


REPUBLIC OF KENYA



 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 21 APR 2026	DAY. TUESDAY
TABLED BY:	HON-SILVIANUS OSORO MP MAJORITY PARTY WHIP
CLERK-AT-THE-TABLE:	INZOFU MWACE

REPORT

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ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – AINABKOI
CONSTITUENCY**

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

AINABKOI 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)

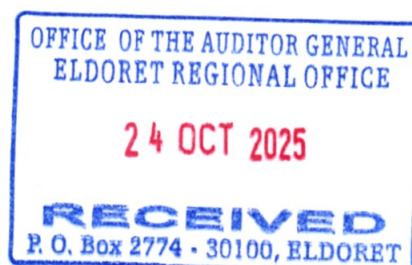


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1. Acronyms and Definition of Key Terms

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 fund.

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;

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Milcah Sugut
2.	National Sub-County Accountant	Naomi Singa
3.	Chairman NGCDFC	Moses Komen
4.	Member NGCDFC	Mary Gathoni
5.	Member NG CDFC	Lameck Kipsamo

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Ainabkoi 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.

National Government Constituencies Development Fund (NGCDF)
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(a) Ainabkoi Constituency NGCDF Headquarters

P.O. Box 9882-30100
Eldoret east sub county DCC'S Compound
Along Eldoret- Kaptagat road
Eldoret, KENYA

(b) Ainabkoi Constituency NGCDF Contacts

Telephone: (254) 726884581
E-mail: cdfainabkoi@ngcdf.go.ke
Website: www.ngcdf.go.ke

(c) NGCDF Ainabkoi Constituency Bankers

1. Bank A. (Operations Account).

Family Bank
Eldoret Branch
P.O. Box 74145-00200
Eldoret, Kenya

2. Bank B. (Deposit account).

Family Bank
Eldoret Branch
P.O. Box 74145-00200
Eldoret, Kenya

3. Bank C. (PMC Accounts)

- (1) Family Bank, Eldoret Branch
- (2) Sidian Bank, Eldoret Branch
- (3) Cooperative Bank-Eldoret Branch
- (4) Consolidated Bank, Eldoret Branch




(d) Independent Auditor

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

(e) Principal Legal Adviser

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



3. NGCDF Committee

Name	Details
 <p>Moses Komen Chairman</p>	<p>Academic qualifications: Diploma in Education Management Bachelor of Education Professional qualifications: Work experience: Worked as a Teacher and curriculum support officer before retirement.</p>
 <p>Mary Gathoni Secretary</p>	<p>Date of Birth: 26/9/1996 Key academic qualifications: K.C.S.E Work experience: Secretary</p>
 <p>Wesley Kipkurui Male adult representative</p>	<p>Date of Birth: 20/1/1976 Key academic qualifications: K.C.S.E Work experience: Farm Manager</p>

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 <p>Lameck Kipkorir Kipsamo Male youth representative</p>	<p>Date of Birth: 15/7/1997 Academic qualifications: K.C.S.E Work experience: Supervisor-Unilever tea company</p>
 <p>Lydia Songok Female adult representative</p>	<p>Date of Birth: 2/4/1979 Academic qualifications: K.C.S.E Work experience: Sub-ordinate staff-Moi University</p>
 <p>Loice Cheruiyot Female adult representative</p>	<p>Date of Birth: 26/9/1988 Academic qualifications: Diploma in Business Administration</p>

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 <p>Novestus Kibet Co opted Member</p>	<p>Date of Birth: 2/5/1982 Key academic qualifications: Bachelor of Education (Science) Work experience: Teaching</p>
 <p>Milcah Sugut Fund Account Manager</p>	<p>Date of Birth: 25/4/1987 Key academic qualifications: Bachelor of commerce (Finance) Work experience: Business executive -Nation Media Group Fund Account Manager at NG-CDF since 2013</p>

Members who exited within the period.

1. Abraham Tuwei-served as the chair until 21st May 2025
2. Regina Chepkogei-Served as a member until 21st May 2025
3. Salina Kibor(deceased)-served as a member until 21st May 2025

4. NG-CDFC Chairman's Report



MOSES KOMEN

CHAIRMAN, AINABKOI NG-CDF

I am pleased to present the committees report for the financial year ended 30th June 2025. The committee has had Continuous engagement with our stakeholders throughout the year which is encouraging and we look forward to a more cohesive and better working environment going into the future.

We will strive to foster teamwork within the committee and the Project Management Committee across the constituency. A good team functions as a single organism. Not only do members work together toward a common goal, but they complement and support one another so that their work seems effortless. The team has a shared interest in accomplishment and a shared vision. The need for accomplishment provides a driving force. The vision provides not only a goal, but directions and a compass for reaching it. This keeps every member moving in the same direction, at the same speed, working together to create as little friction and as efficient a journey as possible. The team commits to giving up individual recognition for success in reaching the ultimate goal. It's the accomplishments of the team as a whole that become important.

As a committee we endeavor to keep an open-door policy to enable constituents' access service irrespective of age, religion and their background. Further to this, the committee endeavors to ensure development across the constituency with fairness and transparent manner. Allocation for NG-CDF Ainabkoi decreased slightly from Kshs.165, 842,712 to Kshs.161, 497,758. Our performance against the objectives for the FY 2024/2025 was fairly good having utilized over 70% of the budget.

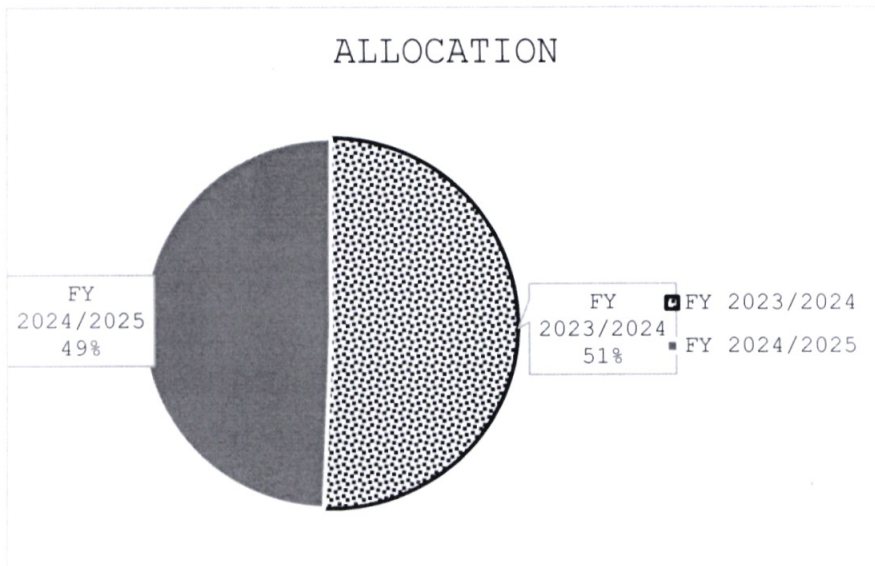
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Below is a presentation of the budget performance.

	Original Budget	Opening balances	Previous year's outstanding Disbursements	Final Budget	Actual on comparable basis	Budget utilization difference
	<i>FY 24/25</i>			<i>2024/2025</i>	<i>2024/2025</i>	
Revenue						
Transfers From the NGCDF Board	161,497,759	107,647,990.98	35,842,712	304,988,462	277,490,703	27,497,759
Grants/donations from other entities	-	-	-	-	-	-
Finance income	-	-	-	-	-	-
Miscellaneous income		331,821.50	-	331,822	39,000	292,822
Totals	161,497,759	107,979,812.48	35,842,712	305,320,284	277,529,703	27,790,581
Expenses						
Employee costs	3,147,204	2,015,389	-	5,162,593	2,444,565	2,718,028
Committee expenses	7,078,000	416,216	-	7,494,216	3,581,150	3,913,066
Use of Goods and Services	4,309,594	3,086,486	25	7,396,105	4,008,848	3,387,257
Other Government Units Certified Works	81,235,265	77,819,381	29,117,083	188,171,729	80,462,538	107,709,191
Other Grants and Transfers	64,827,696	22,855,268	6,225,604	93,908,568	61,317,531	32,591,037
Digital Hubs Expenses/OTHERS	400,000	-	500,000	900,000	776,465	123,535
Other Payment	-	1,197,822	-	1,197,822		1,197,822
Acquisition of Assets	500,000	239,430	-	739,430		739,430
Funds Pending Approval**	-	349,822	-	349,822	-	349,822
Total Expenditure	161,497,759	107,979,812.48	35,842,712	305,320,284	152,591,097	152,729,187

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Allocation.



Key achievements; NG-CDF Ainabkoi this financial year enhanced the development with key achievements being increased in bursary allocation, Completion of KMTC Burnt Forest and ICT Hub.

Challenges; Despite achievements in areas above challenges experienced include, delay in disbursements of funds which affects the implementation of the projects and lack of proper documentation from PMC affecting the approval of proposals. The following projects represent a number of projects implemented within the year.



Illula ICT Hub.



KMTC -Burnt Forest

Name MOSES KOMEN
Chairman NGCDF Committee

5. Statement of Performance Against Predetermined Objectives for FY 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 fund in accordance with the standards and formats prescribed by the Public Sector Accounting Standards Board includes a statement of the national government fund's performance against predetermined objectives.

