REPUBLIC OF KENYA

REPUBLIC OF KENYA

OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 03 DEC 2025
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TABLED BY: Hon. Naomi Waqa, MP
CLERK-AT-THE-TABLE: Getrude Chebet

REPORT

OF

THE AUDITOR-GENERAL

ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - SOTIK CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2025







NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

SOTIK 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 entity.

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (amended 2023).The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and2013. At the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

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

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

Vision

Equitable Socio-economic development country wide.

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 Sotik 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	Huron Karanja
2.	National Sub-County Accountant	Julius Tuei
3.	Chairman NGCDFC	Richard Kirui
4.	Member NGCDFC	Margeret Chelangat
5.	Member NG CDFC	Josphine Koskei (deposit bank account)

(c) Fiduciary Oversight Arrangements

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

(d) Sotik Constituency NGCDF Headquarters

P.O. Box 866 Sotik
SOTIK NG-CDF Building
Next to the DCC's office
Sotik.

(e) Sotik Constituency NGCDF Contacts

Telephone: (254) 704 317 766
E-mail: cdfsotik@cdf.go.ke
Website: www.ngcdf.go.ke

(f) Sotik Constituency NGCDF Bankers

1. Operational Account

   Family Bank
   Bomet Branch
   P.O Box 74145,
   Nairobi.

2. Deposit Account
   Equity Bank of Kenya
   Sotik Branch
   P.O. Box 75104-00200
   Sotik

3. PMC Accounts
   Family Bank
   Bomet Branch
   P.O Box 74145,
   Nairobi.

   Equity Bank of Kenya
   Sotik Branch
   P.O. Box 75104-00200
   Sotik

(g) Independent Auditor

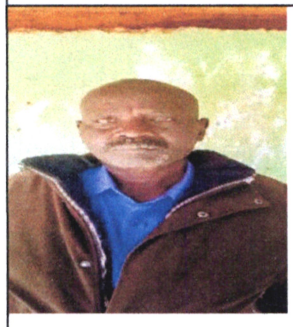
Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

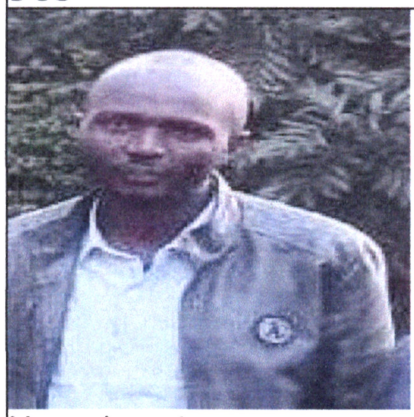
(h) Principal Legal Adviser

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

3. NGCDF Committee

Name	Details
 Richard Kirui Chairman	Date of birth:1st January 1954. Education background: he holds certificate in education. Work experience: former education officer He joined Sotik constituency in December 2022 as a male adult representative and currently serving as chairperson of NG-CDFC Sotik.
 Margrate chelangat Secretary	Date of birth: 15th January 1977. Education back ground: he holds diploma in sales marketing. Work experience: worked as a business lady. She joined Sotik constituency in December 2022 as the female adult representative and secretary of the NG-CDFC Sotik.
 Jeremiah Kiprop tonui Member	Date of birth:1st January 1956 Education background: He holds a Bachelor of environment studies in planning and management. Work experience: Has over 10 years' experience as a metrological Centre. He joined Sotik constituency in December 2022 as the male adult representative of the NG-CDFC sotik.

 Kipruto Edwin Member	Date of birth: 05th December 1996. Education background: He has KCSE qualification. Work Experience: Has farmer and as a business person. Joined Sotik constituency in December 2022 as a male youth representative of the NG-CDFC Sotik.
 Shadrack Kipyegon tonui Member	Date of birth:01 January 1975. Education back ground: hold bachelor of divinity. Work experience: Has is a business person He joined Sotik constituency in December 2022 as the representative for people living with disabilities member of the NG-CDFC Sotik.
 Jesca Chepkemoi Member	Date of birth:25th 01. 1990 Education background: She holds a diploma in business technical education program. Work experience: Worked at Sotik DCC office as an administrative intern for one year. She joined Sotik constituency in December 2022 as the female youth representative member of the NG-CDFC Sotik.
 Peter kipketer Rotich Member	Date of birth:16th January 1982 Education background: he holds a diploma in Information Technology. Work experience: worked as a farmer and tree planting person. she joined Sotik constituency in December 2022 as the co-opted member of the NG-CDFC Sotik.

 Chelangat koske Josphine Member	Date of birth:8th December 1985. Education back ground: she has a KCSE certificate qualification. Work Experience: serving as PTA teacher She joined Sotik constituency in December 2022 and She is a female adult representative at NGCDFC Sotik
 Leonard mgute DCC	Date of birth:1st January 1974. Education background: He holds a Bachelor of arts degree and a Master's degree in public administration. Work experience: Deputy County commissioner. He joined Sotik NG-CDFC in 2025.
 Huron karanja FAM	Date of birth:1st January 1987 Education Background: He holds bachelor's degree in Commerce (Accounting option) and a Master's degree in Finance. Work experience: Fund Account manager. He is a member of the NG-CDF committee as an ex-official.

4. NG-CDFC Chairman's Report



Mr. Richard Kirui
Chairman Sotik NGCDF Committee

Being the chair of the body formulating policies and overseeing the expenditure of the funds received by the constituency from the board, I am pleased to present to you the financial statement for the year ended 30th June 2025. The financial statements set out below were prepared on accrual basis of accounting regulated by the international public sector accounting standards.

Sotik NG-CDF aspires to be the best constituency in utilization of NGCDF funds in meeting the objectives of the fund that eventually leads to development in the lowest level of the nation. This is achieved by the constituency through satisfying the community needs and promoting good governance in management of the fund. The establishment of the fund was centered on channeling funds to grass root communities by enabling them to implement the projects identified through public participation.

We have had notable success in implementation of projects especially those that transform lives of our community in the constituency through areas such as Education, security, climate change mitigation and bursary awards to needy students within Sotik constituency.

In the current financial year, Sotik NG-CDF had a total budget allocation of ksh. 179,441,954.47 presented to the Board. In general, the NG-CDF received a total of ksh. 211,254,643 where ksh. 83,254,643.00 relates to the ended financial 2024-2025 whereas the remaining ksh. 128,000,000 relates to the previous financial year. Compared to the previous financial year, Sotik NG-CDF Received 76% of funds from the board an increase of 3%.

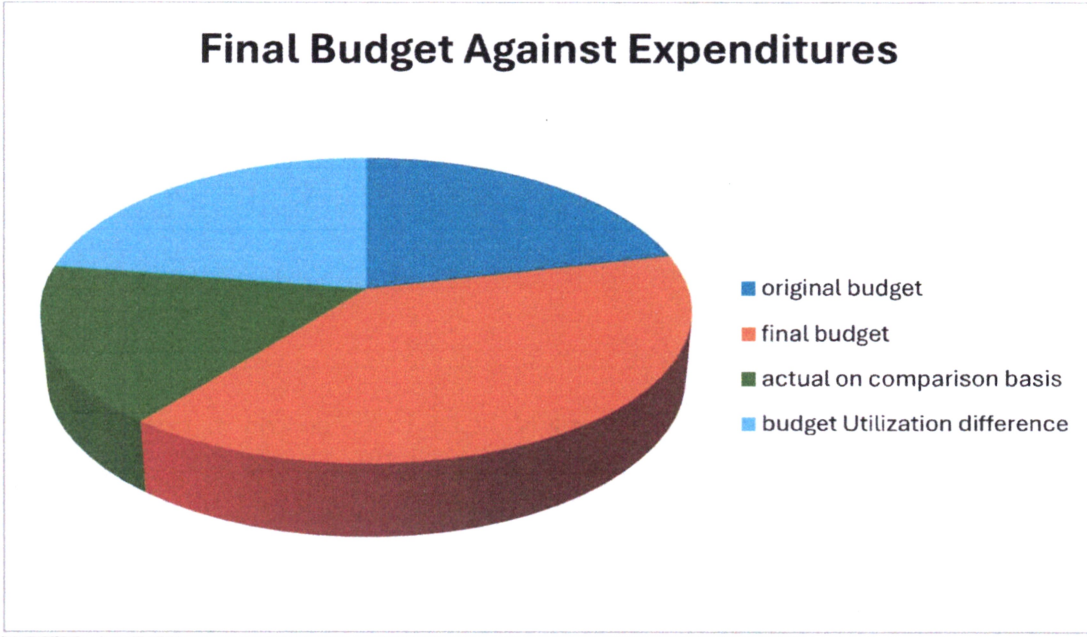
Despite the delay in disbursement of funds, we have been able to implement and complete more than 70% of projects. A number of schools (both primary and secondary) were renovated and construction of new class rooms done. We were able to expand infrastructure, mainly classrooms, in the existing schools

Despite the successes achieved, there were challenges encountered along the way. This includes delays in disbursement of funds from the CDF Board, low capacity to implement projects by

the PMCs hence there is need for training and inadequate allocation by the NG-CDF Board which makes it impossible to implement the number of projects proposed by the community. It also leads to little allocation to projects hence unable to complete all the budgeted projects in one financial year.

a. Pie chart showing utilization difference against total budget.

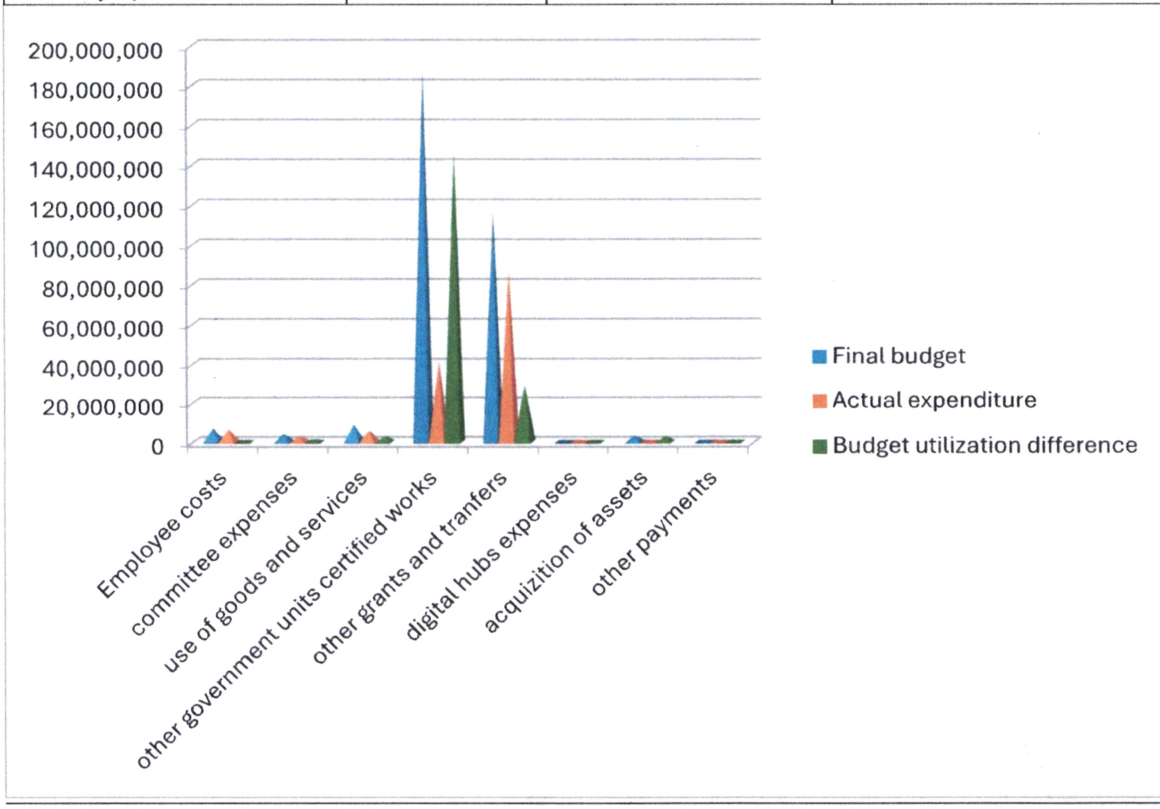
Original Budget	179,441,954.47
Final Budget	273,696,597
Actual on Comparable Basis	211,254,643
Budget Utilization Difference	62,441,954



b. Bar chart showing utilization difference against total budget.

