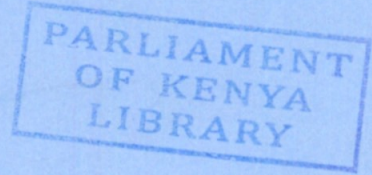


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability



REPORT

OF

THE AUDITOR-GENERAL

ON

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

FOR THE YEAR ENDED

30 JUNE, 2025

THE NATIONAL ASSEMBLY

DATE: 17 FEB 2025

TUESDAY

TABLED
BY:

DEPUTY MAJORITY
LEADER

CLEAR
THE...

FINLAY



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIPKELION WEST CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

Fiduciary Management- Members of Management directly entrusted with the responsibility of financial resources of the Kipkelion West NG-CDF.

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

(c) Fiduciary Oversight Arrangements

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

(d) NGCDF Kipkelion West Constituency Headquarters

NGCDF Office Building,
Kipkelion Centre,

(e) NGCDF Kipkelion West Constituency Contacts

P.O. Box 150-20202

Kipkelion.

Telephone: (254) 76882938

E-mail: cdfkipkelionwest@ngcdf.go.ke

Website: [Websitehttp://www.ngcdf.go.ke](http://www.ngcdf.go.ke)

(f) NGCDF Kipkelion West Constituency Bankers

1. Operations Account
Kenya Commercial Bank
Londiani Branch
P.O Box 218-20203
Londiani
2. Deposit Account
Kenya Commercial Bank
Londiani Branch
P.O Box 218-20203
Londiani

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 Kipkelion West Constituency's day-to-day management is under the following key organs:

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

Fiduciary Management

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

Operation account

No	Designation	Name
1.	AIE holder	Caroline Cheres
2.	National Sub-County Accountant	CPA Crispus M Jumbe
3.	Chairman NGCDFC	Eric Murei
4.	Member NGCDFC	Joel Maigha (deposit)

Deposit account

No	Designation	Name
1.	AIE holder	Caroline Cheres
2.	National Sub-County Accountant	CPA Crispus M Jumbe
3.	Member NGCDFC	Joel Maiga

3. Project management committee Account
Kenya Commercial Bank
Londiani Branch
P.O Box 218-20203
Londiani





(g) Independent Auditor




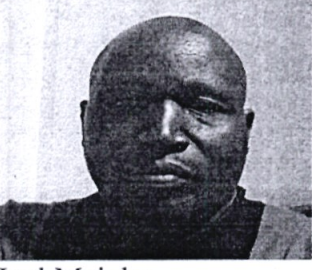
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

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

3. NGCDF Committee

Name	Details
 Erick Murei NGCDFC-Chairman	Date of birth: 31.12.1980 Education background: Bachelor of Education (Math and Geography). Member, Board of Management, Sogonyet Coffee Society. He has been the chairperson of NGCDFC Kipkelion West since 2017.
 Miriam Birir PLWD Representative	Date of birth: 26/6/1978 Education Background: KCSE Certificate She has been chairperson of a Self Help Group in the community She has been a member of the NGCDFC Kipkelion West from 2017 to date representing PLWDs
 Lucy Jepchirchir Female youth	Date of birth: 26/11/1993 Education background: Trained ECD teacher She has been member of NGCDFC Kipkelion West from 2017 to date representing female youth.
 Patrick Kimeto Male Youth rep	Date of Birth: 25/12/1994 Education Background: Diploma in Agriculture (specializing in the coffee sector) He has been member of NGCDFC Kipkelion West from 2022 to date representing male youth.

 <p>Henry Cheruiyot Coopted member</p>	<p>Date of birth: 01/01/1976 Education Background: KCSE Certificate Worked at various community groups He has been member of NGCDFC Kipkelion West from 2017 to date as a coopted member.</p>
 <p>Alice Chepngetich Female Adult</p>	<p>Date of birth: 12/11/1978 Education Background: KCSE certificate Chairperson of various community organizations and a church leader. She has been member of NGCDFC Kipkelion West from 2022 to date representing female adults.</p>
 <p>Caroline Soi Female Adult</p>	<p>Date of birth: 20/6/1978 Education Background: KCSE certificate, a trained ECDE teacher as well as a representative of coffee farmers in her location She has been member of NGCDFC Kipkelion West from 2017 to date representing female adults.</p>
 <p>Joel Maigha Secretary Male Adult</p>	<p>Date of birth: 03/06/1965 Education background: KCSE Certificate Former NGCDFC staff Secretary to coffee society in his area He has been member of NGCDFC Kipkelion West from 2022 to date, representing male adults.</p>

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



Caroline Cheres
 Fund Account Manager

Date of birth. 25/11/1987
 Education; CPA K; ICPAK no. 15902, Bachelor of Commerce (Accounting option). Master's in strategic management
 Fund account manager since November 2013 to date

Fund Account Manager for Kipkelion West NGCDF and an ex officio member of the NGCDF Committee



Justus Musau -DCC

Date of birth. 1/7/1974
 Education: master's in development studies
 Employed by ministry of interior since 2003 to date

He is the current Deputy County Commissioner, Kipkelion West Subcounty.
 He is a member of the NG-CDFC Kipkelion West as a government official.

4. NG-CDFC Chairman's Report



It is my great pleasure to present the annual report and financial statement prepared in accordance with the accrual basis of accounting method under the International Public Sector Accounting Standard (IPSAS) for the financial year ended 30th June, 2025.

Kipkelion West National Government Constituency Development Fund had an original budget of one hundred and seventy million, four hundred and sixty-nine thousand eight hundred and fifty-seven shillings (Ksh. 170,469,857). There was an opening balance of sixty-seven million nine hundred and four thousand and three hundred and sixty-one Shillings (Ksh. 67,904,361). There was also an outstanding disbursement from the board during the year amounting to fifty eight million eight hundred fifteen thousand six hundred and three shillings (Kshs 58,815,603) Therefore the total budget for the Constituency was Two Hundred and Ninety Seven Million One Hundred and Eighty Nine Thousand Eight Hundred and Twenty One Shillings(Kshs 297,189,821).The Constituency received One Hundred Eighty Six Million Eight Hundred and Fifteen Thousand Six Hundred and Three Shillings (Kshs 186,815,603) by end of June 2025. Our budget has been funded by 85%. transfer to other government entities utilised Kshs 86,011,920 accounted for 54% of its budget. Other grants and transfers utilised Kshs 70,394,227 accounted for 81% of its budget. Cumulatively we managed to spend 58% of the available funds.

The project management committee is the model used in the Constituency for the implementation of projects. The NG-CDF Board disbursed the funds to the constituency by January 2025 when the first disbursement for the year 2024-2025 was received. We look forward to improved services so that funds are received by project management committees and utilised before the end of the financial year to enable the NG-CDFC to implement its projects as budgeted within the financial year.

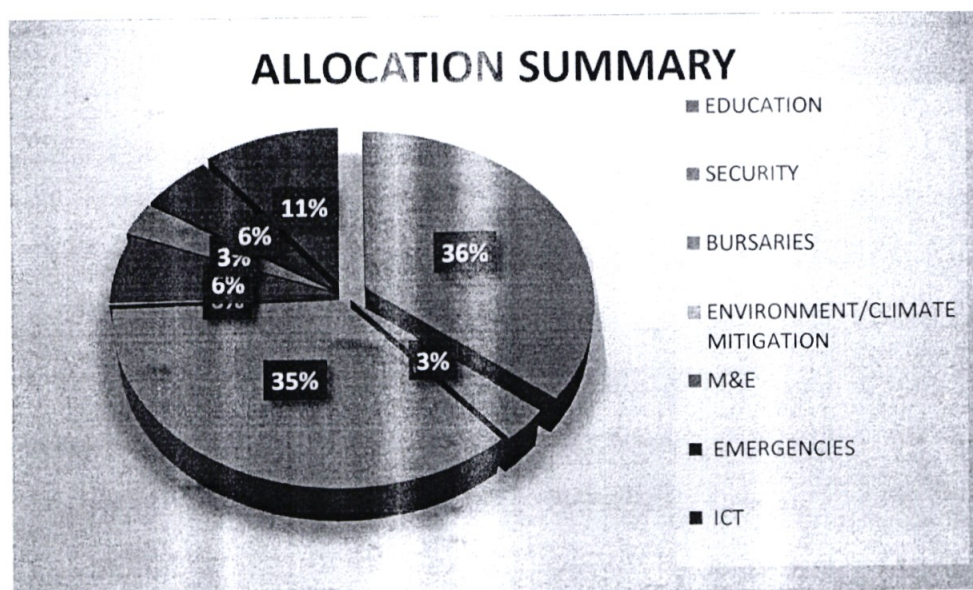
We look forward to better performance in the next financial year 2025/2026.

Allocation summary

During the financial year 2024-25 other grants and transfers took a considerable share of 42% of the total budget allocation out of which the biggest share was allocated to bursaries. Transfers to other government units stood at 34% out of which the primary schools component took the majority of the allocation. Committee expenses were at 3% of the total allocation while Use of goods and services took 4% of the total allocation. Finally, compensation to employees took an allocation at 2% of the total allocation

GRAPHICALLY

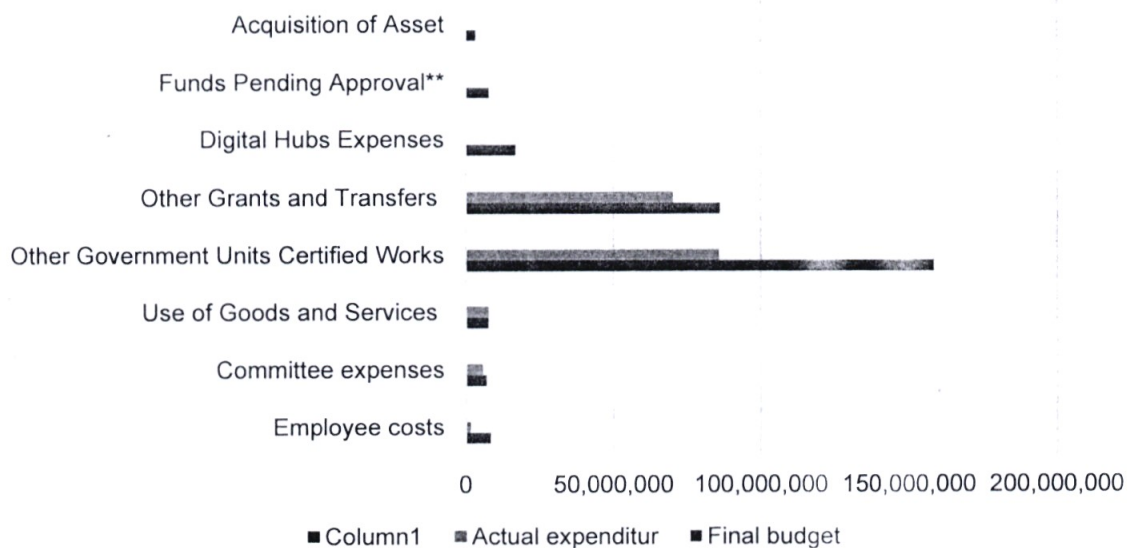
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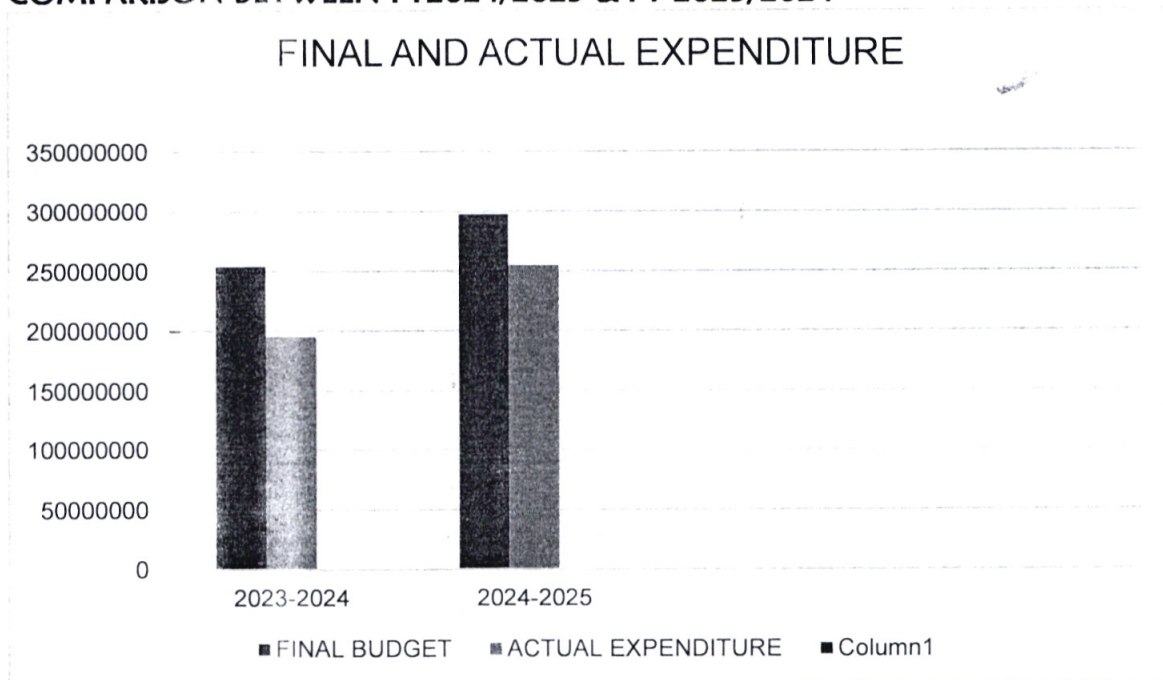
2. EXPENDITURE DURING THE YEAR

