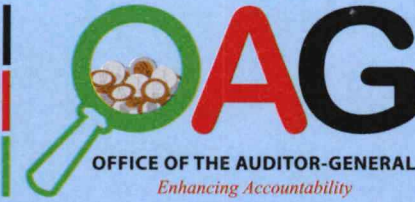
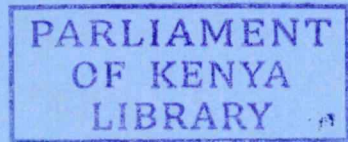


REPUBLIC OF KENYA



**REPORT**

**OF**



**THE AUDITOR-GENERAL**

**ON**

**NATIONAL GOVERNMENT  
CONSTITUENCIES DEVELOPMENT FUND -  
KATHIANI CONSTITUENCY**

**FOR THE YEAR ENDED**

**30 JUNE, 2025**  
THE NATIONAL ASSEMBLY  
PAPERS LAID

DATE: 26 NOV 2025

DAY.  
WEDNESDAY

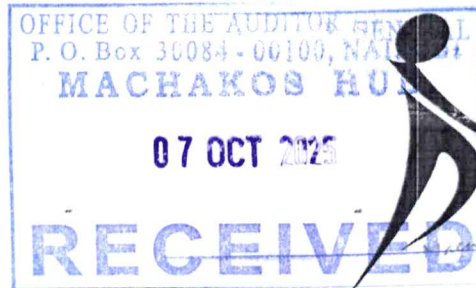
TABLED  
BY:

DEPUTY MAJORITY  
WHIP

CLERK AT  
THE-TABLE:

FINLAT





---

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KATHIANI CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

---

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



The page is otherwise blank with some faint, illegible markings and a horizontal line near the bottom.

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

---

Table of Contents	Page
1. Acronyms and Definition of Key Terms .....	ii
2. Key Constituency Information and Management.....	iii
3. NGCDF Committee.....	viii
4. NG-CDFC Chairperson’s Report.....	xi
5. Statement of Performance against Predetermined Objectives for FY2024/25.....	xvi
6. Governance Statement.....	xviii
7. Management Discussion and Analysis .....	xxvii
8. Environmental and Sustainability Reporting .....	xxx
9. Statement of Management Responsibilities .....	xxxiv
10. Report of the Independent Auditor on the NGCDF- Kathiani Constituency.....	xxxvi
11. Statement of Financial Performance for the Year Ended 30th June 2025 .....	1
12. Statement of Financial Position as At 30th June, 2025 .....	2
13. Statement of Changes in Net Assets for the year ended 30 June 2025 .....	4
14. Statement of Cash Flows for the Year Ended 30th June 2025 .....	5
15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025 .....	6
16. Budget Execution by Sectors And Projects For The Year Ended 30 <sup>th</sup> June 2025 .....	9
17. Notes to the Financial Statements .....	33
18. Annexes.....	71

1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
AC	Audit Committee
DCC	Deputy County Commissioner
DFAC	Decentralized Funds Accounts Committee
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
NCSA	National Sub-County Accountant
PFM	Public Finance Management
PMCs	Project Management Committees
PWD	Persons with Disability
FY	Financial Year

B. Definition of Key Terms

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

**Comparative Year-** Means the prior period.

## 2. Key Constituency Information and Management

### (a) Background information

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

### Mandate

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

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

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

### **Vision**

Equitable Socio-economic development countrywide.

### **Mission**

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

### **Core Values**

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

### Functions of NG-CDF Committee

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

#### (b) Key Management

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

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

#### Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Aurelia Mwikali Nyika
2.	National Sub-County Accountant	Jacob Kivuli Muthami
3.	Chairman NGCDFC	Agnes Nzisa Muasya
4.	Member NGCDFC	Peter Mutua Munyenze
5.	Member NG CDFC	Stellamarris Mutindi

#### (c) Fiduciary Oversight Arrangements

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

**(d) NGCDF Kathiani Constituency Headquarters**

P.O. Box 144-90105  
DCC's Building, Kathiani Sub-County  
Kathiani, KENYA.

**(e) NGCDF Kathiani Constituency Contacts**

Telephone: (254) 0722628554  
E-mail: [cdfkathiani@ngcdf.go.ke](mailto:cdfkathiani@ngcdf.go.ke)  
Website: [www.ngcdf.go.ke](http://www.ngcdf.go.ke)

**(f) NGCDF Kathiani Constituency Bankers**

1. (Operations Account).  
Co-operative Bank  
Account Number 01141563295800  
Athi River Branch  
P.O Box 321  
Athi River.
2. (Deposit account).  
Co-operative Bank  
Account Number 01100737749001  
Machakos Branch  
P.O Box 1250  
Machakos.
3. (PMC Accounts) Various (as per annex 2)  
Co-operative Bank  
Machakos Branch  
P.O Box 1250  
Machakos.

**(g) Independent Auditor**




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

(h) Principal Legal Adviser

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

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


3. NGCDF Committee

Name	Details
 <p>Agnes Nzisa Muasya - Chairperson</p>	<p>D.O.B :- 04/02/1971, Academic and Professional Qualifications: - KCSE Certificate Work Experience: NGCDFC Member and Secretary, Kisovo Secondary school and General Mulinge Secondary School B.O.M Member.</p>
 <p>Peter Mutua Munyenze - Secretary</p>	<p>D.O.B - 20/03/1980, Academic and Professional Qualifications: Diploma in pharmacy, Certificate in Computer Application in Data Management. Work Experience: C.E.O Mwang'a Chemist, Pharmaceutical Technologist at EPZ Limited, Company nurse at Rolex Garment, Industrial attachee at Lemuma Pharmacy Limited.</p>
 <p>Stellamaris Mutindi-Member</p>	<p>D.O.B - 29/02/1996 Academic and Professional Qualifications: Certificate in ECDE training and attained Credit. Work Experience: Business lady</p>




National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

 <p>John Muli Munyao-Member</p>	<p>D.O.B - 14/01/1959, Academic and Professional Qualifications: East African Certificate of Education, Division III. Work Experience: Farmer</p>
 <p>Christine Syombua-Member</p>	<p>D.O.B - 05/05/1990, Academic and Professional Qualifications: Certificate in garment Making, Knitting and broidery, Work Experience: previously a CDFC Member representing People Living with Disability.</p>
 <p>Nicholus Mutisya-Member</p>	<p>D.O.B – 26/10/1997, Academic and Professional Qualifications: KCSE Certificate. Work Experience: Former NGCDFC member</p>
 <p>Dorcas Mbaika Paul-Member</p>	<p>D.O.B – 26/10/1997, Academic and Professional Qualifications: KCSE Certificate. Work Experience: Farmer</p>

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

 <p>Richard Mutua-Member</p>	<p>D.O.B - 01/01/1970,                  Academic and Professional Qualifications: KCSE                  Kikombi Secondary School,                  Work Experience: - Chairperson Ithaeni Market, leader                  ABC Ithaeni</p>
 <p>Aurelia M Nyika-Fund Account                  Manager</p>	<p>D.O.B - 04/10/1981                  Academic and Professional Qualifications: Masters in                  Business administration                  Work Experience: Fund Account Manager</p>
 <p>Mary Kamau-Deputy County                  Commissioner</p>	<p>D.O.B - 04/02/1971                  Academic and Professional Qualifications: Masters in                  Business administration                  Work Experience: Deputy County Commissioner</p>

No member exited the committee in the financial year.

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

##### Kathiani Constituency Profile

Kathiani Constituency is an electoral constituency in Kenya designated number 079. It is one of the constituencies that constitute Machakos County



Agnes Muasya  
Chairperson NGCDFC Kathiani

Kathiani constituency consists of 4 wards namely: Mitaboni Ward, Kathiani Central Ward, Upper Kaewa/Iveti Ward and Lower Kaewa/Kaani Ward. It has a population of 104,219 people and approximately 207.0 square kilometers in size.

The Kathiani NG-CDF office is located within the Sub-county headquarters.

##### Key achievements during the year 2024/2025

Kathiani NG-CDF was allocated KSh.170,469,857 in the financial year 2024/2025. A total of Ksh.187,194,613 was received from the NG-CDF Board during the financial year 2024-2025. An amount of Ksh.50,000 was also available from Appropriation-In-Aid and Kshs.915,803 from closure of PMC accounts. Thus, the total available funds during the year 2024/2025 being Ksh.197,211,876. Out of this, Kathiani NG-CDF expended a total of Ksh.126,853,157; the balance of Ksh.70,358,718 will be utilized to implement approved projects as per the budget for the financial year 2024-2025. Some of projects implemented during the year include the following.

##### 1. Bursary Disbursement to needy students

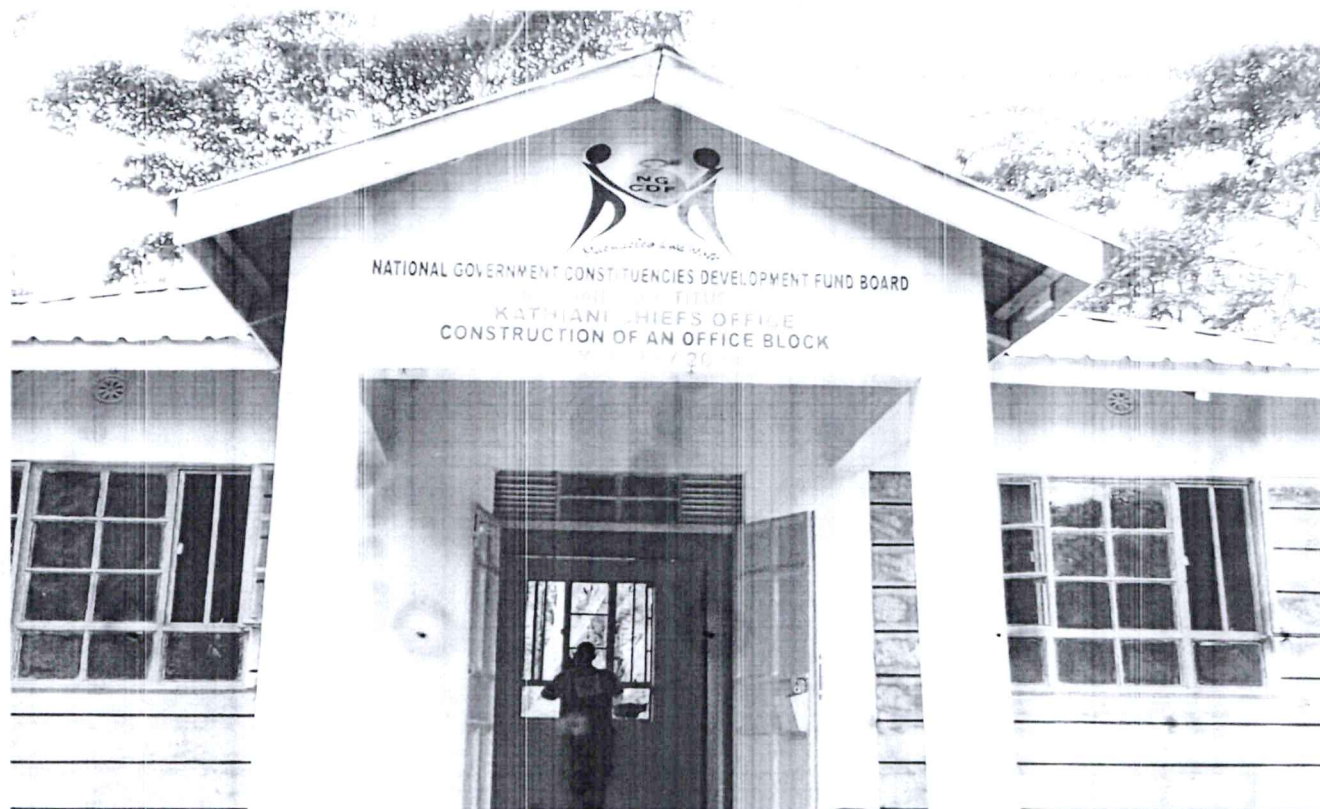
The NG-CDF Kathiani Constituency was able to disburse funds to needy students in secondary and tertiary Institutions amounting to Kshs.49,438,786. The bursary funds enhanced student retention in school.

##### 2. Projects Implementation

Despite delayed disbursement of funds, we were able to complete some of the projects of FY 24/25 and pending projects for FY 23/24. The projects were mainly renovation of classrooms, construction of new classrooms, Staff Houses for Security Officers, Administration Offices and Purchase of school buses.

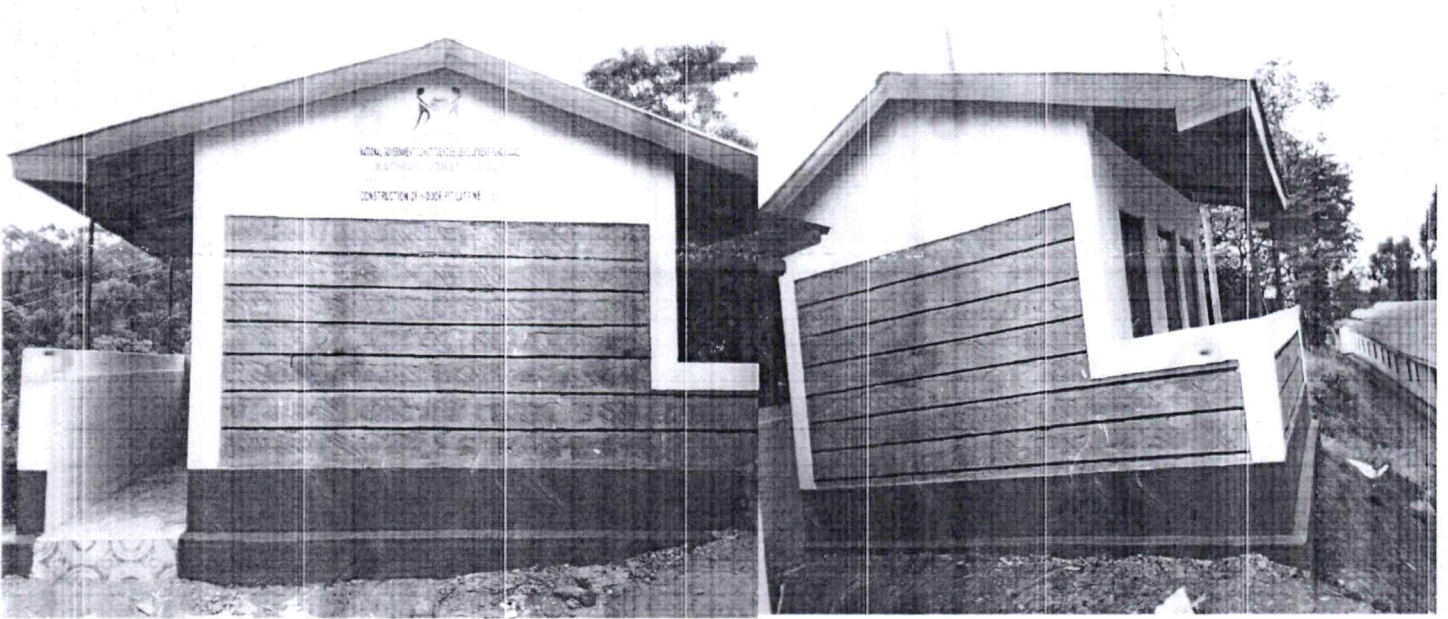
Under Disaster management and Youth Empowerment votes, we were able to construct emergency toilets across the constituency due to the latrines sinking and high population of learners and their teachers.

