Statements**

### **1. General information**

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

### **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 Kisumu 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 Kisumu 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 2023/2024 up to the reporting date.

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

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

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

**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	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p> <p><b><i>Not Applicable</i></b></p>

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<p>IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>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. <b>Not Applicable</b></p>
<p>IPSAS 45: Property Plant and Equipment</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets. <b>Not Applicable</b></p>
<p>IPSAS 46: Measurement</p>	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and</li> </ul>

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	<p>measurement related disclosures.</p> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><b><i>Not Applicable</i></b></p>
IPSAS 47: Revenue	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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> <p><b><i>Not Applicable</i></b></p>
IPSAS 48: Transfer Expenses	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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><b><i>Not Applicable</i></b></p>
IPSAS 49: Retirement Benefit Plans	<p><b><i>Applicable 1<sup>st</sup> January 2026</i></b></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><b><i>Not Applicable</i></b></p>
IPSAS 50: Exploration For &	<p><b><i>Applicable 1<sup>st</sup> January 2027</i></b></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> <p>i. Limited improvements to existing accounting practices for exploration and</p>

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<p>Evaluation of Mineral Resources</p>	<p>evaluation expenditures.</p> <p>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.</p> <p>iii. Disclosures that identify and explain the amounts in the entity’s financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p><b><i>Not Applicable</i></b></p>
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***iii. Early adoption of standards***

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

**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 Kisumu East NG-CDF.

**Interest income**

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

**Rental income**

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

**b) Budget information**

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

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

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

**c) Property, plant and equipment**

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the 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 Kisumu East NG-CDF. 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. Kisumu East NG-CDF 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 Kisumu East NG-CDF 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 Kisumu East NG-CDF. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

**e) Intangible assets**

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

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incurred. The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

**f) Financial instruments**

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. Kisumu East NG-CDF 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**

Kisumu East NG-CDF classifies its financial assets as subsequently measured at amortized 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, Kisumu East NG-CDF 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 Kisumu East NG-CDF 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**

Kisumu East NG-CDF 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. Kisumu East NG-CDF 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**

Kisumu East NG-CDF 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 labor 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 Kisumu East NG-CDF.

#### **h) Provisions**

Provisions are recognized when Kisumu East NG-CDF 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 Kisumu East NG-CDF 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.

Kisumu East NG-CDF recognizes a social benefit as an expense for the social benefit scheme at the same time that it recognizes a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that Kisumu East NG-CDF will incur in fulfilling the present obligations represented by the liability.

#### **j) Contingent liabilities**

Kisumu East NG-CDF 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**

Kisumu East NG-CDF 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**

Kisumu East NG-CDF provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which Kisumu East NG-CDF 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**

Kisumu East NG-CDF 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 Kisumu East NG-CDF, 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

**4. Significant Judgments and Sources of Estimation Uncertainty**

The preparation of Kisumu East NG-CDF 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

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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. Kisumu East NG-CDF 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 Kisumu East NG-CDF.
- 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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**5. Transfers from the NGCDF Board**

Description	Period ended June 2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	179,441,954
<b>Total</b>	<b>179,441,954</b>

**6. Transfers from domestic and foreign partners**

Description	Period ended June 2025
	Kshs
Grants	-
<b>Total</b>	<b>-</b>

**7. Finance income**

Description	Period ended June 2025
	Kshs
Interest Income on Bank Deposits	-
<b>Total</b>	<b>-</b>

**8. Miscellaneous income**

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

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**9. Employees cost**

	<b><i>Period ended June 2025</i></b>
	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,022,504
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	414,000
Employer Contributions Compulsory national social security schemes	113,120
Employer Contributions Compulsory Housing levy	28,584
Employer contributions to National Industrial Training Authority	3,000
Other Specify	-
<b>Total</b>	<b>2,581,208</b>

**10. Committee Expenses**

	<b><i>Period ended June 2025</i></b>
	<b>Kshs</b>
Sitting allowance	2,989,890
Other Committee expenses	3,037,700
<b>Total</b>	<b>6,027,590</b>

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**11. Use of Goods and services**