	Final Budget	Actual on comparable basis	% of Utilization
Expenses			
Employee costs	8,510,857	1,759,506	21%
Committee expenses	7,111,796	5,861,662	82%
Use of Goods and Services	7,888,903	7,863,925	100%
Other Government Units Certified Works	158,652,189	86,011,920	54%
Other Grants and Transfers	86,388,163	70,394,227	81%
Digital Hubs Expenses	17,000,000	-	0%
Funds Pending Approval**	8,000,000	-	0%
Acquisition of Asset	3,637,913	-	0%
Total Expenditure	297,189,821	171,891,240	58%

FINAL BUDGET VS ACTUAL EXPENDITURE



3. COMPARISON BETWEEN FY2024/2025 & FY 2023/2024



KEY ACHIEVEMENTS

During the year we were able to renovate 18 classrooms and construct 25 classrooms, 3 administration blocks in primary schools and 4 administration blocks in secondary schools, started 1 multipurpose hall in secondary schools and 1 dormitory in a secondary school and also purchased 2 acres of land in one secondary school. This will enhance learning infrastructure in schools within the constituency. Further NGCDFC gave bursaries to over 8,000 needy students in various institutions as those in tertiary were awarded kshs 10,000 each, secondary boarding ksh 7,000, secondary day kshs 4,000. There were also full and partial scholarship programs for students studying in secondary schools.



Menet secondary school construction to completion of single laboratory 45 capacity



Completion of administration block at kapsale primary school

Emerging issues

The following are some of the emerging issues that are experienced as a result of the current economy.

1. Restructuring of the Education Funding

The move by the government to restructure the education funding for the tertiary institutions through changing of the HELB funding structure has brought a lot of pressure to the NGCDF Bursary Funds as many students are now seeking for scholarships from the constituency to enable them continue with their studies

2. Junior Secondary School

The introduction of the Junior Secondary School through the CBC Education system has brought a lot of pressure to the existing facilities in various primary schools. There is need for construction and equipping of new classrooms and laboratories to accommodate the students.

Parents of JSS students also demanding award of bursary to students in JSS school.

3. Inflation Rates

With the current economic position where the rate of exchange of Kenyan shillings to dollar continues to rise, there has been an increase in the cost of construction materials. Hence those projects that were submitted to the board before inflation may not be completed with the original budgeted cost necessitating need for variations and additional funding.

4. Electronic government procurement

The directive by government that of all procurement be done through EGP and Kipkelion west has not been register in EGP thus it had lead to delay in implementation of projects even though fund has been received.

Challenges and solutions

- Many projects delayed due to late disbursement of public funds. We hope that this will improve to enable us do the projects in time. We have however been able to utilize the funds adequately as they are disbursed by the Board
- There is also a challenge in the education funds set for bursary. The number of needy students within kipkelion West constituency is too high compared to the available

funds for the same. We wish to increase the amount allocated to bursary funds in the coming financial years.

- Some schools are inaccessible due to poor road networks.
- Lack of technical people like procurement officer and public works officers
- Getting Acknowledgement Receipts from the members of the Public when they are issued with bursary has been a challenge. We have been able to disburse combined cheque to those schools that are closer or where students are many in one school and this has enabled us get a few Bursary Acknowledgement Receipts and hence meet the requirements set for the same. We have also been doing civic education and awareness of the need for the bursary beneficiaries to bring back bursary acknowledgement receipts from the institutions once they have collected their cheques and taken them to schools.

Otherwise the impact of the NG-CDF kitty is felt in the constituency and we hope and pray that the fund lives longer and longer in order to impact positively more and more lives in Kenya.

Way forward

As we appreciate the continued support from the National Government in making slight additions to the kitty, we however regrettably wish to say that it's not enough to assist the constituency make the rapid anticipated challenge of providing proper infrastructure for the education sector and security organs. The National Government should seriously consider the re-introduction of the poverty index scheme for the distribution of the national cake.

- It's common knowledge that there are certain pockets/regions in this country that have a high poverty index like Kipkelion West and they have to be jump started economically to catch up with region that have huge strides in matters development.
- We remain committed as a committee to ensure that the fund makes the expected impact in the constituency in terms of enabling needy and bright students attend and complete their formal education in a convenient environment.
- We are also focused to ensure our constituency achieve the lowest regional and national crime indices

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

.....
E.M.

Erick Murei
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 Kipkelion West NG-CDF in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government Kipkelion West NG-CDF's performance against predetermined objectives.

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

1. Improving the quality of education in the constituency
2. Improving enrolment into primary and secondary schools
3. Improving security in schools
4. Increase access to education and training for learners with special needs and disability
5. Improving access to security services within the constituency
6. Improving the working and living condition for the security personnel.
7. To improve access to safe water
8. To increase tree cover from 7% to 10%
9. To improve access to security services within the constituency
10. To improve living and working condition of security personnel
11. To promote sports and cultural activities

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:

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and	- number of usable physical infrastructure build in primary, secondary, and	In FY 24/2025-we have constructed 7 admin blocks(3 in primary and 4 in secondary schools), constructed 25classrooms in primary school, completed 3single labs in secondary school,

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

		tertiary institutions	tertiary institutions - number of bursary beneficiaries at all levels	renovation of classrooms in 18 schools, in disbursed bursary for the 8000 needy students and we co fund with brighter community construction of toilets in 6 schools
Security	To have conducive working environment for security agencies	Increased construction of chief's office	Improved security in the area	In FY 2024/2025 we renovate timpilil chiefs offices
Environment	To improve environment by carrying out environmental activities	Increased planting of trees both indigenous and fruit trees	Improved environment	In the FY 2024/2025, disbursed environmental funds at Kshs 100,000 to korosyot primary school for planting of 1000 trees
Sports	To empower youth through sports activities	Increased sports activities through KIPKELION WEST tournament	Improved youth empowerment	In the year 2024/25 we did not carry out sport since the act was amended and sport was removed
Emergency	To mitigate disasters through disaster management	Increased capacity building on disaster management	Improved awareness	Management has carried out PMC & CDFC capacity building to improve in the management of NG-CDF funds, disbursed emergency funds worth Kshs 6,100,000. funding of blown roofed at murgut primary school at ksh 500,000 , reconstruction of crack wall in menet secondary, kshs 1,300,00, kokwet secondary ksh 1,850,000, kipsiniden TTI kshs 1,150,00 and NGCDF Office kshs 1,300,000 for drained due to heavy rain in the

National Government Constituencies Development Fund (NGCDF)

Kipkelion West Constituency

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

				area.
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6. Governance Statement

Process of Appointment

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

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

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 seven individuals referred to in subsection (2)(b), (d), and (e) are selected in a manner and with qualifications prescribed by the Board through regulations. Their names are then submitted to the National Assembly for approval before appointment and gazettelement by the Board. In Kipkelion West Constituency, the current NGCDFC members were formally appointed through Gazette Notice Vol. CXXIV, No. 254 of 7th March 2025

The person's appointment is drawn from different grouping as follow:

No	Name	Category	Ward	Position
1.	Erick Murei	Male (Adult)	Kamasian	Chairperson
3.	Joel Maigha	Male (Adult)	Kunyak	Secretary
2.	Patrick Kimeto	Male (Youth)	Chilchila	Member
4.	Lucy Jepchirchir	Female(Youth)	Kipkelion	Member
5.	Miriam Birir	Representative of Persons with Disability	Kunyak	Member
6.	Alice Chepngetich	Female (Adult)	Kamasian	Member
7.	Caroline Soi	Female (Adult)	Chilchila	Member
8.	Henry Cheruiyot	NGCDF Board Coopted	Kipkelion	Member
9.	Justus Musau	Deputy County Commissioner		Member
10.	Caroline Cheres	Fund Account Manager		Member

The First NG-CDFC inaugural meeting was held on 16th June, 2025. The members carried out an election for the position of a chairperson and the secretary of the committee. The following member were elected.

	NAME	POSITION	WARD
1	Erick Murei	Chairperson	Kamasian
2	Joel Maigha	Secretary	kunyak

a. NG-CDFC Tenure

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 committee appointed vide Gazette Notice Vol. CXXII, No. 154 dated November 29, 2022 served until November 28, 2024 and a new committee appointed on 7th March 2025 The term of the new committee will expire on March 6, 2027.

b. The Role of the Constituency Committee

Develop project proposals in consultation with wanainchi through public participations, submit the proposals to the NG-CDF Board for approval
Facilitate the PMCs in the planning, implementation and sustenance of projects once completed at the constituency.

c. Removal of a member

A member of the Constituency Committee may be removed from office on any one or more of the following grounds;

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

A decision to remove a member shall be made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. A vacancy arising as a result of the removal of a member under subsection shall be filled in the manner set out in the Act and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

d. NG-CDFC Induction and training

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

e. Number of Meetings held

The NG-CDFC holds regular meetings to deliberate on NG-CDF matters, project progress, and financial issues. The Committee is required to convene at least once every month and at most twenty-four meetings in a year. It also includes additional meetings scheduled in between to address emerging issues and project needs.