Photo gallery of projects in various wards.

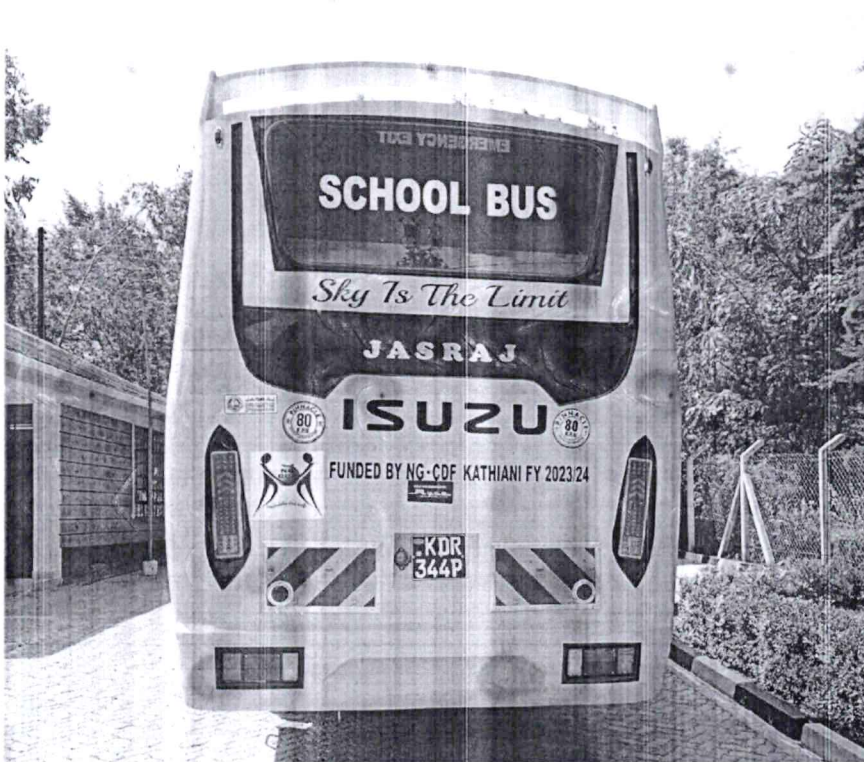


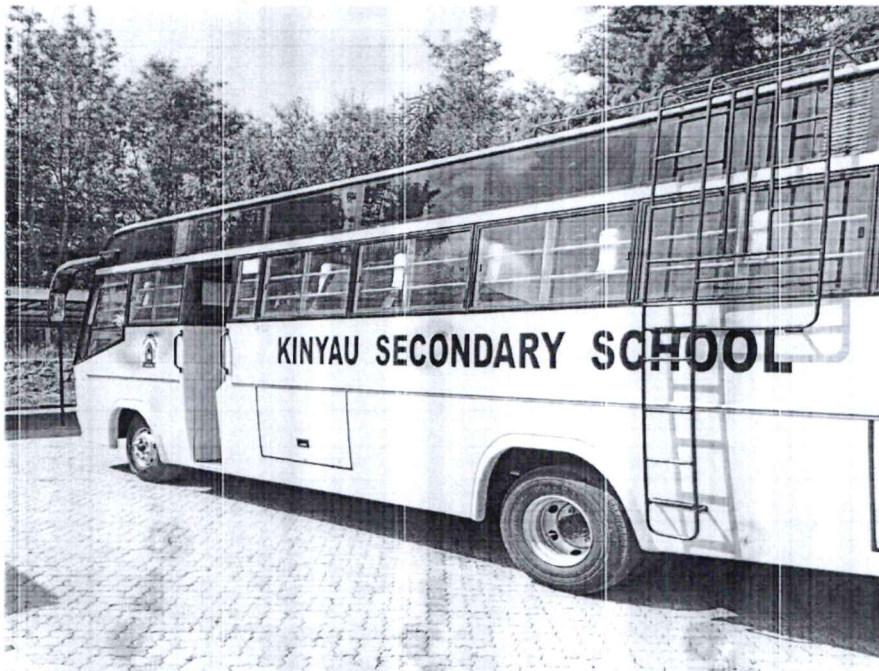
Kathiani Chiefs Office: Construction to completion of an office with a capacity of 3 rooms with an entrance canopy.

The project is complete and in use and has improved security and made access of government Services easier.



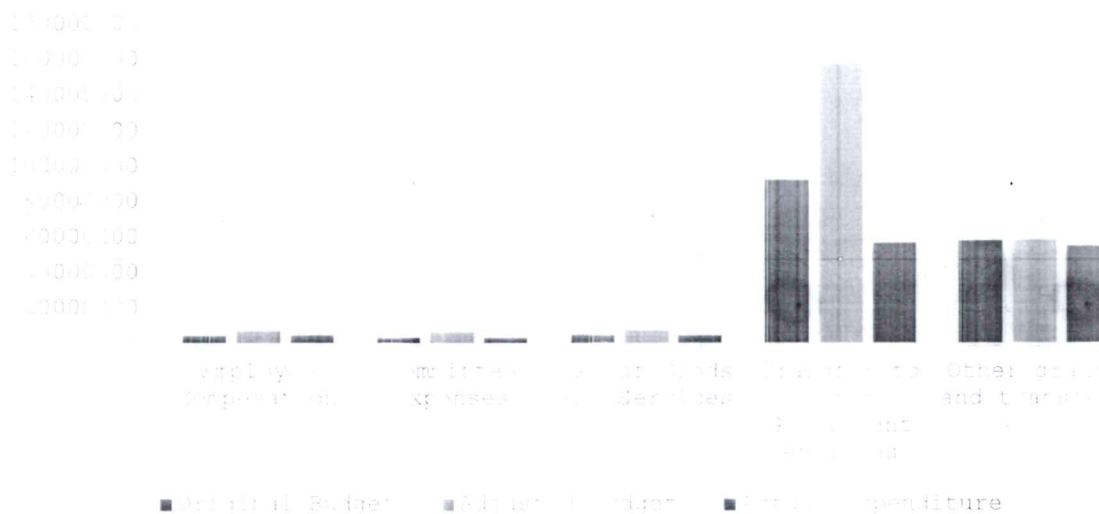
**Mithanga Primary School:** Construction of 6 door pit latrine to completion. The project is complete and in use and has improved hygiene of the school, made learning environment more conducive and motivated the staff and pupils.





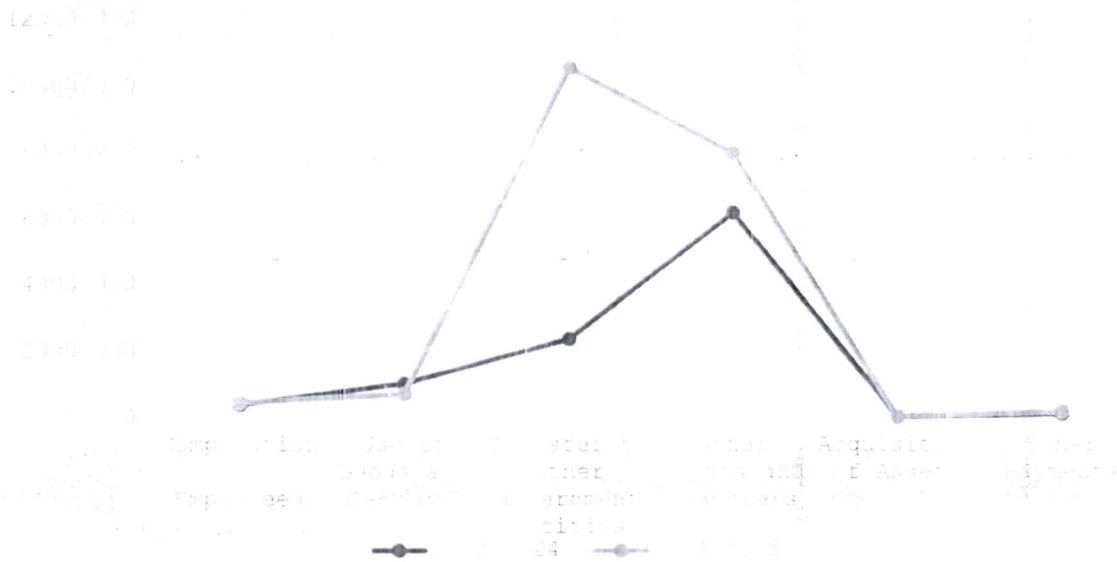
Kinyau Secondary School: Purchase of a 46 Semi-Luxury seater Isuzu bus  
 The bus has improved movement and motivated the staff and students.

Comparison of Original Budget, Adjusted Budget and Actual Expenditure.



The above grouped bar graph shows comparison of actual budget, adjusted budget and total budget. Employee Compensation has the lowest values for original budget, adjusted budget and actual expenditure while transfers and other grants has the highest values. The adjusted budget is higher than original budget and actual expenditure all through.

comparative line chart for Actual Expenditure in FY 2023/2024 and 2024/2025



The line chart above shows comparison of actual expenditure in the two financial years; from the above it is observed that actual expenditure for the year 2024/2025 for most of the items is higher than the financial year 2023/2024. Other grants has the highest values for both the financial years while compensation of employees and other payments are the lowest.

**EMERGING CHALLENGES**

Funds disbursement from the board is almost always untimely leading to delays in execution of budgets thus unnecessary adjustments which also delays implementation of projects. Kathiani NG-CDF Committee continues to work with the board to facilitate timely disbursement of funds and will endeavor to disburse funds to the project management committees (PMC's) as soon as it receives.

Overdependence of the fund by the public and national government functions on all development related issues.

**WAY FORWARD**

The board needs to release funds in good time and lobby for increased funding to every constituency.

*(Signature)*

Agnes Nzisa Muasya  
 Chairperson NGCDF Committee

## 5. Statement of Performance against Predetermined Objectives for FY2024/25

### 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 Kathiani Constituency 2023-2027 plan are to:

- a) To increase access to education and training by providing bursaries to needy students and improving infrastructure in learning institutions.
- b) To enhance and sustain security in the Constituency by improving the infrastructure of security personnel.
- c) To enhance environmental conservation and management by increasing environmental conservation.
- d) To enhance ICT uptake among the Citizenry by increasing access to ICT infrastructure and digitization of NG-CDF office.
- e) To enhance development of trade skills among the youth by increasing number of youth with market driven skill and fostering conducive learning for nurturing market driven skills.

### Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Increased number of usable physical infrastructure build in primary, secondary, and tertiary institutions  Increased number of bursary beneficiaries at all levels	In FY 24/25, we achieved the following: we renovated 43 classrooms and constructed 8 classrooms in primary schools and 10 classrooms in secondary schools. The above has improved their

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

				<p>learning infrastructure including classrooms, dormitories and laboratories</p> <p>- Bursary beneficiaries in secondary schools were 8,132 while in tertiary institutions were 2641 from the following beneficiaries in the FY 2023/2024 7,800 secondary schools and 2,133 in tertiary institutions.</p>
Security	To have security services at every ward	Increased access to security services at walking distance	<p>Number of police posts build</p> <p>Equipping of administration offices and staff houses.</p>	<p>FY 2023/24 We equipped 9 Assistant Chiefs offices, to improve their infrastructure.</p> <p>FY 2024/25 we have constructed 2 Chief's office</p>
Environment	To enhance environmental conservation and management.	Increased environmental conservation and management.	<p>Construction of retainer walls.</p> <p>Level school playgrounds in learning institutions.</p> <p>Install solar panels.</p> <p>Tree Planting</p>	<p>Planted trees in 10 school, fixed gutters and water tank for rainwater collection.</p>
Emergency	To enhance response to emergency occurrences	Increased response to emergency occurrences	<p>Response to emergency occurrences example</p> <p>Construction of sunken and dilapidated latrines</p>	<p>Constructed sunken in 11 Schools, repaired cracked walls in 2 schools and connected electricity in a police post.</p>

## 6. Governance Statement

### Appointment NG-CDFC Members

A selection panel established under section 43 of the NG-CDF Act 2015 appoints NG-CDFC members. The board shall upon:

- i. Commencement of a new parliamentary term
- ii. Resolution of a constituency committee
- iii. Removal of a member of the constituency committee
- iv. The occurrence of a vacancy in a constituency committee

Request the officer of the board seconded to the constituency committee to convene a meeting within 14 days thereof or within the time stipulated by the board.

Each constituency committee shall comprise of:

- i. The national government official responsible for coordination of national government functions
- ii. Two men each nominated in accordance with subsection 3, one whom shall be a youth at the date of appointment
- iii. Two women each nominated in accordance with subsection 3, one whom shall be a youth at the date of appointment
- iv. One person with disability nominated by a registered group representing PWDs in the constituency.
- v. Two persons nominated by the constituency office established under regulations made pursuant to the parliamentary service act.
- vi. The officer of the board seconded to the constituency committee by the board who shall be an ex-official member without a vote.
- vii. One member co-opted by the board in accordance with regulations made by the board.

The members of a constituency committee may remove a member in accordance with section 43 (13) and (14) of the Act upon receipt of a complaint against a member. A complaint against a member of a constituency committee shall be deposited with the officer of the board seconded to the constituency. The complaint referred to shall clearly set out the particulars of the issues complained.