Expenses	Final budget	Actual expenditure	Budget utilization difference
Employee costs	3,173,267	2,628,407	544,860
Committee expenses	2,457,501	4,121,040	(1,663,539)
Use of Goods and Services	11,260,100	9,830,581	1,429,519
Other Government Units Certified Works	156,083,911	57,378,053	98,705,858

Other Grants and Transfers	99,380,582	84,033,237	15,347,344
Digital Hubs Expenses	3,330,000	2,128,548	1,201,453
Acquizition of assets	-	-	-
Other payments	-	-	-



From the above analysis the performance of Sotik NG-CDF has been commendable given the circumstances and this was as a result of team work among the NG-CDFC and other stakeholders.

The construction of additional classrooms reduced the challenges that the various schools were facing more so the Junior Secondary schools

Bursaries issued to other 5,000 students across the constituency enabled the needy students to learn without interruptions

KEY ACHIEVEMENTS

The following are some of the key projects that have been undertaken.

Project 1. HUDUMA CENTRE SOTIK

Background

Huduma centre sotik was started on financial 2022-2023

This project is situated at chemagel location in chemagel ward.

Activities done

i. Construction of Huduma Office block

Summary of funding for the Huduma Office Block Project:

Financial Year	Amount Disbursed	Contract Sum (Kshs)	Project Start Date	Project Status
2022/2023	3,800,000	12,000,000	September 2022	On going
2023/2024	8,200,000			

Anticipated Project Impact

1.To provide service efficient service delivery constituents of sotik,nyamira and bureti.



Sotik Huduma Centre-on going

Key projects implemented or On-going.

1. KIPAJIT PRIMARY SCHOOL

Location

This project is situated at kipajit sub location in chemagel ward

Activities done

i. Construction to completion of one classroom block

Summary of funding for the Administration Block Project:

Financial Year	Amount Disbursed	Contract Sum (Kshs)	Project Start Date	Project Status
2023/2024	1,000,000	1,000,000	November 2024	Complete and to be handed over

Anticipated Project Impact

1. Increase enrollment of students in the school.
2. Improve student's learning conditions.



KIPAJIT PRIMARY SCHOOL

Emerging issues

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

1. Restructuring of the Education Funding

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

2. Junior Secondary School

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

3. Inflation Rates

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

Challenges and solutions

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

Way forward

As we appreciate the continued support from the National Government in making slight additions to the kitty, we however regrettably wish to say that it`s not enough to assist

the constituency make the rapid anticipated challenge of providing proper infrastructure for the education sector and security organs. The National Government should seriously consider the re-introduction of the poverty index scheme for the distribution of the national cake.

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

.....

Name Richard Kirui
Chairman NGCDF Committee

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

Introduction

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

The key development objectives of the **NGCDF Sotik Constituency** 2022-2027 plan are:

1. To improve on security issues within the constituency and facilitate access to electricity to villages within the constituency.
2. To improve infrastructure in learning institutions and facilitate uninterrupted learning to needy students within the constituency through issuance of bursaries.
3. To provide aid in case of emergencies
4. To curb soil erosion and promote planting of environment friendly trees to improve forest cover within the constituency.

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:
on attaining the stated objectives:

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to	number of usable physical infrastructure build in primary,	In FY 2024/2025-Sotik NG-CDF Has Ongoing Construction of 1 no. class rooms each in bambanik

		secondary schools and tertiary institutions	secondary, and tertiary institutions number of bursary's beneficiaries at all levels	Primary, boreito primary ,chebongi priy,chebui pry,chebango pry,chemobei pry sch,cheptangulgei pry,cheribo pry,chesegem pry,chesegem pry,emityot flowers pry ,kaborusoo koluu pry,kamenes pry,kamugeno pry,kapmakitui pry ,kibori pry.kiptenden tach asis pry,korongoro pry ,minaret pry,ngariet pry,munjazz pry,sertwet pry,sotik pry,tabarit sec ,chesilyot girls, renovation of 2 classroom at gelegele pry ,kapcholyo pry,kapletundo pry,kapsimotwo pry,purchase of mobile laboratory equipments at chebango pry ,kamungei pry,kapcholyo pry,mosonik pry,mabwaita pry school,saruchat pry,sosik pry,sotik pry, and uswet pry school, renovation of 3 no classrooms at kaplong boys pry,completion of of construiton of one storey building

				comprising of 4 no. classrooms and 2 offices at chebole pryschool.chesamba i pry school,kisabei pry sch,tumbelyon pry school,,chebilat day sec,construction of 4 door pit latrine at kaburgei pryand kimugul pry sch,construction of of 4 doopit latrine at sotik huduma centre,completion of of a storey administration at togomin sec ,co-funding of 300 students capacity dormrtory at chesilyot girls,purchase of 100 lockers at chebole pry,chesambai pry,chebilat day sec,kisabei sec school and tumbelion sec -approximately 6,600 students benefited in secondary schools and 3,500 in tertiary institutions.
Security	To have modern chief's offices ,assistan t chief's offices and DCIO Office at the constituency	Access quality security, police services and reduce crime rate	Number of crime reported	Sotik Ng CDF Built Abosi Chiefs Office, Kaplomboi Chiefs Office, Kipsonoi Chiefs Office,Minaret Chiefs Office,Emityot Assistant Chiefs Office and sotik

				DCIO office among others.
Environment	Have clean and healthy environment	Environmental conservation	Number of trees Planted	SOTIK NG-CDF office did afforestation in the selected Public institutions, purchased, supplied and planted 500 indigenous trees in the selected 20 public institutions
Emergency	To cater for unforeseen occurrences in the constituency	Preparedness and ready for any unforeseen events and occurrences	No of unbudgeted projects in the constituency	SOTIK NG CDF Catered For Unforeseen Events In The Education And Security Sectors The Office Constructed 14 Door Pit Latrines At Chororoita Pry Schoo,Munjaz Pry School,Balek A Pry School,Kimolwet Sec School,Kiptenden Pry School,Kisabei Pry School,Sotik Law Courts,Korongoro Pry School,Ngainet Pry School,Sigorian Pry School,Kaplomboi Pry School,Kenekut Pry School,Kapmakitui Pry School,Kamungei Chiefs Office And Construction Of 2 Door Pit Latrine At Kipsonoi Pry School

6. Governance Statement

Introduction

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

In this regard section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

a) One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
b) Officer of the Board seconded to the constituency who is be the secretary of the selection panel
c) Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

Further the NG-CDF regulations require that one to serve as member of the NGCDF committee he or she must be;

a) citizen of Kenya
b) ordinarily resident voter of the constituency
c) able to read and write and communicate in English and Kiswahili
d) meet the chapter six of the constitution
e) Available to participate in the activities of the constituency
f) For youth nominee he or she must have attained age of 18 years but below age of 35yrs and
g) For persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

Appointment of National Government Constituency Development Fund Committee

(1) There is established a National Government Constituency Development Fund Committee for every constituency.

(2) Each 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 persons referred to in subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

(4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettement by the Board.

(5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.

(6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.

(7) The quorum of the Constituency Committee shall be one half of the total membership.

(8) 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.

(9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

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

Process of Formation of the NGCDF Committee

To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NG-CDF committee. The panel invited the public through advertisement publicized in churches, public offices notice boards at the chiefs and assistant Chiefs offices and other public areas in the constituency.

The selection panel developed a short listing criterion which enabled identification of the nominees for interviews. Two additional nominees were proposed by Sotik Constituency Office as per section 43 of the NG-CDF Act, 2015.

NO	NAME	CATEGORY	WARD
1.	Margret chelangat	Female (Adult)	kipsonoi
2.	Richard kirui	Male(Adult)	chemagel

Nominee of the Body representing Persons with Disability

NO	NAME	NOMINATING ORGANIZATION	NATURE OF PHYSICAL IMPAIREMENT	WARD
1.	Shadrack tonui	National council for person with disabilities.	Leg impairment	Rongena/manaret

C0-opted member

NO	NAME	CATEGORY	OCCUPATION	WARD
1.	Peter kipketer rotich	male	farmer	Ndanai/abosi

Nominee of the Constituency Office

NO	NAME	CATEGORY	OCCUPATION	WARD
1.	Jeremiah Kiprop tonui	male	Business	kapletundo
2.	Josphine chelangat	female	PTA teacher	Ndanai/abosi

The list of the selected and recommended members was forwarded to the NG-CDF Board is as below.

Name	Category	Statutory Provision Under Ng-Cdf
Richard kirui	Male Adult Representative	Appointment, Pursuant To Sect. 43(2)(B)
Jeremiah kiprop tonui	Male Adult Representative	Appointment, Pursuant To Sect. 43(2)(B)
Jesca chepkemoi	Female Youth Representative	Appointment, Pursuant To Sect. 43(2)(C)
Margret chelangat	Female Adult Representative	Appointment, Pursuant To Sect. 43(2)(C)
Shadrack tonui	Representative Of Persons Living With Disabilities	Appointment, Pursuant To Sect. 43(2)(D)
Edwin kipruto	Male Youth Representative	Appointment, Pursuant To Sect. 43(2)(E)
Josphine chelangat koskei	Female Adult Representative	Appointment, Pursuant To Sect. 43(2)(E)

During its first meeting, a Constituency Committee established Sub-Committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board. The two sub-committee are as follows:

i. Bursary Sub Committee
ii. Monitoring and evaluation Sub Committee
iii. Complaints sub committee

The following were appointed to the different committee

a. Bursary committee

	Name	Title
1	Shadrack tonui	Chairperson
2	Edwin kipruto	Secretary
3	Jesca chepkemoi	Member

b. Monitoring and evaluation Sub Committee

	Name	Title
1	Margrat chelangat	Chair
2	Richard kirui	Member

c. Complaints Sub-Committee

	Name	Title
1	Peter kipketer Rotich	chairman
2	Josphine chelangat	member

The chairperson and the secretary are members of all the committees. The DCC is the member of the complaints committee, while representative from the ministry of education office is also co-opted to be in the Bursary committee.

The NG-CDF tenure

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the NG-CDF Act 2015.

Committee member was not gazette yet.