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

1. Improve education standards
2. Improved security
3. Conserve environment
4. Enhance information technology

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2024/2025 -we allocated funds for 10 classrooms and 5 door pit latrines in 15 primary and 3 laboratories in secondary schools - Total beneficiaries awarded bursaries in secondary schools was 2130 and the number of</i>

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				<i>beneficiaries in tertiary institutions was 1750.</i>
Security	-Enhance and sustain security in the constituency	-Conducive working environment for security personnel -Increased security coverage Secure business environment.	-Number of rehabilitated and constructed DCC and chief offices.	In FY 2024/2025 -NG-CDF Ainabkoi allocated funds for fencing of one chief's office and one police station.
Environment	-Promote sustainable environment management practices	-Increased forest cover in the constituency -A more informed citizenry on environmental conservation.	-Number of water tanks purchased for harvesting rain water	NG-CDF Ainabkoi allocated funds to plant 50,000 tree seedlings in Timboroa Forest and energy saving jikos in 5 secondary schools
Emergency	-cater for emergencies that may occur within the constituency.	-emergencies taken care of to ensure normal operations within institutions.	-Number of emergency cases taken care of	There were no cases of emergency reported

6. Governance Statement

Ainabkoi NG-CDF operates in accordance to the law and regulations and ensure the process are adhered and enhance quality management.

A. Appointment process of committees.

There's established constituency committee who were appointed in line with NG-CDF Act Sect 43(1) (2) (3) and (4), The selection process began by constituting a selection panel who conducted the process in line with the Act and the Circular provided by the board.

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

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

The current NG-CDFC members were gazetted in 21st May 2025 and the first meeting was held on 6/6/2025.

The persons appointed are drawn from different groupings as follows:

- Male Adult – Moses Komen – Chairman
- Male Youth – Lameck Kipsamo – Member
- Female Adult – Loice Cheruiyot – Member
- Female Youth – Mary Gathoni– Secretary
- Co-opted member - Novestus Kibet -Member
- Nominee of constituency (Male) – Wesley Kipkurui – Secretary
- Nominee of constituency office (Female) – Lydia Songok - Member
- Salina Kibor-representing persons with disabilities -deceased.
- Deputy County Commissioner (National government Rep) – member

B. NG-CDFC Tenure

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

C. Mandate and functions of NG-CDFC at the Constituency level

- (a) Build the capacity of project management committees and sensitize the community on the operations of the Fund:
- (b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency:
- (c) Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act:
- (d) Rank projects proposals in order of priority while ensuring that on-going projects take precedence:
- (e) Ensure that all projects receive adequate funding and are completed within three years:
- (f) Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies:
- (g) Ensure that projects proposed for funding fulfill the requirements provided in the Act and relevant circulars issued by the Board:

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- (h) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board:
 - (i) Ensure that project reports are prepared and submitted to the Board:
 - (j) Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects:
 - (k) Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund:
- (l) Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act:
- (m) Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act:
 - (n) Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act:
 - (o) Enter into performance contracting with the Board on an annual basis:
 - (p) Receive returns from project management committees in accordance with regulation
 - (q) Maintain a database of project management committees and reports from the respective committees.

D. Removal of a member

As per the act 43 (13) a member may be removed on any of the following grounds:

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

E. NG CDFC induction and training

The training of NG-CDF and staff is an integral component which involves capacity building of the committee and staff on key areas in Financial management, procurement and recording. The NG-CDFC Training was done Eldoret for 4 days.

Number of meetings:

NG-CDF Act section 43(11) stipulates that NG-CDFC shall have a maximum of twenty four meetings per year and not less than twelve including sub- committee meetings.

In Ainabkoi constituency, the NG-CDF Committee conducted 15 meetings and 2 sub-committee meetings.

	Name of Committee member	Meetings held											
		14/07/24	13/09/24	09/11/24	28/11/24	14/12/24	18/12/24	15/1/25	30/01/25	16/2/25	23/4/25	13/5/25	6/6/25
1.	Moses Komen												√
2.	Mary Gathoni	√	√	√	√	√	√	√	√	√	√	√	√
3.	Salina Kibor	√	√	√	√	√	√	√	√	√	√		
4.	Wesley Kipkurui	√	√	√	√	√	√	√	√	√	√	√	√
5.	Lydia Songok	√	√	√	√	√	√	√	√	√	√	√	√
6.	Loice Cheruiyot												√
7.	Novestus Kibet	√	√	√	√	√	√	√	√	√	√	√	√
8.	Lameck Kipsamo	√	√	√	√	√	√	√	√	√	√	√	√

F. Remuneration rates

NG-CDFC are remunerated as per the existing regulations Kshs. 7,000 for Chairperson and Kshs. 5,000 for members during NG-CDFC Meeting.

G. Policy on conflict of interest

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

H. Succession plan

Vacancies arising as a result of the removal or end of the 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.

I. Ethics and code of conduct.

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

Operations of the committee

In line with the committee's mandate, decision making process is done in a procedurally manner which involves consultation, analysis and recommendations.

All the decisions are implemented through a minuted resolution arising from meetings held by the committee. The committee organizes its meetings once in every month and subcommittee meetings on need basis.

To ensure fairness, openness and transparency each member is given an equal opportunity to fully participate in the meetings and each member is required to disclose conflict of interest by filling in the disclosure form.

Risk Management

Risk is an integral component of the organizational process hence there was need for the constituency to rank the risks, analyze and suggest improvement actions. In view of this the constituency top risks were identified and analyzed.

The NGCDFC with the aim of mitigating risks developed mitigation strategies through identifying improvement actions and implementing them with follow up. The committee has been able to curd financial risks associated with authorized payment by the PMC through introducing the Fund Account Manager as a mandatory signatory to all accounts. to ensure there's transparency and fairness in distribution of resources, the committee has encouraged community participation in vetting of bursary beneficiaries

The current risks have been analyzed and the committees have come up with improvement actions which shall entail monitoring and evaluation to ensure the actions taken have reduced or eliminate the risks.

7. Management Discussion and Analysis

The constituency received a total of Kshs **732,860,691** for the last five (5) years.

Table 1: Funds Allocation for the Last 5 Years

S/No.	Financial year	Allocation (Kshs)
1.	2020/2021	137,088,879
2.	2021/2022	137,088,879
3.	2022/2023	131,342,462
4.	2023/2024	165,842,712
5.	2024/2025	161,497,759
	Total	732,860,691

The funds disbursed to the constituency were utilized in implementation of various projects as summarized Projects were implemented in the following sectors;

7.1 Key Achievements

- Completion of the KMTC, currently with an enrolment of 30 students being the first intake.
- Improved education and infrastructure in primary and secondary schools
- Increased allocation to bursaries
- Equipping of an ICT Hub

7.2 Emerging Issues

- **Technological advancement-** Ainabkoi NG-CDF needs to adapt to emerging technologies to enhance efficiency and effectiveness while addressing potential risks and challenges associated with digital transformation.
- **Climate change and environmental sustainability-** the constituency faced the impacts of climate change. There is need to incorporate measures for climate resilience, renewable energy adoption, sustainable infrastructure development, and mitigation of environmental risks to ensure the long-term well-being of the community
- **Roll out of the E-GP System:** The roll out of the E-GP system requires more resources and time to build capacity of the procurement officers, suppliers and contractors.

7.3 Lessons Learnt

Lessons learnt encompasses some positive or negative externalities in the implementation process. The key lessons learnt include:

Risk management is essential - Proactive risk management can prevent issues from becoming major problems. Climate change mitigation should be prioritised to avoid unrepresented effects. Identify potential risks early, monitor them continuously, and have mitigation plans in place

Resource management is important - Efficient use of resources, including time, budget, and personnel, is vital. Monitor resource usage closely and make adjustments as needed to avoid overrun and burnout.



.....

**Name MILCAH SUGUT
Fund Account Manager**

8. Environmental and Sustainability Reporting

Ainabkoi 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.

1. Sustainability strategy and profile -

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

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

2. Environmental performance

- NG-CDF Ainabkoi supported the presidential directive to achieve 10% forest cover by engaging with KFS in the 'adopt a forest' initiative to plant trees within the forest.
- Sensitization of youth/ community on the impact of drugs after by construction of police stations supported NG-CDF.
- NG-CDF sponsored sporting activities/ tournament bringing communities and sensitizing them on environmental conservation matters.

3. Employee welfare

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

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

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

4. Marketplace practices-

Ainabkoi Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

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

Public Participation in Project Identification, Implementation, and Monitoring

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

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

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

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

Public Awareness

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

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



.....
Name MILCAH SUGUT
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 Fund shall prepare financial statements in respect of that fund. 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-AINABKOI Constituency is responsible for the preparation and presentation of the fund's financial statements, which give a true and fair view of the state of affairs of the fund 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 fund; 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 fund; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

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

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

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

Approval of the financial statements

The NGCDF- Ainabkoi Constituency financial statements were approved and signed by the Accounting Officer on 22/10/2025 2025.