	<i>Period ended June 2025</i>
	<b>Kshs</b>
Utilities, supplies and services	121,801
Communication, supplies and services	144,084
Domestic travel and subsistence	1,152,000
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	600,490
Hospitality supplies and services	420,260
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	663,340
Fuel, oil & lubricants	470,000
Bank charges	7,199
Routine maintenance – vehicles and other transport equipment	150,000
Routine maintenance – other assets	-
Strategic plan expenses	1,693,455
Other operating expenses	1,413,030
<b>Total</b>	<b>6,835,659</b>

**12. Other Government Units Actual expenditure**

<b>Description</b>	<i>Period ended June 2025</i>
	<b>Kshs</b>
Primary Schools Actual expenditure	37,055,619
Secondary Schools Actual expenditure	19,742,968
Tertiary Institutions Actual expenditure	-
<b>Total</b>	<b>56,798,587</b>

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**13. Other Grants and transfers Actual expenditure**

	<i>Period ended June 2025</i>
	Kshs
Bursary – secondary schools	19,956,755
Bursary – tertiary institutions	25,767,771
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	61,175,080
Climate change mitigation projects	-
Emergency projects Actual expenditure	9,212,988
Roads projects Actual expenditure	-
Others specify	-
<b>Total</b>	<b>116,112,594</b>

**14. Depreciation and Amortization Expenses**

Description	<i>Period ended June 2025</i>
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
<b>Total</b>	<b>-</b>

**15. Digital Hubs Expenses**

Description	<i>Period ended June 2025</i>
	Kshs
Construction/ renovation/ Actual expenditure	-
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others ( <i>specify</i> )	-
<b>Total</b>	<b>-</b>

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**16. Gain/loss on Sale of Assets**

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<b>Total Gain/loss on Sale of Assets</b>	-

**17. Impairment Loss**

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

**18. Cash and Cash Equivalents**

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
<i>Name Of Bank, Account No. (Operations account)</i>	69,487,146	17,671,844.
<i>Operations account pending closure (Indicate name &amp; account no.)</i>	-	-
<i>Name of Bank, account No. (Deposit account)</i>	414,000	-
<i>Name of Bank, account No. (PMC accounts)</i>	18,622,070	73,075,426.
<b>Total</b>	<b>88,523,216</b>	<b>90,747,270</b>
<b>Cash Balances</b>		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
<b>Total</b>	-	-

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**19. Receivables from Exchange Transactions**

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

**i. Ageing Analysis for Receivables**

Description	Period ended June 2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total (a+b)</b>	-	%	-	%

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**20. Receivables from Non-Exchange Transactions**

Description	Period ended June 2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	51,441,954		59,795,593.	
Outstanding imprest	-		-	
<b>Total</b>	<b>51,441,954</b>		<b>59,795,593</b>	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>2024-2025</b>	<b>% of the total</b>	<b>Opening Balance</b>	<b>% of the total</b>
Less than 1 year	51,441,954	100%	59,795,593	100%
Between 1-2 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
<b>Total</b>	<b>51,441,954</b>	<b>100%</b>	<b>59,795,593</b>	<b>100%</b>

**21. Prepayments**

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

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**22. 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 <sup>st</sup> July 2025	-	-	-	-	-	-	-	-
Additions	2,000,000	-	-	-	-	-	-	2,000,000
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>
<b>Depreciation And Impairment</b>								
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Book Values</b>								
Opening Bal as at 1 <sup>st</sup> July 2025	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>	<b>2,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,000,000</b>

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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 30<sup>th</sup> June 2020). These amounts were adopted on Kisumu East.