Roles and functions of NG-CDFC

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are;

- Convene public meetings in every ward in the constituency to deliberate to on development matters.

- Deliberate on project proposals and any other projects considers beneficial to constituency.
- List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund
- Ensure that all projects receive adequate funding and are completed within three years.
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- 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.
- Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- Enter into performance contracting with the Board on an annual basis.

Removal of NG-CDFC Members

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

(i) lack of integrity;

(ii) gross misconduct;

(iii) embezzlement of public funds;

(iv) bringing the committee into disrepute through unbecoming personal public conduct;

(v) promoting unethical practices

(vi) causing disharmony within the committee;

(vii) Physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member ought to be removed shall be given a fair hearing before the resolution is made.

In Sotik the NG-CDFC no member has been found to have contravened the laid down regulations and law to warrant removal.

Number of Meetings Held

According to the NG-CDF Act 2015, Section 43(1), the NGCDF Committee is required to hold a maximum of 24 meetings in a year including any subcommittee meetings. Sotik Constituency Held a total of 12 meetings in the financial year 2024-2025 and the attendance was as follows.

NO	NG-CDFC COMMITTEE MEMBERS	24rd July 2024	7th August 2024	14thNov 2024	16nd Dec 2024	17th Dec 2024	29th Jan 2025	4th Feb 2025	17th Feb 2025	18th March 2025	28thFeb 2025	15thApril 2025	11th June 2025
1	Richard Kirui-Chair	√	√	√	√	√	√	√	√	√	√	√	√
2	Margret Chelangat-Secretary	√	√	√	√	√	√	√	√	√	√	√	√
3	Jeremiah Tonui-Member	√	√	√	√	√	√	√	√	√	√	√	√
4	Josphine Chelangat-Member	√	√	√	√	√	√	√	√	√	√	√	√
5	Leonard M. U Mugute -Dcc	√	√	√	√	√	√	√	√	√	√	√	√
6	KIPRUTO EDWIN-Member	√	√	√	√	√	√	√	√	√	√	√	√
7	Jescah Chepkemoi-Member	√	√	√	√	√	√	√	√	√	√	√	√
8	HURON KARANJA-Member	√	√	√	√	√	√	√	√	√	√	√	√
9	Shadrack Kipyegon Tonui -Member	√	√	√	√	√	√	√	√	√	√	√	√
10	Peter Kipketer Rotich -Member	√	√	√	√	√	√	√	√	√	√	√	√

Ethics & Conduct

Members Remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NGCDFC is entitled to an allowance Kshs. 7,000 per meeting and all other members an allowance of Kshs.5, 000 per sitting. All NGCDFC members should adhere to general ethics and code of conduct as stipulated in the NGCDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2024/2025 no member of NG-CDFC Sotik contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations. Embracing the Enterprise Risk Management system and attesting to monthly, quarterly bi-annually and annually compliance and key risk indicators questions, implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification

7. Management Discussion and Analysis

The National Government Constituency Development Fund has been instrumental in Kenya's development. As it has allocated billions of shillings to various constituencies since its inception. Here's an overview of Sotik NG-CDF operational and financial performance over the past five years.

Financial Year	Amount allocated	AMOUNT DISBURSED	EXPENDITURE
2020/2021	137,088,879	88,900,000	88,900,000
2021/2022	137,088,879	137,088,879	137,088,879
2022/2023	145,087,603	87,000,000	87,000,000
2023/2024	175,361,810	130,318,455	130,318,455
2024/2025	179,629,954	130,000,000	130,000,000

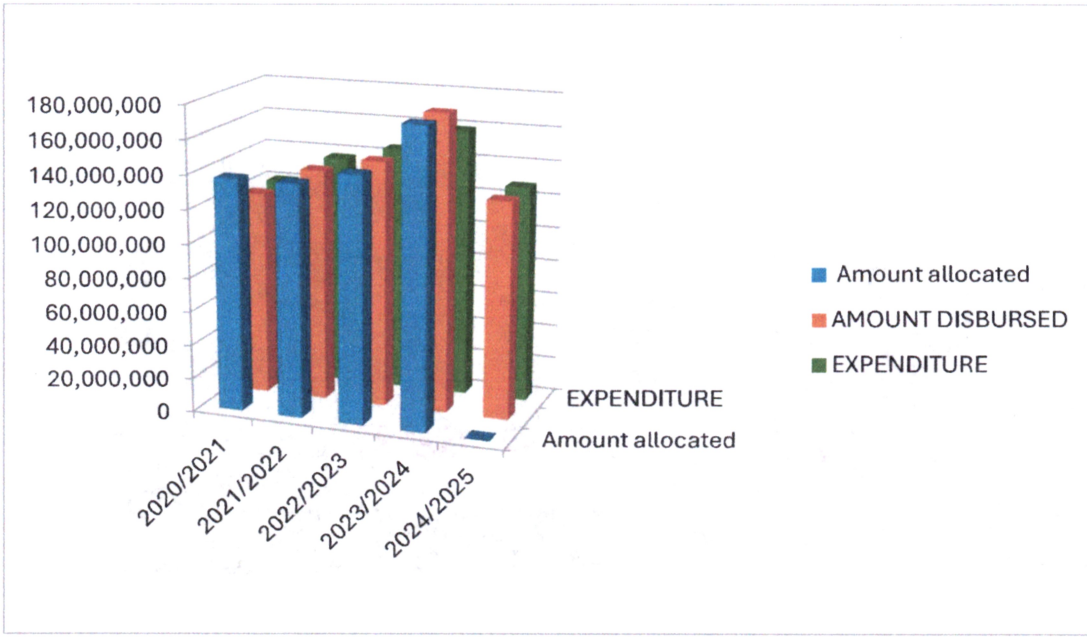


Figure 1.Sotik NG-CDF Financial Performance

Operational Performance:

Sotik NG-CDF has implemented various projects across the constituency, focusing on education, security, and infrastructure development.

The fund has been instrumental in

a. Education: Funding schools, classrooms and bursaries

b. Security: Constructing National Government Administration offices, chief's/assistant chief's offices and police offices.
c. Infrastructure Development: Supporting various infrastructural projects.
d. Climate Change Mitigation: Enhancing conservation and restoration of forests in the constituency.

Key projects and impact to the community

Sotik NG-CDF has been able to undertake key that will go into improving the infrastructure standards and also providing job opportunities to the residents of Sotik.

Below are some of the sample pictures of the projects implemented during the financial year 2024/2025.



Sotik Huduma Centre

Impact to the community

a. Improving service delivery to the community
b. Job creation to support staff



Kisabei primary school

Impact to the community

a. The school will provide space for learners
b. The project has also created jobs for the constituents.

Compliance with statutory requirements

Sotik NG-CDF is an entity that is fully guided by the constitution of Kenya 2010, NG0CDF Act 2015, PFM Act 2012, PPADA2015 and many other relevant laws and has been in full compliance of the same.

Sotik NG-CDF has been able to meet its obligations for instance payment of taxes like VAT withholding tax, Pay as you Earn tax among others and the constituency is committed to operate within the law even in the future.

Major Risks facing the Fund

Despite its successes, NG-CDF faces challenges such as:

1. Delayed Disbursement of funds- NG-CDF has faced challenges with delayed disbursement of funds from National Treasury, which affects project implementation and service delivery
2. Inadequate Budget Allocation- The funds allocation is based on the percentage of the national revenue, which may not be sufficient to meet the development needs of constituencies.
3. Fiscal pressure- The country's fiscal pressure such as debt repayment can impact availability of funds for NG-CDF

4. Institutional Challenges- NG-CDF faces institutional challenges that hinder effective utilization of funds, including inadequate monitoring and evaluation.

Fund's Review on Economy

NG-CDF has been a crucial factor in Kenya's economic development, particularly at the grassroots level. Here's a review of it economic impact:

- Funding Allocation- NG-CDF allocates funds directly to constituencies, supporting local development projects in education, infrastructure, and other essential services.
- Development projects: The fund has implemented various projects including construction of schools improving living standards and access to basic services.
- Economic Growth: By investing in local projects, NG-CDF contributes to economic growth, job creation, and poverty reduction in constituencies.

Future Development of the Fund

NG-CDF in Kenya is expected to continue focusing on key areas like education, infrastructure, and economic empowerment with a growing emphasis on digital literacy and sustainable development.

The fund will expand its reach through initiatives like constituency innovation hubs and digital hubs at the ward level to enhance access to online opportunities and improve efficiency through automation.

NG-CDF is involved in tree planting projects highlighting a growing focus on environmental sustainability.

Projects like police offices, provision of bursaries, construction of educational infrastructure, demonstrate a commitment to community development, improve security, support students' education, and improve public service.

It also partners with National Health Insurance Fund to provide health insurance to vulnerable households contributing to government's universal health coverage goals.

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Name:Huron Karanja
Fund Account Manager

8. Environmental and Sustainability Reporting

Sotik NGCDF is committed to climate change mitigation and environmental conservation as envisaged in its service charter.

In this regard, the constituency through the NG-CDFC allocated sufficient funds towards planting indigenous trees in most public Institutions as a response to sustainable environmental conservation, installation of a solar panel at Sotik NG-CDF office and purchase of water tanks in assorted public institutions within the constituency.

1. **Sustainability strategy and profile -**

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

   a. **Education and Training:** Sotik 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, installation of a solar panel at Sotik NG-CDF Office and purchase and installation of water tanks at assorted public institutions within the constituency.

2. Environmental performance

Environmental matters relate to mitigation of the climate change effects that has been put forward as a government agenda. The recent amendment of NGCDF Act 2015 to increase the allocation to climate change mitigation activities from 2% to 5% has ensured this objective is achieved through the NGCDF Fund. Sotik NG-CDF in its 2024-2025 planted 5000 seedlings in selected areas and purchased water tanks for assorted institutions in the constituency.

Employee welfare

We invest in providing the best working environment for our employees. The constituency's 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. Sotik 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.

3. Marketplace practices-

Sotik Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

4. Community Engagements-

The Constituency endeavors 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

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

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

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

Public Awareness

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

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

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Name: Huron Karanja
Fund Account Manager.

9. Statement of Management Responsibilities

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

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

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

The Accounting Officer in charge of the NGCDF Sotik Constituency confirms that the constituency has complied fully with applicable Government Regulations and the terms of

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

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

Approval of the financial statements

The NGCDF- Sotik Constituency financial statements were approved and signed by the Accounting Officer on 30/6/ 2025.

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Name: Richard Kirui
Chairman – NGCDF Committee

.....

Name: Huron Karanja
Fund Account Manager

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

PREAMBLE

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

A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;

B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,

C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Sotik Constituency set out on pages 1 to 72, which

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

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

Basis for Qualified Opinion

1. Unsupported Opening Balances

The statement of financial position reflects total assets and total liabilities opening balances of Kshs.130,365,738 and Kshs.868,723, respectively, resulting in net assets opening balance of Kshs.129,497,015. However, these balances were not supported by transition project co-ordination committee report. The listing of the assets and liabilities was also not provided for audit review.

Further, the opening statements reflects Nil for property, plant and equipment. However, the amount differs with the balance of Kshs.17,499,975 reflected in Annex 1 to the financial statements resulting in unexplained variance of Kshs.17,499,975.