.....
Name: MOSES KOMEN
Chairman – NGCDF Committee



.....
Name: MILCAH SUGUT
Fund Account Manager

REPUBLIC OF KENYA



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HEADQUARTERS
Anniversary Towers
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NAIROBI

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of Ainabkoi National Government Constituency Development Fund set out on pages 1 to 66 which

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

comprise of the statement of financial position as at 30 June, 2025, and 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituency Development Fund Ainabkoi 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 Government Constituencies Development Fund Act, 2015 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Inaccuracies in Presentation and Disclosures in Financial Statements

1.1 Presentation of the Financial Statements

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

- i.) The statement of changes in net assets has opening fund balance of Kshs.141,390,879 comprising of fund balance as at 30 June, 2025 amount of Kshs.26,717,390, recognition of assets balance of Kshs.116,190,488 and recognition of liabilities balance of Kshs.1,516,999 indicated under accumulated surplus column instead of capital reserves column.
- ii.) The statement of comparison of budget and actual amounts on page 7 surplus row was blank. In addition, the statement omitted the figures for percentages (%) of utilization for transfers from the National Government Constituencies Development Fund Board, miscellaneous income and total revenue.

1.2 Inaccuracies and Disclosure in the Financial Statements

- i. The statement of financial position reflects opening statement of cash and cash equivalents balance of Kshs.107,647,991 which includes Kshs.80,347,776 being prior year Project Management Committee (PMC) balances. However, the audited accounts for the financial year 2023-2024 reflects an amount of Kshs.13,407,723 resulting into an unreconciled variance of Kshs.66,940,053.

- ii. The statement of comparison of budget and actual amounts on page 7 reflects surplus for the period row which was left blank. In addition, actual surplus of Kshs.124,938,606 has not been indicated.
- iii. Note 19 to the financial statements reflect Kshs.80,347,775.98 as prior year Project Management Committee (PMC) Balances while Annex 2 on PMC Balances reflects prior year balance of Kshs.84,347,775 resulting to a variance of Kshs.4,000,000.

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

2. Unconfirmed Project Management Committee's (PMC) Account Balances

The statement of financial position as disclosed in Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.124,938,606. Included in the balance is Kshs.43,534,528 being held in one hundred and sixteen (116) accounts. However, cashbooks, bank reconciliation statements and bank balance confirmation certificates were not provided to support this balance.

In addition, the bank account balances for twenty-two (22) complete projects amounting to Kshs.2,034,764 had not been closed and bank balances surrendered to the main Constituency Fund bank account in compliance with Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires all unutilized funds of the PMC to be returned to the Constituency account.

In addition, it was noted that the statement of financial position indicated opening statement balance of cash and cash equivalents of Kshs.107,647,991 which according to Note 19 includes Kshs.80,347,775 being prior year PMC balances. These balances were however, not confirmed as no cash books and bank reconciliation statements were provided to support them. Further, it was not clear whether all the PMC account balances were disclosed.

In the circumstances, the accuracy, validity and completeness of the cash and cash equivalents balance of Kshs.124,938,606 could not be confirmed.

3. Unsupported Third-Party Deposits

The statement of financial position and as disclosed in Note 27 to the financial statements reflects third-party deposits balance of Kshs.2,611,615. However, the movement schedule per contractor showing opening balances, additions and payments in the year to arrive at the closing balance which was reported was not provided for audit

In the circumstances, the accuracy and completeness of the deposits and retentions balance of Kshs.2,611,615 could not be confirmed.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies

Development Fund – Ainabkoi Constituency’s Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects a final revenue budget of Kshs.305,320,284 against actual receipts of Kshs.277,529,703 resulting to underfunding of Kshs.27,790,581 or 9% of the budget. Similarly, the Fund spent Kshs.152,591,097 against actual receipts of Kshs.277,529,703 resulting into overall under absorption of Kshs.124,938,606 or 45% of the actual receipts.

The underfunding and underperformance affected the implementation of planned activities and may have impacted negatively on service delivery to the residents of Ainabkoi Constituency.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Audit Matters

In the audit report of the previous year, one (1) issue was raised under the Report on Financial Statements and two (2) issues were raised under the Report on Lawfulness and Effectiveness in Use of Public Resources. However, the issues remain unresolved contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which require Accounting Officers designated for County Government entities to try to resolve any issues resulting from an audit that remain outstanding. See **Appendix I**

Other Information

Management is responsible for the Other Information set out on page iii to xxvii which comprise of the Key Constituency Information and Management, NGCDF Committee, NG-CDFC Chairman’s Report, Statement of Performance against Pre-determined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management

Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of matters described in the Basis for Conclusion on Lawfulness and Effectiveness in 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. Consultancy Services for Development of a Strategic Plan

The statement of financial performance and as disclosed in Note 12 to the financial statements reflects use of good and services expense of Kshs.4,008,848 which includes an expenditure of Kshs.1,000,000 made as final payment to a consultancy firm for the development of Ainabkoi Constituency Strategic Plan 2023-2027. Review of records revealed that the Fund had engaged a consultant to develop the Strategic Plan for the period 2023-2028 through a contract dated 24 May, 2024 and at a contract sum of Kshs.2,000,000. However, it was not clear why the contract was entered into in May, 2024 and completed in the year 2025 while the strategic plan covered the periods 2023-2027.

In addition, as previously reported, the procuring entity did not maintain a tender opening register and members of the Tender Opening Committee did not initialize each page of the tender opening minutes as required by Section 78(6) and (11) of Public Procurement and Asset Disposal Act, 2015 which requires that as each tender is opened, the name of the person submitting the tender and the total price shall be read out loud and recorded in a document to be called the tender opening register and each member of the Tender Opening Committee to initial each page of the minutes to acknowledge that the minutes are a true reflection of the proceedings held.

In the circumstances, the regularity and validity of the consultancy services for the development of strategic plan could not be confirmed.

2. Delayed Completion of One Storey Building at Kaptagat Chief's Office

The statement of financial performance reflects other grants and transfers actual expenditure of Kshs.60,880,318 which according to Note 14 to the financial statements include security projects actual expenditure of Kshs.6,231,931. Examination of expenditure records relating to security projects revealed that the Fund through Project Management Committee (PMC) engaged a contractor on 7 April, 2025 for the completion of a one storey building at Kaptagat Chief's Office comprising of; eight (8) offices, eight (8) door pit latrines and two (2) conference halls on the first floor at a contract sum of Kshs.4,596,178. The project had stalled and only the ground slab done and was estimated to be completed in twenty-six (26) weeks with estimated completion date of 6 September, 2025.

During the year under review, the Fund disbursed Kshs.4,600,000 through payment voucher number 89 dated 11 July, 2024 towards completion of the project. However, review of project records revealed the following anomalies: -

- i. Management through letter dated 12 September, 2025 requested for termination of the contract since the contract agreement expired on 6 September, 2025 and the works were still incomplete and the contractor had abandoned the site for more than one month. It was not clear why Management took action only after the expiry of the contract and did not issue default notice during the implementation period of the project especially when the contractor abandoned the project.
- ii. The project was classified as a security project yet the project was intended to host conference hall and other offices. Therefore it was not clear why the project was not treated as an asset of the National Government Constituencies Development Fund and classified under property, plant and equipment.
- iii. The contractor had been paid a total of Kshs.2,370,017 which is equivalent to the total works reflected in Interim Payment Certificate (IPC) Number 2 translating to 51.56% completion level.
- iv. Management had stated that the project was under a public land registered under Naiberi Primary School. However, no document was provided to show that the Board of Management of the School allocated the land and that the transfer of ownership had been initiated.
- v. Physical verification exercise revealed that the contractor was not on site and the project was not complete. Pending works include roofing, finishes and doors.

In the circumstances, the delay in the completion of the project denies constituents of Ainabkoi the intended benefits.

3. Failure to Disburse Funds

The statement of financial position as disclosed in Note 21 to the financial statements reflects receivables from non-exchange transaction balance of Kshs.27,497,759 which are funds budgeted for but not received by the National Government Constituencies Development Fund - Ainabkoi Constituency as at 30 June, 2025.

In the circumstances, delayed disbursements affect implementation of programmes and activities planned for the year and may lead to constrains delivery of services to the residents of Ainabkoi Constituency.

4. Delayed Implementation of Projects

Review of records and analysis of project implementation status report as at the time of audit in October, 2025 revealed that forty-one (41) projects valued at Kshs.63,100,000 had not been implemented due to slow tendering processes and delays in receipt of funds from the Fund Board as detailed below:

No.	Project Details	No of Projects	Amount Kshs
1.	Budgeted Project		50,400,000
2.	Primary Schools Projects	31	30,835,265
3.	Secondary Schools projects	12	3,800,000
4.	Security Projects	4	500,000
5.	Environment	5	
Total		52	85,535,265
	Implemented		
6.	Primary Schools Projects	4	3,500,000
7.	Secondary Schools projects	6	18,635,265
8.	Security Projects	1	1,300,000
9.	Environment	0	0
Total		11	23,435,265
	Unimplemented		
10.	Primary Schools Projects	27	46,900,000
11.	Secondary Schools projects	6	13,200,000
12.	Security Projects	3	2,500,000
13.	Environment	5	500,000
Total		41	63,100,100

In the circumstances, the Constituents of Ainabkoi Constituency may not realize value for money from the projects valued at Kshs.63,100,000 as their completion dates are not certain.