*National Government Constituencies Development Fund (NGCDF)
Kipkelion West Constituency
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Schedule of meetings

S.No	NG-C Committee	July 2024 5.7.2024 15.7.2024	August 2024 5.8.2024 21.8.2024	September 2024 10.9.2024 25.9.2024	October 2024 29.10.2024	November 2024 6.11.2024 21.11/2024	December 2024 4.12.2024	January 2025 15.1.2025	February 2025 3.2.2025 19.2.2025	March 2024 5.3.2025	April 2025 10.5.2024	May 2025 2.5.2025 21.5.2025	June 2025 3.6.2025 16.6.2025
1	Erick murei - Chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Joel maigha- Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Caroline Chepngetich Soti-Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Alice chepngetich- Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Miriam birir - Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Henry cherulyot - Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Patrick kimeto - Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Lucy Jepchirchir - Member	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Justus musau- DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Caroline cheres- FAM	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

f. Members' Remuneration

NG-CDFC Members serve the constituency and are not given a salary but an allowance as compensation for their service. This ensures that their decisions and actions are guided solely by the best interests of the constituency and not influenced by personal gain. The chairman is given an allowance of Kshs 7,000 while other members are given Kshs 5000 per meeting

g. Disclosure Policy on Conflict of Interest

The NG-CDFC is committed to maintaining the highest standards of integrity and transparency. To address potential conflicts of interest, Members are required to disclose any personal, financial, or professional interests that may conflict with their responsibilities as NG-

CDFC Members. In cases of conflicts, Members are expected to excuse themselves from relevant discussions and decisions, and these conflicts are duly recorded in the minutes of the meetings.

h. Ethics and Conduct

The NG-CDFC is guided by a strict code of ethics and conduct that includes principles such as integrity, accountability, transparency, and professionalism. Members are expected to adhere to these principles in all their dealings related to NG-CDF matters.

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. Risk Management

The NG-CDFC recognizes the importance of risk management in the prudent utilization of NG-CDF funds. The Committee, in collaboration with relevant stakeholders, assesses and mitigates risks associated with project implementation, financial management, and governance. Regular risk assessments are conducted to identify potential threats and develop strategies to address them.

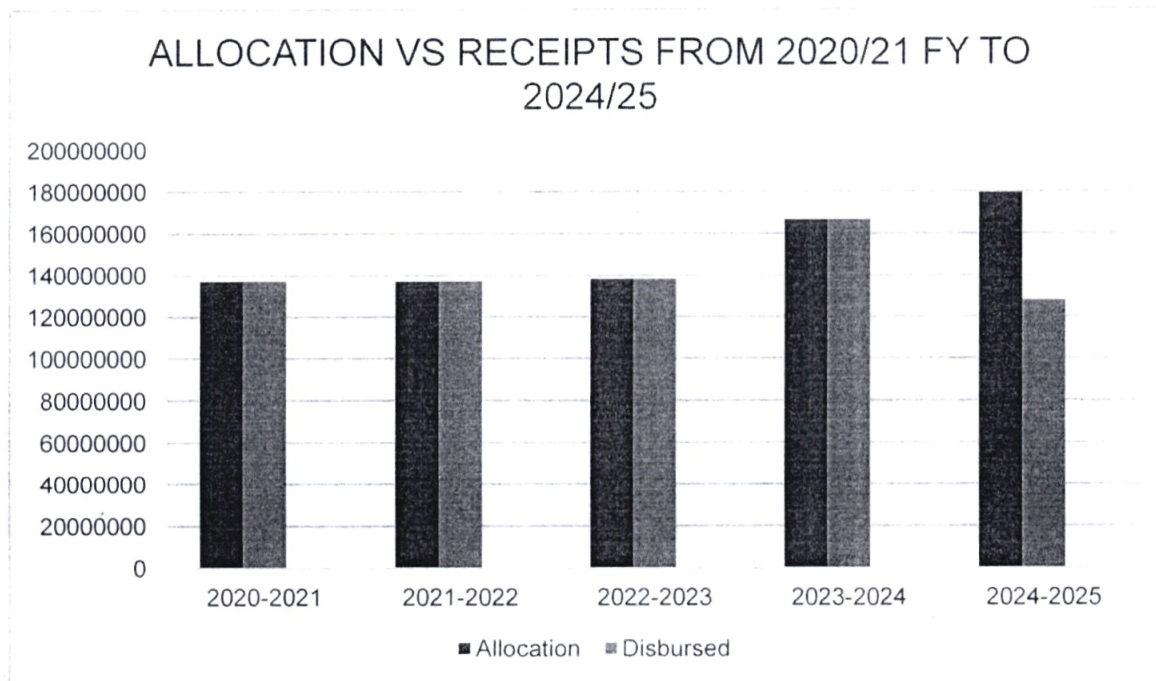
This governance statement reflects our commitment to ensuring responsible and effective governance of the Kipkelion West NG-CDF. It provides transparency and accountability to the constituents we serve and upholds the principles of good governance in all our activities.

7. Management Discussion and Analysis

a. Sector Performance

Kipkelion West NG-CDF has been operational since 2013 but would provide financial analysis for the past five years on how much the Kipkelion West NG-CDF has received and spend in the various critical sectors being Education and Security.

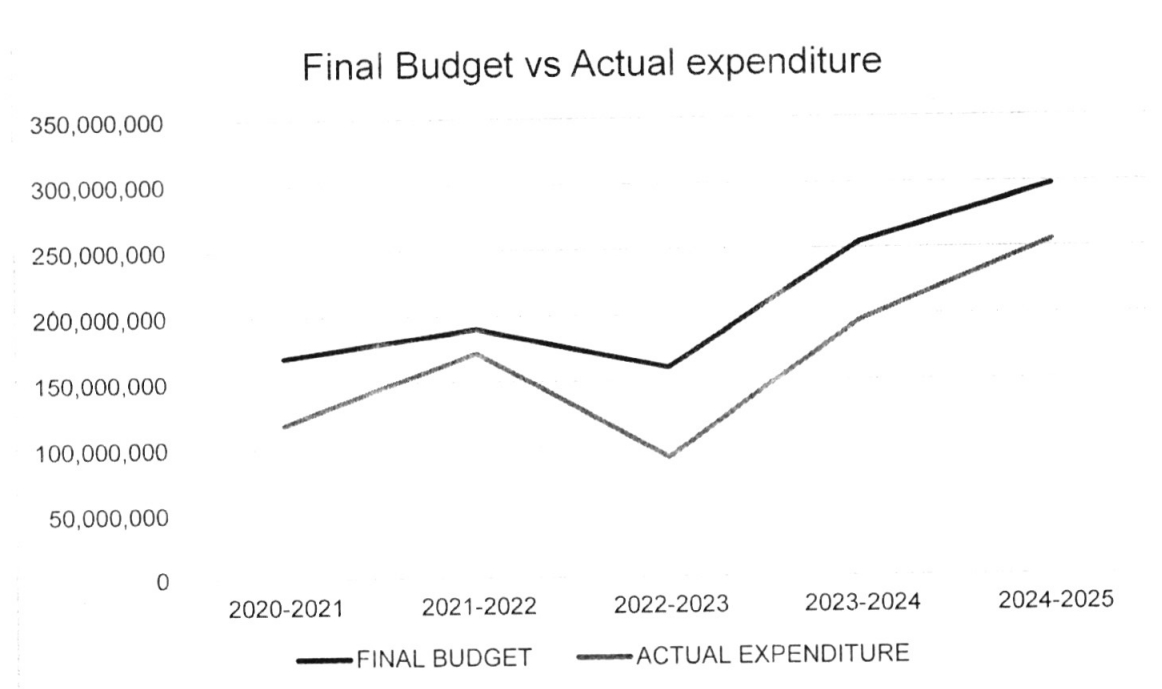
Financial Year	Allocation	Amount Disbursed	Percentage
2020-2021	137,183,879	137,183,879	100%
2021-2022	137,088,879	137,088,879	100%
2022-2023	138,215,033	137,215,033	100%
2023-2024	166,593,720	166,593,720	100%
2024-2025	179,469,856	128,000,000	71%
Total	758,551,367	706,176,511	



b. Expenditure summary for the last five (5) years

Financial Year	Budget	Expenditure
2020-2021	169,325,265	118,236,386
2021-2022	190,298,147	172,209,268
2022-2023	160,146,975	91,843,063
2023-2024	254,001,278	195,185,673
2024-2025	297,189,821	254,719,964
Total	1,070,961,486	832,194,354

Figure 1: Final Budget vs Actual Expenditure (2020/21 -2024/24)



Achievements

Kipkelion west in the past 12 years has achieved a lot in various sectors but we have only provided achievement for the last 5 years where education through bursary was allocated high fund as per the following tables

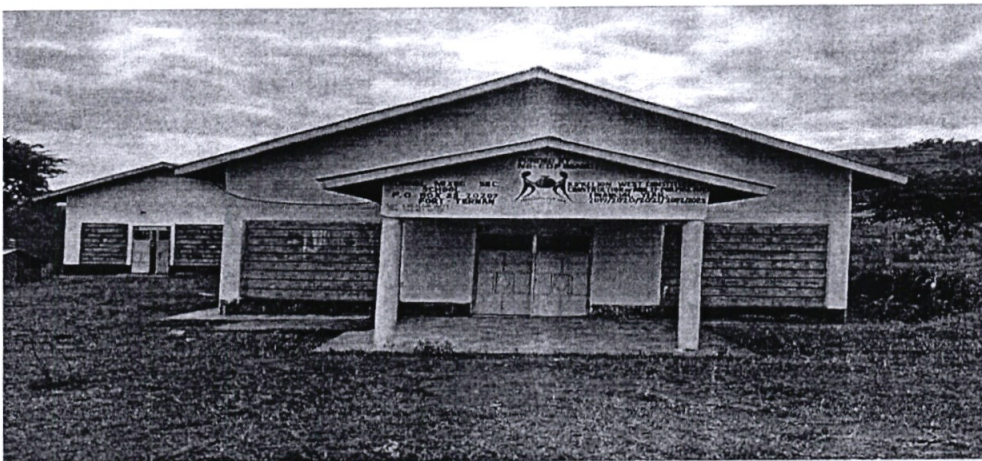
Summary of Disbursement to Projects in the Last 5 Years

Sector	Allocation	Percentage (%)
Primary Schools	160,723,766	24
Secondary Schools	141,019,670	21
Bursary	265,716,097	40
Others Grants	99,725,380	15
	667,184,913.00	100