In the circumstances, the accuracy and completeness of the net assets opening balance of Kshs.129,497,015 could not be confirmed.

2. Inaccuracy of Trade and Other Payables

The statement of financial position and as disclosed in Note 26 to the financial statements reflects trade and other payables totalling Kshs.232,465. However, the amount differs with the recomputed payables totalling Kshs.674,050 resulting in unexplained variance of Kshs.441,584.

Further, the amount was not supported by invoices, local purchase orders, local service orders, inspection and acceptance certificates and tender documents for works done or service rendered.

In the circumstances, the accuracy and completeness of trade and other payables totalling Kshs.232,465 could not be confirmed.

3. Inaccuracy of Accumulated Surplus

The statement of financial position reflects Nil accumulated surplus. However, the amount differs with the accumulated surplus totalling Kshs.40,244,104 reflected in the statement of changes in net assets resulting in unexplained variance of Kshs.40,244,104.

Further, the amount includes opening balance of Kshs.22,508,353 relating to the prior year audited surplus. However, the surplus has not been adjusted to recognize assets and liabilities opening balances totalling Kshs.130,365,738 and Kshs.868,723, respectively.

In the circumstances, the accuracy and completeness of Nil accumulated surplus could not be confirmed.

4. Inaccuracy of Revaluation Reserves

The statement of financial position reflects revaluation reserves totalling Kshs.147,232,766. However, the amount differs with the reserves totalling Kshs.106,988,662 as reflected in the statement of changes in net assets resulting in unexplained variance of Kshs.40,244,104.

Further, the reserves totalling Kshs.106,988,662 reflected in the statement of changes in net assets is in respect of opening balance. However, the reserves were not supported.

In the circumstances, the accuracy and completeness of revaluation reserves totalling Kshs.147,232,766 could not be confirmed.

5. Unsupported Project Management Committee Bank Balances

Annex 2 to the financial statement reflects Project Management Committee (PMC) bank account balances totalling Kshs.31,824,124. The amount includes bank balances totalling Kshs.13,602,742 relating to the previous financial year. However, cashbooks, certificate of balances and bank reconciliation statements in support of the balances were not provided for audit review.

Further, the balances were not transferred to the Constituency bank account. This was contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires all unutilized funds of the Project Management Committee to be returned to the Constituency account.

In the circumstances, the accuracy and completeness of Project Management Committee (PMC) bank account balances totalling Kshs.31,824,124 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 - Sotik Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits

of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.309,807,693 and Kshs.247,365,738 respectively resulting in under-funding of Kshs.62,441,955 or twenty percent (20%) of the budget. Similarly, the Fund spent Kshs.160,119,865 against receipts amounting to Kshs.247,365,738 resulting to an under-expenditure of Kshs.87,245,873 or thirty five percent (35%) of the total receipts.

Further, Fund had budgeted to spend Kshs.309,807,693 on projects during the year under review. However, physical inspection revealed that Projects budgeted for Kshs.54,335,000 had not been implemented as at the time of the audit.

The underfunding and underperformance affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the 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, ten (10) issues were raised under the Report on Financial Statements, Emphasis of Matter, Other Matter, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance as shown in **Annexure I**. However, Management had not resolved the issues or given any explanations for failure to implement the recommendations.

Other Information

Management is responsible for the Other Information set out on page iv to xl which comprise of Key Constituency Information and Management, National Government Constituencies Development Fund (NGCDF) Committee, National Government Constituencies Development Fund (NGCDF) Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, and statement of

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Emergency Expenditure

The statement of financial performance reflects other grants and transfers amounting to Kshs.84,347,076. The amount includes emergency project expenditure amounting to Kshs.11,423,299 as disclosed in Note 14 to the financial statements. However, review of records revealed that the emergency expenditure includes bursary granted to needy students amounting to Kshs.1,756,207 which was not emergency in nature.

Further, the emergency expenditure amounting to Kshs.11,423,299 was not reported to the National Government Constituencies Development Fund Board within thirty (30) days of the occurrence. This was contrary to Regulation 20(2) of the National Government Constituencies Development Fund.

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

2. Delayed Completion of One Classroom Block at Kapkoitim Primary School

The statement of financial performance and as disclosed in Notes 13 and 16 to the financial statement reflects transfers to other governments units' actual expenditure, and digital hubs actual expenses amounting to Kshs.58,321,975 and Kshs.2,128,548, respectively. However, physical verification of the projects revealed that the tender for construction of the proposed one classroom block at Kapkoitim Primary School was awarded to a local contractor for a contract sum of Kshs.999,000. The contract was to be executed within three (3) months up to 14 July, 2025. However, physical verification carried out in the month of September, 2025 revealed that the contractor, who had been

paid a total of Kshs.351,630 or 35% of the contract sum was not on site. Fitting of windows and doors, plastering of walls, tilling and electrical works had not been done. The contract period had also not been extended.

In the circumstance, value for money on the expenditure of Kshs.351,630 was not achieved.

3. Delayed Completion of Rongena Digital Hub

The statement of financial performance and as disclosed in Notes 13 and 16 to the financial statement reflects transfers to other governments units' actual expenditure, and digital hubs actual expenses amounting to Kshs.58,321,975 and Kshs.2,128,548, respectively. However, physical verification of the projects revealed that the contract for construction and completion of a Rongena Digital Hub was awarded to a local firm at a contract sum of Kshs.3,627,249 for a period of 56 days ending on 24 March, 2025. Physical verification carried out on 17 September, 2025 revealed that painting, tilling and celling works had not been completed, more than six (6) months from the initial contract completion period. However, the contractor had abandoned site despite having paid Kshs.1,778,650 or forty nine percent (49%) of the contract sum. The contract period had also not been extended.

In the circumstance, value for value for money on the expenditure of Kshs.1,778,650 was not achieved.

4. Delayed Completion of Chebilat Digital Hub

The statement of financial performance and as disclosed in Notes 13 and 16 to the financial statement reflects transfers to other governments units' actual expenditure, and digital hubs actual expenses amounting to Kshs.58,321,975 and Kshs.2,128,548, respectively. However, physical verification of the projects revealed that the contract for construction and completion of a Chebilat Digital Hub was awarded to a local firm at a contract sum of Kshs.3,799,000 for a period of 180 days ending 4 July, 2025. Physical verification carried out on 17 September, 2025 revealed that iron sheet placement, fitting of windows and doors, plastering, painting, tilling, celling and electrical works had not been completed, more than two (2) months from the initial contract completion period. However, the contract period had not been extended.

In the circumstances, value for money on the project was not achieved.

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Article 229(6) of the Constitution and based on the audit procedures performed, I confirm that nothing 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

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

Responsibilities of Management and Those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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

FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

18 November, 2025

Annexure I

Unresolved Prior Year Audit Matters

REPORT ON THE FINANCIAL STATEMENTS

1. Unsupported Transfers to Primary Schools

The statement of receipts and payments reflects transfers to other government units amounting to Kshs.83,840,000. The amount includes transfers to primary schools totalling Kshs.68,800,000 as disclosed in Note 7 to the financial statements. The transfers to primary schools' include Kshs.5,470,000 which was transferred to nine (9) primary schools for renovation of classrooms. However, the expenditure of Kshs.5,470,000 was not supported by approved bills of quantities and pre inspection and post inspection reports indicating the scope of works and validation of the works done.

In the circumstances, the accuracy and propriety of transfers to primary schools totalling Kshs.5,470,000 could not be confirmed.

2. Inaccuracy of Bursary Disbursements

The statement of receipts and payments reflects other grants and transfers amounting to Kshs.68,267,938. The amount includes bursary to secondary schools, bursary to tertiary institutions and bursaries to special schools amounting to Kshs.29,119,140, Kshs.18,497,685 and Kshs.4,424,500 respectively, all totalling Kshs.52,041,325. However, the total bursaries amount differs with the disbursement schedules' amount of Kshs.21,939,720 resulting in unreconciled variance of Kshs.30,101,605
Further, the bursaries were not supported by financial return acknowledging receipt of fund and confirming that the amounts have been credited to the school/ College fees accounts for the targeted beneficiaries as required by Guideline f of National Government Constituencies Development Fund Board circular referenced N-CDFB/CEO/BOARD CIRCULARS VOL II (021) of 18 June, 2020.

In the circumstances, the accuracy, occurrence and completeness bursary disbursements totalling Kshs.52,041,325 could not be confirmed.

2. Unsupported Sports Projects Expenditure

The statement of receipts and payments reflects other grants and other transfers amounting to Kshs.68,267,938. The amount includes sports projects expenditure totalling Kshs.2,910,633 as disclosed in Note 8 to the financial statements. The sports project expenditure includes Kshs.2,482,392 paid for the supply and delivery of games kits and sports equipment. However, user requisitions, counter receipt voucher, distributions list in support of the expenditure were not provided.

In the circumstance, the accuracy, occurrence and propriety of sports projects expenditure totalling 2,482,392 could not be confirmed.

4. Variances Between the Financial Balances and Comparative Balances

The Notes to the financial statements reflect comparative figures which differ with the prior year audited figures as shown below:

Component Description	Note	Balances in the 2023/2024 financial Statements (Kshs.)	Balances as per the prior year financial statements (Kshs.)	Variance (Kshs.)
Other receipts	3	448	4,481	(4,033)
Sitting allowance	5	2,454,200	2,251,400	202,800
Other Committee expenses	5	2,012,600	1,300,000	712,600
Unutilized funds-Others (to be specified)	19.3	0	2,124,000	(2,124,000)
Unutilized funds-Oversight committee Expenses	19.3	0	535,400	(535,400)

In the circumstance, accuracy and completeness of the comparative figures in the Notes to the financial statements could not be confirmed.

5. Unsupported Project Management Committee Bank Balances

Note 19.4 to the financial statements reflects Project Management Committees (PMC) account balances totalling Kshs.13,602,742 held in fifty-eight (58) PMC bank accounts as further disclosed in Annex 5 to the financial statements. However, cash books, certificate of bank balances and bank reconciliations in support of Project Management Committees (PMC) account balances were not provided.

Further, the PMC bank balances have not been transferred to the Constituency account. This was contrary to Section 12 (8) of the National Government Constituencies Development Fund Act, 2015 states that all unutilized funds of the Project Management Committee shall be returned to the Constituency account.

In addition, a review of certificates of bank balances revealed that the Fund had seventy-six (76) Project Management Committee bank accounts with balances totalling Kshs.3,188,670 resulting in unexplained variance of Kshs.10,414,072 and (18) bank accounts not disclosed in the financial statements.

In the circumstance, the accuracy, completeness and existence of Project Management Committee account balances totalling Kshs.13,602,742 could not be confirmed.

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects total final receipts budget and actual on comparable basis amounting to Kshs.277,972,545 and Kshs.205,766,597, respectively, resulting to an under-funding totalling Kshs.72,205,948 or approximately twenty six percent (26%) of the budget. Similarly, the statement reflects total actual payments on comparable basis amounting to Kshs.183,359,549 resulting to under-expenditure of Kshs.94,612,996 or thirty four percent (34%) of the budget.

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

Other Matter

Unresolved Prior Year Matters

In the audit reports of previous year, eight (8) issues were raised under the Report on Financial Statements, Emphasis of Matter, Other Matter, and Report on Lawfulness and Effectiveness in use of Public Resources. However, Management has not resolved the issues or given any explanation for failure to resolve the issues.