**22 b) Property, Plant and Equipment at Cost**

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

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

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	-	-
<b>Total</b>	-	-

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**23. Intangible Assets**

Description	<i>Period ended June 2025</i>
	Kshs
<b>Cost</b>	
Opening balance at 1 <sup>st</sup> July 2025	-
Additions	-
Disposal	-
<b>At end of the 2025</b>	-
<b>Amortization and impairment</b>	
At beginning of the year	-
Amortization	-
<b>At end of the year</b>	
Impairment loss	-
<b>At end of the year</b>	-
<b>NBV at July 1<sup>st</sup>2025</b>	-
<b>NBV at June 30<sup>th</sup>2025</b>	-

**24. Right-of use assets**

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

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

**25. Trade and Other Payables**

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

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**26. Third-Party deposits**

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	<b>KShs</b>	
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	3,321,169	-
Retention paid during the Year (C)	2,155,870	-
<b>Closing Retention as at 30<sup>th</sup> June D= A+B-C</b>	<b>1,165,299</b>	<b>-</b>

**Retentions aging analysis.**

	<b>Period ended June 2025</b>	<b>% of the total</b>	<b>Opening Statement 1st July 2024</b>	<b>% of the total</b>
Less than 1 year	1,165,299	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>1,165,299</b>		<b>-</b>	

**27. Lease Liabilities**

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

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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	-

**28. Gratuity Provision**

Description	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	
Gratuity at the beginning of the year 1 <sup>st</sup> of July	1,242,019	1,242,019.
Gratuity held during the year	414,000	-
Gratuity paid during the year	1,243,308	-
<b>Total Gratuity Provision 30th June (A+B-C)</b>	<b>412,711.</b>	<b>1,242,019.</b>

## 29. Cash Generated from Operations

	Period ended June 2025
	Kshs
<b>Surplus/Deficit for the year</b>	<b>(8,913,684)</b>
<b>Adjusted for:</b>	
Depreciation	-
Impairment	-
Gains and losses on disposal of assets	-
<b>Working capital adjustments</b>	-
Increase/decrease in receivables	(8,353,639)
Increase/decrease in payables	(335,991)
<b>Net cash flow from operating activities</b>	<b>(224,054)</b>

## 30. 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
<b>As at 30<sup>th</sup> June (Current FY)</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	51,441,954	51,441,954	-	-
Bank balances	88,523,216	88,523,216	-	-
<b>Total</b>	<b>139,965,170</b>	<b>139,965,170</b>	-	-
<b>As at 30 June (Previous FY)</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	59,795,593	59,795,593	-	-
Bank balances	90,747,270	90,747,270	-	-
<b>Total</b>	<b>150,542,863</b>	<b>150,542,863</b>	-	-

### **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 recognized 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 Kisumu 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
<b>As at 30<sup>th</sup> June (Current FY)</b>				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Retention Provisions	-	-	1,165,299	1,165,299
Deferred income	-	-	-	-
Gratuity Provision	-	-	412,711	412,711
<b>Total</b>	-	-	<b>1,578,010</b>	<b>1,578,010</b>
<b>As at 30<sup>th</sup> June 2024 (Previous FY)</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Retention Provisions	-	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Gratuity provision			1,242,019	1,242,019
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
<b>Total</b>	-	-	<b>1,242,019</b>	<b>1,242,019</b>

**iii) Market risk**

Kisumu East NG-CDF 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 optimizing the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. Kisumu East NG-CDF 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**

Kisumu East NG-CDF 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. Kisumu East NG-CDF 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 Kisumu East NG-CDF 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
<b>As at 30<sup>th</sup> June (Current FY)</b>			
<b>Financial Assets</b>	N/A	N/A	N/A
Investments	N/A	N/A	N/A
Cash	N/A	N/A	N/A
Debtors	N/A	N/A	N/A
<b>Total Financial Assets</b>	N/A	N/A	N/A
<b>Financial Liabilities</b>			
Trade And Other Payables	N/A	N/A	N/A
Borrowings	N/A	N/A	N/A
<b>Total Financial Liabilities</b>	N/A	N/A	N/A
<b>Net Foreign Currency Asset/(Liability)</b>	N/A	N/A	N/A

**Foreign currency sensitivity analysis**

**2024-2025**

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June (Current FY)</b>			
<b>Financial Assets</b>	N/A	N/A	N/A
Investments	N/A	N/A	N/A
Cash	N/A	N/A	N/A
Debtors	N/A	N/A	N/A
<b>Total Financial Assets</b>	N/A	N/A	N/A
<b>Financial Liabilities</b>			
Trade And Other Payables	N/A	N/A	N/A
Borrowings	N/A	N/A	N/A
<b>Total Financial Liabilities</b>	N/A	N/A	N/A
<b>Net Foreign Currency Asset/(Liability)</b>	N/A	N/A	N/A