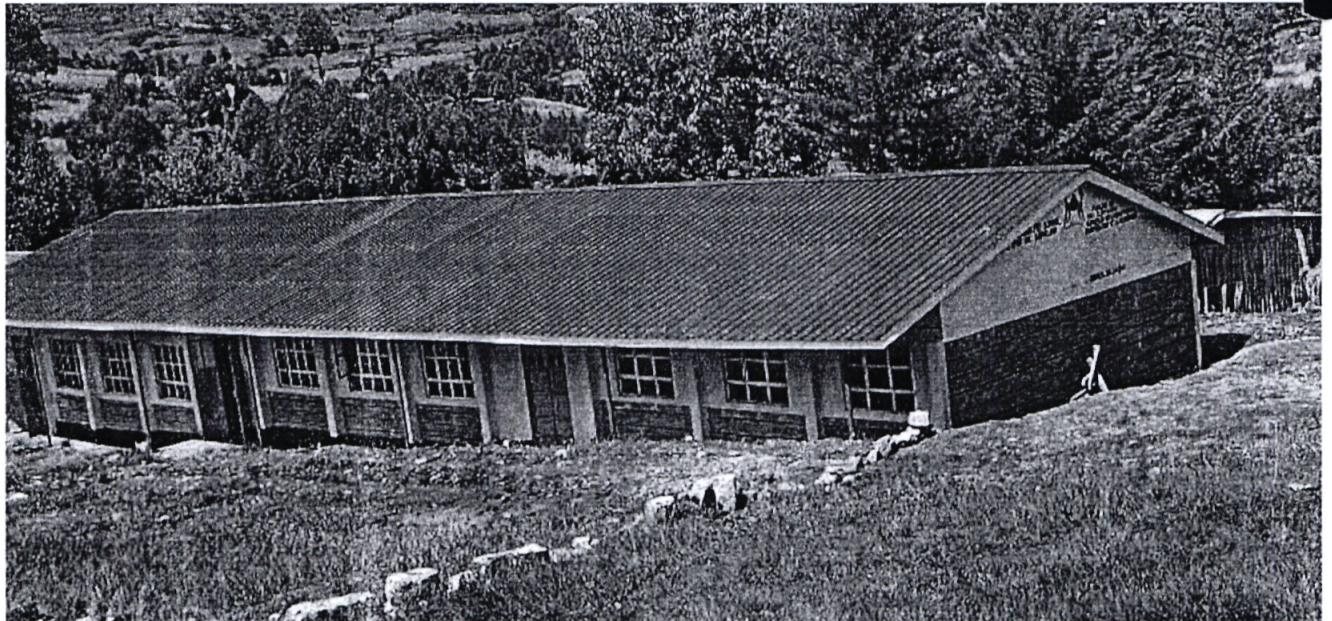
Table b. projects implemented in the last five years

Category	No. Implemented
New Classrooms	460
Bursary	Over 8,000 needy students per year
Single Laboratory	12
Administration Blocks	26
Dining Hall	6
Chiefs Offices	20
AP Camp	5
ACCs office	4
Classrooms Renovations	520
Buses	8

The following are some of the projects implemented.



Tunnel secondary school construction to completion of multipurpose hall



Malicha primary school construction of four classrooms

Digital Access: Bridging the Digital Divide

Recognizing the transformative power of technology, the Fund has prioritized investments in ICT to enhance access to digital services and opportunities and also it will reduce crime rate in the area. Kipkelion west has allocated fund for establishment of Kamasian and kunyak ICT Hub.

Complementing this effort is the creation of the constituency's first ICT hub, a facility designed to serve as a gateway to e-learning, online business opportunities, and digital literacy for youth and community members. Two additional ICT hubs for Kipkelion and Chilchila is awaiting approval. These hubs are envisioned as catalysts for innovation, enabling young people to acquire digital skills, access online education, and explore entrepreneurial opportunities in an increasingly digital world.

Risks facing the fund

NG-CDF Kipkelion West is compliant with NG-CDF Board risk management policy by developing a constituency risk register and the fund manager does regular attestation.

NG-CDFC Kipkelion West faces the following risks:

Major litigation and courts battle at the national level.

Political interference.

NGOs interference

Competition from county governments

The constituency has tried mitigating risks by doing public participation when doing project proposal, building with CCTV installation to mitigate physical risks,

Material arrears in Statutory and other financial obligations

The constituency does not have material arrears in statutory and other financial obligations.

The constituency has complied with statutory requirements by remitting statutory requirements to relevant authorities and in no instance has Kipkelion West have been cited for non-compliance.

Review of the Economy, Sector and Future Developments

The Kenyan Economy has not been doing well in the past years due to the many factors such as the Covid 19 that reduce the business growth and hence revenue collection. NG-CDFC as a fund was equally affected by the same whereby the cost of implementing projects increased hence affecting completion timelines and even the budget process.

In the last three years there has been improvement in the revenue growth which has led to increased budgetary allocation of the Fund even at the constituency level. This has been elaborated in the above table.

With the intention to entrench the Fund in the Kenyan Constitution, there is a good chance that in the future the Fund will grow and be able to spur more economic growth at the constituency level. Kipkelion West NG-CDFC has put in place mechanisms through its strategic plan to ensure more projects are implemented within the next three years.



.....
Name: Caroline Cheres
Fund Account Manager

8. Environmental and Sustainability Reporting

Kipkelion West Environment Sustainability guidelines have been developed to:

1. Ensure that Kipkelion West NGCDF establishes systems of environmental impact assessment, environmental audit, monitoring, and reporting of the environmental activities undertaken at the Constituency levels.
2. Ensure that the Constituencies continue to priorities and improve environmental sustainability projects.
3. Encourage Community participation in identification, protection, and conservation of environment.
4. Improve on planning and utilization of allocation for environmental sustainability funds in all constituencies.
5. Ensure proper mechanisms of monitoring and reporting of the environmental activities.

In this, Kipkelion West NG-CDF has prioritized in supplying of water tanks and water harvesting in the constituency and concentrating mostly in Schools. The CDFC also intends to plant trees in various schools in different schools so as to promote environment conservation.

i. Sustainability strategy and profile -

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

- a. **Education and Training:** Kipkelion West Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy

takes care of both marginalized groups, including girls and people living with disabilities.

- b. **Security Sector Support:** Among its key pillars; NGCDF has security as a priority area with intention to provide better working environment for the security providers within the constituency as well a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for the law enforcement agencies while collaborating with community in trust on matters of security.
- c. **Environment:** The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion.

ii. **Environmental performance**

Kipkelion West NGCDF acknowledges that its operation has direct impact on environment. Hence, the NG-CDF has allocated part of its budget on environment conservation through activities such as

- Construct proper toilets in schools
- Create awareness on Planting trees in public schools and security offices
- water harvesting in public schools
- Create awareness on use of energy saving Jikos to save on forests
- Train people on various ways of conserving the environment
- During the year we were not able to plant trees but we did water harvesting for several schools both secondary schools and primary schools
- During the handing over of projects the community is usually sensitized on various impacts of drug abuse on the person and the community at large.

iii. Employee welfare

We invest in providing the best working environment for our employees. Kipkelion West constituency recruitment is guided by Employment Act, NGCDF Act and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one third gender rule and special groups. We also Recognize and appreciate of 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 cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Kipkelion West constituency invests in capacity building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross cutting issues.

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

iv. Market place practices-

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

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

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

NGCDF has put in efforts to ensure:

- a) Responsible competition practice by encouraging fair competition and zero tolerance to corruption
- b) Good business practice 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 interest

v. Community Engagements-

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

vi. Public Participation in Project Identification and Implementation and Monitoring

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

Public participation is the process that directly engages the concerned stakeholders in decision-making and gives full consideration to public input in making that decision. The NG CDFC during bursary programme, engaged the community through the community leaders to identify the needy students to be awarded with the bursary.

Public Awareness

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

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



.....
Name: Caroline Cheres
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 Kipkelion West NG-CDF shall prepare financial statements in respect of that Kipkelion West NG-CDF. 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- Kipkelion West Constituency is responsible for the preparation and presentation of the Kipkelion West NG-CDF's financial statements, which give a true and fair view of the state of affairs of the Kipkelion West NG-CDF 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 Kipkelion West NG-CDF; 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 Kipkelion West NG-CDF; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF- Kipkelion West Constituency accepts responsibility for the Kipkelion West NG-CDF'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 Kipkelion west NGCDF financial statements give a true and fair view of the state of Kipkelion West NG-CDF transactions during the financial year ended June 30, 2025, and of the Kipkelion West NG-CDF financial position as at that date. The

*National Government Constituencies Development Fund (NGCDF)
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Accounting Officer charge of the NGCDF- Kipkelion West Constituency further confirms the completeness of the accounting records maintained for the Kipkelion West NG-CDF, which have been relied upon in the preparation of the Kipkelion West NG-CDF's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Kipkelion West Constituency confirms that the Kipkelion West NG-CDF has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Kipkelion West NG-CDF'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 Kipkelion West NG-CDF 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- Kipkelion West Constituency financial statements were approved and signed by the Accounting Officer on 21/8/ 2025



.....
Name: Erick Murei
Chairman – NGCDF Committee



.....
Name: Caroline Cheres
Fund Account Manager

REPUBLIC OF KENYA

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P.O. Box 30084-00100
NAIROBI

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

PREAMBLE

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund- Kipkelion West Constituency set out on pages 1 to 77, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts, for the year then ended and a summary of significant accounting policies and other explanatory information in accordance with the provisions of Article 229 of the Constitution of Kenya and Section 35 of the Public Audit Act, 2015. I have obtained all the information and explanations which to the best of my knowledge and belief, were necessary for the purpose of the audit.

In my opinion, except for the effects 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- Kipkelion West Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the Public Finance Management Act, 2012, the National Treasury and Economic Planning Circular No.3 of 14 April, 2025 and the National Government Constituencies Development Fund Act, 2015.

Basis for Qualified Opinion

1.0. Inaccuracies in the Statement of Comparison of Budget and Actual Amounts

The statement of comparison of budget and actual amounts reflects an opening balance (operational, deposit, and PMCs CBK) and Appropriations-In-Aid (AIA) amounting to Kshs.72,511,536, which includes PMC balances carried forward from the previous year of Kshs.42,106,626. However, a review of the financial year 2023/2024 financial statements and PMC bank schedule revealed actual closing PMC balances as at 30 June 2024 amounted to Kshs.83,905,844 resulting in an unreconciled and unexplained variance of Kshs.41,799,218

In the circumstances, the accuracy and completeness of the opening balances totalling Kshs.72,511,536 could not be confirmed.

2.0 Tax Arrears

Review of financial records and books of accounts revealed that the Fund did not report tax arrears. However, letter Ref: NG-CDFB/CEO/KNA/VOL V.7 (6) on tax arrears communicated by the Kenya Revenue Authority (KRA) and relating to enforcement of outstanding taxes owed by National Government Constituencies Development Funds (NG-CDF) showed Kipkelion West Constituency owed Kenya Revenue Authority a total

of Kshs.33,637,155. Management failed to maintain an updated and reconciled schedule of statutory obligations resulting to omission of the tax arrears from the financial statements.

In the circumstance, the financial statements are misleading and non-compliant with IPSAS requirements for completeness and accuracy.

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

Emphasis of Matter

Budget Control and Performance

The statement of comparison of budget and actual amounts reflects final revenue budget and actual on comparable basis of Kshs.301,796,996 and Kshs.259,327,139 respectively, resulting to underfunding of Kshs.42,469,857 or 14% of the budget.

Similarly, the Fund spent Kshs.176,975,184 against the actual receipts of Kshs.259,327,139 resulting to under-absorption of Kshs.82,351,955 or 32% of the receipts.

The under-funding and under-absorption affected implementation of the planned activities and programs and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effects 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 Information

The Management is responsible for the Other Information set out on page iii to xxxviii which comprise of Key Constituency Information and Management, NGCDF Committee, NG-CDF Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and the 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 effects 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

1.0. Non-Compliance with Persons with Disability Act

Review of the muster roll and personnel records revealed that the Fund had six (6) casual employees on contractual terms but none was a person with disability contrary to section 21(1)(2) of the Persons with Disability Act, 2025 which requires employers to reserve at least five per cent direct employment opportunities for persons with disabilities.

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

2.0. Failure to Comply with Work Injury Benefit (WIBA) Act 2007

During the year under review the entity did not secure WIBA Insurance for the employees contrary to Section 7(1) of the Work Injury Benefit Act, 2007 which provides that every employer shall obtain and maintain an insurance policy, with an insurer approved by the Minister in respect of any liability that the employer may incur under this Act to any of his employees.