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

1. Irregular Emergency Projects Expenditure

The statement of receipts and payments reflects other grants and other transfers amounting to Kshs.68,267,938 The amount includes emergency projects expenditure totalling Kshs.10,417,980 as disclosed in Note 8 to the financial statements incurred on construction of toilets which was not emergency in nature. This was contrary to Section 8(3) of the National Government Constituencies Development Fund Act, 2015 which states that emergency shall be construed to mean an urgent, unforeseen need for which it is in the opinion of the committee that it cannot be delayed until the next financial year without harming the public interest of the constituents.

Further, the utilization of the emergency reserves was not reported to the National Government Constituencies Development Fund Board within thirty (30) days of the

occurrence as required by Regulation 20(2) of the National Government Constituencies Development Fund Regulations, 2016.

In addition, the expenditure was not supported by funding requests or proposals and Constituency Development Fund Committee minutes supporting payments from the constituency emergency reserve.

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

2. Irregular Bursary Disbursement

The statement of receipts and payments reflects other grants and other transfers amounting to Kshs.68,267,938. The amount includes bursary to secondary schools, bursary to tertiary institutions and bursaries to special schools amounting to Kshs.29,119,140, Kshs.18,497,685 and Kshs.4,424,500 respectively, all totalling Kshs.52,041,325. However, the Fund has no Education Bursary Committee in place to vet bursary applicants contrary to guidelines of the circular number NGCDFB/CEO/BOARDCIRCULARS Vol II (021) issued on 18 June, 2020.

Further, the Constituency Committee had not developed a policy or guidelines in management of bursary funds and the bursary applications register showing details of the applicants were not provided for verification. It was therefore not possible to establish the basis or criteria used to allocate and disburse bursaries or disapprove some applications thus raising concerns about fairness and transparency in the bursary allocation process. In addition, review of records revealed that bursaries issued to beneficiaries did not have corresponding cheque numbers, bursaries amounting to Kshs.386,500 were issued to forty-nine (49) beneficiaries without admission or registration numbers, bursaries amounting to Kshs.81,200 was issued to eight (8) beneficiaries who shared similar admission numbers, and nineteen (19) beneficiaries received multiple bursaries amounting to Kshs.456,000.

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

3. Delays in Implementation of Projects

During the year under review, the Constituency Committee planned to of the projects' implement forty-nine (49) projects at a cost of Kshs.97,540,000. Review of the Project Implementation Status Report for the year under review revealed that two projects with an allocation of Kshs.2,200,000 had been completed, while twenty-two (22) projects with allocation of Kshs.24,300,000 had not been started and twenty-five (25) projects allocated Kshs.71,040,000 were ongoing.

In the circumstances, value for money on projects allocated Kshs.95,340,000 was not achieved.

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

	Note	Period ended June
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,954
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		**179,441,954**
Expenses		
Employee costs	10	3,158,425
Committee expenses	11	4,121,040
Use of Goods and Services	12	9,629,140
Other Government Units Actual expenditure	13	58,321,975
Other Grants and Transfers Actual expenditure	14	84,347,076
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	2,128,548
Total expenses		**161,706,204**
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		**17,735,751**

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

Chairman NG-CDF Committee Name: Richard Kirui	National Sub-County Accountant Name: Julius Tuei ICPAK M/No:20618	Fund Account Manager Name: Huron Karanja

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	87,245,873	36,111,095
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	62,441,954	94,254,643
Prepayments	22	201,441	-
Total Current Assets		**149,889,268**	**130,365,738**
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		**149,889,268**	**130,365,738**
Liabilities			
Current Liabilities			
Trade and Other Payables	26	232,465	220,792
Third Party Deposits	27	1,257,761	-
Lease Liabilities	28	-	-
Gratuity Provision	29	1,166,275	647,931
Total Current Liabilities		**2,656,502**	**868,723**
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		2,656,502	868,723
Net Assets (A-B)		147,232,766	129,497,015
Represented by:			
Revaluation Reserves		147,232,766	129,497,015
Accumulated Surplus			
Total Net Assets		**147,232,766**	**129,497,015**

The Constituency financial statements set out on pages 1 to 72 approved by NG CDFC on 30/6/ 2025 and signed by:

Chairman NG-CDF Committee Name: Richard Kirui	National Sub-County Accountant Name: Julius Tuei ICPAK M/No: 20618	Fund Account Manager Name: Huron Karanja

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

Description	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30th June 2024 (cash basis)	-	22,508,353	22,508,353
Adjustments: (to recognize assets and liabilities			-
Add Assets	107,857,385		107,857,385
Less Liabilities	868,723		868,723
As at July 1, 2024	106,988,662	22,508,353	129,497,016
			-
Surplus/(Deficit) For the Period	-	17,735,751	17,735,751
Revaluation Gain/Loss	-	-	-
As at 30th June (current year)	**106,988,662**	**40,244,104**	147,232,766

Note:

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

14. Statement of Cash Flows for the Year Ended 30th June 2025

	Notes	Period ended June
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		211,254,643
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		**211,254,643**
Payments		
Employee costs		2,628,407
Committee expenses		4,121,040
Use of Goods and Services		9,830,581
Other Government Units Certified Works		57,378,053
Other Grants and Transfers		84,033,237
Digital Hubs Expenses		2,128,548
Total Payments		**160,119,865**
Net Cash Flows from/ (used in) Operating Activities	30	**51,134,778**
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		51,134,778
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		**51,134,778**
Cash and cash equivalents at Period Start	17	**36,111,095**
Cash and cash equivalents at Period End	17	**87,245,873**

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

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

16.	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
	Insert current FY	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	*Insert current FY*	*Insert current FY*		
Revenue							
Transfers From the NGCDF Board	179,441,954	36,111,095	94,254,643	309,807,693	247,365,738	62,441,955	79.8%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-		-	
Miscellaneous income	-	-	-	-		-	
Totals	**179,441,954**	**36,111,095**	**94,254,643**	**309,807,693**	**247,365,738**	62,441,955	79.8%
Expenses							
Employee costs	2,600,000	573,267	-	3,173,267	2,628,407	544,860	82.8%
Committee expenses	2,300,000	157,501	-	2,457,501	4,121,040	(1,663,539)	167.7%
Use of Goods and Services	11,249,776	10,323	1	11,260,100	9,830,581	1,429,519	87.3%
Other Government Units Certified Works	61,950,000	21,430,407	72,703,504	156,083,911	57,378,053	98,705,858	36.8%
Other Grants and Transfers	80,292,179	13,939,598	5,148,805	99,380,582	84,033,237	15,347,344	84.6%

16.	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
	Insert current FY	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	*Insert current FY*	*Insert current FY*		
Digital Hubs Expenses	2,000,000	-	1,330,000	3,330,000	2,128,548	1,201,453	63.9%
Funds Pending Approval**	19,050,000	-	15,072,333	34,122,333	-	34,122,333	0.0%
Total Expenditure	**179,441,954**	**36,111,095**	**94,254,643**	**309,807,693**	**160,119,865**	**149,687,828**	51.7%
Surplus for the period					87,245,873	**(87,245,873)**	

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	**Amount**
Budget utilisation difference totals	
Less undisbursed funds receivable from the Board as at 30th June 2025	62,441,955
Cash and Cash Equivalents at the end of the 30th June 2025	**87,245,873**

Explanatory Notes.
All the items below 90% can be summarized as below:
1 Transfers From the NGCDF Board 79.8%Late disbursement of funds
2 Employee costs 82.8%Late disbursement of funds
3 Committee expenses 87.3% Late disbursement of funds
4 Use of Goods and Services 36.8% Late disbursement of funds
5 Other Government Units Certified Works 84.6% Late disbursement of funds

6 Other Grants and Transfers 84.6% Late disbursement of funds
7 Digital Hubs Expenses 63.9% Late disbursement of funds
8 Funds Pending Approval 0.00% Not approved

**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.

All the items below 90% can be summarized as below:

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

Fund Account Manager	National Sub-County Accountant	Chairman NG-CDF Committee
Name: Huron Karanja	Name: Julius Tuei ICPAK M/No: 20618	Name: Richard Kirui

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 (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	2,600,000	573,267		3,173,267	2,628,407	544,860
1.2 Committee allowances	1,300,000	157,501		1,457,501	4,121,040	(2,663,539)
1.3 Use of goods and services	6,866,517	8,653		6,875,170	5,744,731	1,130,439
Sub-total	**10,766,517**	**739,420**	-	**11,505,937**	**12,494,177**	**(988,240)**
2.0 Monitoring and evaluation						
2.1 Capacity building	1,633,259	403		1,633,662	2,035,512	(401,850)
2.2 Committee allowances	1,000,000	0		1,000,000		1,000,000
2.3 Use of goods and services	2,750,000	1,267		2,751,267	2,050,338	700,929
Sub-total	**5,383,259**	**1,670**	-	**5,384,929**	**4,085,850**	**1,299,079**
3.0Emergency						
SOSIK PRY SCH					248,228	
MORIKO PRIMARY SCHOOL					95,575	
chilgotwet primary school					249,000	

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
BAMBANIK PRI SCHOOL					-	
KENEGUT PRIMARY SCH					565,620	
kisabei primary sch					653,224	
KAPMAKITUI					664,910	
CHORoroITA PRIMARY SCH					658,910	
KAPLOMBOI PRY SCHOOL					598,500	
SIGORIAN PRI SCH					-	
KIMOLWET SEC SCH					560,147	
KORONGORO PRI SCH					-	
MUNJAZ PRI SCH					571,200	
BALEK A PRI SCH					569,475	
KIPSONOI PRI SCHOOL					373,444	
KAMUNGEI CHIEFS OFFICE					559,466	
kapletundo acc office					998,255	
SOTIK LAW COURT					319,368	
NGAINET PRIMARY					-	
Kabianga ict					150,000	

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIBIBO PRIMARY					100,000	
KABIANGA UNIVERSITY					1,191,000	
KAMUNGEI SEC SCH					10,000	
AKSHAR SEC SCH					377,000	
BALEK A SEC SCH					178,000	
NITA					207	
COM OF DOM TAXES					13,793	
Bitworld holdings ltd					115,297	
Global hub investment ltd					110,000	
COM OF DOM TAXES					22,200	
ADFEL SUPPLIERS AND GENERAL					300,000	
CADS MOTORS					106,939	
COMM OF VAT					1,876	
Bitworld holdings ltd					196,551	
comm of vat					3,448	
Bitworld holdings ltd					196,552	
comm of vat					3,448	
AMPHAK WORLD LTD					285,000	