5. Status of Project Verification

During audit review, twelve (12) projects with a budget of Kshs.22,104,566 were verified. Out of the twelve (12) projects, nine (9) with a budget of Kshs.13,204,966 were completed and in use, however six (6) of the completed projects had unsatisfactory issues while three (3) with a budget of Kshs.8,900,000 were not completed as detailed below;

	Project	Activity	Amount Allocated (Kshs)	Remarks
1	Kiluka Primary School	Construction of one classroom	1,000,000.00	Project is complete and in use. However, there were some cracks on the floor and leakages at the ceiling. Information provided is that the contractor is to re-do the defects within the Defect Liability Period.
2	Chepkongony Primary School	Construction of one classroom	1,000,000.00	Project is complete and in use. Flooring was done, although workmanship was substandard and some of gutters installed had already fell down. In the circumstance, value for money may have not been realized
5	St.Mary's Chesongor Primary School	Construction of one classroom	1,000,000.00	Project is complete and in use. However, workmanship was substandard as flooring was not well done. In addition, there were cracks on the wall and leakages on the ceiling. In the circumstance, value for money may have not been realized.
7	Chesongor Secondary School	Completion of Dining Hall	578,000.00	Project is complete and in use. Certificate of completion and handing over report not availed.
8	Naiberi Primary School	Renovation of roof & external - 10 classes and tiled - 9 classes	3,526,566.00	Project is complete and in use. Certificate of completion and handing over report not availed.
9	Eldoret Special School	Construction of one classroom	1,000,000.00	Project is complete. However, leakages were noted on the ceiling.

	Project	Activity	Amount Allocated (Kshs)	Remarks
				Certificate of completion and handing over report not availed.
	Kaptagat Chief's Office	Completion of a 2 storey office comprising 8 offices and conference hall: flooring, glazing, electrical and mechanical works	5,900,000	Project is not complete. The Contractor was not on site. Roofing done halfway leaving the timber exposed. In addition, flooring, glazing, electrical and mechanical works are still pending. Ownership documents for the land the project is built has not been confirmed since no title deed or allotment letter was presented for audit review.
11	Kitoroch Primary School	Purchase of land	1,000,000	The Purchase of land is not complete. The amount of Kshs.1,000,000 was paid as deposit towards purchase of 2 Acres piece of land at a total cost of Kshs.2,400,000. However, at the time of audit the full payment had not been done since the seller had not provided estate grant and administrator's ownership documents. In addition, original owner indicated in the title deed is deceased.
12	Haraka Deri Primary School	Purchase of land	2,000,000	The Purchase of land is not complete. The amount of Kshs.2,000,000 was for the purchase of 1 Acre piece of land. However, at the time of audit the transfer of ownership had not been done.
		Sub total	8,900,000	
		Grand Total	22,104,566	

No plausible reasons have been provided for the reported defect and the delay in completing the ongoing projects on time. Delay in project implementation delays service delivery to the residents of Ainabkoi constituency.

6. Long Outstanding Taxes from NGCDF Operations

Review of National Government - Constituency Development Fund Board letter dated 16 September, 2025 on feedback to the Decentralized Funds Accounts Committee of the National Assembly and Kenya Revenue Authority letter dated 17 June, 2025 on enforcement of outstanding taxes owed by National Government Constituencies Development Funds revealed that the Fund had tax arrears totaling Kshs.706,793 made up of outstanding PAYE of Kshs.569,181; withholding VAT Kshs.92,242 and withholding income tax of Kshs.45,370. This was contrary to Section 92 of the Income Tax Act (Cap 470) which stipulates that tax charged in any assessment shall be due and payable. Failure to remit these taxes can result in penalties, with unremitted taxes being recovered from the respective Constituency accounts.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for conclusion

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

Responsibilities of the Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards (Accrual Basis) and for maintaining effective internal controls as Management determines is necessary to enable the preparation of financial statements that are free from material

misstatement, whether due to fraud or error and for its assessment of the effectiveness of internal controls, risk management and governance.

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

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

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

Those charged with governance are responsible for overseeing the 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

28 November, 2025

Appendix I

Unresolved Prior Year Matters


No.	Issue	Year
	Report on the Financial Statements	
1	Unsupported Project Management Committee (PMCO Bank Balances)	2024-2025
	Report on Lawfulness and Effectiveness in the Use of Public Resources	
2	Unutilised Funds	2024-2025
3	Consultancy Services for Development of the Strategic Plan	2024-2025

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

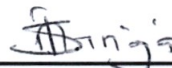
11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	2024/2025 Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	161,497,759
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	39,000
Total revenue		161,536,759
Expenses		
Employee costs	10	2,995,305
Committee expenses	11	3,581,150
Use of Goods and Services	12	4,008,848
Other Government Units Actual expenditure	13	81,994,367
Other Grants and Transfers Actual expenditure	14	60,880,318
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	776,465
Total expenses		154,236,453
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		7,300,306

The Constituency financial statements were approved by the NGCDFC on 22/10 2025 and signed by:



Chairman NG-CDF
Committee
Name: MOSES KOMEN



National Sub-County
Accountant
Name: NAOMI SINGA
ICPAK M/No: 8816



Fund Account Manager
Name: MILCAH SUGUT

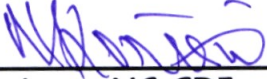
National Government Constituencies Development Fund (NGCDF)
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12. Statement of Financial Position As At 30th June, 2025

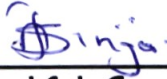
	Note	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	124,938,606	107,647,991
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	27,497,759	35,842,712
Prepayments	22	-	-
Total Current Assets		152,436,365	143,490,703
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		152,436,365	143,490,703
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	2,611,615	1,516,999
Lease Liabilities	28	-	-
Gratuity provision	29	1,133,565	582,825
Total Current Liabilities		3,745,180	2,099,824
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		3,745,180	2,099,824
Net Assets (A-B)		148,691,186	141,390,879
Represented by:			
Revaluation Reserves		148,691,185	141,390,879
Accumulated Surplus			
Total Net Assets		148,691,185	141,390,879

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The Constituency financial statements set out on pages 2 to 5 approved by NG CDFC on 22/10/
2025 and signed by:



Chairman NG-CDF
Committee
Name: MOSES KOMEN



National Sub-County
Accountant
Name: NAOMI SINGA
ICPAK M/No:8816



Fund Account Manager
Name: MILCAH SUGUT

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 30 th June 2024 (cash basis)	-	26,717,390	26,717,390
Adjustments: (to recognize assets and liabilities)	-		
Add Assets	-	116,190,488	116,190,488
Less Liabilities	-	1,516,999	1,516,999
As at July 1, 2024	-	141,390,879	141,390,879
Surplus/(Deficit) For the Period	-	7,300,306	7,300,306
Revaluation Gain/Loss	-	-	-
As at 30th June (current year)	-	148,691,185	148,691,185

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

	Notes	Period ended June 2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		169,842,712
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		39,000
Total Receipts		169,881,712
Payments		
Employee costs		2,444,565
Committee expenses		3,581,150
Use of Goods and Services		4,008,848
Other Government Units Certified Works		80,462,538
Other Grants and Transfers		61,317,531
Digital Hubs Expenses		776,465
Total Payments		152,591,097
Net Cash Flows from/ (used in) Operating Activities	30	17,290,615
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		17,290,615
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		17,290,615
Cash and cash equivalents at Period Start	19	107,647,991
Cash and cash equivalents at Period End	19	124,938,606

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>FY 24/25</i>	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>2024/2025</i>	<i>2024/2025</i>		
Revenue							
Transfers From the NGCDF Board	161,497,759	107,647,990.98	35,842,712	304,988,462	277,490,703	27,497,759	
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income		331,821.50	-	331,822	39,000	292,822	
Totals	161,497,759	107,979,812.48	35,842,712	305,320,284	277,529,703	27,790,581	
Expenses							
Employee costs	3,147,204	2,015,389	-	5,162,593	2,444,565	2,718,028	47%

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Committee expenses	7,078,000	416,216	-	7,494,216	3,581,150	3,913,066	48%
Use of Goods and Services	4,309,594	3,086,486	25	7,396,105	4,008,848	3,387,257	54%
Other Government Units Certified Works	81,235,265	77,819,381	29,117,083	188,171,729	80,462,538	107,709,191	43%
Other Grants and Transfers	64,827,696	22,855,268	6,225,604	93,908,568	61,317,531	32,591,037	65%
Digital Hubs Expenses/OTHERS	400,000	-	500,000	900,000	776,465	123,535	86%
Other Payment	-	1,197,822	-	1,197,822		1,197,822	0%
Acquisition of Assets	500,000	239,430	-	739,430		739,430	0%
Funds Pending Approval**	-	349,822	-	349,822	-	349,822	0%
Total Expenditure	161,497,759	107,979,812.48	35,842,712	305,320,284	152,591,097	152,729,187	50%
Surplus for the period							


***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.

The underutilization of funds which are below 50% was due to late disbursement of funds from the board. The funds were disbursed towards the end of the year.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	152,729,187
Less undisbursed funds receivable from the Board as at period June 2025	27,790,581
Cash and Cash Equivalents at the end of the 30 th June 2025	124,938,606

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 22/10/ 2025 and signed by:



Fund Account Manager

Name: MILCAH SUGUT



National Sub-County Accountant

Name: NAOMI SINGA
ICPAK M/No: 8816



Chairman NG-CDF Committee

Name: MOSES KOMEN

National Government Constituencies Development Fund (NGCDF)
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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	3,147,204	2,015,389		5,162,593	2,444,565	2,718,028
1.2 Committee Allowances	3,678,000			3,678,000	1,062,950	2,615,050
1.3 Use Of Goods And Services	2,864,662	1,221,594	25	4,086,281	878,980	3,207,301
Sub-Total	9,689,866	3,236,983	25	12,926,874	4,386,495	8,540,379
2.0 Monitoring And Evaluation						
2.1 Capacity Building	150,000	429,000		579,000	363,100	215,900
2.2 Committee Allowances	3,400,000	416,216		3,816,216	2,518,200	1,298,016
2.3 Use Of Goods And Services	1,294,933	1,435,892		2,730,824	1,766,768	964,056
Sub-Total	4,844,933	2,281,108	-	7,126,040	4,648,068	2,477,972

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4.0 Emergency						
Unutilized	8,499,880	8,341,083	125,604	16,966,567	666,328	16,300,239
Sub-Total	8,499,880	8,341,083	125,604	16,966,567	666,328	16,300,239
5.0 Bursary And Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	35,000,000	5,898		35,005,898	35,000,000	5,898
5.3 Tertiary Institutions	15,027,816	3,953,115		18,980,931	16,489,760	2,491,171
5.4 Special Needs	1,000,000			1,000,000	992,000	8,000
5.5 Education Support Programmes				-		-
5.6 Social Security		2,924,629		2,924,629		2,924,629
Sub-Total	51,027,816	6,883,642	-	57,911,458	52,481,760	5,429,698
7.0 Environment						
Koibarak Prmary		80,000		80,000	-	80,000
Cheptigit Secondary		80,000		80,000	1,025	78,975
Waunifor Secondary		80,000		80,000	-	80,000
Chepkurmum Secondary		80,000		80,000	-	80,000
Arnesens Primary		80,005		80,005	2,050	77,955
Chepngoror Secondary		80,000		80,000	-	80,000

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Lamaek Secondary		80,000		80,000	-	80,000
Olaare Secondary		22,620		22,620	-	22,620
St.Gregory Naiberi		20,041		20,041	-	20,041
Borderfarm Primary		80,000		80,000	-	80,000
Munyaka Primary		80,000		80,000	35,509	44,491
Ainabkoi Secondary		20,000		20,000	-	20,000
Ainabkoi Secondary		80,000		80,000	-	80,000
Sirwo Primary		21,734		21,734	-	21,734
Illula Secondary		51,388		51,388	-	51,388
Plateau Girls		20,000		20,000	1,649	18,351
Chelugui Primary		21,470		21,470	-	21,470
Chepkurmum Secondary		20,000		20,000	-	20,000
Arapmoi Primary		20,000		20,000	-	20,000
Tendwo Secondary		20,000		20,000	-	20,000
Chororget Primary		20,377		20,377	1,025	19,352
Kapsoya Secondary		20,000		20,000	-	20,000
Leltot Primary		20,000		20,000	1,025	18,975

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Kapngetuny High School		20,000		20,000	-	20,000
Chepngoror Secondary		20,000		20,000	-	20,000
Tingwa Primary		21,362		21,362	-	21,362
St.Peters Waunifor		20,000		20,000	-	20,000
Lotonyok Primary		20,713		20,713	-	20,713
Aic Kiluka Secondary		20,000		20,000	-	20,000
St.Marys Chesogor Secondary		20,000		20,000	-	20,000
Timboroa Forest	1,000,000		1,500,000	2,500,000	1,493,525	1,006,475
Chelugui Secondary School	100,000			100,000		100,000
Cheplelachbei East Secondary School	100,000			100,000		100,000
Eldoret School Of Hearing Impaired	100,000			100,000		100,000
Illula Intergrated School	100,000			100,000		100,000
St.Theresa Baharini Secondary School	100,000			100,000		100,000
					-	-
Sub-Total	1,500,000	1,239,710	1,500,000	4,239,710	1,535,808	2,703,902
8.0 Primary Schools Projects						
Haraka Deri Primary		1,000,000	6,100,000	7,100,000	2,001,600	5,098,400

National Government Constituencies Development Fund (NGCDF)
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Songich Primary School		3,000,000		3,000,000	1,074,830	1,925,170
Rot-Tuga Primary School		3,000,169		3,000,169	2,852,833	147,336
Rurigi Primary School	1,200,000	3,000,915		4,200,915	1,923,651	2,277,264
Dry's Farm Primary School		1,017,083		1,017,083	958,195	58,889
Kapkeno Primary School		1,000,175		1,000,175	948,246	51,930
Eldoret Special Primary School	2,000,000	1,000,000		3,000,000	907,081	2,092,919
Eldoret Border Farm Primary School	5,000,000	1,000,000		6,000,000	951,398	5,048,602
Chepkoilel Central Primary School		1,000,724		1,000,724	954,647	46,078
Chesogor Primary School		1,000,000		1,000,000	1,025	998,975
Kiluka Primary School	500,000	1,000,000		1,500,000	1,025	1,498,975
Ngarua Primary School	1,000,000	1,000,000		2,000,000	419,937	1,580,063
Usalama Primary School		8,267	5,017,083	5,025,350	2,455,569	2,569,781
Ilula Primary School	3,800,000		1,000,000	4,800,000	1,025	4,798,975
Koibarak Primary School		24,308	1,000,000	1,024,308	979,061	45,247
Chepkongony Primary		2,211	1,000,000	1,002,211	487,566	514,645
Tendwo Primary School	1,000,000	1,594,926		2,594,926	1,295,000	1,299,927
Arnersens Primary School	500,000	1,426,173		1,926,173	-	1,926,173

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Munyaka Primary School	800,000	86,876		886,876	86,875	800,001
Kapsoya Primary School	500,000	1,000,000		1,500,000	-	1,500,000
Kongasis Primary School		202,643		202,643	-	202,643
Plateau Primary School		500,000		500,000	473,501	26,499
Chelelek Primary School		1,639,186		1,639,186	1,573,318	65,869
Olaare Primary School	5,000,000	521,336		5,521,336	504,487	5,016,850
Koilonget Primary School		3,000,000		3,000,000	2,834,840	165,160
Arangai Primary School		1,532,672		1,532,672	201,025	1,331,647
Kewapmoi Primary School		799,025		799,025	441,235	357,790
Kipkoriony Primary School	800,000	3,002,132		3,802,132	2,853,373	948,759
Naiberi Primary School		3,526,566		3,526,566	3,453,433	73,134
Arapmoi Primary School		3,512,102		3,512,102	3,459,174	52,928
Aic Kaptagat Childrens Home		879		879	879	-
Ainabkoi Ngcdf Sports		1,941		1,941	1,941	-
Ainabkoi Ngcdf Environment		748		748	-	748
Chepkurmum Primary	1,000,000	219,801		1,219,801	213,429	1,006,373
Kimuruk Primary	1,200,000	33,933		1,233,933	-	1,233,933

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Kitoroch Primary	3,700,000	2,000		3,702,000	1,001,600	2,700,400
Koilel Primary		599		599	-	599
Uhuru Pcea Primary		23,435		23,435	-	23,435
Saito Primary		23,500		23,500	-	23,500
Eldoret School Of Hearing	600,000	112		600,112	-	600,112
Dry's Farm Primary School		22,309		22,309	22,000	309
Kewapmoi Primary School		187,201		187,201	-	187,201
Kiburur Primary	1,200,000	630		1,200,630	-	1,200,630
Lelek Primary		6,906		6,906	-	6,906
Plateau Primary School		37,393		37,393	37,060	333
Skyline Primary	1,700,000	95,683		1,795,683	95,000	1,700,683
Waunifor Primary		1,293		1,293	-	1,293
Tinga Primary		998,715		998,715	998,000	715
Kipkabus Upper Primary		1,455		1,455	-	1,455
Chebaon Primary	3,500,000			3,500,000	-	3,500,000
Chepngoror Primary	1,000,000			1,000,000	-	1,000,000
Chororget Primary	1,700,000			1,700,000		1,700,000

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Kapsemwo Primary	500,000			500,000		500,000
Katuiyo Primary	800,000			800,000	-	800,000
Kewet Primary	1,200,000			1,200,000	-	1,200,000
Kileges Primary	500,000			500,000	-	500,000
Kipsinende Primary	500,000			500,000	-	500,000
Lotonyok Primary	1,200,000			1,200,000		1,200,000
Ndanai Primary	500,000			500,000		500,000
Ngatit Primary	300,000			300,000	-	300,000
Siliboi Primary	1,200,000			1,200,000	-	1,200,000
Bombo Primary	6,000,000			6,000,000		6,000,000
Olaare Primary School		249,922		249,922		249,922
Eldoret Border Farm Primary School		2,812		2,812	-	2,812
Sub-Total	50,400,000	42,308,754	14,117,083	106,825,837	36,463,855	70,361,981
9.0 Secondary Schools Projects (List All The Projects)						
Lamaek Secondary School	7,500,000	4,498,358		11,998,358	6,912,654	5,085,703
St. Theresa Baharini Secondary School	5,900,000	3,498,975	-	9,398,975	3,320,289	6,078,686
Chelugui Secondary School	5,900,000	3,498,975		9,398,975	3,343,410	6,055,566