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

3.0. Irregularities in Renovations of Classrooms

The statement of financial performance reflects other grants and other transfers amount of Kshs.70,800,357 which includes transfers to emergency project of Kshs.5,677,042 as

disclosed in Note 14 to the financial statements. Out of the amount, Kshs.1,300,000 was paid to a contractor for the renovation of two (2) classrooms and completion of a pit latrine at Menet Secondary School. However, project verification revealed that the classrooms floor screed is already damaged, with an uneven cover, an indication of poor workmanship or uncompleted project. Further, the renovated classrooms were not labelled as required by the NGCDF Act and therefore, it was not possible to ascertain the year the project was done and the financier.

In the circumstances, value for money on the expenditure of Kshs. 1,300,000 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 effect 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 Internal Audit Review

Review of the internal control, risk management and governance framework of Kipkelion West NGCDF revealed that the entity was not subjected to an internal audit review by the Board Internal Audit Department during the year under review. No evidence of internal audit plans, reports or follow-up actions was provided for audit verification.

In the circumstances, the effectiveness of internal controls, risk management and governance processes could not be confirmed.

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 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


08 December, 2025

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


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

	Note	Period ended June
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		170,469,857
Expenses		
Employee costs	10	2,121,289
Committee expenses	11	6,245,800
Use of Goods and Services	12	7,043,618
Other Government Units Actual expenditure	13	94,132,858
Other Grants and Transfers Actual expenditure	14	70,800,357
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	-
Total expenses		180,343,922
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(9,874,066)


The Constituency financial statements were approved by the NGCDFC on 03/11/ 2025 and signed by:



Chairman NG-CDF
Committee
Name: Erick Murei



National Sub-County
Accountant
Name: Crispus Jumbe
ICPAK M/No:22139



Fund Account Manager
Name: Caroline Cheres

National Government Constituencies Development Fund (NGCDF)
Kipkelion West Constituency
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12. Statement of Financial Position as at 30th June, 2025


	Note	Period as at June 2025	Opening Statement 1st J. 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	82,351,954	72,511,536
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	42,469,857	58,815,603
Prepayments	22	108,439	-
Total Current Assets		124,930,250	131,327,139
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		124,930,250	131,327,139
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	3,345,394	230,000
Lease Liabilities	28	-	-
Gratuity provision	29	1,069,277	707,494
Total Current Liabilities		4,414,671	937,494
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		4,414,671	937,494
Net Assets (A-B)		120,515,579	130,389,645
Represented by:			
Revaluation Reserves		120,515,579	130,389,645
Accumulated Surplus			
Total Net Assets		120,515,579	130,389,645

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The Constituency financial statements set out on pages 2 to 5 approved by NG CDFC on 3/11/ 2025 and signed by:



**Chairman NG-CDF
Committee
Name: Erick Murei**



**National Sub-County
Accountant
Name: Crispus Jumbe
ICPAK M/No:22139**



**Fund Account Manager
Name: Caroline Cheres**

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	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30th June 2024 (cash basis)		25,090,242	25,090,242
Adjustments: (to recognize assets and liabilities)			
Add Assets		105,529,404	105,529,404
Less Liabilities		230,000	230,000
As at July 1, 2024		130,389,646	130,389,646
Surplus/(Deficit) For the Period		(9,874,066)	(9,874,066)
Revaluation Gain/Loss			-
As at 30th June (current year)		120,515,580	120,515,580

Note:

1. For items that are not common in the financial statements, the Kipkelion West NGCDF 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.

Add asset: kshs 105,529,404 is the PMC opening balance of kshs 46,713,801 and disbursement owing from NGCDF Board at the start of the year kshs 58,815,603.

Liability ; Kshs 230,000 is the third party retention at the start of the year

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	Period ended Jun 25 KSh
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		186,815,603
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		186,815,603
Payments		
Employee costs		1,759,506
Committee expenses		6,245,800
Use of Goods and Services		7,152,057
Other Government Units Certified Works		91,095,864
Other Grants and Transfers		70,721,957
Digital Hubs Expenses		-
Total Payments		176,975,184
Net Cash Flows from/ (used in) Operating Activities	28	9,840,419
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		9,840,419
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		9,840,419
Cash and cash equivalents at Period Start	17	72,511,536
Cash and cash equivalents at Period End	17	82,351,955

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>Insert current FY</i>	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	Final budget	Actual expenditure			
Revenue								
Transfers From the NGCDF Board	170,469,857	72,511,536	58,815,603	301,796,996	259,327,139	42,469,857	86%	
Grants/donations from other entities	-	-	-	-	-	-		
Finance income	-	-	-	-	-	-		
Miscellaneous income	-	-	-	-	-	-		
Totals	170,469,857	72,511,536	58,815,603	301,796,996	259,327,139	42,469,857	86%	
Expenses								
Employee costs	3,970,000	1,122,767	3,413,090	8,505,857	1,759,506	6,746,351	21%	

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Committee expenses	6,842,286	269,510	-	7,111,796	6,245,800	865,996	88%
Use of Goods and Services	4,530,000	3,036,173	-	7,566,173	7,152,057	414,116	95%
Other Government Units Certified Works	58,143,670	55,223,811	49,891,883	163,259,364	91,095,864	72,163,499	56%
Other Grants and Transfers	71,983,901	9,845,370	4,886,622	86,715,893	70,721,957	15,993,936	82%
Digital Hubs Expenses	17,000,000	-	-	17,000,000	-	17,000,000	0%
Funds Pending Approval**	8,000,000	-	-	8,000,000	-	8,000,000	0%
Acquisition of Asset	-	3,013,905	624,008	3,637,913	-	3,637,913	0%
Total Expenditure	170,469,857	72,511,536	58,815,603	301,796,996	176,975,184	124,821,811	59%
Surplus for the period	(0)	0	-	0	82,351,955	(82,351,955)	

**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.


Explanatory Notes.

- a) The Overall utilization of funds was 59% due to Delay in receipt of funds, delayed procurement and school calendars that delayed commencement of projects
- b) The underutilization in Other Government Units Certified Works (44%) was a result of delay in receipts of funds from the NGCDF board which in turn affected the commencement of projects, additionally the school calendar and national exams delayed implementation.
- c) Underutilization of Other Grants and Transfers (18%) was as result of was a result of delay in receipts of funds from the NGCDF board which in turn affected the commencement of projects. The utilization of bursary was however 100%
- d) The utilization of funds under committee expenses (82%) was as a result of delay in receipt of funds which deferred planned activities like training of staff and NGCDF committee. Employee cost utilization at 21% include gratuity and salaries.
- e) Utilization of funds under Digital Hub Expenses was as a result of delays in approval of project proposals and lack of clear guidelines on its implementation and also as a result of delay in receipts of funds from the NGCDF board which in turn affected the commencement of projects.
- f) Under Utilization of funds meant for acquisition of assets (0%) and digital hub (0%) was as a result delay in receipt of funds from NGCDF board.

*National Government Constituencies Development Fund (NGCDF)
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	124,821,811
Less undisbursed funds receivable from the Board as at period June, 2025	42,469,857
Cash and Cash Equivalents at the end of the 30 th June 2025	82,351,955

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 3/11/ 2025 and signed by:




Fund Account Manager

Name: Caroline Cheres



National Sub-County Accountant

Name: Crispus Jumbe
ICPAK M/No:22139



Chairman NG-CDF Committee

Name: Erick Murei

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,970,000	1,122,767	3,413,090	8,505,857	1,759,506	6,746,351
1.2 Committee allowances	3,228,191	269,510		3,497,701	2,896,938	600,763
1.3 Use of goods and services	3,030,000	3,002,035		6,032,035	5,617,919	414,116
Sub-total	10,228,191	4,394,312	3,413,090	18,035,593	10,274,363	7,761,230
2.0 Monitoring and evaluation						
2.1 Capacity building	1,100,000	34,138		1,134,138	1,134,138	
2.2 Committee allowances	3,614,095			3,614,095	3,348,862	265,233
2.3 Use of goods and services	400,000			400,000	400,000	
Sub-total	5,114,095	34,138	-	5,148,233	4,883,000	265,233
4.0 Emergency						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
primary				-		-
Menet Secondary School	1,300,000			1,300,000	1,239,360	60,640
NGCDF office	1,315,000			1,315,000	1,315,000	-
kokwet secondary	1,850,000			1,850,000	1,757,500	92,500
Murgut primary school	500,000			500,000	469,753	30,247
kipsinenden TTI	1,150,000	19,637		1,169,637	895,429	274,208
Unutilized	2,857,098			2,857,098		2,857,098
Unutilized		530,000		530,000		530,000
Sub-total	8,972,098	549,637		9,521,735	5,677,042	3,844,693
5.0 Bursary and Social Security						-
5.1 Primary Schools						-
5.2 Secondary Schools	40,611,803	4,818,906	1,638,892	47,069,601	44,901,070	2,168,531
5.3 Tertiary Institutions	17,000,000	2,000,000		19,000,000	18,625,000	375,000

National Government Constituencies Development Fund (NGCDF)
 Kipkelion W Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
5.4 special needs					-	-
5.5 Education Support Programmes					-	-
5.6 Social Security					-	-
Sub-total	57,611,803	6,818,906	1,638,892	66,069,601	63,526,070	2,543,531
7.0 Environment						-
Kipchorian Primary School	100,000			100,000	-	100,000
Kipsegi Primary School	100,000			100,000		100,000
Ingilot Secondary School	100,000			100,000		100,000
NGCDF office		8,445		8,445		8,445
Sub-total	300,000	8,445	-	308,445	-	308,445
ICT HUB						-
kunyak ICT	8,500,000			8,500,000		8,500,000
kamasian ICT	8,500,000			8,500,000		8,500,000
subtotal		-	-	17,000,000	-	17,000,000

*National Government Constituencies Development Fund (NGCDF)
Kipkelion West Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	17,000,000					
8.0 Primary Schools Projects						-
Tunnel Primary School	1,000,000	430	1,000,000	2,000,430	997,182	1,003,248
Leldet Primary School	1,000,000	1,000,078		2,000,078	1,000,033	1,000,045
kaplelit Primary School	450,000	-	1,000,000	1,450,000	879,880	570,120
Bartera Primary School	1,100,000	2,200,000		3,300,000	2,005,782	1,294,218
Kimandui Primary School	1,100,000	78,797		1,178,797	957,665	221,132
Macheisok Primary School	1,000,000	452,583		1,452,583	1,301,582	151,001
Pinus Primary School	1,000,000	12,227		1,012,227	10,565	1,001,662
Kapias Primary School	2,000,000	3,844	300,000	2,303,844	295,941	2,007,903
Lelu Central Primary School	1,000,000	1,078,748		2,078,748	978,553	1,100,195
Kapkures Primary School	1,000,000	500		1,000,500	-	1,000,500