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
comm of Taxes					16,000	
BANK CHARGES					43,227	
BANK CHARGES					3,601	
unutilized	9,444,313	6,572,311		16,016,624		16,016,624
Sub-total	**9,444,313**	**6,572,311**	**-**	**16,016,624**	**11,109,460**	**4,907,165**
Sub-total						
4.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	31,000,000	90,227		31,090,227	30,610,846	479,381
5.3 Tertiary Institutions	23,000,000	743,372		23,743,372	23,580,289	163,083
5.4 special needs	6,682,741	591,604		7,274,345	5,938,448	1,335,897
5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	**60,682,741**	**1,425,203**	**-**	**62,107,944**	**60,129,583**	**1,978,361**
5.0 Climate Change Mitigation						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Purchase, supply and planting of indigenous trees to various schools in Sotik..	3,065,124	103,253	2,548,805	5,717,182	5,587,500	129,682
Sub-total	**3,065,124**	**103,253**	**2,548,805**	**5,717,182**	**5,587,500**	**129,682**
6.0 Primary Schools Projects (List all the Projects)						
Gelegele Primary School	315,000			315,000		315,000
Bambanik Primary School	1,200,000			1,200,000	697,915	502,085
Boreito Primary School	1,400,000			1,400,000		1,400,000
Chebango Primary School	315,000			315,000		315,000
chebole Primary School	3,000,000			3,000,000		3,000,000
Chebole Primary School	500,000			500,000		500,000
Chebongi Primary School	1,200,000			1,200,000		1,200,000
Chebui Primary School	1,400,000			1,400,000		1,400,000
Chembango Primary School	1,400,000			1,400,000		1,400,000
Chemobei Primary School	1,200,000			1,200,000		1,200,000
Cheptangulgei Primary School	1,200,000			1,200,000		1,200,000
Cheribo Primary School	1,200,000			1,200,000		1,200,000
Chesambai Primary School	3,000,000			3,000,000		3,000,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Chesambai Primary School	500,000			500,000		500,000
Chesegem Primary School	1,400,000			1,400,000		1,400,000
Chesegem Primary School	1,400,000			1,400,000		1,400,000
Emiytot flowers Primary School	1,400,000			1,400,000	995,000	405,000
Gelegele Primary School	700,000			700,000		700,000
Kabaruso koluu Primary School	1,200,000			1,200,000		1,200,000
Kaburgei Primary School	700,000			700,000		700,000
Kamenes Primary School	1,400,000			1,400,000		1,400,000
Kamugeno Primary School	1,400,000			1,400,000		1,400,000
Kamungei Primary School	315,000			315,000		315,000
Kapcholyo Primary School	700,000			700,000		700,000
Kapcholyo Primary School	315,000			315,000		315,000
Kapletundo Primary School	800,000			800,000		800,000
Kaplong boys Primary School	900,000			900,000		900,000
Kapmakitui Primary School	1,400,000			1,400,000		1,400,000
Kapsimotwo Primary School	700,000			700,000		700,000
Kibori Primary School	1,200,000			1,200,000		1,200,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kimugul Primary School	700,000			700,000		700,000
Kiptenden tach assis Primary School	1,200,000			1,200,000		1,200,000
kisabei Primary School	3,000,000			3,000,000		3,000,000
Korongoro Primary School	1,400,000			1,400,000		1,400,000
Mabwaita Primary School	315,000			315,000		315,000
Manaret Primary School	1,200,000			1,200,000		1,200,000
Mosonik Primary School	315,000			315,000		315,000
Mujazz Primary School	1,200,000			1,200,000		1,200,000
Ngariet Primary School	1,400,000			1,400,000		1,400,000
Saruchat Primary School,	315,000			315,000		315,000
Sertwet Primary School	1,400,000			1,400,000	240	1,399,760
Sosik Primary School	315,000			315,000	1,829,788	(1,514,788)
Sotik Day Primary School	315,000			315,000		315,000
Sotik Day Primary School	1,200,000			1,200,000		1,200,000
Tumbelion Primary School	3,000,000			3,000,000		3,000,000
Uswet Primary School	315,000			315,000		315,000
BAMBANIK PRIMARY SCHOOL		600,000		600,000		600,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
CHEBUGON PRY SCH		1,200,000		1,200,000	1,139,425	60,575
CHEMOGOI PRIMARY SCHOOL		600,000		600,000		600,000
JUBILEE AMANI PRY		1,200,000		1,200,000	1,104,994	95,006
KAMBIRA PRY SCH		1,200,000		1,200,000	1,139,099	60,901
KAPCHEBORYOT PRIMARY SCHOOL		100,000		100,000		100,000
KAPCHEKORO PRIMARY SCHOOL		600,000		600,000	522,211	77,789
KAPKOITIM PRIMARY SCHOOL		1,000,000		1,000,000	1,216,186	(216,186)
KAPLETUNDO PRY SCH		900,000		900,000	805,442	94,558
KAPOLESOBEI PRIMARY SCHOOL		400,000		400,000		400,000
KAPOLESOBEI PRY SCH		1,200,000		1,200,000	1,101,078	98,922
KAPSIOGO PRIMARY SCHOOL		1,200,000		1,200,000	1,117,207	82,793
KELONGET VALLEY PRY		1,200,000		1,200,000	1,119,696	80,304
KIBIBO PRIMARY SCHOOL		600,000		600,000	95,575	504,425
KIMUGUL PRIMARY SCH		300,000		300,000		300,000
KINYELWET PRY		1,200,000		1,200,000	1,189,443	10,556

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIPAJIT PRY SCH		166,496	1,033,504	1,200,000	923,732	276,268
KIPKETII PRIMARY SCHOOL		-	2,000,000	2,000,000	2,000,000	-
KOIYET PRY SCH		-	1,200,000	1,200,000	1,599,647	(399,647)
SIRIAT PRIMARY SCHOOL		-	1,200,000	1,200,000	999,265	200,735
SISEI PRY SCH		-	1,200,000	1,200,000	874,250	325,750
SOSIK PRY SCH		-	1,200,000	1,200,000		1,200,000
SOSUR PRY SCH		-	1,200,000	1,200,000	1,139,397	60,603
TABARIT PRIMARY SCHOOL		-	900,000	900,000	840,474	59,526
TABEITUK PRIMARY SCHOOL		-	600,000	600,000		600,000
TOGOMIN PRIMARY SCHOOL		-	1,200,000	1,200,000	1,197,575	2,425
TONONGOI PRY		-	1,200,000	1,200,000	1,122,645	77,355
TUYOTICH PRY SCH		-	1,200,000	1,200,000	1,166,776	33,224
KAPKOITIM PRIMARY SCH		902,552		902,552		902,552
bambanik pri sch		100,000		100,000		100,000
KAPLETUNDO PRIMARY sch		1,138		1,138		1,138

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIBIB0I PRI SCH		2,867		2,867		2,867
SOSIK PRY SCH		1,503		1,503		1,503
emityot primary school		1,400		1,400		1,400
KAMBIRA PRY SCH		544		544		544
TUYOTICH PRI SCH		776		776		776
TONONGOI PRI SCH		4,569		4,569		4,569
KELONGET VALLEY		12,779		12,779		12,779
KIPAJIT PRY SCH		1,200		1,200		1,200
KOIYET PRI SCH		490,450		490,450		490,450
SISEI PRI SCH		36,114		36,114		36,114
CHEBUGON PRI SCH		545		545		545
JUBILEE PRI SCH		58,336		58,336		58,336
KAPOLESOBEI PRI SCH		19,625		19,625		19,625
Swrtwet primary		38,836		38,836		38,836
BURGEI PRY SCH	-		1,200,000	1,200,000		1,200,000
CHEBOLE PRIMARY SCHOOL			5,007,117	5,007,117		5,007,117
CHEBOLE PRIMARY SCHOOL			992,883	992,883		992,883

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
CHEBUGON PRY SCH			1,200,000	1,200,000		1,200,000
CHEPKEBIT PRY SCH	-		1,200,000	1,200,000		1,200,000
CHESAMBEI PRIMARY SCHOOL			6,000,000	6,000,000		6,000,000
CHESILYOT PRY SCH	-		1,000,000	1,000,000		1,000,000
JUBILEE AMANI PRY			1,200,000	1,200,000		1,200,000
KAMABWAI PRIMARY	-		1,200,000	1,200,000		1,200,000
KAPKELEI PRY SCH			1,200,000	1,200,000		1,200,000
TONONGOI PRY	-		1,200,000	1,200,000		1,200,000
SASITA PRIMARY SCHOOL	-		750,000	750,000		750,000
				-		-
Sub-total	**51,350,000**	**15,339,730**	**36,283,504**	**102,973,234**	**25,937,061**	**77,036,174**
7.0 Secondary Schools Projects (List all the Projects)						
Chebilat Day Secondary School	3,000,000			3,000,000	5,425,918	(2,425,918)
Chebilat Day Secondary School	500,000			500,000		500,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Chesilyot Girls Secondary School	2,000,000			2,000,000		2,000,000
Chesyloit Girls Boarding School	1,200,000			1,200,000		1,200,000
Kisabe Secondary School	500,000			500,000		500,000
Tabarit Secondary School	1,400,000			1,400,000		1,400,000
Togomin Secondary School	1,500,000			1,500,000		1,500,000
Tumbelion Secondary School	500,000			500,000		500,000
CHEBILAT DAY SECONDARY SCHOOL			6,000,000	6,000,000		6,000,000
KERONJO SECONDARY SCHOOL			1,000,000	1,000,000		1,000,000
KIPSONOI SECONDARY SCHOOL			820,000	820,000	818,800	1,200
LORNA GIRLS SECOONDARY SCHOOL			700,000	700,000	656,84	43,160
NDANAI GIRLS SCHOOL			1,200,000	1,200,000	1,178,00	21,999
TEMBWO GIRLS SCHOOL			1,000,000	1,000,000		1,000,000
GELEGELE SEC SCH	-		9,400,000	9,400,000	10,557,415	(1,157,415)
GELEGELE SEC SCH	-		1,600,000	1,600,000		1,600,000
KIPSIMBOL SEC			1,000,000	1,000,000		1,000,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIPSIMBOL SEC			1,000,000	1,000,000		1,000,000
TUMBELION SEC			2,000,000	2,000,000	9,775,503	(7,775,503)
TUMBELION SEC SCH			1,800,000	1,800,000		1,800,000
NGARIET SEC SCH			2,500,000	2,500,000	924,000	1,576,000
kiricha secondary school			1,000,000	1,000,000	1,124,798	(124,798)
kipkelei sec. school			1,300,000	1,300,000		1,300,000
Burgei secondary school			1,100,000	1,100,000		1,100,000
Kamenes secondary school			2,000,000	2,000,000		2,000,000
KIRICHA SEC SCH			1,000,000	1,000,000		1,000,000
tembwo girls		76,223		76,223	979,717	(903,494)
ndanai sec school		14,454		14,454		14,454
TUMBELION SEC SCH		6,000,000		6,000,000		6,000,000
				-		-
				-		-
Sub-total	**10,600,000**	**6,090,677**	**36,420,000**	**53,110,677**	**31,440,992**	**21,669,685**
8.0 Tertiary institutions Projects (List all the Projects)						
8.1						

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
8.2						
8.3						
Sub-total						
9.0 Security Projects						
Abosi Chief's Office	1,000,000			1,000,000		1,000,000
Emityot Assistant Chief's Office	1,000,000			1,000,000		1,000,000
kaplomboi Chief's Office	400,000			400,000		400,000
Kipsonoi Chief's Office	1,000,000			1,000,000		1,000,000
Manaret Chief's Office	1,000,000			1,000,000		1,000,000
Sotik Sub County Divisional Criminal Investigations Officer's Office	1,500,000			1,500,000	-	1,500,000
SOTIK CHIEFS OFFICE			1,200,000	1,200,000	1,199,950	50
Cheplelwa Assistant Chief's Office		10,720.00	200,000	210,720	208,200	2,520
Balek Assistant t Chief's Office			200,000	200,000	-	200,000
Sotik Dcio offices			1,000,000	1,000,000	902,459	97,541
	-		-	-		-