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Chelelek Secondary School		798,000	3,500,000	4,298,000	-	4,298,000
Chepngoror Secondary School	500,000	4,500,000		5,000,000	2,971,063	2,028,937
Chesogor Secondary School		578,452	2,000,000	2,578,452	1,571,865	1,006,587
Chepkongony Secondary School	2,300,000	3,005,082		5,305,082	2,919,320	2,385,762
Arnesens Secondary School		2,000,005	-	2,000,005	1,899,180	100,825
St, Peters Waunifor Secondary School		2,317,132		2,317,132	2,155,888	161,244
Kapsundei Secondary School		201,970		201,970	-	201,970
Chepkurmum Secondary School	2,000,000	3,798,975		5,798,975	4,070,925	1,728,050
Moi Girls High School		503,563		503,563	500,000	3,563
Tendwo Secondary School	1,835,265	518,014		2,353,279	2,314,843	38,436
Cheplelabei East Secondary		960,345		960,345	233,041	727,304
Chepngoror Secondary School		10,708		10,708	-	10,708
Koibarak Secondary		1,559		1,559	-	1,559
Chelelek Secondary School		3,734		3,734	-	3,734
Kapsoya Secondary	4,000,000	318,063		4,318,063	-	4,318,063
Kiluka Secondary	900,000			900,000	224,000	676,000
Dry's Girls Secondary		531,682		531,682	-	531,682

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Rurigi Secondary School		243,459		243,459		243,459
				-		-
Sub-Total	30,835,265	31,787,049	5,500,000	68,122,314	32,436,478	35,685,836
10.0 Tertiary Institutions Projects (List All The Projects)						
KMTC Ainabkoi-Tuiton Block		3,627,292	9,500,000	13,127,292	12,559,398	567,894
Kmtc Ainabkoi-Fence		96,287		96,287	95,807	480
Sub-Total	-	3,723,579	9,500,000	13,223,579	12,655,205	568,374
11.0 Security Projects						
Kaptagat Chief's Office	1,300,000		4,600,000	5,900,000	1,361,409	4,538,591
Ainabkoi Sub Deputy County Commissioner		2,119,229		2,119,229	1,839,454	279,775
Naiberi Police Station		298,975		298,975	286,436	12,539
Kapsoya Ap Line		534,016		534,016	516,410	17,606
Kipkorgot Chiefs Office	500,000	2,291,780		2,791,780	2,231,805	559,975
Kipkorgot Chiefs Office		380,088		380,088	375,771	4,317
Kaptagat Chief's Office		158,281		158,281	-	158,281
Assistant County Commissioner	-	34,884		34,884	22,350	12,534
Ainabkoi Chief's Office	500,000			500,000	-	500,000

*National Government Constituencies Development Fund (NGCDF)
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Tarakwa Police Station	1,500,000				1,500,000		1,500,000
Kipkorgot Multipurpose Hall		500,000			500,000		500,000
Waunifor Police Station		73,581			73,581		73,581
Sub-Total	3,800,000	6,390,834	4,600,000		14,790,834	6,633,635	8,157,198
12.0 Acquisition Of Assets							
12.1 Motor Vehicles (Including Motorbikes)			-		-		-
12.2 Purchase Of Furniture And Fittings					-		-
12.2 Construction Of CDF Office/Purchase Of Tank	500,000	239,430			739,430		739,430
Sub-Total	500,000	239,430	-		739,430	-	739,430
13.0 Ict Hubs							
Illula Ict Hub	400,000		500,000		900,000	776,465	123,535
Sub-Total	400,000	-	500,000		900,000	776,465	123,535
14.0 Water Project							
Kipkorgot Water Project		197,822			197,822	197,822	-
Sub-Total	-	197,822	-		197,822	197,822	-
15.0 Others							
Ainabkoi Ng-Cdf Strategic Plan		1,000,000			1,000,000	1,000,000	-

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 Ainabkoi Constituency principal activity is to undertake development of National government functions within the constituency.

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Ainabkoi 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 Ainabkoi has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.

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

The recognition of all other non-financial assets acquired prior to the 2024/2025 financial year will be undertaken in the third year of the transition period, after the necessary identification and valuation processes have been completed.

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

3. Adoption of New and Revised Standards

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

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

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

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

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and Equipment	and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that the fund shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>

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

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

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 Fund 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 *Fund*. 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 *Fund* 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 *Fund* 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 *Fund*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

The fund classifies its financial assets as subsequently measured at amortised cost, fair value through net assets/ equity or fair value through surplus and deficit on the basis of both the fund's management model for financial assets and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost when the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding. A financial asset is measured at fair value through net assets/ equity if it is held within the management model whose objective is achieved by both collecting contractual cashflows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. A financial asset shall be measured at fair value through surplus or deficit unless it is measured at amortized cost or fair value through net assets/ equity unless the fund 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 fund classifies its financial assets into amortized cost or fair value categories for financial instruments. Movements in fair value are presented in either surplus or deficit or through net assets/ equity subject to certain criteria being met.

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

h) Provisions

Provisions are recognized when the *Fund* 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 *Fund* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

The Fund 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 Fund in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately

reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Fund's* financial statements in conformity with IPSAS requires management to make judgments, estimates, and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. State all 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 Fund 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 Fund. 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 Fund.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

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

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6. Transfers from the NGCDF Board

Description	<i>Period ended June 2025</i>
NG-CDFB Transfers (Allocation for the FY)	161,497,759
TOTAL	161,497,759

7. Transfers from domestic and foreign partners

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

8. Finance income

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

9. Miscellaneous income

Description	<i>Period ended June 2025</i>
	Kshs
Rental Income	-
Income from sale of tenders	39,000
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere	-
Total	39,000

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10. Employees cost

Description	<i>Period ended June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	2,094,821
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	550,740
Employer Contributions Compulsory national social security schemes	219,360
Employer Contributions Compulsory Housing levy	68,287
Employer contributions to National Industrial Training Authority	-
Other Specify	62,097
Total	2,995,305

11. Committee Expenses

Description	<i>Period ended June 2025</i>
	Kshs
Sitting allowance	1,062,950
Other Committee expenses	2,518,200
Total	3,581,150

12. Use of Goods and services

Description	Period ended June 2025
	Kshs
Utilities, supplies and services	127,690
Communication, supplies and services	209,200
Domestic travel and subsistence	98,000
Printing, advertising and information supplies & services	26,500
Office Rent	-
Training expenses	363,100
Hospitality supplies and services	417,590
Insurance costs	65,866
Specialized materials and services	-
Office and general supplies and services	661,328
Fuel, oil & lubricants	799,788
Bank Charges	50,414
Routine maintenance – vehicles and other transport equipment	189,372
Routine maintenance – other assets	-
Strategic plan expenses	1,000,000
Other operating expenses	-
Total	4,008,848

13. Other Government Units Actual expenditure

Description	Period ended June 2025
	Kshs
Primary Schools Actual expenditure	36,136,535
Secondary Schools Actual Expenditure	33,269,934
Tertiary Institutions Actual Expenditure	12,587,898
Total	81,994,367

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14. Other Grants and transfers Actual expenditure

Description	Period ended June 2025
	Kshs
Bursary – secondary schools	35,000,000
Bursary – tertiary institutions	16,489,760
Bursary – special schools	992,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	6,231,931
Climate change mitigation projects	1,500,299
Emergency projects Actual Expenditure	666,328
Roads projects	-
Others specify	-
Total	60,880,318

15. Depreciation and Amortization Expenses

Description	Period ended June 2025
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

Description	Period ended June 2025
	Kshs
Construction/ renovation/Actual Expenditure	776,465
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (specify)	-
Total	776,465

17. Gain/loss on Sale of Assets

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

18. Impairment Loss

Description	Period ended June 2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
Total Impairment Loss	-

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. (family bank acc no 085000108074)</i>	80,2,513	27,300,215
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Name of Bank, account No. (family bank acc no 0850001114977)</i>	1,133,565	
<i>PMC's account balance</i>	43,534,528	80,347,775.98
Total	124,938,606	107,647,991
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

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20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

Description	Period ended June 2025		Opening Statement 1st July 2024	
	Kshs		Kshs	
	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)	-	-	-	-

21. Receivables from Non-Exchange Transactions

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Transfers from NGCDFB	27,497,759	35,842,712
Outstanding imprest	-	-
Total	27,497,759	35,842,712

Ageing Analysis for Receivables

Description	Period ended June 2025		Opening Statement 1st July 2024	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	27,497,759	100%	35,842,712	100%
Between 1- 2 years	-	-	-	-
Between 2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (a+b)	-	-	-	-

22. Prepayments

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

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concession assets	Total
Depreciation Rate		10%	0.25	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At 30th June 2025	-	-	-	-	-	-	-	-	-
Depreciation And Impairment									
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 1 Sep/Dec/Mar/Jun 2025	-	-	-	-	-	-	-	-	-
Net Book Values									
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	-	-
As At 30 JUNE, 2025	-	-	-	-	-	-	-	-	-

Valuation

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

22 b) Property, Plant and Equipment at Cost

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

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

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

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

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24. Intangible Assets

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Cost		
Opening balance at the beginning of the Period	-	-
Additions	-	-
Disposal	-	-
At end of the Period	-	-
Additions–internal development	-	-
Disposal	-	-
At end of the Period	-	-
Amortization and impairment		
At beginning of the Period	-	-
Amortization	-	-
At end of the Period	-	-
Impairment loss	-	-
At end of the Period	-	-
NBV	-	-

25. Right-of use assets

Description	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Plant and equipment</i>	<i>Total</i>
	Kshs	Kshs	Kshs	Kshs
Cost				
As at 1 July 2023	-	-	-	-
Additions	-	-	-	-
As at 30 June 2024	-	-	-	-
Accumulated Depreciation				
As at 1 July 2024	-	-	-	-
Charge for the year	-	-	-	-
As at 30 June 2025	-	-	-	-
Carrying Amount				
As at 30 June 2025	-	-	-	-

26. Trade and Other Payables

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Trade payables	-	-
Employee payables	-	-
Other payables	-	-
Total trade and other payables	-	-

Aging analysis: (Trade and other payables)	2024/2025	% of the Total	1st July 2024	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	1,516,999	1,516,999
Retention held during the period (B)	8,318,078	-
Retention paid during the period (C)	7,223,462	-
Closing Retention as at period xx, D= A+B-C	2,611,615	1,516,999

Retentions aging analysis.