The secretary shall convene a special meeting to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting. Members shall determine whether there is a sufficient ground existing requiring the accused person to respond. The accused person may call a witness or may respond in writing. The committee may summon the accused member to clarify any issue and shall issue its decision on the matter within 7 days after conclusion of the hearing. The committee shall communicate its decision to the board within 14 days. The board shall within 30 days after receipt of the complaint consider the matter and issue a final declaration which shall be binding on all parties.

Kathiani NG-CDFC members were appointed by a selection panel established under section 43 of the NG-CDF Act 2015 upon Commencement of a new parliamentary term.

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

---

Applications were invited through public notice boards from the Persons who qualify for appointment to the Constituency Committee in accordance with guidelines issued by the CDF Board. The Applications were made within 14 Working days i.e. from 3<sup>rd</sup> December 2024 to 17<sup>th</sup> December 2024.

**Members of the selection panel**

The selection panel was constituted of the following members:

S.no	Name	Title/position in society	Membership category
1.	Maria Agwata	ACC II Kathiani	Chairperson
2.	Aurelia Nyika	Fund Account Manager	Secretary
3.	Paul Nzyoka Muasa	Constituency Office Nominee	Member
4.	Juliana Nzilani Mutua	Constituency Office Nominee	Member

Pursuant to provisions of the NG-CDF Act 2015 the following posts were advertised vacant in an advert No: NG-CDF/KATH/COMM/2024/1

1. Men's Representative – 1 Position.
2. Women's Representative – 1 Position
3. Male Youth Representative (under 33 years) – 1 Position
4. Female Youth Representative (under 33 years) – 1 Position
5. Persons with Disability Representative – 1 Position

At the end of the stipulated application period, 23 applicants had submitted their applications

**Shortlisting criteria**

The Selection Panel then came up with criteria to enable them to shortlist the applicants for appointment. The Criteria was to check if the requirements stated in the advert were met or not.

- a) Regional balance – Where all the wards (Upper Kaewa/Iveti, Lower Kaewa/Kaani, Mitaboni and Kathiani) of the constituency should have a representative.
- b) Gender representation
- c) Prior experience in CDF matters or issues relating with community development.
- d) Community Participation/Acceptance by the community – where individuals selected normally participate in issues of the community and whether the nominated members have public trust.

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

- e) Previous records of the individuals.
- f) Where the candidates meets the eligibility criteria in the advertisement
  - i. Voter of the Constituency
  - ii. Citizen of Kenya
  - iii. Able to read and write
  - iv. Meets the requirements of chapter six
  - v. Availability of the individual in CDF matters

The Following documents were to be presented in order to ascertain the eligibility criteria mentioned above:-

- i. A copy of the Voters Card to show that the applicant is a voter of Kathiani.
- ii. A Certified copy of identity card to show that the applicant is a Kenyan.
- iii. Copies of academic certificates and School documents to show applicants literacy.
- iv. Valid Certificate of good Conduct, EACC Clearance Form to ensure the applicants meets the requirements of chapter six of the Constitution.
- v. A letter from the area chief to confirm the applicant's locality.
- vi. The panel developed the checklist below;

The applicants were taken through an oral interview and the panel nominated them in terms of their performance.

No	Name	Score	Category	Ward
1.	Peter Munyenze Mutua	87%	Male Adult Representative	Mitaboni
2.	Nicholus Mutisya Usang'a	84%	Male Youth Representative	Upper Kaewa
3.	Agnes Nzisa Muasya	88%	Women Adult Representative	Lower Kaewa
4.	Stellamaris Mutindi	89%	Female Youth Representative	Kathiani
5.	Christine Syombua Peter	82%	People with Disability Representative	Kathiani

The above members were forwarded to the board on 20<sup>th</sup> December 2024 and were gazetted on 21<sup>st</sup> May 2025

The following are the members of CDFC Kathiani.

S.No	Name	Position	Designation
1.	Agnes Nzisa Muasya	Chairperson	Adult Female
2.	Peter Mutua Munyenze	Secretary	Adult Male

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

3.	Dorcus Mbaika Paul	Member	Constituency nominee
4.	John Muli Munyao	Member	Co-Opted member
5.	Stellamarris Mutindi	Member	Female Youth
6.	Christine Syombua	Member	PWD Representative
7.	Richard Maive Mutua	Member	Constituency nominee
8.	Nicholus Mutisya	Member	Male Youth
9.	Aurelia Mwikali Nyika	Ex- official	Fund Account Manager
10.	Mary Kamau	National Government Official	Deputy County Commissioner

**a) Roles and Functions of the committee**

The functions of a constituency committee shall be to,

- i. Build the capacity of PMCs and sensitize the community on the operations of the fund.
- ii. Consider all project proposals from all wards in the constituency and any other project they consider beneficial to the constituency.
- iii. Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure that project proposals submitted to the board include detailed budget proposals, procurement plans and work plans.
- v. Ensure in approving projects and before submitting to the board for consideration, satisfy itself that the project falls within the functions of the national government under the constitution.
- vi. Consult with the relevant government departments to ensure that cost estimates for projects are realistic.
- vii. Rank project proposals in order of priority while ensuring that on-going projects take precedence.
- viii. Ensure that all projects receive adequate funding and are completed within 3 years.
- ix. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the board.
- x. Perform any other function assigned to it by the board.

The NGCDF Act and regulations in performance of their roles above guide Kathiani NG-CDFC.

**b) Induction**

Induction of NG-CDFC is done upon the appointment of members. The NG-CDF Board shall convene induction forums before the committee commences its business. The committee shall be inducted on the NG-CDF Act and other related laws. They will also be inducted on their

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

functions and mandate including all other related matters concerning the operations of the fund. The essence of the induction is to prepare the committee and equip them with the necessary knowledge and skills to undertake their new mandate. At the constituency level, the officer of the board upon inauguration of the committee, induct them to begin undertaking their mandate. Kathiani NGCDF members attended a training organized by NGCDF board in June 2025.

**c) Training of Members**

Training of the committee is a function of the board. The board organizes trainings for the NGCDF members to capacity build and refresh them on all aspects pertaining the operations of the fund. The officer of the board at the constituency level in consultation with RC will also organize trainings of members at various levels. Kathiani NGCDF committee organized a training for PMC and Staff in June 2025

**d) Number of meetings held**

The first meeting was held on 3<sup>rd</sup> July 2024. The committee shall hold not less than 12 meetings and not more than 24 including sub-committees. In Kathiani NGCDF, we held 24 meetings as at end Of June 2025. The committee members were all available for the meetings as summarized in the table below.

Name and Meeting dates	Agnes N Muasya-Chairperson	Peter Mutua - Secretary	Richard Mutua-Member	Stellamaris Mutindi-Member	Dorcus Mbai-Member	Christine Syombua-Member	Nicholas Usanga-Member	John Muli Muno-Member	Aurelia Nyika-FAM	Mary Kamau-DCC
3/7/24	√	√	√	√	√	√	√	√	√	√
29/7/24	√	√	√	√	√	√	√	√	√	√
6/8/24	√	√	√	√	√	√	√	√	√	√
21/8/24	√	√	√	√	√	√	√	√	√	√
9/9/24	√	√	√	√	√	√	√	√	√	√
24/9/24	√	√	√	√	√	√	√	√	√	√

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

2/10/ 24	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
25/10 /24	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6/11/2 4	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/11/ 24	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3/12/ 24	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
18/12/ 24	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
14/1/2 5	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/1/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3/2/2 5	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
20/2/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6/3/2 5	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
21/3/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2/4/2 5	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
22/4/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
13/5/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
28/5/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5/6/2 5	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
13/6/ 25	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

NG-CDFC AGENDA

DATE	AGENDA
3/7/24	Expenditure Returns & Payment of retention of NGCDF Project
29/7/24	Prequalification of contractors and Climate change projects
6/8/24	AIEs Receipts, Appropriation, Deposit Account signatories
21/8/24	M&E Reports and Admin expenses
9/9/24	Submission of Financial statements and Admin Expenses
24/9/24	Quarterly reports and resubmission of projects
2/10/24	Devolved Funds Accounts Committee and Staff Matters
25/10/24	Allocation of AIE, PMC bank accounts and NGCDF project proposal
6/11/24	Procurement process and Emergency Projects
20/11/24	Renewal of Contracts and Appointment of NGCDF Members.
3/12/24	Submission of projects proposal
18/12/24	External audit report, Wutini Primary School and Admin expenses
14/1/25	Allocation of AIE and Second quarter reports
20/1/25	Allocation of AIE, Bursary Criteria and M&E
3/2/25	Allocation of AIE
20/2/25	Admin Expenses
6/3/25	Handover of Complete projects and Stale Cheques
21/3/25	Allocation of AIE and Reallocation of tertiary bursary
2/4/25	Capacity building
22/4/25	NASC visit and PC targets
13/5/25	Allocation of AIE and bursary cheques distribution
28/5/25	Resubmission of pending projects and recruitment of interns
5/6/25	Staff training, PPIP and e-GPS Training
13/6/25	Allocation of AIE and fourth quarter reports.

**e) Policy on conflict of interest**

The NG-CDF Board shall issue circulars and guidelines on the policy on conflict of interest to the constituency committee in accordance with the constitution, NG-CDF Act 2015 and other related laws. The constituency committee is required to adopt the policy on conflict of interest as guided and apply to its day to day management of the fund. A member who has any interest in any contract or any 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 the matter or be counted on quorum of the meeting during consideration of the matter. Kathiani NGCDF were trained on chapter six of the constitution and so far no cases of conflict of interest

**f) Members remuneration**

NG-CDFC members are not legible for payment of salary but payment of sitting allowances during their meetings and payment of other allowances during their execution of other related activities. The sitting allowances are paid as stipulated in the Act and communicated in writing by the board. Kathiani NGCDFCs are paid their allowances as stipulated in the Act.

**g) Ethics and Conduct**

NG-CDFC members are required to conduct themselves following the code of conduct. During execution of their business, the provisions of the NG-CDF Act and other related Acts guide them. NG-CDFC members are required to uphold the core values of integrity and accountability, respect and people friendly, responsiveness, team spirit and partnerships, good governance and leadership, equity, quality & excellence.

**h) Risk management**

The NG-CDF board has prepared a policy on risk management that is cascaded down to the constituency committee. The NG-CDF committee is required to maintain a risk management register that covers all the activities of the committee as provided for in the performance contract. The register is updated on monthly basis and submitted electronically to the board by 10<sup>th</sup> of every subsequent month. This is a management and control tool to guide the committee in decision-making. NGCDF Kathiani maintains an updated risk register.

i) Succession plan

The NG-CDF Kathiani has implemented a comprehensive succession plan to ensure it is well equipped to continue its operations even when faced with changes in the committee membership. It entails a handing over report to be submitted when members leave due to various reasons.

## 7. Management Discussion and Analysis

### 1. Operational and Financial Management

#### Financial Year 2019-2020

In the financial year 2019/2020 Kathiani NG-CDF was allocated a total of Kshs.137,367,724. Opening balance of Kshs.65,803,018, final budget was Kshs.203,170,742 and utilized Kshs.133,856,018.

#### Financial Year 2020-2021

##### Summary of Budget Performance

In the financial year 2020/2021 Kathiani NG-CDF was allocated a total of Kshs.137,367,724. Opening balance of Kshs.48,569,922, and previous disbursements of Kshs.69,367,724, final budget was Kshs.255,305,370 and utilized Kshs.180,336,647.

##### Comparison of payments against receipts

#### Financial Year 2021-2022

##### Summary of Budget Performance

In the financial year 2021/2022 Kathiani NG-CDF was allocated a total of Kshs.137,088,879. Opening balance of Kshs.21,754,742, previous disbursements of Kshs.74,772,879 final budget was Kshs.233,616,500 and utilized Kshs.211,861,768

#### Financial Year 2022-2023

##### Summary of Budget Performance

In the financial year 2022/2023 Kathiani NG-CDF was allocated a total of Kshs.138,214,313. Opening balance of Kshs.36,797,835, final budget was Kshs.175,012,148 and utilized Kshs. 129,926,834

#### Financial Year 2023-2024

##### Summary of Budget Performance

In the financial year 2023/2024, Kathiani NG-CDF was allocated a total of Kshs. 176,559,903

The budget for the year was well utilized with receipts of Kshs. 212,222,971 and payments of Kshs.203,171,513. There were also other receipts from sale of tender documents of Kshs 53,000.

### Comparison of payments against receipts

Out of the total funds received, the committee managed to spend Kshs. 203,171,513 because much of the funds were received towards the end of the financial year.

## 2. Key projects implemented

The fund has implemented key projects which include:

No	Project Name	Activity	Amount	Status
1.	Kinyau Secondary School	Purchase of a 46 Seater bus	8,500,000	Completed
2.	Kaliluni Secondary School	Purchase of a 46 Seater bus	8,500,000	Completed
3.	Kaiani Secondary School	Construction of a administration block to completion	4,900,000	Completed
4.	Bursary – Secondary School and Tertiary	Payment of bursary to needy students in secondary schools	49,438,786	Completed

## 3. Funds compliance with statutory

The fund is compliant with statutory requirements which includes:

- i. KRA withholding taxes and PAYE deductions and payments
- ii. NSSF deductions and remittance
- iii. SHIF deductions and remittance
- iv. Affordable Housing Levy deductions and remittance
- v. NITA Levy

## 4. Major Risks Facing the Fund

Some of the key major risks are:

- i. Fund being declared unconstitutional by the High Court
- ii. Delayed funding
- iii. Inadequate capacities of NG-CDFCs and PMCs

5. Materials arrears in statutory and other financial obligations

The fund has no materials and other financial obligations

6. Review of the Economy, Sector and Future developments.

In review of the economy, the sector and future developments, this is the only Fund where the common citizens participate in decision making through Public Participation and involvement in the implementation of the projects: Therefore there is need to increase the funding to be able to address the already rising needs of the community.

*Auw*

Aurelia Mwikali Nyika  
Fund Account Manager



## 8. Environmental and Sustainability Reporting

Kathiani NG-CDF exists to transform lives. This is our purpose; the driving force behind everything we do. It is what guides us to deliver our strategy, founded on social sector, namely, Education & Training, Security Sector Support and Environment. This pillar also makes special provisions for Kenyans with various disabilities and previously marginalized communities.