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kitoi Primary School	1,050,000	601,287		1,651,287	600,431	1,050,856
Sachangwan Primary School	1,000,000	1,502,538		2,502,538	1,492,722	1,009,816
simotwet primary school	1,500,000	1,463		1,501,463	-	1,501,463
Tumaek Primary School	1,000,000	450,237	1,000,000	2,450,237	1,347,110	1,103,127
Kapngetuny Primary School	1,000,000	2,227		1,002,227	-	1,002,227
Borowet Primary School	1,500,000	1,133,711	450,000	3,083,711	1,129,877	1,953,834
Tingatella Primary School	1,500,000	1,050,179		2,550,179	1,049,806	1,500,373
Kiptenden Primary School	1,000,000	1,035	1,800,000	2,801,035	1,691,302	1,109,733
Siret Primary School	1,000,000	162		1,000,162	-	1,000,162
Lesirwo Primary School	1,000,000	5,786		1,005,786	240	1,005,546
Malicha Primary School	1,000,000	1,009,505		2,009,505	1,008,259	1,001,246
Tindiret Primary School					-	1,200,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
	1,200,000			1,200,000		
Kokwet Primary School	2,000,000	35,058	1,000,000	3,035,058	920,237	2,114,821
Lilloch Primary School	1,200,000	294		1,200,294	-	1,200,294
Kamiwa Primary School	1,000,000			1,000,000		1,000,000
Chepkendi Primary School	1,000,000	3,959		1,003,959	3,418	1,000,541
Kerengeti Primary School	1,000,000			1,000,000		1,000,000
Lelechwet Primary School	300,000	2,413	700,000	1,002,413	699,951	302,462
Kipsinende Primary School	300,000		1,000,000	1,300,000	998,640	301,360
Lelu primary school		80,651	1,000,000	1,080,651	979,105	101,546
Ngendalel Primary School		244	1,000,000	1,000,244	995,630	4,614
Boror Primary School		778,861	1,000,000	1,778,861	1,665,015	113,846
Tuiyobei Primary School		295	1,500,000	1,500,295	899,940	600,355

National Government Constituencies Development Fund (NGCDF)

Kipkelion W Constituency

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Murao Primary School		8,248	1,000,000	1,008,248	1,008,115	133
Tendwet Primary School			1,000,000	1,000,000	899,635	100,365
Chemobo Primary School			1,000,000	1,000,000	898,794	101,206
Magire Primary School		1,701,317	1,200,000	2,901,317	2,817,792	83,525
Korosyot Primary School		301,523	1,180,000	1,481,523	1,307,595	173,928
Kitopen Primary School			1,000,000	1,000,000	996,461	3,539
Koisegem Primary School			1,000,000	1,000,000	993,955	6,045
Samolel Primary School		1,008	1,000,000	1,001,008	999,952	1,056
Kipteris Primary School			1,000,000	1,000,000	747,680	252,320
Timbilil Primary School			1,100,000	1,100,000	990,132	109,868
Kapsale Primary School		940,920	1,121,883	2,062,803	2,037,567	25,236
Laliat Primary School		83				99,957

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
			1,000,000	1,000,083	900,126	
Nyairobi Primary School		739	1,000,000	1,000,739	900,054	100,685
Koru farm Primary School		1,834	4,000,000	4,001,834	1,065	4,000,769
Chepngosos Primary School		2,023,196		2,023,196	1,786,601	236,595
Kimologit Primary School		2,772		2,772	1,065	1,707
Kaula Primary School		994		994	-	994
Kutung Primary School		1,689,004		1,689,004	950,716	738,288
Murgut Primary School		2,097		2,097	-	2,097
Chorwet Primary School		80,025		80,025	76,317	3,708
Tingoro Primary School		40,950		40,950	282	40,668
Soil Conservation Primary School		1,001,898		1,001,898	999,568	2,330
Segetet Primary School		782		782	252	530
Kipkelion Township Primary School		407		407	-	407

National Government Constituencies Development Fund (NGCDF)

Kipkelion W Constituency

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kapchorwa Primary School		778,777		778,777	773,520	5,257
Sugutek Primary School		1,204,224		1,204,224	999,220	205,004
Chesigot Primary School		1,900,885		1,900,885	1,830,990	69,895
Chesonoi Primary School		1,501,845		1,501,845	1,499,160	2,685
Seguton Primary School		1,004,810		1,004,810	1,001,798	3,012
Kalyet Primary School		1,202,305		1,202,305	1,201,921	384
Kenyelet Primary School		1,200,986		1,200,986	1,197,953	3,033
Singoiywek Primary School		1,100,388		1,100,388	452,090	648,298
Imbaragai Primary School		1,201,309		1,201,309	1,128,463	72,846
St Benard Primary School		605,331		605,331	572,141	33,190
Kaplusho Primary School		800,000		800,000		800,000
Kutung Primary School				400,000		400,000

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Kipkelion West Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		400,000				
Kapchorwa Primary School		1,500,000		1,500,000		1,500,000
Kipsegi Primary School		78,667		78,667	78,665	2
Kipchorian Primary School		1,000,186		1,000,186	999,613	573
				-		-
Sub-total	31,200,000	34,764,622	30,351,883	96,316,505	54,958,124	41,358,381
9.0 Secondary Schools Projects (List all the Projects)						-
Barsiele Secondary school	4,043,670	103	1,450,000	5,493,773	1,361,982	4,131,791
Kimologit Secondary School	3,900,000	442	1,500,000	5,400,442	1,350,478	4,049,964
Murao Secondary School	10,000,000	100,575	7,270,000	17,370,575	6,797,361	10,573,214
Simotwet Secondary School	2,000,000			2,000,000	-	2,000,000
AGC Lilloch Secondary School	2,000,000	1,200,000		3,200,000	1,192,976	2,007,024

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Kipkelion West Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Cherara Secondary School	2,000,000			2,000,000	-	2,000,000
Kapkwen Secondary School		7,170	500,000	507,170	451,098	56,072
Chemogoch Secondary School		-	900,000	900,000	1,197,791	(297,791)
Taita Towett Secondary School		4,168	900,000	904,168	899,405	4,763
Kokwet Secondary School			2,000,000	2,000,000	1,959,500	40,500
Magire Secondary School		34,605	3,620,000	3,654,605	3,252,994	401,611
Kalyet Secondary School		2,349	1,400,000	1,402,349	1,400,000	2,349
Kipsegi Secondary School		102,840		102,840	97,066	5,774
Chepkechei Secondary School		15,303		15,303	-	15,303
Siwot Secondary School		2,624,402		2,624,402	2,621,107	3,295
Tunnel Secondary School		126,338		126,338	121,065	5,273
Tulwap Moi Secondary School				605,141		106

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		605,141			605,035	
Ndubusat Girls Secondary School		789,395		789,395	786,889	2,506
Korosyot Mixed Day Secondary School		2,519,755		2,519,755	2,518,081	1,674
Lesirwo Secondary School		990		990		990
Tuiyobei secondary School		4,389,479		4,389,479	4,014,232	375,247
Ingilot Secondary School		3,301,000		3,301,000	2,998,009	302,991
Simotwet secondary school		6,193		6,193		6,193
Sugutek secondary School		100,982		100,982	845	100,137
Menet Secondary School		2,530,194		2,530,194	2,511,701	18,493
Kiptenden Secondary School	3,000,000	1,997,765		4,997,765	126	4,997,639
Sub-total	26,943,670	20,459,189	19,540,000	66,942,859	36,137,740	30,805,119
10.0 Tertiary institutions Projects (List all the Projects)						-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
				-		-
Sub-total	-	-	-	-	-	-
11.0 Security Projects						-
Matarma Assistant Chief Office	200,000			200,000		200,000
Siwot Chief Office	200,000			200,000		200,000
Toroton Chief Office	200,000			200,000		200,000
Sereng Chief Office	200,000			200,000		200,000
Chilchila Assistant County Commissioner's Office	400,000			400,000		400,000
Kutung chief office	400,000		800,000	1,200,000		1,200,000
Kipkelion AP Camp			600,000	600,000		600,000
Timbilil Asst Chief			500,000	500,000	469,645	30,355
ACC Chilchila			220,000	220,000		220,000
Kipkelion DCC				200,000		200,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		200,000				
Kunyak Police Post	3,500,000	2,000,000		5,500,000		5,500,000
kunyak ACC			800,000	800,000	721,470	78,530
kipkelion ACC		3		3		3
Sub-total	5,100,000	2,200,003	2,920,000	10,220,003	1,191,115	9,028,888
office asset						-
motor cycle			624,008	624,008	-	624,008
renovation office		3,013,905		3,013,905	-	3,013,905
sub total		3,013,905	624,008	3,637,913	-	3,637,913
Others				-		-
Sub county director of education			327,730	327,730	327,730	-
Sub -total			327,730	327,730	327,730	-
Sports		118,379		118,379	-	118,379
Kipkelion NSCT				150,000	-	150,000

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Programme/Sub-programme	Original Budget	Adjustments	Previous Years' Outstanding Disbursements	Final Budget	Actual on comparable basis	Budget utilization difference
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
		150,000				
		268,379		268,379	-	268,379
Funds pending approval**						
unapproved projects	8,000,000	-	-	8,000,000		8,000,000
Aia	-	-	-	-		-
Sub-total	8,000,000	-	-	8,000,000	-	8,000,000
Total	170,469,857	72,511,536	58,815,603	301,796,996	176,975,184	124,821,811

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

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Kipkelion West Constituency principal activity is service delivery through improvement of infrastructure and provision of bursaries to needy students within the constituency.

2. Statement of Compliance and Basis of Preparation

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 Kipkelion West has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement.

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

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.

3. Adoption of New and Revised Standards

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

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

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

IPSAS 43:	<i>Applicable 1st January 2025</i>
Leases	The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Kipkelion West NG-CDF. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. N/A
IPSAS 44:	Applicable 1st January 2025
Non- Current Assets Held for Sale and Discontinued Operations	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. N/A
IPSAS 45:	<i>Applicable 1st January 2025</i>

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Property Plant and Equipment	<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 an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>N/A</p>
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>N/A</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange</p>

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

	N/A
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iii. Early adoption of standards

The Kipkelion West NG-CDF did not early – adopt any new or amended standards in the financial year or the Kipkelion West NG-CDF adopted the following standards early (state the standards, reason for early adoption, and impact on the Kipkelion West NG-CDF’s financial statements.)

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Kipkelion West 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 30th June 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

c) Property, plant and equipment

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

acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Kipkelion West 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. The Kipkelion West 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 the Kipkelion West 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 the Kipkelion West 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

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.

Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model for financial assets. The Kipkelion West 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 Kipkelion West NG-CDF and a financial liability or equity instrument of another Kipkelion West NG-CDF. At initial recognition, the Kipkelion West NG-CDF measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

a) Financial assets

Classification of financial assets

The Kipkelion West 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 Kipkelion West NG-CDF'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 cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are

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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 Kipkelion West NG-CDF has made irrevocable election at initial recognition for particular investments in equity instruments.

Subsequent measurement

Based on the business model and the cash flow characteristics, the Kipkelion West 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

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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.