	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	-	%	-	%
1-2 years	2,611,615	100%	-	%
2-3 years	-	%	1,516,999	100%
Over 3 years	-	%	-	%
Total	2,611,615		1,516,999	

28. Lease Liabilities

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

Maturity Analysis

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Balance at the beginning of the period	-	-
Discount interest on lease liability	-	-
Paid during the period	-	-
At end of the period	-	-

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	582,825	-
Gratuity held during the period (B)	550,740	582,825
Gratuity paid during the period (C)	-	-
Total Gratuity provision D=(A+B-C)	1,133,565	582,825

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	7,300,306
Adjusted for:	
Depreciation	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(8,344,953)
Changes in deferred income	-
Changes in Third party deposits	(1,094,616)
Changes in gratuity provision	(550,740)
Changes in payments received in advance	-
Net cash flow from operating activities	17,290,615

31. Financial Risk Management

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

i) Credit risk

The Fund 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 Fund'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 Fund's maximum exposure to credit risk without taking account the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025 (Current FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	27,497,759	27,497,759	-	-
Bank balances	124,938,606	124,938,606	-	-
Total	152,436,365	152,436,365	-	-
As at 30 June 2024 (Previous FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	35,842,712	-	-	-
Bank balances	107,647,991	-	-	-
Total	142,490,703	-	-	-

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

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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 Fund has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Fund has significant concentration of credit risk on amounts due from xxx. The board of directors sets the Fund's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables		-	-	-
Current proportion of borrowings	-	-	-	-
Third party Provisions	2,611,615	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	1,133,564	-	-	-
Total	3,745,179	-	-	-
As at 30th June 2024				
Trade payables		-	-	-
Gratuity provision	582,825	-	-	-
Third party deposits	1,516,999	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	2,099,824	-	-	-

iii) Market risk

The *Fund* has put in place an internal audit function to assist it in assessing the risk faced by the Fund 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 Fund's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. Overall responsibility for managing market risk rests with the Audit and Risk Management Committee. The Fund'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 Fund's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The *Fund* 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 *Fund* manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the *Fund's* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

Foreign currency sensitivity analysis

Current FY

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

Financial Risk Management

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

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

b) Interest rate risk

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

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

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Fund* 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 (Current FY)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets	-	-	-	-
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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As at 30 th June (Previous FY)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets	-	-	-	-
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

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

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

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32. Related Party Disclosures

	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	3,581,150	2,043,440
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	161,497,759	185,574,781
Total	165,078,909	187,574,781

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

Contingent Liabilities

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

35. Capital Commitments

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

36. Events after the Reporting Period

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

37. Ultimate and Holding Fund

The Ainabkoi 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.

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18. Annexes
Annex 1: Summary of Asset Register

Asset class	Historical Cost b/f (Kshs) 2022-2023	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) 2023-2024
Land	6,634,430	-	-	6,634,430
Buildings and structures	6,161,095	-	-	6,161,095
Transport equipment	391,828	-	-	391,828
Office equipment, furniture and fittings	576,745	-	-	576,745
ICT Equipment, Software and Other ICT Assets	3,000	-	-	3,000
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	13,767,098	-	-	13,767,098

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

NAME	BANK	BRANCH	ACCOUNT NO	2024/2025	2023/2024
Kapsundei secondary school	ACCESS	ELDORRET	0200130000033	2019	201,970
Eldoret school of hearing	CONSOLIDATED	ELDORRET	0120375090201	112	112
Kipkoriony primary school	CONSOLIDATED	ELDORRET	0120375092500	148759	
ST.PETERS WAUNIFOR	CONSOLIDATED	ELDORRET	1015203000021	20000	96,287
Assistant county commissioner	Cooperative Eldoret	ELDORRET	011419589450	12534	34,884
Chepngoror Secondary School	Cooperative Eldoret	ELDORRET	01141685655900	108	3,734
Dry's Farm Primary School	Cooperative Eldoret	ELDORRET	01141598818400	309	10,708
DRYS GIRLS SECONDARY	Cooperative Eldoret	ELDORRET	01141685936200	531682	22,309
Eldoret Border Farm Primary	Cooperative Eldoret	ELDORRET	01141685633300	2811.5	158,281
kapsoya secondary	Cooperative Eldoret	ELDORRET	01141685263800	318062.5	187,200
Kaptagat Chief's Office	Cooperative Eldoret	ELDORRET	01141880449000	158281	630
Kewapmoi primary school	Cooperative Eldoret	ELDORRET	01141685263800	187200.5	1,559
kipkabus upper primary	Cooperative Eldoret	ELDORRET	01139441385600	1455	-
koibarak secondary	Cooperative Eldoret	ELDORRET	01141685579600	1559	6,905
Moi Girls high school	Cooperative Eldoret	ELDORRET	01141958945900	3562.7	37,393
Olaare primary school	Cooperative Eldoret	ELDORRET	01141685481800	16879.8	95,683
skyline primary	Cooperative Eldoret	ELDORRET	01141685657600	683	518,014
St, Peters Waunifor Secondary School	Cooperative Eldoret	ELDORRET	0111685620400	161243.74	998,715
TENDWO SECONDARY	Cooperative Eldoret	ELDORRET	01139182241602	20000	1,293
Tendwo secondary school	Cooperative Eldoret	ELDORRET	01139182241602	38435.55	1,455
tinga primary	Cooperative Eldoret	ELDORRET	01141686503300	715	380,088
waunifor police staion	Cooperative Eldoret	ELDORRET	01141685638000	73580.5	960,345
waunifor primary	Cooperative Eldoret	ELDORRET	01141685432600	1293	3,627,292
Kipkorgot chiefs office	CREDIT	ELDORRET	0091005000011	4317	1,000,724
CHEPNGOROR SECONDARY	FAMILY	ELDORRET	AC 082000033280	80000	31,388
CHEPNGOROR SECONDARY	FAMILY	ELDORRET	AC 082000033280	20000	
Chepngoror Secondary School	FAMILY	ELDORRET	AC 082000033280	1528937.2	3,000,169
Eldoret Special Primary School	FAMILY	ELDORRET	AC 0850001148	92918.8	3,000,915

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KAPSOYA SECONDARY	FAMILY	ELDORET	AC 085000114808	20000	243,458
Koilonget primary school	FAMILY	ELDORET	AC 085000114981	165159.98	23,499
LAMAEK SECONDARY	FAMILY	ELDORET	AC 0850001145	80000	40
Lamaek Secondary School	FAMILY	ELDORET	AC 0850001145	5853.18	1,594,926
Olaare primary school	FAMILY	ELDORET	AC 085000112557	249921.5	1,362
PLATEAU GIRLS	FAMILY	ELDORET	AC 085000114764	18351.13	23,435
cheplelabei east secondary	KCB	ELDORET	960345	727304	879
Kapsoya primary school	KCB	ELDORET	1311975365	1000000	1,941
Aic kaptagat childrens home	SIDIAN	ELDORET	01008030018769	0	748
AIC KILUKA SECONDARY	SIDIAN	ELDORET	01008030018769	20000	1,532,672
Ainabkoi ngcdf environment	SIDIAN	ELDORET	01008030019317	748	1,469
Ainabkoi ngcdf sports	SIDIAN	ELDORET	01008030019237	0	2,210
AINABKOI SECCONDARY	SIDIAN	ELDORET	01008710003827	20000	219,801
AINABKOI SECCONDARY	SIDIAN	ELDORET	01008710004525	80000	578,451
Ainabkoi Sub Deputy County Commissioner Office	SIDIAN	ELDORET	01008710004115	279774.75	1,000,175
Arangai primary school	SIDIAN	ELDORET	01008030018519	1531647	33,933
ARAPMOI PRIMARY	SIDIAN	ELDORET	01008030008333	20000	2,000
Arapmoi primary school	SIDIAN	ELDORET	01008030008333	52928.2	599
ARNESENS PRIMARY	SIDIAN	ELDORET	01008710003827	77955	202,643
Arnesens Secondary School	SIDIAN	ELDORET	01008710004525	100825	86,875
BORDERFARM PRIMARY	SIDIAN	ELDORET	01008710005713	80000	3,526,566
Chelelek primary school	SIDIAN	ELDORET	01008030008368	265868.5	197,821
Chelelek Secondary School	SIDIAN	ELDORET	01008710002409	4298000	3,002,13
CHELUGUI PRIMARY	SIDIAN	ELDORET	01008030015781	21469.77	2,317,132
Chelugui Secondary School	SIDIAN	ELDORET	01008710003787	155565.5	1,426,172
Chepkoiel Central Primary School	SIDIAN	ELDORET	01008030017740	46077.5	503,562
Chepkongony primary	SIDIAN	ELDORET	010080300175	514644.8	249,921
Chepkongony Secondary School	SIDIAN	ELDORET	01008030008023	85761.5	531,682
chepkurmum primary	SIDIAN	ELDORET	01008030014287	6372.5	73,580
CHEPKURMUM SECONDARY	SIDIAN	ELDORET	01008710000532	80000	2,811
CHEPKURMUM SECONDARY	SIDIAN	ELDORET	01008710000532	20000	318,062
Chepkurmum secondary school	SIDIAN	ELDORET	01008710000532	928050	4,500,000