Kathiani NG-CDF allocates funds in Environmental matters for tree planting, installation of gutters and water tanks in various schools.

### 1. Sustainability strategy and profile -

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

- a. **Education and Training:** Kathiani 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 end 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 and mitigation activities such as afforestation, reforestation, grassroots sensitization, and tree seedling production.

## 2. Environmental performance

Kathiani NG-CDF has under the provision of environment been funding climate change and mitigation projects in schools by planting trees and rainwater harvesting and storage. This has increased tree cover and helped in climate change mitigation. Water harvesting and collection has controlled soil erosion and provided water for Pupils and Students in the various Schools.

## 3. Employee welfare

We invest in providing the best working environment for our employees. Employment Act, NGCDF Act, and other regulations as issued from time to time guide Kathiani constituency recruitment. 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. Kathiani constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on crosscutting issues. The committee has a safety policy in compliance with the Occupational Safety and Health Act of 2007 (OSHA) and has ensured the work environment is conducive to everybody's movement and accessibility within the office, including PWDs. The Constituency has also put in place disaster-mitigating measures, including fire extinguishers and accessible escape routes in case of emergency.

#### 4. Marketplace practices-

Kathiani Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

#### 5. Community Engagements-

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

##### **Public Participation in Project Identification, Implementation, and Monitoring**

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

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

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

### Public Awareness

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

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



.....  
Aurelia Mwikali Nyika  
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-Kathiani 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 ended on June 30, 2025. This responsibility includes: Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; Designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; Safeguarding the assets of the entity; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF-Kathiani 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- Kathiani 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.

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

---

The Accounting Officer in charge of the NGCDF Kathiani 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- Kathiani Constituency financial statements were approved and signed by the Accounting Officer on 07/10/ 2025.

.....  


Agnes Nzisa Muasya  
Chairperson – NGCDF Committee

.....  


Aurelia Mwikali Nyika  
Fund Account Manager



# REPUBLIC OF KENYA

Telephone: +254-(20) 3214000  
Email: info@oagkenya.go.ke  
Website: www.oagkenya.go.ke



HEADQUARTERS  
Anniversary Towers  
Monrovia Street  
P.O Box 30084-00100  
NAIROBI

## REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - KATHIANI 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 - Kathiani Constituency set out on pages 1 to 89,

---

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

which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, 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 matter 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 - Kathiani 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**

#### **Unconfirmed Cash and Cash Equivalents**

The statement of financial position and as disclosed in Note 19 to the financial statements reflect cash and cash equivalents balance of Kshs.94,195,922 and the opening statement balance as at 1 July, 2024 of Kshs.35,375,871 which includes Kshs.9,051,458 for the operation account. As previously reported, the balance differs with the reconciliation statement and cash book balance of Kshs.8,947,687 resulting in unexplained variance of Kshs.103,771. Although Management explained that the variance relates to proceeds from sale of tender, only Kshs.50,000 was posted in the cash book during the month of June, 2025 leaving a balance of Kshs.53,771 unrecorded. No explanation was provided for the omission.

In the circumstances, the accuracy of the cash and cash equivalents balance of Kshs.94,195,922 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 - Kathiani 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 revenue budget and actual on comparable basis of Kshs.128,424,560 and

Kshs.222,620,484 respectively resulting to underutilization of Kshs.94,195,924 or approximately 42% of the actual receipts.

The under-utilization affected the implementation of planned activities and programmes and may have negatively impacted on effective 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 matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

### **Other Information**

The Management is responsible for the Other Information set out on pages iii to xxxv which comprise of Key Constituency Information and Management, NGCDF Committee, NG-CDF Chairman's Report, Statement of Performance Against Pre-Determined Objectives, Governance Statement, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

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

### **Conclusion**

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effects of the matter 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**

### **Delay in Project Implementation**

Review of the project implementation status report as at 30 June, 2025 revealed that the Fund allocated Kshs.103,986,612 for implementation of fifty-eight (58) projects. However, only three (3) projects worth Kshs.722,097 were completed and in use, twelve (12) projects worth Kshs.8,250,000 were on-going and at various completion levels while forty-three (43) projects worth Kshs.95,014,514 had not started. Management attributed the delay to delay in disbursements of funds by the Board. **Appendix I.**

In the circumstances, the constituents of Kathiani Constituency did not obtain value for money from the incomplete projects.

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

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

### **Conclusion**

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

### **Basis for Conclusion**

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

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

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

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

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

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

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

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

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

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

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

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



FCPA Nancy Gathungu, CBS  
AUDITOR-GENERAL

Nairobi

31 October, 2025

## Appendix 1: Delay in Project Implementation

No.	Project Name	Approved Activity	Amount Allocated (Kshs.)	Amount Allocated
<b>A Projects Completed and in Use</b>				
1.	Kathalani Police Post	Electricity Connection, Wiring, Rainwater Goods and Water Tank Base	362,422	Complete and in use
2.	Kikombi Primary School	Repair to Cracked Walls (5 Classrooms)	259,675	Complete and in use
3.	Kwale Primary School	Repair to Cracked Walls (2 Classrooms)	100,000	Complete and in use
<b>Total Projects Completed and in Use</b>			<b>722,097</b>	
<b>B On Going Projects</b>				
1.	Kavete Primary School	Construction of 6door Pit Latrine Girls Toilet	800,000	Ongoing at 80% complete
2.	Kathiani Primary School	Construction of 6door Pit Latrine Boys Toilet	800,000	Ongoing at 80% complete
3.	Mbuuni Primary School	Construction of 6door Pit Latrine Girls Toilet	800,000	Ongoing at 80% complete
4.	Kauti Secondary School	Construction of 6door Pit Latrine Boys Toilet	800,000	Ongoing at 80% complete
5.	Kasovya Primary School	Construction of 6door Pit Latrine Girls Toilet	800,000	Ongoing at 80% complete
6.	Maanzoni Secondary School	Construction of 6door Pit Latrine Girls Toilet	800,000	Ongoing at 80% complete
7.	Kasioni Primary School	Construction of 2 Door Pit Latrine for Staff	350,000	Ongoing at 80% complete
8.	Miumbuni Primary School	Construction of 2 Door Pit Latrine for Staff	350,000	Ongoing at 80% complete

No.	Project Name	Approved Activity	Amount Allocated (Kshs.)	Amount Allocated
9.	Kombu Assistant Chiefs Office	Construction of 2 Door Pit Latrine Staff Toilet	350,000	Ongoing at 80% complete
10.	Kaewa Secondary School	Construction of 6 Door Pit Latrine Boys Toilets	800,000	Ongoing at 80% complete
11.	Mithanga Primary School	Construction of 6door Pit Latrine Girls Toilet	800,000	Ongoing at 80% complete
12.	Thinu Primary School	Construction of 6 Door Pit Latrine Boys Toilets	800,000	Ongoing at 80% complete
<b>Total Projects Ongoing</b>			<b>8,250,000</b>	
<b>C Projects Not Started</b>				
1.	Ngoleni Primary School	Tree planting, water tank and gutters.	340,940	Not started
2.	Wandathe Primary School	Tree planting, water tank and gutters.	340,940	Not started
3.	Mukanyi Primary School	Tree planting, water tank and gutters.	340,940	Not started
4.	Mangaani Primary School	Tree planting, water tank and gutters	340,940	Not started
5.	Kathalani Primary School	Tree planting, water tank and gutters	340,940	Not started
6.	Isyukoni Primary School	Tree planting, water tank and gutters	340,937	Not started
7.	Kikata Primary School	Tree planting, water tank and gutters	340,940	Not started
8.	Mithanga Primary School	Tree planting, water tank and gutters	340,940	Not started
9.	Kwanzimbi Primary School	Tree planting, water tank and gutters	340,940	Not started
10.	Mutumbuni Primary School	Tree planting, water tank and gutters	340,940	Not started
11.	Mangaani Primary School	Renovation of classrooms:	2,700,000	Not starte
12.	Kya Mwee Primary School	Renovation - Reroofing of 2 classrooms	2,200,000	Not started
13.	Mbuuni Primary School	Renovation of classrooms	2,850,000	Not started

<b>No.</b>	<b>Project Name</b>	<b>Approved Activity</b>	<b>Amount Allocated (Kshs.)</b>	<b>Amount Allocated</b>
14.	Kalala Primary School	Renovation of classrooms:	2,200,000	Not started
15.	Isyukoni Primary School	Renovation of 9 classrooms and a store	3,300,000	Not started
16.	Isyukoni Primary School	Construction of one classroom with tiles to completion.	1,300,000	Not started
17.	Kaiani Primary School	Renovation of 2 classrooms and an office:	4,050,000	Not started
18.	Mbee Primary School	Renovation of classrooms:	3,000,000	Not started
19.	Kwa Ngengi Primary School	Renovation of classrooms	1,700,000	Not started
20.	Kwa Ngengi Primary School	Construction of 1 new classroom	1,500,000	Not started
21.	Kwa Muunda Primary School	Renovation of 2 classrooms:	4,230,000	Not started
22.	Thinu Primary School	Renovation of classrooms:	5,000,000	Not started
23.	Ngiini Primary School	Renovation of classrooms	2,100,000	Not started
24.	Kavete Primary School	Renovation of classrooms: tiling of 10 classrooms.	1,700,000	Not started
25.	Kitulu Primary School	Completion of one classroom	1,000,000	Not started
26.	Miumbuni Primary School	Renovation of classrooms: tiling of 15 classrooms.	2,500,000	Not started
27.	Kwale Primary School	Renovation of 3 classrooms	2,000,000	Not started
28.	Mwang'a Primary School	Renovation of classrooms	2,500,000	Not started
29.	Kitie Primary School	Construction of one classroom with tiles to completion.	1,300,000	Not started
30.	Ngoleni Primary School	Construction of one classroom	1,300,000	Not started

No.	Project Name	Approved Activity	Amount Allocated (Kshs.)	Amount Allocated
31.	Kaewa Secondary School	Renovation of a storey building.	3,300,000	Not started
32.	Kisovo Secondary School	Construction of a multipurpose Hall	5,300,000	Not started
33.	St. Benedict Kituli Secondary	Renovation of classrooms:	2,000,000	Not started
34.	St. Benedict Kituli Secondary	Construction of one new classroom	1,300,000	Not started
35.	Maanzoni Secondary School	Construction of a Laboratory and equipping.	2,000,000	Not started
36.	Miumbuni Secondary School	Purchase of a new Isuzu FRR90 Semi Luxury 46-Seater bus	8,500,000	Not started
37.	St.Vincent Imilini Secondary School	Purchase of a new Isuzu FRR90 Semi Luxury 46-Seater bus	8,500,000	Not started
38.	Mitaboni Boys High School	Renovation of Mount Elgon dormitory: Reroofing	275,117	Not started
39.	Kombu Assistant Chiefs Office	Renovation of an office	500,000	Not started
40.	Nzaikoni Police Post	Construction of three single rooms staff houses with a bathroom and tiles.	1,500,000	Not started
41.	Kithia Assistant Chiefs Office	Ceiling, tiling, Grill doors and windows	500,000	Not started
42.	Mwang'a Security Post	Renovation of police post.	2,000,000	Not started
43.	Ngcdf Vehicle	Purchase of Isuzu D-max Double Cabin pickup, 2.5L	7,500,000	Not started
<b>Total Projects not Started</b>			<b>95,014,514</b>	
<b>Grand Total</b>			<b>103,986,612</b>	

National Government Constituencies Development Fund (NGCDF)

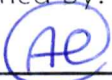
Kathiani Constituency

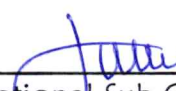
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

	Note	2024/2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	50,000
<b>Total revenue</b>		<b>170,519,857</b>
Expenses		
Employee costs	10	4,962,410
Committee expenses	11	3,998,000
Use of Goods and Services	12	5,399,211
Other Government Units Actual expenditure	13	57,611,018
Other Grants and Transfers Actual expenditure	14	56,356,907
Depreciation and amortization expense	15	112,898
Digital Hubs Actual expenditure	16	-
<b>Total expenses</b>		<b>128,440,444</b>
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		<b>42,079,412</b>

The Constituency financial statements were approved by the NGCDFC on 07/10/2025 and signed by:

  
 Chairperson NG-CDF  
 Committee  
 Agnes Nzisa Muasya

  
 National Sub-County  
 Accountant  
 Jacob Kivuli Muthami  
 ICPAK M/No: 15333

  
 Fund Account Manager  
 Aurelia Mwikali Nyika



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

12. Statement of Financial Position as At 30th June, 2025

	N o t e	2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	94,195,922	35,375,871
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	21,469,857	38,194,614
Prepayments	22	15,096	11,050
<b>Total Current Assets</b>		<b>115,680,877</b>	<b>73,581,535</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	338,695	451,593
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>338,695</b>	<b>451,593</b>
<b>Total Assets (A)</b>		<b>116,019,572</b>	<b>74,033,129</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	824,999	279,988
Lease Liabilities	28	-	-
Gratuity provision	29	902,100	1,540,080
<b>Total Current Liabilities</b>		<b>1,727,099</b>	<b>1,820,068</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>1,727,099</b>	<b>1,820,068</b>
<b>Net Assets (A-B)</b>		<b>114,292,472</b>	<b>72,213,061</b>

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

Represented by:			
Revaluation Reserves			
Accumulated Surplus		114,292,472	72,213,060
Total Net Assets		114,292,472	72,213,060

The Constituency financial statements set out on pages 1 to 22 approved by NG CDFC on 2025 and signed by:

Chairperson NG-CDF  
 Committee  
 Agnes Nzisa Muasya

National Sub-County  
 Accountant  
 Jacob Kivuli Muthami  
 ICPAK M/No: 15333

Fund Account Manager  
 Aurelia Mwikali Nyika



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

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
As at 30 <sup>th</sup> June 2024 (cash basis)	-	9,051,458	9,051,458
Adjustments: (to recognize assets and liabilities)			
Add Assets	-	63,161,602	63,161,602
Less Liabilities	-		
As at July 1, 2024	-	72,213,060	72,213,060
Surplus/(Deficit) For the Period	-	42,079,412	42,079,412
Revaluation Gain/Loss	-	-	-
As at 30 <sup>th</sup> June (current year)	-	114,292,473	114,292,473