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Fair value through surplus or deficit

Financial assets that do not meet the criteria for amortized cost or fair value through net assets/ equity are measured at fair value through surplus or deficit. A business model where the Kipkelion West 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

The Kipkelion West 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. The Kipkelion West 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) are set out in *Note 18*

b) Financial liabilities

Classification

The Kipkelion West NG-CDF classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

f) Inventories

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

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

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

operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Kipkelion West NG-CDF*.

g) Provisions

Provisions are recognized when the *Kipkelion West 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 the *Kipkelion West 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

h) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The *Kipkelion West 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 the *Kipkelion West NG-CDF* will incur in fulfilling the present obligations represented by the liability.

i) Contingent liabilities

The *Kipkelion West 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.

j) Contingent assets

The Kipkelion West 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 Kipkelion West NG-CDF 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.

k) Employee benefits

Retirement benefit plans

The Kipkelion West NG-CDF provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Kipkelion West NG-CDF pays fixed contributions into a separate Kipkelion West NG-CDF (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.

l) 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.

m) Related parties

The Kipkelion West NG-CDF regards a related party as a person or an Kipkelion West NG-CDF with the ability to exert control individually or jointly or to exercise significant influence over the Kipkelion West NG-CDF, or vice versa.

n) 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.

o) Comparative figures

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

p) Subsequent events

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended June 30, 20xx

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Kipkelion West NG-CDF's financial statements in conformity with IPSAS requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the

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carrying amount of the asset or liability affected in future periods. State all judgments, estimates, and assumptions made:

Estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Kipkelion West 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 Kipkelion West NG-CDF. Such changes are reflected in the assumptions when they occur. IPSAS 1.140

Useful lives and residual value

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

- a) The condition of the asset is based on the assessment of experts employed by the Kipkelion West 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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6. Transfers from the NGCDF Board

NGCDFB Transfers	170,469,857
TOTAL	170,469,857

7. Transfers from domestic and foreign partners

Grants	-
Total	-

8. Finance income

Interest Income on Bank Deposits	-
Total	-

9. Miscellaneous income

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

10. Employees cost

NG-CDFC Basic staff salaries	1,529,099
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	474,019
Employer Contributions Compulsory national social security schemes	91,733
Employer Contributions Compulsory Housing levy	22,938
Employer contributions to National Industrial Training Authority	3,500
Other Specify	-
Total	2,121,289

11. Committee Expenses

Sitting allowance	1,008,000
Other Committee expenses	5,237,800
Total	6,245,800

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12. Use of Goods and services

Utilities, supplies and services	10,000
Communication, supplies and services	377,557
Domestic travel and subsistence	1,960,600
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	252,600
Hospitality supplies and services	346,000
Insurance costs	153,863
Specialized materials and services	-
Office and general supplies and services	1,650,000
Fuel, oil & lubricants	602,450
Bank Charges	50,278
Routine maintenance – vehicles and other transport equipment	355,236
Routine maintenance – other assets	
Strategic plan expenses	1,285,034
Other operating expenses	-
Total	7,043,618

13. Other Government Units Actual expenditure

Primary Schools Actual expenditure	56,827,524
Secondary Schools Actual Expenditure	37,305,334
Tertiary Institutions Actual Expenditure	-
Total	94,132,858

14. Other Grants and transfers Actual expenditure

Bursary – secondary schools	44,881,070
Bursary – tertiary institutions	18,625,000
Bursary – special schools	20,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	1,269,515
Climate change mitigation projects	-
Emergency projects Actual Expenditure	5,677,042
Roads projects	-
Others specify	327,730
Total	70,800,357

15. Depreciation and Amortization Expenses

Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

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

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17. Gain/loss on Sale of Assets

Property, Plant and Equipment	-
Intangible Assets	-
Total Gain/loss on Sale of Assets	-

18. Impairment Loss

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

19. Cash and Cash Equivalents

Bank Accounts (Cash Book Bank Balance)		
<i>KCB Bank, 1147413584. (Operations account)</i>	47,046,475	25,090,241.13
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>KCB Bank, 1325259314. (Deposit account)</i>	1,147,677	707,493.80
<i>KCB Bank, account No. (PMC's account)</i>	34,157,802	46,713,801.25
Total	82,351,954	72,511,536
Cash Balances		
Location 1		
Location 2		
Total		
<i>[Provide Cash Count Certificates for Each]</i>		

20. Receivables from Exchange Transactions

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

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

i. Ageing Analysis for Receivables

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

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21. Receivables from Non-Exchange Transactions

Transfers from NGCDFB	42,469,857		58,815,603.00	
Outstanding imprest	0		0	
Total	42,469,857		58,815,603	
Ageing Analysis- Receivables from non-exchange transactions	Period ended June 2025	% of the total	Opening Statement 1st July 2024	% of the total
Less than 1 year	42,469,857	100%	58,815,603	100%
Between 1-2 years				
Over 3 years				
Total	42,469,857	100%	58,815,603	100%

22. Prepayments

Prepaid Rent		-	-
Prepaid Insurance	106,137		-
Prepaid Electricity Costs		-	-
Other Prepayments (<i>Specify</i>) bank charges		2,302	-
Total	108,439		-

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23. Property, Plant and Equipment

Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2025				-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-
Depreciation And Impairment				-	-	-	-	-
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-
Net Book Values				-	-	-	-	-
Opening Bal as at 1st July 2024	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-

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Valuation

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

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:

Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	-	-	-

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

Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	-	-
Office Equipment, Furniture and Fittings	-	-
Total	-	-

24. Intangible Assets

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

25. Right-of use assets

Cost				
As At 1 July (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025	-	-	-	-
Accumulated Depreciation				
As At 1 July 2024 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025	-	-	-	-

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Carrying Amount	-	-	-	-
As At 30 June 2025	-	-	-	-
As At 30 June 2024	-	-	-	-

26. Trade and Other Payables

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

27. Third-Party deposits

Retention as at start of the period (A)	230,000	-
Retention held during the period (B)	8,025,933	230,000.00
Retention paid during the period (C)	4,910,539	-
Closing Retention as at period 30th June, D= A+B-C	3,345,394	230,000

Retentions aging analysis.

Less than 1 year	3,345,394	100%	230,000	100%
1-2 years	0		-	
2-3 years	0		-	
Over 3 years	0		-	
Total	3,345,394	100%	230,000	100%

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

28. Lease Liabilities

Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

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Maturity Analysis

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

Analysed as:

Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Gratuity at the beginning of the period (A)	707,494	-
Gratuity held during the period (B)	474,019	707,494
Gratuity paid during the period (C)	112,236	-
Total Gratuity provision as at period 30th June D=(A+B-C)	1,069,277	707,494

30. Cash Generated from Operations

Surplus for the period before tax	(9,874,066)
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(16,237,307)
Changes in deferred income	-
Changes in Third party deposits	(3,115,394)
Changes in gratuity provision	(361,783)
Changes in payments received in advance	-
Net cash flow from operating activities	9,840,419

31. Financial Risk Management

The Kipkelion West NG-CDF's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Kipkelion West NG-CDF's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Kipkelion West NG-CDF 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 Kipkelion West NG-CDF's financial risk management objectives and policies are detailed below:

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1). Credit risk

The Kipkelion West NG-CDF 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 Kipkelion West NG-CDF'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 Kipkelion West NG-CDF's maximum exposure to credit risk without taking account the value of any collateral obtained is made up as follows:

As at 30 th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	42,469,857	42,469,857	-	-
Bank balances	82,351,954	82,351,954	-	-
Total	124,821,811	124,821,811	-	-
As at 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	58,815,603	58,815,603	-	-
Bank balances	72,511,536	72,511,536	-	-
Total	131,327,139	131,327,139	-	-

Financial Risk Management

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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 Kipkelion West NG-CDF has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Kipkelion West NG-CDF has significant concentration of credit risk on amounts due from Kipkelion West. The board of directors sets the Kipkelion West NG-CDF'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 Kipkelion West NG-CDF's directors, who have built an appropriate liquidity risk management framework for the management of the Kipkelion West NG-CDF's short, medium and long-term funding and liquidity management requirements. The Kipkelion West NG-CDF manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Kipkelion West NG-CDF 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.

As at 30th June 2025				
Trade payables				
Current proportion of borrowings				
Retention Provisions			3,345,394	3,345,394
Deferred income				
Gratuity Provision			1,069,277	1,069,277
Total			4,414,671	4,414,671
As at 30th June 2024				
Trade payables				
Current portion of borrowings				

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Retention Provisions			230,000	230,000
Deferred income				
Gratuity Provision			707,494	707,494
Total			937,494	937,494

iii)Market risk

The Kipkelion West NG-CDF has put in place an internal audit function to assist it in assessing the risk faced by the Kipkelion West NG-CDF 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 Kipkelion West NG-CDF'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. The Kipkelion West NG-CDF's Finance Department is responsible for the development of detailed risk management policies (subject to review and approval by Audit and Risk Management Committee) and for the day-to-day implementation of those policies. There has been no change to the Kipkelion West NG-CDF's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Kipkelion West 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. The Kipkelion West NG-CDF manages foreign exchange risk form future commercial

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transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments.

FY 2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June (FY 2024/2025)			
Financial Assets			
Investments	N/A	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

FY 2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30th June (FY 2024/2025)			
Financial Assets	N/A	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

The following table demonstrates the effect on the Kipkelion West NGCDF 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 KCB/Net assets
	Kshs	Kshs	Kshs
FY 2024/2025	N/A		
Euro	10%	-	-
USD	10%	-	-
Previous FY		-	-
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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The Kipkelion West 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 as the prior year.

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed KCB 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 KCB investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Kipkelion West 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
As at 30 June (FY 2024/2025)				

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Financial Assets				
Quoted KCB Investments	N/A	N/A	N/A	N/A
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June (FY 2023/2024)				
Financial Assets				
Quoted KCB Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

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

Revaluation Reserve		
Retained Earnings	120,511,581	130,389,646
Capital Reserve		-
Total Funds	120,511,581	130,389,646
Total Borrowings		-
Less: Cash and Bank Balances	82,351,954	25,090,242
Net Debt/(Excess Cash And Cash Equivalents)	38,159,627	105,299,404
Gearing	68%	19%

32. Related Party Disclosures

Related Party Disclosures		
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,008,000	714,000
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	170,469,857	178,815,603
Total	171,477,857	179,529,603

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

Contingent Assets		
Contingent Assets		
Insurance Reimbursements	N/A	-
Assets Arising from Determination Of Court Cases	-	-
Reimbursable Indemnities and Guarantees	-	-
Receivables From Other Government Entities	-	-
Others (Specify)	-	-
Total	-	-

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Contingent Liabilities

Contingent Liabilities		
Contingent Liabilities		
Court Case against the Kipkelion West NG-CDF	N/A	-
Bank Guarantees in Favour of Subsidiary	-	-
Contingent Liabilities arising from Contracts Including PPPs	-	-
Others (Specify)	-	-
Total	-	-

35. Capital Commitments

Capital Commitments		
Authorised for	N/A	-
Authorised and Contracted for	-	-
Total	-	-

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Kipkelion West NG-CDF

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

38. Currency

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

**18. Annexes
Annex 1: Summary of Asset Register**

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures	1,800,000			1,800,000
Transport equipment	9,650,000			9,650,000
Office equipment, furniture and fittings	217,600			217,600
ICT Equipment, Software and Other ICT Assets	163,000			163,000
Other Machinery and Equipment				
Heritage and cultural assets				
Intangible assets				
Total	11,830,600			11,830,600

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

PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Tingatela Pry School	KCB Londiani	1199476390	1,500,373	1,050,179
Lelu Central Pry School	KCB Londiani	1204775893	100,195	1,078,748
Borowet Pry School	KCB Londiani	1239280017	1,503,834	1,133,711
Chepngosos Pry Sch00l	KCB Londiani	1165398567	236,595	2,023,196
Murao Pry School	KCB Londiani	1200045068	133	8,248
Kimologit Pry School	KCB Londiani	1138077844	1,707	2,772
Kapsale Pry School	KCB Londiani	1163507571	25,236	940,920
Kaula Pry School	KCB Londiani	1317563824	994	994
Kutung Pry School	KCB Londiani	1270826123	738,288	1,689,004
Macheisok Pry School	KCB Londiani	1199611581	151,001	452,583
Laliat Pry School	KCB Londiani	1205231889	99,957	83
Murgut Pry School	KCB Londiani	1261546849	32,344	2,097
Chorwet Pry School	KCB Londiani	1203124465	3,708	80,025