## Financial Risk Management

The following table demonstrates the effect on Kisumu East NG-CDF 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
<b>2024-2025</b>			
Euro	10%	N/A	N/A
USD	10%	N/A	N/A
<b>2023-2024</b>			
Euro	10%	N/A	N/A
USD	10%	N/A	N/A

### b) Interest rate risk

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

### Management of interest rate risk

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

### Sensitivity analysis

Kisumu East NG-CDF 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

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as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 0Kisumu East (Current FY: Kshs 0Kisumu East). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs Kisumu East (Current FY – Kshs Kisumu East)

**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 Kisumu East NG-CDF 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. Kisumu East NG-CDF 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
<b>As at 30 June (Current FY)</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	N/A	N/A	N/A	N/A
<b>Non- Financial Assets</b>				

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Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
Investment Property	N/A	N/A	N/A	N/A
Land And Buildings	N/A	N/A	N/A	N/A
<b>Total</b>	N/A	N/A	N/A	N/A
<b>As at 30<sup>th</sup> June (Previous FY)</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	N/A	N/A	N/A	N/A
<b>Non- Financial Assets</b>				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
<b>Total</b>	-	-	-	-

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	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	140,387,160	149,300,844
Capital Reserve	-	-
<b>Total Funds</b>	<b>140,387,160</b>	<b>149,300,844</b>
Total Borrowings	-	-
Less: Cash and Bank Balances	88,523,216	17,671,844
Net Debt/(Excess Cash And Cash Equivalents)	51,863,944	131,629,000
<b>Gearing</b>	<b>63%</b>	<b>12%</b>

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**Related Party Disclosures**

	<i>Period ended June 2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	2,989,890	672,000
<b>Transaction with the NGCDF Board</b>		
Transfers from the NGCDF Board during the year	179,441,954	189,836,093
<b>Total</b>	<b>182,431,844</b>	<b>190,508,093</b>

**31. 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)

**32. Contingent Assets and Contingent Liabilities**

**Contingent Assets**

Description	<i>Period ended June 2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>Contingent Assets</b>		
Insurance Reimbursements	N/A	N/A
Assets Arising from Determination Of Court Cases	N/A	N/A
Reimbursable Indemnities and Guarantees	N/A	N/A
Receivables From Other Government Entities	N/A	N/A
Others (Specify)	N/A	N/A
<b>Total</b>	<b>N/A</b>	<b>N/A</b>

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**Contingent Liabilities**

Description	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Contingent Liabilities</b>		
Court Case xx against the Entity	N/A	N/A
Bank Guarantees in Favour of Subsidiary	N/A	N/A
Contingent Liabilities arising from Contracts Including PPPs	N/A	N/A
Others (Specify)	N/A	N/A
<b>Total</b>	N/A	N/A

**33. Capital Commitments**

Capital Commitments	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Authorised for	N/A	N/A
Authorised and Contracted for	N/A	N/A
<b>Total</b>	N/A	N/A

(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).

**34. Events after the Reporting Period**

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

**35. Ultimate And Holding Entity**

The Kisumu 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.

**36. Currency**

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

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18. Annexes  
 Annex1: Summary of Asset Register

Asset class	Historical Cost/valuation costbalance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	6,468,600	2,000,000.	-	8468600
Buildings and structures	67,439,379	-	-	67439379
Transport equipment	3,857,017	-	-	3857017
Office equipment, furniture, and fittings	1,267,575	-	-	1267575
ICT Equipment and Other ICT Assets	1,122,299	-	-	1122299
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>80,154,870</b>	<b>2,000,000</b>	<b>-</b>	<b>82,154,870</b>