Note:

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

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

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

	Notes	2024/2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		187,194,613
Grants/donations from other entities		-
Finance income		-
Miscellaneous income	9	50,000
<b>Total Receipts</b>		<b>187,244,613</b>
Payments		
Employee costs		5,600,390
Committee expenses	11	3,998,000
Use of Goods and Services		5,403,258
Other Government Units Certified Works	13	57,611,018
Other Grants and Transfers		55,811,895
Digital Hubs Expenses		-
<b>Total Payments</b>		<b>128,424,560</b>
<b>Net Cash Flows from/ (used in) Operating Activities</b>	<b>30</b>	<b>58,820,053</b>
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
<b>Net Cash Flows from Investing Activities</b>		<b>-</b>
<b>Net increase/(decrease) in cash &amp;</b>		<b>58,820,053</b>
Cash equivalents		
Cash Flows from Financing Activities		
Lease payment		
<b>Net Cash Flows from Financing Activities</b>		<b>58,820,053</b>
Cash and cash equivalents at Period Start	19	35,375,872
Cash and cash equivalents at Period End	19	94,195,924

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Revenue							
Transfers From the NGCDF Board	170,469,856	35,375,871	38,194,614	244,040,342	222,570,484	21,469,858	91%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	50,000	50,000	-	

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

Totals	170,469,856	35,375,871	38,194,614	244,090,342	222,620,484	21,469,858	
Expenses							
Employee costs	5,054,401	2,725,178	-	7,779,579	5,600,390	2,179,189	71%
Committee expenses	4,228,000	2,704,955	400,000	7,332,955	3,998,000	3,334,955	54%
Use of Goods and Services	6,059,886	1,860,862	488,052	8,408,800	5,403,258	3,005,542	64%
Other Government Units Certified Works	92,886,613	27,643,367	37,306,562	157,836,542	57,611,018	100,225,524	36%
Other Grants and Transfers	58,640,957	441,510	-	59,082,467	55,811,895	3,270,572	94%
Digital Hubs Expenses	-						
Funds Pending Approval**	3,600,000		-	3,650,000		3,650,000	0
Total Expenditure	170,469,856	35,375,872	38,194,614	244,090,342	128,424,560	115,665,782	52%
Surplus for the period							

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

Explanatory Notes.

The under utilization was due to delayed funding.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	115,665,782
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2025	21,469,858
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2025	94,195,924

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 07/10/2025 and signed by:

*Aud*

Fund Account Manager

*J. Muthami*

National Sub-County Accountant

*Agnes Nzisa Muasya*

Chairman NG-CDF Committee

Aurelia Mwikali-Nyika

Jacob Kivuli Muthami  
 ICPAK M/No: 15333

Agnes Nzisa Muasya



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

16. Budget Execution by Sectors And Projects For The Year Ended 30<sup>th</sup> June 2025

Programme/Sub-programme	Original Budget			Final Budget	Actual on comparable basis	Budget utilization Difference
		Adjustments				
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	5,054,401	2,725,178		7,779,579	5,600,390	2,179,189
1.2 Committee allowances	2,228,000	1,352,478	400,000	3,980,478	1,999,000	1,981,478
1.3 Use of goods and services	2,945,790	1,745,962	100,000	4,791,752	5,403,258	(611,506)
Sub-total	10,228,191	5,823,618	500,000	16,551,809	13,002,648	3,549,161
2.0 Monitoring and evaluation						
2.1 Capacity building	2,500,000		388,052	2,888,052		2,888,052
2.2 Committee allowances	2,000,000	1,352,477		3,352,477	1,999,000	1,353,477
2.3 Use of goods and services	614,095	114,900		728,996		728,996

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

Sub-total	5,114,095	1,467,377	388,052	6,969,525	1,999,000	4,970,525
4.0 Emergency unutilized				-		-
Kavete Primary School	800,000			800,000	420,403	379,597
KATHIANI Primary School	800,000			800,000	422,903	377,097
MBUUNI Primary School	800,000			800,000	419,869	380,131
KIKOMBI Primary School	259,675			259,675	259,675	-
KASOVYA Primary School	800,000			800,000	426,903	373,097
KWALE Primary School	100,000			100,000	97,595	2,405
KASIONI Primary School	350,000			350,000	152,573	197,427
MIUMBUNI Primary School	350,000			350,000	148,717	201,283
MITHANGA Primary School	800,000			800,000	416,894	383,106
THINU Primary School	800,000			800,000	426,903	373,097
Maanzoni Secondary School	800,000			800,000	427,928	372,072
Kaewa Secondary School	800,000			800,000	419,674	380,326
Kauti Secondary School	800,000			800,000	418,769	381,231

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

Kathalani Police Post	362,422			362,422	354,006	8,416
Kombu Assistant Chief's office	350,000			350,000	148,377	201,623
Sub-total	8,972,097	-	-	8,972,097	4,961,189	4,010,908
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	31,140,957	93,237		31,234,194	31,978,853	(744,659)
5.3 Tertiary Institutions	20,000,000	68,285		20,068,285	17,459,933	2,608,352
5.4 special needs				-		-
5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	51,140,957	161,522	-	51,302,479	49,438,786	1,863,693
7.0 Environment						
Climate Change Mitigation				-		-
Ngoleni primary School	340,940			340,940		340,940
Wandatthe primary School	340,940			340,940		340,940

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

Mukanyi primary School	340,940			340,940		340,940
Mangaani primary School	340,940			340,940		340,940
Kathalani primary School	340,940			340,940		340,940
Isyukoni primary School	340,937			340,937		340,937
Kikata primary School	340,940			340,940		340,940
Mithanga primary School	340,940			340,940		340,940
Kwanzimbi primary School	340,940			340,940		340,940
Mutumbuni primary School	340,940			340,940		340,940
NGCDF Office		120		120		120
Sub-total	3,409,397	120	-	3,409,517	-	3,409,517
<b>8.0 Primary Schools Projects</b>						
Mangaani Primary School	2,700,000			2,700,000		2,700,000
Kya Mwee Primary School	2,200,000			2,200,000		2,200,000
Mbuuni Primary School	2,850,000			2,850,000		2,850,000
Kalala Primary School	1,700,000			1,700,000		1,700,000

National Government Constituencies Development Fund (NGCDF)  
Kathiani Constituency

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

Isyukoni Primary School	3,200,000				3,200,000	3,200,000
Isyukoni Primary School	1,300,000				1,300,000	1,300,000
Kaiani Primary School	3,750,000				3,750,000	3,750,000
Kaiani Primary School	300,000				300,000	300,000
Mbee Primary School	3,000,000				3,000,000	3,000,000
Kwa Ngengi Primary School	1,700,000				1,700,000	1,700,000
Kwa Ngengi Primary School	1,500,000				1,500,000	1,500,000
Kwa Muunda Primary School	2,530,000				2,530,000	2,530,000
Kwa Muunda Primary School	1,700,000				1,700,000	1,700,000
Thinu Primary School	3,100,000				3,100,000	3,100,000
Thinu Primary School	1,300,000				1,300,000	1,300,000
Ngiini Primary School	2,100,000				2,100,000	2,100,000
Kavete Primary School	1,700,000				1,700,000	1,700,000
Kitulu Primary School	1,000,000				1,000,000	1,000,000
Miumbuni Primary School	2,500,000				2,500,000	2,500,000

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

Kwale Primary School	2,000,000			2,000,000		2,000,000
Mwang'a Primary School	2,500,000			2,500,000		2,500,000
Kitie Primary School	1,300,000			1,300,000		1,300,000
Ngoleni Primary School	1,300,000			1,300,000		1,300,000
Kaiani Primary School			1,300,000	1,300,000	1,276,305	23,695
Mathunya Primary School			1,300,000	1,300,000	1,298,134	1,866
Kalala Primary School			1,300,000	1,300,000	1,300,000	-
Kwamuunda Primary School			866,183	866,183	865,340	843
Kaliluni Primary School			1,300,000	1,300,000	1,299,458	542
Kaliluni Primary School			624,445	624,445	619,660	4,785
Lumbwa Primary School			1,300,000	1,300,000	1,298,154	1,846
Kwangengi Primary School			1,300,000	1,300,000	1,276,305	23,695
Isooni Primary School			1,300,000	1,300,000	1,299,119	881
Kalikya Primary School			1,200,000	1,200,000	1,198,905	1,095
Kalikya Primary School			894,499	894,499	894,499	-

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

Isyukoni primary School		100,000	100,000	100,000	100,000	100,000
GENERAL MULINGE PRIMARY SCHOOL	1,738		1,738	1,738	1,738	1,738
IKOLENI PRIMARY SCHOOL	2,325		2,325	2,325	2,325	2,325
IMILINI PRIMARY SCHOOL	3,414		3,414	3,414	3,414	3,414
ISOONI PRIMARY SCHOOL	1,140		1,140	1,140	1,140	1,140
ISOONI PRIMARY SCHOOL	1,901		1,901	1,901	1,901	1,901
ISYUKONI PRIMARY SCHOOL	39,363		39,363	39,363	39,363	39,363
KAWEA PRIMARY SCHOOL	75,721		75,721	74,806	915	915
KAIANI PRIMARY SCHOOL	632		632	632	632	632
KALALA PRIMARY SCHOOL	63,848		63,848	63,000	848	848
KALILUNI PRIMARY SCHOOL	2,597,950		2,597,950	2,597,950	-	-
KALUNGA PRIMARY SCHOOL	1,203		1,203	-	1,203	1,203

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

KASOVYA PRIMARY SCHOOL		259,515		259,515	259,000	515
KASOVYA PRIMARY SCHOOL		475		475	-	475
KATHALANI PRIMARY SCHOOL		304,849		304,849	304,849	-
KATHALANI PRIMARY SCHOOL		915		915	-	915
KATHIANI PRIMARY SCHOOL		67,865		67,865	-	67,865
KATHUNI PRIMARY SCHOOL		285		285	-	285
KATULYA PRIMARY SCHOOL		3,125		3,125	-	3,125
KAUTI PRIMARY SCHOOL		284,090		284,090	148,751	135,339
KAVIANI PRIMARY SCHOOL		14,519		14,519	-	14,519
KAVIANI PRIMARY SCHOOL		63,548		63,548	41,880	21,668
KIKOMBI PRIMARY SCHOOL		25		25	-	25

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

KINGONGOI PRIMARY SCHOOL	512		512	-	512		512
KISEKINI PRIMARY SCHOOL	503		503	-	503		503
KITHUNGUINI PRIMARY SCHOOL	55,860		55,860	-	55,860		55,860
KITULU PRIMARY SCHOOL	325		325	-	325		325
KOMAROCK PRIMARY SCHOOL	500		500	-	500		500
KOMBU PRIMARY SCHOOL	775,725		775,725	-	775,725		-
KOMBU PRIMARY SCHOOL	545		545	-	545		545
KOMBU PRIMARY SCHOOL	1,198		1,198	-	1,198		1,198
KOMBU PRIMARY SCHOOL	301		301	-	301		301
KWAMUUNDA PRIMARY SCHOOL	508		508	-	508		508
KWANGENGI PRIMARY SCHOOL	13,319		13,319	-	13,319		13,319
KWANGOLYA PRIMARY SCHOOL	380,817		380,817	-	380,817		17

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

KWANZIMBI PRIMARY SCHOOL		30,300		30,300	-	30,300
KWANZIMBI PRIMARY SCHOOL		13,275		13,275	-	13,275
KYULUNI PRIMARY SCHOOL		505		505	-	505
KYULUNI PRIMARY SCHOOL		75,725		75,725	74,806	919
MAANZONI PRIMARY SCHOOL		506		506	-	506
MATHUNYA PRIMARY SCHOOL		10,575		10,575	-	10,575
MATHUNYA PRIMARY SCHOOL		121		121	-	121
MISUUNI PRIMARY SCHOOL		6		6	-	6
MITABONI PRIMARY SCHOOL		264		264	-	264
MITABONI PRIMARY SCHOOL		164,975		164,975	160,550	4,425

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

MITHANGA PRIMARY SCHOOL	215,000	215,000	211,000	4,000
MIVANDONI PRIMARY SCHOOL	675	675	-	675
MUONYWENI PRIMARY SCHOOL	6	6	-	6
MUTONDONI PRIMARY SCHOOL	13,319	13,319	-	13,319
MUTUMBINI PRIMARY SCHOOL	100,615	100,615	100,600	15
MWANGA PRIMARY SCHOOL	44,368	44,368	29,809	14,559
NGELENI PRIMARY SCHOOL	13,894	13,894	-	13,894
NTHUNGUNI PRIMARY SCHOOL	93,975	93,975	93,500	475
WANDATHE PRIMARY SCHOOL	35,721	35,721	34,923	798
WANDATHE PRIMARY SCHOOL	60,723	60,723	54,700	6,023
WUTINI PRIMARY SCHOOL	4,700,500	4,700,500	4,700,000	500

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

YANZONGA PRIMARY SCHOOL		98,225		98,225	97,000	1,225
kwamuunda Primary School		5,158		5,158		5,158
kyamwee Primary School		550		550		550
kyuluni Primary School		1,704		1,704		1,704
makumbini Primary School		1,500		1,500		1,500
mangaani Primary School		2,693		2,693		2,693
mbee Primary School		801		801		801
mbuuni Primary School		1,763		1,763		1,763
lumbwa Primary School		3,573		3,573		3,573
Mivandoni Primary School		10,295		10,295		10,295
kitulini Primary School		1,525		1,525		1,525
komarock Primary School		11		11		11
kwa ngengi Primary School		858		858		858
kwa ngengi Primary School		1,000		1,000		1,000
kwa nzimbi Primary School		1,933		1,933		1,933

Kwale Primary School	9,927	9,927		
Wutini Primary School	2,351	2,351		
Misuni Primary School	7,371	7,371		
Nthunguni Primary School	979	979		
Nzaiكون Primary School	7,243	7,243		
Ngeini Primary School	3,213	3,213		
Mutondoni Primary School	700	700		
Kauti Primary School	127,524	127,524		
Jumbwa Primary School	27,508	27,508		
Kathiani Primary School	333,972	333,972		
iitheni Primary School	1,000	1,000		
kaewa Primary School	1,498	1,498		
kalikya Primary School	4,399	4,399		
kalunga Primary School	1,170	1,170		
kathiani Primary School	1,980	1,980		