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PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Koru Farm Pry School	KCB Londiani	1203853823	769	1,834
Magire Pry School	KCB Londiani	1164762311	83,525	501,317
Tingoro Pry Sch	KCB Londiani	1160993572	40,668	40,950
Soil Conservation Pry School	KCB Londiani	1150025719	2,330	1,001,898
Segetet Pry School	KCB Londiani	1138008737	530	782
Pinus Pry School	KCB Londiani	1124722106	1,001,662	12,227
Lelu Pry School	KCB Londiani	1240932723	101,546	80,651
Kipkelion Township Pry School	KCB Londiani	1173647511	407	407
Kipsegi Pry School	KCB Londiani	1166443825	2	78,667
Chepkendi Pry School	KCB Londiani	1233617583	541	3,959
Kapchorwa Pry School	KCB Londiani	1318524679	5,257	778,777
Sachangwan Pry School	KCB Londiani	1317015037	9,816	1,502,538
Malincha Pry School	KCB Londiani	1317437624	1,246	1,009,505
Tumaek Pry School	KCB Londiani	1137700173	103,127	450,237
Sugutek Pry School	KCB Londiani	1103332317	205,004	1,204,224

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PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Leldet Pry School	KCB Londiani	1167337530	1,000,045	1,000,078
Boror Pry School	KCB Londiani	1322864551	113,846	778,861
Chesigot Pry School	KCB Londiani	1325090093	69,895	1,550,885
Chesonoi Pry School	KCB Londiani	1116567040	2,685	1,501,845
Seguton Pry School	KCB Londiani	1133637779	3,011	1,004,810
Kalyet Pry School	KCB Londiani	1178671593	384	1,202,305
Kenyelet Pry School	KCB Londiani	1173556613	3,033	1,200,986
Kipchorian Pry School	KCB Londiani	1173228179	573	1,000,186
Singoiwek Pry School	KCB Londiani	1288009208	648,298	1,100,388
Imbaragai Pry School	KCB Londiani	1157651410	72,846	1,201,309
Kitoi Pry School	KCB Londiani	1108558828	1,050,856	601,287
St. Bernards Pry School	KCB Londiani	1102499587	33,190	605,331
Timpilil Primary Sch	KCB Londiani	1234734613	110,168	300
Koiségem Primary Sch	KCB Londiani	1333062753	6,045	-
Kokwet Primary Sch	KCB Londiani	1161578706	114,821	35,058

*National Government Constituencies Development Fund (NGCDF)
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PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Korosyot Primary Sch	KCB Londiani	1138193321	173,928	1,523
Lelechwet Primary Sch	KCB Londiani	1226535518	2,462	2,413
Kapias Primary School	KCB Londiani	1236092643	2,007,903	3,844
Nyairobi Primary School	KCB Londiani	1203322267	100,685	739
Kipteris Primary School	KCB Londiani	1335632360	252,320	-
Kaplelit Primary School	KCB Londiani	1336009179	120,120	-
Kipsinende Primary School	KCB Londiani	1334228337	301,360	-
Ngendalel Primary School	KCB Londiani	1160811482	4,614	244
Tuiyobei Primary School	KCB Londiani	1161049851	100,355	295
Samolel Primary School	KCB Londiani	1262487447	1,056	1,008
Kiptenden Primary School	KCB Londiani	1102064432	109,733	1,035
Kitopen Primary School	KCB Londiani	1339189445	3,539	-
Chemobo Primary School	KCB Londiani	1336288876	101,206	-
Tendwet Primary School	KCB Londiani	1338039180	100,365	-
Tunnel Primary School	KCB Londiani	1238532047	1,003,248	430

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PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Lesirwo Primary School	KCB Londiani	1173234756	1,005,546	5,786
Kimandui Primary School	KCB Londiani	1202644740	221,132	78,797
Bartera Primary School	KCB Londiani	1331910390	1,294,218	2,200,000
Siret Primary School	KCB Londiani	1166391094	1,000,162	162
Kapngetuny Primary School	KCB Londiani	1181334780	2,227	2,227
Tinderet Primary School	KCB Londiani	1260793168	1,206,054	6,054
Lilloch Primary School	KCB Londiani	1164646036	1,200,294	294
Kapkures Primary School	KCB Londiani	1254409653	500	500
Simotwet Primary School	KCB Londiani	1136887199	1,463	1,463
Taita Towet Secondary School	KCB Londiani	1145837247	4,763	4,168
Chemogoch Secondary School	KCB Londiani	1154829138	2,209	-
Kalyet Secondary School	KCB Londiani	1126908010	2,349	2,349
Magire Sec School	KCB Londiani	1149752998	401,611	34,605
Kokwet Secondary School	KCB Londiani	1205233261	133,000	-
Barsiele Secondary School	KCB Londiani	1271116308	4,131,791	103

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PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Kimologit Secondary School	KCB Londiani	1144240115	149,964	442
Murao Secondary School	KCB Londiani	1151018368	573,213	100,575
Kapkwon Secondary School	KCB Londiani	1142853438	56,072	7,170
Kipsegi Sec School	KCB Londiani	1149758473	5,775	102,840
Chepkechei Sec School	KCB Londiani	1117864812	15,303	15,303
Siwot Sec School	KCB Londiani	1270328956	3,295	2,624,402
Tunnel Sec School	KCB Londiani	1286990920	5,273	126,338
Tulwapmoi Sec School	KCB Londiani	1203970226	106	605,141
Ndubusat Girls Sec School	KCB Londiani	1317529634	2,506	789,395
Korosyot Mixed Day Sec School	KCB Londiani	1318497345	1,674	2,519,755
Menet Sec School	KCB Londiani	1311899634	79,133	2,530,194
Tuiyobei Secondary School	KCB Londiani	1149705728	375,247	1,703,479
Ingilot Secondary School	KCB Londiani	1325668273	302,991	2,001,000
Cherara Secondary School	KCB Londiani	1341854663	-	
Agc Lilloch Sec School	KCB Londiani	1331538394	2,007,024	1,200,000

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PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Kiptenden Secondary School	KCB Londiani	1271182343	1,997,639	1,997,765
Lesirwo Sec School	KCB Londiani	1151554251	990	990
Sugutek Secondary School	KCB Londiani	1157006108	100,137	100,982
Simotwet secondary	KCB Londiani	1279519010	6,193	6,193
Kipsinende TTI	KCB Londiani	1171769466	274,208	19,637
Timbilil Assistant Chief	KCB Londiani	1334376565	30,355	
reconciliations cheque paid but not clear as as 30th june 2025				
	PVNO and cheque no	date pay		
kapngetuny primary school	291,13006	30/6/2025	1,000,000.00	
kapkures primary school	290, 13005	30/6/2025	1,000,000.00	
cherara secondary school	259,12,997	19/6/2025	2,000,000.00	
TOTAL PMC BALANCE			34,157,802	46,713,801

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)
Inaccuracies in the financial statements	The statement of receipts and payments reflects a comparative balance of kshs 4,484,100 in respect to committee expenses. However, the balance differs with the explanatory note balance of kshs 5,133,600 resulting to an unexplained variance of kshs 649,500	Issue noted and necessary amendment was made	Not resolved	Awaiting DFAC dates
Inaccuracies in the financial statements	The statement of receipts and payments reflects kshs 723,000 and kshs 2,710,966 in respects to oversity committee expenses and other payments respectively, with explanatory notes number 10 and 11. However, the explanatory notes indicated were erroneous as oversight committee expenses and other payments appears in note 5 and note 10 to the financial statements, respectively.	Issue noted and necessary amendment was made	Not yet Resolved	Awaiting DFAC dates
Unsupported bursaries to secondary schools and tertiary institutions	The statement of receipt and payments reflects other grants and transfers of kshs 71,180,744 which as disclosed in note 8 to the financial statements includes bursary payments to	vetting reports, minutes of vetting committee meetings and supporting schedules	Not resolved	Awaiting DFAC dates

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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)
	secondary schools, tertiary and special schools amounting to Kshs 51,720,089, Kshs 7,090,000 and kshs 630,000 respectively totalling to 59,440,089. However, vetting reports, minutes of vetting committee meetings and supporting schedules indicating students name, admission number, name of the school or institution, amount awarded and cheque numbers were not provided for audit review.	indicating students name ,admission number, name of the school or institution, amount awarded and cheque numbers has been provided to audit for review.		
Unconfirmed fixed assets balances	Annex 4 to the financial statements reflects a fixed assets balances of kshs 11,830,600. However, the balances exclude the value of the land where the fund's offices are located. In addition, the value of the fixed assets was not supported by valuation reports to confirm the fair value of the assets. Further, the ownership documents for the land and motor vehicles were not provided for audit review.	The NGCDFC have requested for valuation of the assets. The ownership documents have also been avail to auditor for review.	Not resolved	Awaiting DFAC dates
Emphasis of matter Budget control and performances	The summary statements of appropriation reflect receipts budget and actual on a comparable basis of kshs 254,001,276 and kshs 195,185,673 respectively, resulting to underfunding of kshs 58,815,603 or 23% of the budget. Similarly , the statements reflects actual expenditure to an	The under funding and under performance was due to delay of disbursement by exchequer however the fund was received fully		Awaiting DFAC dates

**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)
Conclusion 1. Irregular emergency expenditure	As disclosed in note 8 to the financial statements, the statements of receipts and payments reflects other grants and and transfers totalling to kshs 71,180,744. The balance includes expenditure on emergency projects totalling to kshs 5,750,000 that did not meet the threshold as defined in the NGCDF ACT , 2015 sections 8(3),2016 as urgent, unforeseen need for expenditure for which it is the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents. Further the utilization of the emergency reserved was not reported to the Board within thirty days of the occurrence of the emergency in a format prescribed by the Board as require by regulation 20(2) of NG-CDF regulations,2016.	in subsequent financial year and projects have been implemented to completion Copy of email used to notify NGCDF Board has been availed to auditor for review.		Awaiting DFAC dates
2. Cash and cash equivalent	The statements of assets and liabilities reflects cash and cash equivalents balance of kshs 25,797,735 as at 30 th June 2024. But management did not prepare a new proposal for the unspent funds at the end of the financial	The proposal was done during preparation of financial statements under budget adjustments to original		Awaiting DFAC dates

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)
	year as required by section 26 of the national government constituencies development fund Act,2015.	budget		
3.delay in projects implementation	Examination of the statements of appropriation for recurrent and development expenditure reveals that fund had budgeted to spend kshs 254,001,276 during the year under review. The budget included an amount of kshs 77,793,766 for eighty (80) approved projects. However, physical inspection revealed that projects worth kshs 34,721,883 as shown in the table below had been budgeted for, had not been implemented as at the time of the audit.	The fund had not been disbursed by exchequer at the time of audit but the fund was received in subsequent financial year and projects implemented to completion		Awaiting DFAC dates
4.Lack of assets register	During the year under review the fund did not maintain a register of assets. This was contrary to regulation 143(1) of the public finance managements (National Government)Regulations, 2015 which provides that the accounting officer shall be responsible for maintaining a register of assets under his or her control or possession as prescribe by the relevant laws	Asset register has been availed to auditor for review.		Awaiting DFAC dates
Basis for conclusion Lack of internal audit	Information available indicates that the National Government Constituency Development Fund Board has an internal audit department that has mandate to audit the fund. However, there was	The fund was audited by treasury internal auditor		Awaiting DFAC dates

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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)
	no evidence that the internal audit was carried out during the year contrary to section 73(1)(a) of public finance management (PFM) Act, 2012 which stipulate that every national government Kipkelion West NG-CDF shall ensure that it has appropriate arrangements for conducting internal audit according to the guidelines issued by the Accounting Standards Board.			

Cheres

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Name: Caroline Cheres
Fund Account Manager.