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**Annex 2 –PMC Bank Balances As At 30<sup>th</sup> June 2025**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024-2025</b>	<b>Bank Balance 2023-2024</b>
Tido Primary School	Equity Bank	0290264062442	316,443	1,794
Bwanda Primary School	Equity	0290261039422	140,163	5,325
Buoye Primary School	Equity	0290299884397	52,199	52,200
Alango Primary School	Equity	0290266615670	7,707	7,707
Ayaro Primary School	Equity	0290194360252	2,000	303,543
Bukna Primary School	Equity	0290282083839	196,794	3,007,712
Bungu Primary School	Equity	0290263688607	15,509	15,509
Chiga Primary School	Equity	0290266900550	32,043	32,043
Dago Primary School	Equity	0290266392714	13,432	60,433
Kadiju Primary School	Equity	0290280898327	67,053	67,053
Kianja Primary School	Equity	0290281777096	232,318	3,048,133
Kibos Primary School	Equity	1260299471720	143,893	1,163
KinduRc Primary School	Equity	1260298212482	74,610	74,610
Kunya Primary School	Equity	0290281133551	17,188	17,188
Mbeme Primary School	Equity	1260266678026	1,000	51,435
Nyatege Primary School	Equity	0290299919471	7,719	7,719

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PMC	Bank	Account number	Bank Balance 2024-2025	Bank Balance 2023-2024
Obino Primary School	Equity	0290296380336	27,674	27,674
Obwolo Primary School	Equity	0290281176085	2,303	3,016,591
Ofunyu Primary School	Equity	0290282049535	10,089	10,089
Ogango Primary School	Equity	0290299086592	2,905	2,905
Okago Primary School	Equity	0290297668544	1,083	1,083
Okok Primary School	Equity	0290266494888	290,062	3,258,406
Omung'i Primary School	Equity	0290299925389	937	937
Ongadi Primary School	Equity	0290282053351	20,424	20,424
Orongo Primary School	Equity	1260298222885	205,196	3,000,696
OteraBahati Primary School	Equity	1260299885750	662,981	79,025
Rae Kanyaika Primary School	Equity	0290282420632	254,721	3,161,910
Ragumo Primary School	Equity	0290299352422	58,404	3,080,563
RariedaKaloo Primary School	Equity	0290281978454	26,873	26,873
Senior Chief Ounga	Equity	0290266679712	656	656
St. Francis Nyamonge Primary School	Equity	1260298198853	478,073	54,534
St. John Oriang' Primary School	Equity	0290281978454	10,324	10,324
St. Johns Masawa Primary School	Equity	1260270546526	859	859
Wandiege Primary School	Equity	1260261742733	2,357	2,357

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PMC	Bank	Account number	Bank Balance 2024-2025	Bank Balance 2023-2024
Nyamonge Primary School	Equity	0290299474900	19,700	1,249,988
Mbeme Primary School	Equity	0290282534281	450,000	-
Kibos Primary School	Equity	0290285875316	250,000	-
Wandiege Primary School	Equity	0290263882112	100,000	-
St. Mary's MayenyaPri School	Equity	1260161963897	1,500,000	-
St. Mary's MayenyaPri School	Equity	1260161963897	1,500,000	-
St. Mary's MayenyaPri School	Equity	1260161963897	1,500,000	-
Renja Primary School Desk	Equity	1260299357303	150,000	150,000
St. Albert Angira Sec School	Equity	0290285875316	106,197	-
Dr. Aloo Gumbi Sec School	Equity	0290264050722	21,514	21,514
St. Aloys Mayenya Sec School	Cooperative	01141015889100	1,411	1,411
G.P Owiti Secondary School	Equity	0290282266329	21,514	113,765
Got Nyabondo Secondary School	Equity	0290294027172	12,526	12,526
Kibos Secondary School	Sidian	1009030000929	817	6,301,817
Nyamasaria Secondary School	Equity	0290263882112	410	2,375,165
Renja Secondary School	Equity	1260263464427	4,806,841	4,806,841
Akado Youth Polytechnic	Equity	0290264448000	4,811	4,811
Kasagam Police Station	Sidian	01009710004388	62,119	31,149,720