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

kathuni Primary School		1,098		1,098		1,098
katulya Primary School		1,485		1,485		1,485
kauti Primary School		1,669		1,669		1,669
kikata Primary School		2,878		2,878		2,878
kikombi Primary School		1,858		1,858		1,858
kikombi Primary School		1,315		1,315		1,315
kitengei Primary School		550		550		550
kithunguini Primary School		31,695		31,695		31,695
kituli Primary School		863		863		863
Mitaboni Primary School		125		125		125
Mitaboni Primary School		125		125		125
Sub-total	47,230,000	11,299,680	12,785,127	71,314,807	22,829,527	48,485,280
9.0 Secondary Schools Projects (List all the Projects)						
Kaewa Secondary School	3,300,000			3,300,000		3,300,000

National Government Constituencies Development Fund (NGCDF)  
Kathiani Constituency

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

Kisovo Secondary School	5,300,000				5,300,000		5,300,000
St Benedict Kituli Secondary School	1,500,000				1,500,000		1,500,000
St Benedict Kituli Secondary School	1,300,000				1,300,000		1,300,000
Miumbuni Secondary School	8,500,000				8,500,000		8,500,000
St Vincent Imilini Secondary School	8,500,000				8,500,000		8,500,000
Mitaboni Boys High School	275,118				275,118	234,915	40,203
Mitaboni Boys High School			97,811		97,811	97,811	
Mitaboni Boys High School			1,000,000		1,000,000	1,000,000	
Mitaboni Boys High School			150,000		150,000	148,235	1,765
Kinyau Secondary School			8,500,000		8,500,000	8,492,175	7,825
Kaliluni Girls High School			8,500,000		8,500,000	8,492,175	7,825
Mitaboni Boys High School			1,478,356		1,478,356	1,328,408	149,948
Nthunguni Secondary School			2,222,783		2,222,783	2,110,155	112,628
Nthunguni Secondary School			300,000		300,000	300,000	
Katani Secondary School		1,500,000			1,500,000		1,500,000

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

Kaiani Secondary school	138,902		138,902		138,902
GENERAL MULINGE HIGH SCHOOL	151,600		151,600	151,000	600
GENERAL MULINGE HIGH SCHOOL	76,920		76,920	74,806	2,114
IMILINI SECONDARY SCHOOL	143,075		143,075	140,000	3,075
KAANI LIONS GIRLS SECONDARY SCHOOL	141,504		141,504	141,000	504
KAWEA SECONDARY SCHOOL	5,275		5,275	-	5,275
KAIANI SECONDARY SCHOOL	3,945,248		3,945,248	3,945,248	-
KAIANI SECONDARY SCHOOL	71,773		71,773	71,772	1
KALILUNI GIRLS SEC SCHOOL	148,975		148,975	148,000	975
KAUTI SECONDARY SCHOOL	455,575		455,575	453,000	2,575
KIKOMBI SECONDARY SCHOOL	25		25	-	25

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

KIKOMBI SECONDARY SCHOOL	55,025		55,025	55,025		55,025	-
KIKOMBI SECONDARY SCHOOL	142,525		142,525	142,000		525	
KIKOMBI SECONDARY SCHOOL	490,025		490,025	490,000		25	
KINGONGOI SECONDARY SCHOOL	453,975		453,975	453,000		975	
KINGONGOI SECONDARY SCHOOL	5,055		5,055	-		5,055	
KITHUNGUINI SECONDARY SCHOOL	141,475		141,475	140,000		1,475	
KITHUNGUINI SECONDARY SCHOOL	15,065		15,065	-		15,065	
KITIE SECONDARY SCHOOL	75		75	-		75	
KITUVU SECONDARY SCHOOL	1,404,124		1,404,124	1,404,124		-	
LUMBWA SECONDARY SCHOOL	16,374		16,374	-		16,374	

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

LUMBWA SECONDARY SCHOOL	453,975	453,975	453,975	453,000	975
MBEE HIGH SCHOOL	578,641	578,641	578,641	-	-
MBEE HIGH SCHOOL	453,975	453,975	453,975	452,000	1,975
MITABONI ABC GIRLS	3,450	3,450	3,450	-	3,450
MIUMBUNI AIC SEC SCHOOL	143,075	143,075	143,075	140,000	3,075
MIUMBUNI AIC SEC SCHOOL	455,575	455,575	455,575	452,000	3,575
MIUMBUNI AIC SEC SCHOOL	2,243,652	2,243,652	2,243,652	2,240,000	3,652
NGOLENI SECONDARY SCHOOL	4,475	4,475	4,475	-	4,475
NTHUNGUNI SECONDARY SCHOOL	14,235	14,235	14,235	-	14,235
THINU SECONDARY SCHOOL	453,975	453,975	453,975	453,000	975
Mitaboni Boys High School	147,596	147,596	147,596		147,596
Thinu Secondary school	1,711.65	1,712	1,712		1,712
Ngoleni Secondary School	6,402	6,403	6,403		6,403
Rev.Kitonyi Memorial	1,478	1,478	1,478		1,478

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

St.Benedict Kituli Secondary		29,746		29,747		29,747
ikoleni Secondary School		2,700		2,700		2,700
isooni Secondary School		5,472		5,473		5,473
itheni Secondary School		1,587		1,588		1,588
kaani lions Girls Secondary School		1,545		1,545		1,545
kaewa Secondary School		1,181		1,181		1,181
kaliluni Girls Secondary School		11,657		11,657		11,657
Kathuni Secondary School		27,067		27,067		27,067
kingongoi Secondary School		416		416		416
Nthunguni Secondary School		1		1		1
Sub-total	28,675,118	14,546,179	22,248,950	65,470,247	34,781,490	30,688,757
10.0 Tertiary institutions Projects (List all the Projects)						
				-		-
				-		-

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

Sub-total	-	-	-	-	-	-	-
11.0 Security Projects							
Kombu Assistant Chief's Office	500,000				500,000		500,000
Nzaikoni Police Post	1,500,000				1,500,000		1,500,000
Kithia Assistant Chief's Office	500,000				500,000		500,000
Mwang'a Police Post	2,000,000				2,000,000		2,000,000
Kaiani Assistant Chief's office	100,000				100,000		100,000
Kaani Chief's Office			1,000,000		1,000,000	997,052	2,948
Kathiani Chief's Office			1,169,410		1,169,410		1,169,410
Kathiani Chief's Office			103,075		103,075		103,075
Ngini Assistant Chief Office		500,000			500,000		500,000
Mathunya Assistant Chief Office		1,000,000			1,000,000		1,000,000
MITABONI POLICE POST		62,306			62,306	41,880	20,426
KALILUNI ASSISTANT CHIEF		93,975			93,975	93,000	975
IVETI ASSISTANT CHIEF		1,975			1,975		1,975

National Government Constituencies Development Fund (NGCDF)  
Kathiani Constituency

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

KAANI ASSISTANT CHIEF	14,155		14,155		14,155
KAWEA ASSISTANT CHIEF	10,065		10,065		10,065
KAWEA ASSISTANT CHIEF	1,068		1,068		1,068
KAWEA ASSISTANT CHIEF	2,990		2,990		2,990
KALUNGA ASSISTANT CHIEF	1,975		1,975		1,975
KATHALANI POLICE POST	945		945		945
KAUTI ASSISTANT CHIEF	2,867		2,867		2,867
KAUTI ASSISTANT CHIEF	16,988		16,988		16,988
KITHIA ASSISTANT CHIEF	1,975		1,975		1,975
LITA ASSISTANT CHIEF	1,975		1,975		1,975
LITA ASSISTANT CHIEF	550		550		550
MATHUNYA ASSISTANT CHIEF	1,975		1,975		1,975
MITABONI ASSISTANT CHIEF	1,975		1,975		1,975
THINU ASSISTANT CHIEF	10,235		10,235		10,235
Mitaboni police post	928		928		928

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

Ngoleni Assistant Chief office		1,235		1,235		1,235
Ngoleni Security post		425		425		425
Muonyweni Security post		4,814		4,814		4,814
Muonyweni Security post		28,612		28,613		28,613
kalunga assist chief		16,373		16,374		16,374
iveti chiefs office		215		215		215
kaani police post		1,395		1,395		1,395
kaiani assist chief		2,024		2,024		2,024
kalunga assistant chief office		660		660		660
kathalani police post		945		946		946
kithia assist chief		11,765		11,765		11,765
Sub-total	4,600,000	1,797,387	2,272,485.00	8,669,872	1,131,932	7,537,940
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)						



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

Sub-total	3,600,000		-	3,650,000	-	3,650,000
Total	170,469,856	35,375,871	38,194,614	244,090,342	128,424,560	115,665,782

(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 Kathiani Constituency principal activity is social economic development.

### 2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the PFM Act, and International Public Sector Accounting Standards (IPSAS) or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore these 1<sup>st</sup>/ 2<sup>nd</sup>/ 3<sup>rd</sup>/ are transitional financial statements. The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Kathiani has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement.

The NG-CDF Kathiani 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.

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

---

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

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.

i. 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 1 <sup>st</sup> January 2025 IPSAS 43, effective 1 January 2025, does not have an impact on the NGCDF Kathiani financial statements, as there are currently no lease agreements in place.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1 <sup>st</sup> January 2025 IPSAS 44, effective 1 January 2025, does not have an impact on the NGCDF Kathiani financial statements, as there are currently no Non-Current Assets Held for Sale and Discontinued Operations
IPSAS 45: Property Plant and Equipment	Applicable 1 <sup>st</sup> January 2025 IPSAS 45, effective 1 January 2025, does not have an impact on the NGCDF Kathiani financial statements, as there are currently no complex infrastructure assets.
IPSAS 46: Measurement	Applicable 1 <sup>st</sup> January 2025 IPSAS 45, effective 1 January 2025, is expected to enhance revenue recognition practices for NGCDF Kathiani
IPSAS 47: Revenue	Applicable 1 <sup>st</sup> January 2026 This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 47 Construction contracts and IPSAS 23 Revenue from non-exchange

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

IPSAS 48: Transfer Expenses	<b>Applicable 1<sup>st</sup> January 2026</b> IPSAS 48, effective 1 January 2025, does not have an impact on the NGCDF Kathiani financial statements.
IPSAS 49: Retirement Benefit Plans	<b>Applicable 1<sup>st</sup> January 2026</b> IPSAS 49, effective 1 January 2026, does not have an impact on the NGCDF Kathiani financial statements, only pays gratuity when due.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<b>Applicable 1<sup>st</sup> January 2027</b> IPSAS 49, effective 1 January 2026, does not have an impact on the NGCDF Kathiani financial statements; the entity is not involved in the exploration for or evaluation of mineral resources.

*ii. 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 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2025 as required by law. Included in the adjustments are Cash book-opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

Freehold land and capital work in progress are not depreciated. Capital work in progress relates mainly to the cost of ongoing but incomplete works on buildings and other civil works and installations. Depreciation on property, plant and equipment is recognized in the income statement on a reducing basis to write down the cost of each asset or the re-valued amount to its residual value over its estimated useful life. The annual rates in use are:

Item	Years	Rates
Plant & Machinery	20	12.20%
Motor Vehicle	10	25.00%
Furniture & Fitting	8	12.50%
Computer	5	33.33%
Infrastructure	20	12.50%
Laboratory Equipment	5	33.33%
Intangible Assets	20	25.00%
Tools	3	33.33%

A full year's depreciation charge is recognized both in the year of asset purchase and in the year of asset disposal.

Items of property, plant and equipment are reviewed annually for impairment. Where the carrying amount of an asset is assessed as greater than its estimated recoverable amount, an impairment loss is recognized so that the asset is written down immediately to its estimated amount.

e) Leases

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

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

**f) 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.

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

#### **Subsequent measurement**

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

#### **Amortized cost**

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

#### **Fair value through net assets/ equity**

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

#### **Trade and other receivables**

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

#### **Fair value through surplus or deficit**

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

#### **Impairment**

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note 18

#### **b) Financial liabilities**

##### **Classification**

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

##### **h) Inventories**

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

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

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

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

**i) 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

**j) 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.

**k) 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.

**l) 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.

m) Employee benefits

Retirement benefit plans

NGCDF Kathiani does not operate its own retirement benefit plan. Retirement benefits for employees are provided through government established schemes.

The Entity makes statutory contributions to NSSF.

n) 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.

**o) 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.

**p) 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.

**q) Comparative figures**

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

**r) 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. Provisions are recognized when NGCDF Kathiani has a present legal or constructive obligation because of past event. NGCDF Kathiani may include: Provision for pending project obligations, where funds have been committed to community projects but not yet disbursed; Provision for legal claims or disputes.