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
				-		
Sub-total	**5,900,000**	**10,720**	**2,600,000**	**8,510,720**	**2,310,609**	**6,200,111**
10.0 Acquisition of assets						
10.1 Motor Vehicles (including motorbikes)						
10.2 Construction of CDF office						
10.3 Purchase of furniture and equipment						
10.4 Purchase of computers						
10.5 Purchase of land						
Sub-total						
11.0 Digital Hubs						
Kabianga digital hub	2,000,000			2,000,000		2,000,000
Kabianga ICT Hub			600,000	600,000	599,97	28
Ndanai ICT Hub			600,000	600,000	568,17	31,825
NGCDF Office			130,000	130,000		130,000
kamureito ICT Hub (kamureito pry)				-	960,400	(960,400)
Sub-total	**2,000,000**	**-**	**1,330,000**	**3,330,000**	**2,128,548**	**1,201,453**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
12.0 Others						
Sotik Huduma Centre	1,200,000	5,828,111		7,028,111	4,896,086	2,132,025
NG-CDF Strategic Plan			1	1		1
Sub-total	**1,200,000**	**5,828,111**	**1**	**7,028,112**	**4,896,086**	**2,132,026**
13.0 Funds pending approval**						
unapproved projects		-		-		-
Cherumbas Primary School	900,000			900,000		900,000
kameswon Primary School	1,000,000			1,000,000		1,000,000
Kapmakitui Primary School	1,000,000			1,000,000		1,000,000
Sotik NG CDF Office	1,000,000			1,000,000		1,000,000
Kesengei Primary School	1,200,000			1,200,000		1,200,000
Kimoso Primary School	1,000,000			1,000,000		1,000,000
Kiricha Secondary School	900,000			900,000		900,000
Sotik Huduma centre	900,000			900,000		900,000
Kamenes Secondary School	2,000,000			2,000,000		2,000,000
Moi Minaret Secondary School	2,000,000			2,000,000		2,000,000
Rural Electrification and Renewable Energy Corporation	1,000,000			1,000,000		1,000,000

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Kamureito ICT Hub	1,100,000			1,100,000		1,100,000
Ndanai ICT Hub	1,050,000			1,050,000		1,050,000
Kapletundo Assitant County Commissioner's Office	4,000,000			4,000,000		4,000,000
Bursary Tertiary Institutions			2,592,833	2,592,833		2,592,833
Chebilat ICT Ceter			3,800,000	3,800,000		3,800,000
Rotik Primary School			1,000,000	1,000,000		1,000,000
Kapchemibei secondary school			1,000,000	1,000,000		1,000,000
REREC			2,600,000	2,600,000		2,600,000
Sotik Constituency NG CDF Office			4,000,000	4,000,000		4,000,000
AIA	-		79,500	79,500		79,500
Sub-total	**19,050,000**	**-**	**15,072,333**	**34,122,333**	**-**	**34,122,333**
Total	**179,441,954**	**36,111,095**	**94,254,643**	**309,807,693**	**160,119,865**	**149,687,828**

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

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Sotik Constituency principal activity is based on infrastructure in education and security sectors, climate change and mitigation activities, bursary to needy students and social programs.

2. Statement of Compliance and Basis of Preparation

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

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

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

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

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	**Applicable 1st January 2025** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. Not applicable.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	**Applicable 1st January 2025** 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. Not applicable.
IPSAS 45: Property Plant	**Applicable 1st January 2025** The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets

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 recognized as assets if they meet the criteria in the standard. IPSAS 45 has additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets. Not applicable.
IPSAS 46: Measurement	**Applicable 1st January 2025** The objective of this standard was to improve measurement guidance across IPSAS by: 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. The standard also introduces a public sector specific measurement bases called the current operational value. Not applicable.
IPSAS 47: Revenue	**Applicable 1st January 2026** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial

	statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.
IPSAS 48: Transfer Expenses	**Applicable 1st January 2026** 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. **Not applicable.**
IPSAS 49: Retirement Benefit Plans	**Applicable 1st January 2026** 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. **Not applicable.**
IPSAS 50: Exploration For & Evaluation of Mineral Resources	**Applicable 1st January 2027** The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. **Not applicable.**

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on 30th June 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening

balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

c) **Property, plant and equipment**

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

d) **Leases**

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

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

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

6. Transfers from the NGCDF Board

Description	Period ended June 2025
NGCDFB Transfers (Allocation for the FY)	179,441,954
TOTAL	179,441,954

7. Transfers from domestic and foreign partners

Description	2024-2025
	Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

10. Employees cost

Description	Period ended June 2025
	Kshs
NG-CDFC Basic staff salaries	2,470,298
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	518,345
Employer Contributions Compulsory national social security schemes	133,450
Employer Contributions Compulsory Housing levy	30,833
Employer contributions to National Industrial Training Authority	5,500
Other Specify	-
Total	**3,158,425**

11. Committee Expenses

Description	Period ended June 2025
	Kshs
Sitting allowance	2,855,940
Other Committee expenses	1,265,100
Total	**4,121,040**

12. Use of Goods and services

Description	Period ended June 2025
	Kshs
Utilities, supplies and services	68,469
Communication, supplies and services	966,100
Domestic travel and subsistence	1,547,138
Printing, advertising and information supplies & services	515,150
Office Rent	-
Training expenses	2,035,512
Hospitality supplies and services	503,200
Insurance costs	111,435
Specialized materials and services	2,277,351
Office and general supplies and services	-
Fuel, oil & lubricants	996,440
Bank Charges	14,340
Routine maintenance – vehicles and other transport equipment	594,005
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
Total	**9,629,140**

13. Other Government Units Actual expenditure

Description	Period ended June 2025
	Kshs
Primary Schools Actual expenditure	26,768,203
Secondary Schools Actual Expenditure	31,553,772
Tertiary Institutions Actual Expenditure	-
Total	**58,321,975**

14. Other Grants and transfers Actual expenditure

Description	Period ended June 2025 Kshs
Bursary – secondary schools	30,610,846
Bursary – tertiary institutions	23,580,289
Bursary – special schools	5,938,448
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	2,310,609
Climate change mitigation projects	5,587,500
Emergency projects Actual Expenditure	11,423,299
Roads projects	-
Others specify	4,896,086
Total	**84,347,076**

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	-
Digital Hub utility costs Water, Electricity,	2,128,548
Maintenance of ICT equipment	-
Maintenance of building	-
Others (specify)	-
Total	**2,128,548**

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 Assets	-

18. Impairment Loss

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

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025 Kshs	Opening Statement 1st July 2024 Kshs
Bank Accounts (Cash Book Bank Balance)		
Family Bomet, Bomet Branch Account No. 084000033596 (Operation account)	54,963,088	22,508,353
Operations account pending closure (Indicate name & account no.)	-	-
Equity Bank, Sotik Branch account No. 1240285158615 (Deposit Account)	458,660	-
Name of Bank, account No. (PMC's account)	31,824,125	13,602,742
Total	**87,245,873**	**36,111,095**

20. Receivables from Exchange Transactions

Description	Period ended June 2025 Kshs	Opening Statement 1st July 2024 Kshs
Total receivables		
Other exchange debtors (Specify)	-	-
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 Kshs		Opening Statement 1st July 2024 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	62,441,954	94,254,643.00
Outstanding imprest	-	-
Total	**62,441,954**	**94,254,643**

Ageing Analysis for Receivables

Description	Period ended June 2025			
	Kshs			
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	62,441,955	100%	94,254,643	100%
Between 1- 2 years		0%	-	
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (a+b)	62,441,955	100%	94,254,643	100%

22. Prepayments

Description	*Period ended June 2025*	*Opening Statement 1st July 2024*
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	201,441	-
Prepaid Electricity Costs	-	-
Other Prepayments *(Specify)*	-	-
Total	**201,441**	-

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%	25 %	20%	12.50%	30 %			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At June 2025	-	-	-	-	-	-	-	-	-
Depreciation And Impairment	-	-	-	-	-	-	-	-	-
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 30 June 2025	-	-	-	-	-	-	-	-	-
Net Book Values	-	-	-	-	-	-	-	-	-
Opening Bal as at 1st July 2024	-	-	-	-	-	-	-	-	-
As At 30thjune,2025	-	-	-	-	-	-	-	-	-

Valuation

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

23 b) Property, Plant and Equipment at Cost

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

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

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

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

24. Intangible Assets

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

25. Right-of use assets

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

26. Trade and Other Payables

Description	Period ended June 2025		Opening Statement 1st July 2024	
	Kshs		Kshs	
Trade payables	220,792		-	
Employee payables	232,466		220,792	
Other payables	220,792			
Total trade and other payables	**232,466**		**220,792**	
Aging analysis: (Trade and other payables)	Current 2024-2025	% of the Total	1st July	% of the Total
Under one year	232,466	100%	220,792	100%
1-2 years	-	-		
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total (tie to above total)	**232,466**	**100%**	**220,792**	**100%**

27. Third-Party deposits

	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Retention as at start of the period (A)	-	-
Retention held during the period (B)	1,320,769	-
Retention paid during the period (C)	63,008	-
Closing Retention as at 30th June 2025 , D= A+B-C	**1,257,761**	-

Retentions aging analysis.

	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year	1,257,761	100%	-	-
1-2 years		-	-	-
2-3 years	-	-	-	-
Over 3 years	-	-	-	-
Total	1,257,761	100%	-	-

28. Lease Liabilities

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

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	647,931	-
Gratuity held during the period (B)	518,345	647,931
Gratuity paid during the period (C)	-	-
Total Gratuity provision as at period ended 30th June 2025 D=(A+B-C)	1,166,275	647,931

30. Cash Generated from Operations

	Period ended June 2025
	Kshs
Surplus for the period before tax	17,735,751
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in prepayment	201,441
Changes in receivables	(31,812,689)
Changes in trade and other payable	(11,674)
Changes in Third party deposits	(1,257,761)
Changes in gratuity provision	(518,345)
Changes in payments received in advance	-
Net cash flow from operating activities	51,134,778

31. Financial Risk Management

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

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	62,441,955	62,441,955	-	-
Bank balances	87,245,873	87,245,873	-	-
Total	**149,687,828**	**149,687,828**	-	-
As at 30 June (Previous FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	94,254,643	94,254,643	-	-
Bank balances	36,111,095	36,111,095	-	-
Total	**130,365,738**	**130,365,738**	-	-

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for

uncollectible amounts that the Entity has recognized in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from no Organization. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions(retention)	-	-	1,257,761	1,257,761
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,166,275	1,166,275
Total	-		**2,424.036**	**2,424.036**
As at 30th June (Previous FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	647,931	647,931
Total	-	-	**647,931**	**647,931**

iii) Market risk

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

a) Foreign currency risk

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

2024-2025

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

Foreign currency sensitivity analysis

2024-2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 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 Entity's statement of comprehensive income on applying the sensitivity for a reasonable possible change in the exchange rate of the three main transaction currencies, with all other variables held constant. The reverse would also occur if the Kenya Shilling appreciated with all other variables held constant.