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024-2025</b>	<b>Bank Balance 2023-2024</b>
Kasagam Police Station	Sidian	01009710004388	-	
Chiga Police Station	Sidian	01009710005896	60,795	-
Koyango Chief's Office	Equity	0290282534281	-	968,430
Gita Ap Line	Equity	1260266770898	3,873	3,873
Gita Assistant County Commissioner Office	Equity	0290284751427	3,045	564,771
Otiak Ap Camp	Equity	0290296411381	59,367	59,367
Ragumo Administration Police Camp	Equity	0290270743881	58,404	64,232
Buoye Chiefs Office	Equity	1260299357303	1,000,000	1,000,000
Kadero Chiefs Office	Equity	0290282534281	1,000,000	1,000,000
Kisumu East Ng-Cdf Office Pmc	Equity	0290267475582	17,722	17,722
Renja Primary School	Equity	1260299357303	50,000	-
Oyola Primary School	Equity	0290282098371	-	700,000
Nyalunya Secondary School	Cooperative	0114129452730	35,000	-
Koyango Chief's Office	Equity	0290282534281	12	-
OteraBahati Primary School	Cooperative	1260161963897	-	-
St Aloys MayenyaPri School	Equity	0290282053351	1,500,000	-
St MarysOngadiPri School	Equity	1260299885750	950,000	-
<b>Total</b>			<b>18,622,070</b>	<b>73,075,426</b>

**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 )
	Basis for qualified opinion			
	<p><b>Project Management Committee (PMC) Bank Account balances</b> The Other important disclosures under note 19.4 to the financial statements reflects a balance of Kshs. 32,511,091 relating to Project Management Committee (PMC) balances which, as disclosed in annex 5, represents bank account balances for ninety (90) Project Management Committees, However, cashbooks, bank statements and certificates of bank balances for the ninety bank accounts were not provided for audit review. In the circumstances. The accuracy and completeness of the PMC bank account balances of Kshs. 32,511,091 could not be confirmed</p>	<p>It is true that at the time of audit, bank statements for 90 project management accounts were not provided for audit verification. I however wish to apologize for that and promise make sure I provide all documents during audit.</p>	Not Resolved	90 Days

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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><b>Lack of land ownership documents</b> The statement of receipts and payments and as disclosed under note 9 to the financial statements reflects an amount of Kshs. 5,000,000 in respect to acquisition of land. However, the land ownership documents, land valuation report and land plans were not provided for audit. In the circumstances, the ownership status for the parcel of land purchased worth Kshs. 5,000,000 could not be confirmed.</p>	<p>It is true that at the time of Audit Land ownership documents had not been acquired. However I wish to bring to your attention the we have initiated the process and soon we will have a title Deed in the name of Kisumu East Constituency.</p>	<p>Not Resolved</p>	<p>90 Days</p>
	<p><b>Emphasis of matter</b></p>			
	<p><b>Budgetary control and Performance</b> The statement of comparison of budget and actual amounts reflects a financial receipts budget and actual on comparable basis of Kshs. 311,774,108 and Kshs. 251,978,515 respectively resulting to an underfunding of Kshs. 59,795,593 or 19% of the budget. Similarly,</p>	<p>It is true that at the time of Audit kisumu East NG-CDF was under funded by approximately 19%. I</p>	<p>Not Resolved</p>	<p>90 Days</p>

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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 )
	the fund spent a total of Kshs. 234,306,671 against an approved budget of Kshs. 311,774,108 resulting to an under expenditure of Kshs. 77,467,437 or approximately 24.8% of the budget. The underfunding and underperformance affected the planned activities of the Ksumu East Constituency and may have impacted negatively on service delivery to the public.	wish to bring to your attention that this is due to late disbursement of Funds from NGCDF Board.		
	<b>Key audit matters</b>			
	<p><b>Proposed construction of an administration block at Nyamasaria Secondary School</b></p> <p>The statement of receipts and payments reflects transfers to other government units amount of Kshs. 86,390,830 and as disclosed in note 7 to the financial statements. This amount includes Kshs. 27,492,000 transfers to secondary schools out of which amount of Kshs. 4,400,000 was disbursed to Nyamasaria Secondary School for construction of an administration block at Nyamasaria Secondary School at a contract sum of Kshs. 6,389,416. However, the signed contract signed reflects a contract duration of 8 weeks from the date of handover of the site to the contractor which was done the same day the contract was signed on 31<sup>st</sup> January 2024 hence the construction was expected to be completed by april</p>	Project Manager to convene a site meeting with contractor to discuss the contract extension.	Not Resolved	90 Days