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

6. Transfers from the NGCDF Board

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

7. Transfers from domestic and foreign partners

Description	2024/2025
	Kshs
Grants	-
<b>Total</b>	<b>-</b>

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

	2024/2025
	Kshs
Rental Income	-
Income from sale of tenders	50,000
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere (specify)	-
<b>Total</b>	<b>50,000</b>

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

10. Employees cost

	2024/2025
	Kshs
NG-CDFC Basic staff salaries	2,405,448
Personal allowances paid as part of salary	-
House Allowance	384,000
Transport Allowance	372,000
Leave allowance	40,000
Gratuity to contractual employees	835,140
Employer Contributions Compulsory national social security schemes	309,960
Employer Contributions Compulsory Housing levy	111,750
Employer contributions to National Industrial Training Authority	122,288
Other Specify	381,824
<b>Total</b>	<b>4,962,410</b>

11. Committee Expenses

	2024/2025
	Kshs
Sitting allowance	799,000
Other Committee expenses	3,199,000
<b>Total</b>	<b>3,998,000</b>

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

12. Use of Goods and services

	2024/2025
	Kshs
Utilities, supplies and services(Water and Eletricity)	111,043
Travel Cost	17,000
Hire of transport	625,060
Sanitary and Cleaning Materials, Supplies and Services	35,772
Domestic travel and Subsistance	23,800
Publishing and Printing Services	142,840
Hospitality supplies and services	433,483
Office and General Supplies	373,349
Other Fuels	30,513
Internet Subscription	92,702
Training expenses	2,330,400
Insurance Cost	14,199
Communication, Supplies & Services	151,800
Bank Charges	3,000
Courier and Postal Services	9,450
Fuel oil and Lubricants	4,900
Routine Maintenance - Other Assets	370,000
Maintenance of office furniture and equipment	136,400
Supplies and accessories for computers and printers	493,500
<b>Total</b>	<b>5,399,211</b>

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

13. Other Government Units Actual expenditure

Description	2024/2025
	Kshs
Primary Schools Actual expenditure	22,829,528
Secondary Schools Actual expenditure	34,781,490
Tertiary Institutions Actual expenditure	-
<b>Total</b>	<b>57,611,018</b>

14. Other Grants and transfers Actual expenditure

	2024/2025
	Kshs
Bursary – secondary schools	31,978,853
Bursary – tertiary institutions	17,459,933
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	1,131,932
Climate change mitigation projects	-
Emergency projects Actual expenditure	5,786,189
Roads projects Actual expenditure	-
Others specify	-
<b>Total</b>	<b>56,356,907</b>

15. Depreciation and Amortization Expenses

Description	2024/2025
	Kshs
Property Plant and Equipment	112,898
Intangible Assets	-
<b>Total</b>	<b>112,898</b>

16. Digital Hubs Expenses

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

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

Total	-
-------	---

17. Gain/loss on Sale of Assets

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

18. Impairment Loss

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

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
Cooperative Bank Account No.01141563295800 (Operations account)	70,358,718	9,051,459
Operations account pending closure (Indicate name & account no.)	-	-
Cooperative Bank , account No. 01100737749001(Deposit account)	902,100	1,820,068
Cooperative Bank account No. Various(as per annex 2)(PMC's account)	22,935,105	24,504,344
<b>Total</b>	<b>94,195,923</b>	<b>35,375,872</b>
<b>Cash Balances</b>		
Location 1	-	-
Location 2	-	-
Other Locations (Specify)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
[Provide Cash Count Certificates for Each]		

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

20. Receivables from Exchange Transactions

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

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

i. Ageing Analysis for Receivables

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

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

21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	21,469,858		38,194,614	
Outstanding imprest	-		-	
<b>Total</b>	<b>21,469,858</b>		<b>38,194,614</b>	
-	-		-	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	21,469,858	100%	38,194,614	100%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>21,469,858</b>	<b>100%</b>	<b>38,194,614</b>	<b>100%</b>

22. Prepayments

Description	2024/2025		Opening Statement 1 <sup>st</sup> July 2025	
	Kshs		Kshs	
Prepaid Rent	-		-	
Prepaid Insurance	15,097		11,050	
Prepaid Electricity Costs	-		-	
Other Prepayments (Specify)	-		-	
<b>Total</b>	<b>15,097</b>		<b>11,050</b>	

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

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	-	-	602,125	-	-	-	-	602,125
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	602,125	-	-	-	-	602,125
Depreciation And Impairment								
Opening Depreciation	-	-	150,531	-	-	-	-	150,531
Depreciation	-	-	112,898	-	-	-	-	112,898
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	263,430	-	-	-	-	263,430
Net Book Values								
Opening Bal as at 1 <sup>st</sup> July 2024	-	-	451,594	-	-	-	-	451,594
As At 30 <sup>th</sup> June 2025	-	-	338,695	-	-	-	-	338,695

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

---

22 b) Property, Plant and Equipment at Cost

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	-	-	-
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	602,125	263,430	338,695
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
<b>Total</b>	-	-	-

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

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

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

24. Intangible Assets

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

25. Right-of use assets

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

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

26. Trade and Other Payables

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

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

27. Third-Party deposits

	2024/2025	Opening statement 1 <sup>st</sup> July 2024
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	279,988	279,988
Retention held during the year (B)	1,600,782	-
Retention paid during the Year (C)	1,055,770	-
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	825,000	279,988

Retentions aging analysis.

	2024/2025	% of the total	2023/2024	% of the total
Less than 1 year	825,000	100%	279,988	100%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	825,000		279,988	

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

28. Lease Liabilities

Description	2024/2025	Opening Statement 1 <sup>st</sup> 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	-	-

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

**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	2024/2025	Opening statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Gratuity at the beginning of the year 1 <sup>st</sup> of July	1,540,080	1,540,080
Gratuity held during the year	835,140	-
Gratuity paid during the year	1,473,120	-
<b>Total Gratuity Provision 30th June 2025(A+B-C)</b>	<b>902,100</b>	<b>1,540,080</b>

**30. Cash Generated from Operations**

	2024/2025
	Kshs
Surplus for the period before tax	42,079,412
<b>Adjusted for:</b>	
Depreciation	112,898
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
<b>Working capital adjustments</b>	
Changes in inventory	-
Changes in receivables	(16,720,710)
Changes in deferred income	-
Changes in Third party deposits	(545,012)
Changes in gratuity provision	637,980
Changes in payments received in advance	-
<b>Net cash flow from operating activities</b>	<b>58,820,052</b>

**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 program 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:

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

i) Credit risk

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

**Financial Risk Management**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	21,469,858	21,469,858	-	-
Bank balances	94,195,923	94,195,923	-	-
<b>Total</b>	<b>115,665,781</b>	<b>115,665,781</b>	-	-
<b>As at 30 June 2024</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	38,194,614	38,194,614	-	-
Bank balances	35,375,872	35,375,872	-	-
<b>Total</b>	<b>73,570,486</b>	<b>73,570,486</b>	-	-

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

### Financial Risk Management

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

#### ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	825,000	825,000
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June 2024</b>	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Total	-	-	825,000	825,000

**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**

The Entity has no transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Entity manages foreign exchange risk from future commercial transactions and recognized assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the Entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

2024/2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 <sup>th</sup> 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 30 <sup>th</sup> 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)	-	-	-

## 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
<b>Current FY</b>			
Euro	10%	-	-
USD	10%	-	-
<b>Previous FY</b>			
Euro	10%	-	-
USD	10%	-	-

### b) Interest rate risk

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

### Management of interest rate risk

To manage the interest rate risk, management has 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

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

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

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

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

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

Non- Financial Assets	-	-	-	-
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

**iv)Capital Risk Management**

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

Description	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Accumulated surplus/Deficit	114,292,473	72,213,060
Capital Reserve	-	-
<b>Total Funds</b>	<b>114,292,473</b>	<b>72,213,060</b>
Total Borrowings	-	-
Less: Cash and Bank Balances	94,195,922	35,375,871
Net Debt/(Excess Cash And Cash Equivalentents)	(94,195,922)	(35,375,871)
<b>Gearing</b>	<b>0%</b>	<b>0%</b>

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

**32. Related Party Disclosures**

	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	3,998,000	-
<b>Transaction with the NGCDF Board</b>	-	-
Transfers from the NGCDF Board during the year	187,194,613	-
<b>Total</b>	<b>187,194,613</b>	<b>-</b>

**33. Segment Information**

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

**34. Contingent Assets and Contingent Liabilities**

Contingent Assets

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

(Give details)

**Contingent Liabilities**

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

**35. Capital Commitments**

Capital Commitments	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Authorized for	-	-
Authorized and Contracted for	-	-
<b>Total</b>	-	-

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

**36. Events after the Reporting Period**

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

**37. Ultimate And Holding Entity**

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

**38. Currency**

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

18. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	12,921,669	-	-	12,921,669
Transport equipment	4,602,125	-	-	4,602,125
Office equipment, furniture, and fittings	587,294	-	-	587,294
ICT Equipment and Other ICT Assets	2,269,480	-	-	2,269,480
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>20,381,198</b>	<b>-</b>	<b>-</b>	<b>20,381,198</b>

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

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

PMC	Bank	Account number	Bank Balance	<i>Opening Statement 1st July 2024</i>
			Current period	
GENERAL MULINGE HIGH SCHOOL	CO-OPERATIVE BANK	01107481970002	600	151,600
GENERAL MULINGE HIGH SCHOOL	CO-OPERATIVE BANK	11107481970001	2,114	76,920
GENERAL MULINGE PRIMARY SCHOOL	CO-OPERATIVE BANK	01100726218001	1,738	1,738
IKOLENI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105509374001	2,325	2,325
IMILINI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100281423001	3,414	3,414
IMILINI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100884483002	3,075	143,075
ISOONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01139748981200	1,140	1,140
ISOONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100580239002	1,901	1,901
ISYUKONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100712284001	39,363	39,363
IVETI ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	00110025793001	1,975	1,975
KAANI ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100245564001	14,155	14,155
Kaani Lions Girls Secondary	CO-OPERATIVE BANK	01100726671001	504	141,504
KAEWA ASSISTANT CHIEF OFFICE	CO-OPERATIVE BANK	01100254847001	10,065	10,065

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

KAWEA ASSISTANT CHIEF OFFICE	CO-OPERATIVE BANK	01100292714001	1,068	1,068
KAWEA ASSISTANT CHIEF OFFICE	CO-OPERATIVE BANK	01141655676300	2,990	2,990
KAWEA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100646219001	915	75,721
KAWEA SECONDARY SCHOOL	CO-OPERATIVE BANK	01105509838001	5,275	5,275
KAIANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100301667001	632	632
KAIANI SECONDARY SCHOOL	CO-OPERATIVE BANK	01105509903000	-	71,772
KAIANI SECONDARY SCHOOL	CO-OPERATIVE BANK	01105509903001	-	3,945,248
KALALA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100650366001	848	63,848
KALILUNI ASSISTANT CHIEFS	CO-OPERATIVE BANK	01100912884001	975	93,975
KALILUNI GIRLS SEC SCHOOL	CO-OPERATIVE BANK	01107493834001	975	148,975
KALILUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105495568001	-	2,597,950
KALUNGA ASSISTANTS CHIEFS OFFICE	CO-OPERATIVE BANK	01100264240001	1,975	1,975
KALUNGA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100157732001	1,203	1,203
KASOVYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100719808002	515	259,515
KASOVYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100719808001	475	475
Kathalani Police Post	CO-OPERATIVE BANK	01141550154100	945	945

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

KATHALANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01139072496202	-	304,848
KATHALANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100651183001	915	915
KATHIANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105501201001	67,865	67,865
KATHUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100281348001	285	285
KATULYA PRIMARY SCHOOL	CO-OPERATIVE BANK	00110023933001	3,125	3,125
KAUTI ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100244312001	2,867	2,867
KAUTI ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100650124001	16,988	16,988
KAUTI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100150760001	135,339	284,090
KAUTI SECONDARY SCHOOL	CO-OPERATIVE BANK	01102761169001	2,575	455,575
KAVIANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100648680002	14,519	14,519
KAVIANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100648680001	21,668	63,548
KIKOMBI PRIMARY SCHOOL	CO-OPERATIVE BANK	01106557497001	25	25
KIKOMBI SECONDARY SCHOOL	CO-OPERATIVE BANK	01106557497001	25	25
KIKOMBI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100890568001	-	55,025
KIKOMBI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100890568002	525	142,525
KIKOMBI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100890568003	25	490,025

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

KINGONGOI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100906831001	512	512
KINGONGOI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100899619001	975	453,975
KINGONGOI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100899619002	5,055	5,055
KISEKINI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100646283001	503	503
KITHIA ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100267871001	1,975	1,975
KITHUNGUINI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100888810001	55,860	55,860
KITHUNGUINI SECONDARY SCHOOL	CO-OPERATIVE BANK	01107480029001	1,475	141,475
KITHUNGUINI SECONDARY SCHOOL	CO-OPERATIVE BANK	01141748002900	15,065	15,065
KITIE SECONDARY SCHOOL	CO-OPERATIVE BANK	01100334694001	75	75
KITULU PRIMARY SCHOOL	CO-OPERATIVE BANK	01100719787001	325	325
KITUVU SECONDARY SCHOOL	CO-OPERATIVE BANK	01100900794001	-	1,404,124
KOMAROCK PRIMARY SCHOOL	CO-OPERATIVE BANK	01100646314001	500	500
KOMBU PRIMARY SCHOOL	CO-OPERATIVE BANK	01100724947001	-	775,725
KOMBU PRIMARY SCHOOL	CO-OPERATIVE BANK	01100724947002	545	545
KOMBU PRIMARY SCHOOL	CO-OPERATIVE BANK	01100289199001	1,198	1,198
KOMBU PRIMARY SCHOOL	CO-OPERATIVE BANK	01100724947003	301	301

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

KWAMUUNDA PRIMARY-SCHOOL	CO-OPERATIVE BANK	01100648178001	508	508
KWANGENGI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105501204001	13,319	13,319
KWANGOLYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100724940001	17	380,817
KWANZIMBI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100726241001	30,300	30,300
KWANZIMBI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100201238001	13,275	13,275
KYULUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100249469001	505	505
KYULUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100659527001	919	75,725
LITA ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100265643001	1,975	1,975
LITA ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100285456001	550	550
Lumbwa secondary SCHOOL	CO-OPERATIVE BANK	01139550624600	16,37	16,373
LUMBWA SECONDARY SCHOOL	CO-OPERATIVE BANK	01100183121002	975	453,975
MANZONI PRIMARY SCHOOL	CO-OPERATIVE BANK	11006456433001	506	506
MATHUNYA ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100259552001	1,975	1,975
MATHUNYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100181900001	10,575	10,575
MATHUNYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100283890001	121	121
MBEE HIGH SCHOOL	CO-OPERATIVE BANK	01105500032001	-	578,641

**National Government Constituencies Development Fund (NGCDF)**

**Kathiani Constituency**

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

MBEE HIGH SCHOOL	CO-OPERATIVE BANK	01105500032002	1,975	453,975
MISUUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100900960001	6	6
MITABONI ABC GIRLS	CO-OPERATIVE BANK	01100900611001	3,450	3,45
MITABONI ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100269871001	1,975	1,975
MITABONI POLICE POST	CO-OPERATIVE BANK	01100646628001	20,426	62,306
MITABONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100646434001	264	264
MITABONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100646434002	4,425	164,975
MITHANGA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100724966001	4,000	215,000
MIUMBUNI AIC SEC SCHOOL	CO-OPERATIVE BANK	01100890197003	3,075	143,075
MIUMBUNI AIC SEC SCHOOL	CO-OPERATIVE BANK	01100890197002	3,575	455,575
MIUMBUNI AIC SEC SCHOOL	CO-OPERATIVE BANK	01100890197001	3,652	2.243,652
MIVANDONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100726296001	675	675
MUONYWENI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100719771001	6	6
MUTONDONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100902268001	13,319	13,319
MUTUMBINI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100899081001	15	100,615
MWANGA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100301346001	14,559	44,368