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

Not applicable to Sotik NG-CDF

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

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

percentage point as a decrease/increase of Kshs 0 (Current FY: Kshs 0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 00 (2024-2025 – Kshs 0)

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

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

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

Not applicable to Sotik NG-CDF

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

iv) Capital Risk Management

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

Description	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	147,232,767	129,497,016
Capital Reserve	-	-
Total Funds	**147,232,767**	**129,497,016**
Total Borrowings	-	-
Less: Cash and Bank Balances	87,245,873	36,111,095
Net Debt/(Excess Cash And Cash Equivalents)	**59,986,894**	93,385,921
Gearing	%	%

32. Related Party Disclosures

	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,855,940	2,426,030
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	211,254,643	172,257,603
Total	214,110,583	174,683,633

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	Period ended June 2025	Opening Statement 1st 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	-	-

Not applicable to Sotik NG-CDF

Contingent Liabilities

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

Not applicable to Sotik NG-CDF

35. Capital Commitments

Capital Commitments	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
Authorized for	N/A	N/A
Authorized and Contracted for	N/A	N/A
Total	N/A	N/A

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

The Sotik Constituency is a Fund under The National Treasury and Planning & managed by NG-CDF Board at the National level, NG-CDFC at the constituency level and ultimate parent is the Government of Kenya.

38. Currency

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

18. Annexes

Annex 1:Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land		-	-	-
Buildings and structures	7,500,000	-	-	7,500,000
Transport equipment	9,450,000	-	-	9,450,000
Office equipment, furniture and fittings	49,975	-		49,975
ICT Equipment, Software and Other ICT Assets	-	-		-
Other Machinery and Equipment	500,000	-	-	500,000
Intangible assets	-	-	-	-
Total	**17,499,975**	**-**	**-**	**17,499,975**

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

PMC	Bank	Account number	Bank Balance 2024-2025	Bank Balance 2023-2024
Siriat primary	FAMILY BANK BOMET	084000036727	200,735	
KAPLETUNDO PRIMARY sch	EQUITY - SOTIK	1840285874052	95,696	1,138
tabarit primry sch	EQUITY - SOTIK	1840286101826	59,526	
kinyelwet pry school	EQUITY - SOTIK	1840284754648	10,556	-
bambanik pri sch	EQUITY - SOTIK	1840285744581	2,085	100,000
KIBIBOI PRI SCH	FAMILY BANK BOMET	084000036785	507,292	2,867
SOSIK PRY SCH	EQUITY - SOTIK	1840284627953	171,715	1,503
emityot primary school	EQUITY - SOTIK	1840282237869	1,806,400	1,400
KAPCHEPKORO PRY SCHOOL	EQUITY - SOTIK	1840285556554	77,789	
KAMBIRA PRY SCH	EQUITY - SOTIK	18402845118832	61,445	544
TUYOTICH PRI SCH	EQUITY - SOTIK	1840284750000	34,000	776
TONONGOI PRI SCH	EQUITY - SOTIK	1840284794465	81,924	4,569
KAPSIONGO PRI SCH	EQUITY - SOTIK	1840285880465	82,793	
KELONGET VALLEY	EQUITY - SOTIK	1840284820933	93,083	12,779
KIPAJIT PRY SCH	EQUITY - SOTIK	1840284815960	277,468	1,200
KOIYET PRI SCH	EQUITY - SOTIK	1840282609295	90,803	490,450
SISEI PRI SCH	EQUITY - SOTIK	1840284691941	361,864	36,114
TOGOMIN PRI SCH	EQUITY - SOTIK	1840286122043	2,425	
CHEBUGON PRI SCH	EQUITY - SOTIK	1840284613144	61,120	545
KAPKOITIM PRIMARY SCH	EQUITY -	1840284555575	686,366	902,552

PMC	Bank	Account number	Bank Balance 2024-2025	Bank Balance 2023-2024
	SOTIK			
SOSUR PRI SCH	EQUITY - SOTIK	1840279725477	60,603	
JUBILEE PRI SCH	EQUITY - SOTIK	1840285623659	153,341	58,335
KAPOLESOBEI PRI SCH	EQUITY - SOTIK	1840284839047	118,547	19,625
Swertwet primary	KCB SOTIK	111594237	1,638,836	38,836
CHEBOLE PRIMARY	EQUITY - SOTIK	1840285446633	3,000,000	
tembwo girls	KCB SOTIK	1112067612	96,505	76,222
chebilat day sec sch	EQUITY - SOTIK	18402855503473	3,574,082	
kipsonoi sec	EQUITY - SOTIK	1840284850053	1,200	-
lorna girls sec sch	KCB SOTIK	1840285784162	43,160	
ndanai sec school	KCB SOTIK	1111958432	36,452	14,453
kiricha sec sch	FAMILY BANK BOMET	084000038010	875,202	
kapkelei sec sch	FAMILY BANK BOMET	084000038993	1,300,000	
BURGEI SEC SCHOOL	EQUITY - SOTIK	18402860608033	1,100,000	
KAMENES SEC SCH	EQUITY - SOTIK	1840286060281	2,000,000	
GELEGELE SEC SCH	EQUITY - SOTIK	1840285880428	442,585	
TUMBELION SEC SCH	EQUITY - SOTIK	1840285447090	24,497	6,000,000
NGARIET SEC SCHOOL	KCB SOTIK	1265802998	1,576,000	
KIPSIMBOL SEC	EQUITY - SOTIK	1840285460230	2,000,000	
SOTIK HUDUMA	EQUITY - SOTIK	1840285018970	1,932,025	5,828,111
cheplelwa asst. chief.	EQUITY - SOTIK	1840280884188	2,520	10,720
sotik chiefs office	EQUITY - SOTIK	084000036417	50	
SOTIK DCIO OFFICE	FAMILY BANK BOMET	084000036856	97,541	

PMC	Bank	Account number	Bank Balance 2024-2025	Bank Balance 2023-2024
SOSIK PRY SCH	EQUITY - SOTIK	1840284627953	1,772	
MORIKO PRIMARY SCHOOL	KCB SOTIK	1177378876	4,425	
chilgotwet primary school	EQUITY - SOTIK	1840284754979	1,000	
BAMBANIK PRI SCHOOL	EQUITY - SOTIK	1840285744581	100,000	
KENEGUT PRIMARY SCH	EQUITY - SOTIK	1840286318657	134,380	
kisabei primary sch	EQUITY - SOTIK	1840285480485	46,776	
KAPMAKITUI	EQUITY - SOTIK	1840286330037	35,090	
CHORoroITA PRIMARY SCH	EQUITY - SOTIK	1840281153194	41,090	
KAPLOMBOI PRY SCHOOL	EQUITY - SOTIK	1840284550658	1,500	
SIGORIAN PRI SCH	EQUITY - SOTIK	1840286534583	700,000	
KIMOLWET SEC SCH	EQUITY - SOTIK	1840286227837	39,853	
KORONGORO PRI SCH	EQUITY - SOTIK	1840286318807	700,000	
MUNJAZ PRI SCH	EQUITY - SOTIK	1840286215646	28,800	
BALEK A PRI SCH	EQUITY - SOTIK	18286282731	30,525	
KIPSONOI PRI SCHOOL	EQUITY - SOTIK	1840285673874	26,556	
KAMUNGEI CHIEFS OFFICE	EQUITY - SOTIK	1840286299357	40,534	
kapletundo acc office	EQUITY - SOTIK	1840285874052	1,745	
SOTIK LAW COURT	EQUITY - SOTIK	1840286296747	280,632	
Kabianga ict	FAMILY BANK BOMET	084000036718	150,000	
KIBIBO PRIMARY	FAMILY BANK BOMET	084000036785	100,000	
kabianga ICT HUB	FAMILY BANK	084000036718	27	

PMC	Bank	Account number	Bank Balance 2024-2025	Bank Balance 2023-2024
	BOMET			
kamureito ICT Hub (kamureito pry)	FAMILY BANK BOMET	084000036786	239,600	
Ndanai primary school ICT HUB	EQUITY - SOTIK	1840282664593	31,825	
Rongena digital hub	EQUITY - SOTIK	084000036718	3,800,000	
Total			31,824,124	13,602,742

Annex 3: Progress On Follow Up of Auditor Recommendations

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1	**UNSUPPORTED TRANSFER TO PRIMARY SCHOOLS** The statement of receipts and payments reflects to transfer to the other government units amounting to kshs.83,840,000.the amount includes transfer to primary schools totaling kshs.68,800,000 a disclosed in the note 7 to the financial statements' transfer to primary school for include kshs.5,470,000 which was transferred to nine (9) primary schools for renovations of classrooms .however, the expenditure of kshs.5,470,000 was not supported by approved bills of quantities and pre inspection and post inspection reports indicating the scope of work and validation of the works done. In the circumstances, the accuracy and propriety of transfer to primary schools totaling kshs.5,4700,000 could not be confirmed.	The bills of quantity and pre inspection and post inspection reports indicating the scope of work and validation of the works done have been availed for verification.	Not resolved	December 2025
2	**INACCURACY OF BURSARY DISBURSEMENTS** The statement of receipts and payments reflects other grants and transfer amounting to	The scheduled for the disbursement of bursaries have been provided for review.	Not resolved	December 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	kshs.68,267, 938.the amount includes bursary to secondary schools, bursary tertiary institutions and bursaries to special school amounting to kshs.29,119,140. kshss.18497,685, and kshs.4.424,500 respectively, all totaling kshs.52,041,325. However, the total bursaries amount differs with the disbursement schedules amount of kshs..21,939,720 resulting in unreconciled variance of kshs.30,101,605. Further, the bursaries were not supported by financial return acknowledging receipt of fund and confirming that the amounts have been credited to the school/college fees accounts for the targeted beneficiaries as required by guideline of national government constituencies development fund board circular referenced n-CDFB/CEO/board circulars vol 11(021) of 18 June ,2020. In the circumstances, the accuracy, occurrence and completeness bursary disbursements totaling kshs.52,041,325 cound not be confirmed			

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)
3	**UNSUPPORTED SPORTS PROJECTS EXPENDITURE** The statement of receipts and payments reflects other grants and other transfers amounting to kshs.68,267, 938.the amount includes sports projects expenditure totaling kshs.2,910,633 as disclosed in the note 8 to the financial statements. The sports project expenditure includes kshs. 2,482,392 paid for supply and delivery of games kits and sports of the equipment. however, user requisitions, counter receipts voucher, distributions list in support of the expenditure were not provided.	We acknowledge the anomaly and state that the user requisition, games kits, distribution list in support of expenditure are available for verification.	Not resolved	December 2025
4	**DELAYS IN IMPLEMENTATION OF PROJECTS** During the year under review, the constituency committee planned to the projects' implement forty –nine (49) projects at a cost of kshs 97,540,000. Review of the project implementation status report for the year under review revealed that two projects with an allocation of kshs 2,200,000 had been completed, while twenty-two (22) projects with allocation of kshs 24,300,000	The delay in implementation of projects was occasioned due to delayed in disbursement of funds from the Board. However, the projects have now been implemented and in use.	Not resolved	December 2025

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	had not been started and twenty –five (25) projects allocated kshs 71,040,000 were ongoing In the circumstances, value for money on projects allocated kshs.95,340,000 was not achieved			

.....

Name
Fund Account Manager.
Sotik Constituency