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CHEPTIGIT SECONDARY	SIDIAN	ELDORRET	01008710005723	78975	1,000,000
Chesogor Primary School	SIDIAN	ELDORRET	01008710007781	998975	3,000,000
Chesogor Secondary School	SIDIAN	ELDORRET	01008030014104	1506587.15	4,498,357
CHORORGET PRIMARY	SIDIAN	ELDORRET	01008030015860	19352.03	521,366
Dry's Farm Primary School	SIDIAN	ELDORRET	01008710004165	58888.5	1,000,000
Eldoret Border Farm Primary School	SIDIAN	ELDORRET	01008710005713	48602	2,119,229
HARAKA DERI PRIMARY	SIDIAN	ELDORRET	01008710005633	5098400	3,512,102
Illula ICT Centre	SIDIAN	ELDORRET	01008710005883	23535	5
ILLULA SECONDARY	SIDIAN	ELDORRET	01008030003226	51388.25	2,000,005
Ilula Primary school	SIDIAN	ELDORRET	01008710004205	998975	1,039,186
Kapkeno Primary School	SIDIAN	ELDORRET	01008030019307	51929.5	798,000
Kapsoya AP Line	SIDIAN	ELDORRET	01008710003837	17606	3,498,975
Kaptagat Chief's Office	SIDIAN	ELDORRET	01008710005643	3238591	3,005,081
Kewapmoi primary school	SIDIAN	ELDORRET	01008710003177	557790	3,798,975
Kewet primary school	SIDIAN	ELDORRET	01008710005873	33672	377
Kiluka Primary School	SIDIAN	ELDORRET	01008710004535	998975	1,017,083
kimuruk primary	SIDIAN	ELDORRET	01008030008961	33933.02	1,000,000
Kipkorgot chiefs office	SIDIAN	ELDORRET	01008710002399	59975	1,000,000
kitoroch primary	SIDIAN	ELDORRET	01008030019267	400	534,016
KMTC Ainabkoi-tuiton block	SIDIAN	ELDORRET	01008030019837	3967894.47	799,025
Koibarak Primary school	SIDIAN	ELDORRET	01008710000962	45247	1,000,000
KOIBARAK PRMARY	SIDIAN	ELDORRET	01008710000962	80000	2,291,780
koilel primary	SIDIAN	ELDORRET	01008710008378	599	24,308
Kongasis primary school	SIDIAN	ELDORRET	01008030019257	202643	713
LELTOT PRIMARY	SIDIAN	ELDORRET	01008710004105	18975	298,975
LOTONYOK PRIMARY	SIDIAN	ELDORRET	01008030016172	20713	1,000,000
MUNYAKA PRIMARY	SIDIAN	ELDORRET	01008030019227	44491	2,620
Munyaka primary school	SIDIAN	ELDORRET	01008030019227	0.55	500,000
Naiberi Police Station	SIDIAN	ELDORRET	01008710004235	12539	1,734
Naiberi primary school	SIDIAN	ELDORRET	01008030019287	1573133.5	1,000,000
Ngarua Primary School	SIDIAN	ELDORRET	01008030018369	580063	3,498,975
OLAARE SECONDARY	SIDIAN	ELDORRET	01008030016462	22620	8,267

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Plateau primary school	SIDIAN	ELDORET	01008710003207	26499	
Rot-tuga primary school	SIDIAN	ELDORET	01008030015291	147336	
Rurigi primary school	SIDIAN	ELDORET	01008030019297	1077264	
Rurigi secondary	SIDIAN	ELDORET	01008030018599	19458.6	
saito primary	SIDIAN	ELDORET	01008030015380	23499.5	
SIRWO PRIMARY	SIDIAN	ELDORET	01008030015437	21734.03	
SONGICH PRIMARY SCHOOL	SIDIAN	ELDORET	01008710004255	19251	
St. Theresa Baharini Secondary School	SIDIAN	ELDORET	01008710003777	178686	
ST.GREGORY NAIBERI	SIDIAN	ELDORET	01008030019277	20040.5	
Tendwo primary school	SIDIAN	ELDORET	01008030017430	299926.65	
TIMBOROA FOREST	SIDIAN	ELDORET	01008710004955	6475	
TINGWA PRIMARY	SIDIAN	ELDORET	01008030008058	21362	
Uhuru pcea primary	SIDIAN	ELDORET	01008030017710	23435	
Usalama Primary School	SIDIAN	ELDORET	01008030016722	2569781	
Arnersens primary school	SIDIAN	ELDORET	01008030018599	1426172.5	
Chelelek Secondary School	SIDIAN	ELDORET	01008030015380	3734	
KAPNGETUNY HIGH SCHOOL	SIDIAN	ELDORET	01008030015437	20000	
Kiburer primary	SIDIAN	ELDORET	01008710004255	630	
KMTC Ainabkoi-fence	SIDIAN	ELDORET	01008710003777	480	
lelek primary	SIDIAN	ELDORET	01008030019277	6905.95	
Plateau primary school	SIDIAN	ELDORET	01008030017430	333	
ST.MARYS CHESOGOR SECONDARY	SIDIAN	ELDORET	01008710004955	20000	
WAUNIFOR SECONDARY	SIDIAN	ELDORET	01008030008058	80000	
				43,534,528	84,347,775

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)
	<p>Basis for qualified opinion</p> <p>Note 19.4 and annex 5 to the financial statements reflects PMC account balances of kshs 13,407,723 in respect of forty –nine (49) bank accounts held in various local commercial banks which had not been utilized as at the end of the financial year under review. However, cashbooks, certificates of bank balance, bank reconciliation statements, bank statements and board of survey reports for the forty-nine (49) bank accounts were not provided for audit review.</p>	<p>The PMC reconciliations were prepared and submitted</p>	<p>Not resolved</p>	
	<p>Budget control and performance</p> <p>The summary statement of appropriation reflects final receipts budget and actual on comparable basis amounts of Kshs 254,943,409 and Kshs 219,100,697 respectively resulting to an under-funding of kshs 35,842,712 or 14% of the budget .Similarly, the fund spent an amount of kshs 192,399,707 against actual receipts of kshs</p>	<p>The non utilization was due to late disbursement from the board</p>	<p>Not resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>219,100,697 resulting to an under-absorption of kshs 26,700,990 or 12% of the actual receipts.</p> <p>The underfunding and under-absorption affected the planned activities and may have impacted negatively on service delivery to the public.</p>			
	<p>Project verification</p> <p>During the year under review ,thirty-five(35) projects with total disbursement of Kshs 105,615,436 were verified in the month of November ,2024 .it was observed that fifteen (15) projects with disbursement of Kshs 59,832,653 were complete ,twelve (12) projects with disbursement of kshs 30,250,000 were ongoing and eight (8) projects with disbursement of Kshs 15,532,783 had stalled.</p>	<p>The project have been completed and handed over.</p>	<p>Not resolved</p>	
	<p>Consultancy services for development of strategic plan.</p> <p>The statement of receipts and payments reflects other payments amount of Kshs.1, 000,000 and as disclosed in Note 10 to the financial statements. This amount relates to payment made to a consultancy firm for development of the strategic</p>	<p>The NG-CDF Committee did a market survey and was guided also by the budget ceiling</p>	<p>Not resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>plan for the Fund. Review of expenditure and procurement records revealed that the Fund had engaged a local consultancy firm to develop the strategic plan for the period 2023-2028 through a contract dated 24 May, 2024 at a total contract sum of Kshs.2, 000,000. The firm was paid Kshs.1,000,000 as mobilization fee, the following anomalies and irregularities were noted;</p> <p>The procuring fund did not support the procurement with a market survey or indicative market rates especially for reimbursable costs of the contract, exposing the fund to inflated prices beyond prevailing market rates</p> <p>The procuring fund did not maintain a tender opening register for the tender and members of the tender opening committee did not initialize each page of the tender opening minutes</p>	<p>from the board. The tender register was kept.</p>		



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Name *Milcah Sigit*
Fund Account Manager.