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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 )
	2024. No request for extension of contract period was applied for by the contractor since the contract period had elapsed and the progress of works was at 98% This was contrary to section 68(2) of the Public Finance Management Act,2012 which states that in the performance of a function under sub section (1), an accounting officer shall- (d) ensure that all contracts entered into by the entity are lawful and are complied with.			
	<p><b>Proposed Construction of 8 classrooms at Nyamonge Primary School</b></p> <p>The statement of receipts and payments reflects transfers to other government units amount of Kshs. 86,390,830 and as disclosed in note 7 to the financial statements. This amount includes Kshs. 58,898,830 transfers to primary schools out of which amount of Kshs. 10,000,000 was disbursed to Nyamonge Primary School. Review of contract records revealed that the contract between the contractor and the school was signed on 15<sup>th</sup> March 2022 at a contract sum of Kshs. 21,206,031 for the construction of 8 classrooms at Nyamonge Primary School. The contract period was for 5 months from the date of contractor possessing site which was on 15<sup>th</sup> March 2022 and the expected date of completion was 15<sup>th</sup> August 2022. The contractor never requested for extension of</p>	Project Manager to convene a site meeting with contractor to discuss the contract extension.	Not Resolved	90 Days

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved )
	<p>contract period. However, the monitoring and Evaluation report done on 28<sup>th</sup> August 2024 showed that there were some works pending which were still being done as at that time. The handing over report showed that the building was handed over on 6<sup>th</sup> September 2024 which was past the contract period. No explanation on why the contractor did the works past the contract period and the reasons as to why the contractor did not comply with his signed work plan.</p> <p>The management was therefore in breach of the law and the public may not have received value for money</p>			
	<p><b>Proposed Construction of 8 classrooms at Mbeme Primary School</b></p> <p>The statement of receipts and payments reflects transfers to other government units amount of Kshs. 86,390,830 and as disclosed in note 7 to the financial statements. This amount includes Kshs. 58,898,830 transfers to primary schools out of which amount of Kshs. 10,000,000 was disbursed to Mbeme Primary School. The contract agreement was signed on 10<sup>th</sup> March 2022 at a contract sum of Kshs. 21,250,330 for the construction of 8 no classrooms at Mbeme Primary School. The possession of site by the contractor was done on 10<sup>th</sup> March 2022 and the agreed contract duration was for 6 months and the project was expected to be</p>	<p>Project Manager to convene a site meeting with contractor to discuss the contract extension.</p>	<p>Not Resolved</p>	<p>90 Days</p>

**National Government Constituencies Development Fund (NGCDF)**  
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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>completed y 14<sup>th</sup> September 2022. As per the inspection report of the project done on 5<sup>th</sup> September 2022 the project was at 80% completion ut during the project verification done on 28<sup>th</sup> November 2024 the building was in use. The project was completed on 28<sup>th</sup>November 2023 and was handed over on 21<sup>st</sup> December 2023 which was past the contract period. No request for extension of the contract period was done by the contractor although the works were done past the contract period.</p>			
	<p><b>Lack of Strategic Plan</b>            Review of records revealed that the Kisumu East Constituency (NG-CDF) does not have a strategic plan and it is not clear how the management will work towards attaining the vision for the future and identify the fund's goals and objectives.</p>	<p>Kisumu east constituency is currently engaging a consultant for preparation of its strategic plan. We promise to speed up the ongoing preparation of Kisumu East Strategic Plan</p>	<p>Not Resolved</p>	<p>90 days</p>

*National Government Constituencies Development Fund (NGCDF)*  
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Rotich Kiptoon  
Fund Account Manager.  
Kisumu East Constituency