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

NGELENI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105503701001	13,894	13,894
NGOLENI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100913012001	4,475	4,475
NTHUNGUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100902379001	475	93,975
NTHUNGUNI SECONDARY SCHOOL	CO-OPERATIVE BANK	01105501206001	14,235	14,235
THINU ASSISTANT CHIEFS OFFICE	CO-OPERATIVE BANK	01100262832001	10,235	10,235
THINU SECONDARY SCHOOL	CO-OPERATIVE BANK	01105508132001	975	453,975
WANDATHE PRIMARY SCHOOL	CO-OPERATIVE BANK	01100254010002	798	35,721
WANDATHE PRIMARY SCHOOL	CO-OPERATIVE BANK	01100254010001	6,023	60,723
WUTINI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100890043001	500	4,700,500
YANZONGA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100726230001	1,225	98,225
KALIKYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01101098291001	1,095	-
KALILUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100719964004	542	-
KALALA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100726186001	-	-
LUMBWA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100711526001	1,846	-
KWANGENGI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100714644001	23,695	-
KAIANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100726252001	23,695	-

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

ISOONI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100580239003	881	-
MATHUNYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100181900002	1,866	-
KWAMUUNDA PRIMARY SCHOOL	CO-OPERATIVE BANK	01100648178002	843	-
KALILUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105495568003	4,785	-
KALIKYA PRIMARY SCHOOL	CO-OPERATIVE BANK	01101098291002	-	-
MBUUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01101949939001	2,850,000	-
KAIANI PRIMARY SCHOOL	CO-OPERATIVE BANK	01100301667002	3,750,000	-
KWALE PRIMARY SCHOOL	CO-OPERATIVE BANK	01100301346002	2,000,000	-
MWANGA PRIMARY SCHOOL	CO-OPERATIVE BANK	01102094818001	2,500,000	-
KITULU PRIMARY SCHOOL	CO-OPERATIVE BANK	01100719787002	1,000,000	-
NGIINI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105503566001	2,100,000	-
MIUMBUNI PRIMARY SCHOOL	CO-OPERATIVE BANK	01105495165002	2,500,000	-
MITABONI BOYS HIGH SCHOOL	CO-OPERATIVE BANK	01100911002003	-	-
MITABONI BOYS HIGH SCHOOL	CO-OPERATIVE BANK	01100911002001	-	-
MITABONI BOYS HIGH SCHOOL	CO-OPERATIVE BANK	01100911002002	1,765	-
KINYAU SECONDARY SCHOOL	CO-OPERATIVE BANK	01100911002003	7,825	-

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

KALILUNI GIRLS SEC SCHOOL	CO-OPERATIVE BANK	01101097869001	7,825	-
MITABONI BOYS HIGH SCHOOL	CO-OPERATIVE BANK	01107493834002	149,948	-
NTHUNGUNI SECONDARY SCHOOL	CO-OPERATIVE BANK	01100911002004	112,628	-
NTHUNGUNI SECONDARY SCHOOL	CO-OPERATIVE BANK	01105501206003	-	-
MITABONI BOYS HIGH SCHOOL	CO-OPERATIVE BANK	01105501206002	40,202	-
KAANI CHIEF'S OFFICE	CO-OPERATIVE BANK	01101554376001	2,948	-
KATHIANI CHIEFS OFFICE	CO-OPERATIVE BANK	01101658502001	1,169,410	-
Kavete Primary School	CO-OPERATIVE BANK	01100719781001	379,597	-
KATHIANI Primary School	CO-OPERATIVE BANK	01101839265001	377,097	-
MBUUNI Primary School	CO-OPERATIVE BANK	01101813836001	380,131	-
KIKOMBI Primary School	CO-OPERATIVE BANK	01100726233001	-	-
KASOVYA Primary School	CO-OPERATIVE BANK	01101863356001	373,097	-
KWALE Primary School	CO-OPERATIVE BANK	11Q18224471001	2,405.00	-
KASIONI Primary School	CO-OPERATIVE BANK	01100719808003	197,427	-
MIUMBUNI Primary School	CO-OPERATIVE BANK	01105509657001	201,283	-
MITHANGA Primary School	CO-OPERATIVE BANK	01101838384001	383,106	-

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

THINU Primary School	CO-OPERATIVE BANK	01101822189001	373,097	-
Maanzoni Secondary School	CO-OPERATIVE BANK	01105495165001	372,072	-
Kaewa Secondary School	CO-OPERATIVE BANK	01101839403001	380,326	-
Kauti Secondary School	CO-OPERATIVE BANK	01101841145001	381,231	-
Kathalani Police Post	CO-OPERATIVE BANK	01100724966002	8,416	-
Kombu Assistant Chief's office	CO-OPERATIVE BANK	01101858780001	201,623	-
Kwamuunda Primary School	CO-OPERATIVE BANK	01139550821200	-	5,157
Kyamwee Primary School	CO-OPERATIVE BANK	01139748991200	-	550
Kyuluni Primary School	CO-OPERATIVE BANK	01139550370500	-	1,703
Makumbini Primary School	CO-OPERATIVE BANK	01139550838600	-	1,500
Mangaani Primary School	CO-OPERATIVE BANK	01139072506001	-	2,692
Mbee Primary School	CO-OPERATIVE BANK	01139550286300	-	800
Mbuuni Primary School	CO-OPERATIVE BANK	01139072623302	-	1,762
Lumbwa Primary School	CO-OPERATIVE BANK	01139550366900	-	3,572
Mivandoni primary school	CO-OPERATIVE BANK	01139550120200	-	10,295
Kitulini Primary School	CO-OPERATIVE BANK	01139748205900	-	1,525

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

Komarock Primary School	CO-OPERATIVE BANK	01139550241800	-	10
Kwa ngengi Primary School	CO-OPERATIVE BANK	01139550120400	-	857
Kwa ngengi Primary School	CO-OPERATIVE BANK	01139276273600	-	1,000
Kwa nzimbi Primary School	CO-OPERATIVE BANK	01139072624101	-	1,932
Kwale Primary School	CO-OPERATIVE BANK	01139549561700	-	9,927
Wutini primary school	CO-OPERATIVE BANK	01139550894900	-	2,350
Misuuni primary school	CO-OPERATIVE BANK	01141550715800	-	7,370
Nthunguni primary school	CO-OPERATIVE BANK	01139550894000	-	978
Nzaikoni primary school	CO-OPERATIVE BANK	01139550369400	-	7,242
Ngeleni primary school	CO-OPERATIVE BANK	01139550370100	-	3,212
Mutondoni primary school	CO-OPERATIVE BANK	01139276532900	-	700
Kauti primary school	CO-OPERATIVE BANK	01141655760100	-	127,523
Lumbwa Primary School	CO-OPERATIVE BANK	01139550366900	-	27,507
Kathiani primary school	CO-OPERATIVE BANK	01139550120100	-	333,972
Ithaeni Primary School	CO-OPERATIVE BANK	01139550367900	-	1,000
Kaewa Primary School	CO-OPERATIVE BANK	01139550370000	-	1,497

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

Kalikya Primary School	CO-OPERATIVE BANK	01139549569200	-	4,398
Kalunga Primary School	CO-OPERATIVE BANK	01139549582500	-	1,170
Kathiani Primary School	CO-OPERATIVE BANK	01139550120100	-	1,980
Kathuni Primary School	CO-OPERATIVE BANK	01139072596701	-	1,097
Katulya Primary School	CO-OPERATIVE BANK	01139549598200	-	1,484
Kauti Primary School	CO-OPERATIVE BANK	01141655760100	-	1,669
Kikata Primary School	CO-OPERATIVE BANK	01139550286200	-	2,877
Kikombi Primary School	CO-OPERATIVE BANK	01139072621201	-	1,857
Kikombi Primary School	CO-OPERATIVE BANK	01139072621201	-	1,315
Kitengei Primary School	CO-OPERATIVE BANK	01139550846800	-	550
Kithunguini Primary School	CO-OPERATIVE BANK	01139549596200	-	31,695
Kituli Primary School	CO-OPERATIVE BANK	01139549600300	-	862
Mitaboni primary school	CO-OPERATIVE BANK	01100646434002	-	125
Mitaboni primary school	CO-OPERATIVE BANK	01100646434002	-	125
Mitaboni boys high school	CO-OPERATIVE BANK	01141749165200	-	147,596
Thinu Secondary school	CO-OPERATIVE BANK	01139550813200	-	1,711

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

Ngoleni secondary school	CO-OPERATIVE BANK	01139549557300	-	6,402
Rev.kitonyi memorial	CO-OPERATIVE BANK	01139748980700	-	1,478
St.benedict kituli secondary	CO-OPERATIVE BANK	01139277645001	-	29,746
Ikoleni Secondary School	CO-OPERATIVE BANK	01139276456900	-	2,700
Isooni Secondary School	CO-OPERATIVE BANK	01139550368800	-	5,472
Ithaeni Primary School	CO-OPERATIVE BANK	01139550367900	-	1,587
Kaani lions Girls Secondary School	CO-OPERATIVE BANK	01139549533700	-	1,545
Kaewa Secondary School	CO-OPERATIVE BANK	01139550983800	-	1,181
Kaliluni Girls Secondary School	CO-OPERATIVE BANK	01139749383400	-	11,657
Kathuni secondary school	CO-OPERATIVE BANK	01139549133900	-	27,067
Kingongoi Secondary School	CO-OPERATIVE BANK	01139550116300	-	416
Nthunguni secondary school	CO-OPERATIVE BANK	01105501206002	-	1
Mitaboni police post	CO-OPERATIVE BANK	01141655674700	-	928
Ngoleni Assistant Chief office	CO-OPERATIVE BANK	01141655678600	-	1,235
Ngoleni Security post	CO-OPERATIVE BANK	01141748264400	-	425
Muonyweni Security post	CO-OPERATIVE BANK	01141748266100	-	4,814

*National Government Constituencies Development Fund (NGCDF)*

*Kathiani Constituency*

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

Muonyweni Security post	CO-OPERATIVE BANK	01141748266100	-	28,612
Kalunga assist chief	CO-OPERATIVE BANK	01141655762400	-	16,373
Iveti chiefs office	CO-OPERATIVE BANK	01141655795100	-	215
Kaani police post	CO-OPERATIVE BANK	01141655791200	-	1,395
Kaiani assist chief	CO-OPERATIVE BANK	01141655767700	-	2,024
Kalunga assistant chief office	CO-OPERATIVE BANK	01141655762400	-	660
Kathalani police post	CO-OPERATIVE BANK	01141550154100	-	945
Kithia assist chief	CO-OPERATIVE BANK	01141655674900	-	11,765
			<b>22,935,104</b>	<b>24,504,344</b>

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

**Annex 3: Progress On Follow Up of Auditor Recommendations**

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.1	<p><b>Inaccuracies in Cash and Cash Equivalents</b> The statement of assets and liabilities as disclosed in Note 11A to the financial statements reflect bank balance of Kshs.10,871,526. Included in the balance is Kshs.9,051,458 for the operation account. However, the cashbook and bank reconciliation statement reflect a bank balance of Kshs.8,947,687 resulting in unexplained variance of Kshs.103,771. In addition, review of the bank reconciliation statements for the month of June 2024 revealed unrepresented cheques totaling Kshs.1,915,961, out of which, cheques totaling to Kshs.233,930 were stale. The cheques had however, not been written back to the cashbook.</p>	<p>The opening balance was corrected in the cashbook and the stale cheques were reversed and written back in the cashbook.</p>	<p>Not Resolved</p>	<p>In Consultation with the Auditor General Pending Appearance before DFAC</p>

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.2	<p>In the circumstances, the accuracy and completeness of Cash and Cash equivalents balance of Kshs.10,871,526 could not be confirmed.</p> <p><b>Budgetary Control and performance</b> The Summary statement of appropriation reflects final receipts budget and actual on comparable basis of Kshs.250,417,585 and Kshs.212,222,971 respectively resulting to an under-funding of Kshs.38,194,614 approximately 15% of the budget. The under-funding may affect the planned activities and programs and may impact negatively on service delivery to the residents of Kathiani Constituency.</p>	Delays in funding occasioned under absorption of budget	Not Resolved	In Consultation with the Auditor General Pending Appearance before DFAC
4.3	<p><b>Delay in Implementation of Projects</b> During the year under review, the Fund Management had budgeted to implement a total of sixty one(61) projects worth Kshs.140,506,821. However, review of records revealed that the Fund implemented only fifty(50) projects worth Kshs.123,314,352. The</p>	Delayed implementation was due to delayed funding	Not Resolved	In Consultation with the Auditor General Pending Appearance before DFAC

National Government Constituencies Development Fund (NGCDF)  
Kathiani Constituency

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
4.4	<p>balance of eleven(11) projects with a total allocation of Kshs.17,192,469 were not implemented.</p> <p>In the circumstances, value for money on the projects that had not been completed could not be confirmed.</p> <p><b>Delay in Implementation of projects</b></p> <p>The statement of receipts and payments and as disclosed in Note 7 to the financial statements reflect transfers to other government units of Kshs.102,760,074 which includes Kshs.48,864,228 for primary Schools. Included in the amount is Kshs.4,700,000 disbursed on 11 June 2024 to the PMC of Wutini Primary School for construction of 3 classrooms. Review of the project file revealed that the PMC awarded the Contract sum of Kshs.4,698,105 on 28 June 2024 with a completion period of 180 days from the date of signing the contract. The interim payment certificate number 1 Of 10 October 2024 indicated an amount of</p>	<p>The contractor wrote a request letter for contract extension. The PMC approved the extension of contract and the contractor finished the project before the extension period had lapsed.</p>	Not Resolved	In Consultation with the Auditor General Pending Appearance before DFAC

National Government Constituencies Development Fund (NGCDF)

Kathiani Constituency

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	Kshs.1,526,520. However physical inspection carried on 11 December 2024 revealed that approximately 33% of the work had been completed while 163 days(91%) of the contract period had elapsed. No approval for contract extension was provided for audit review. In the circumstances, value for money could not be confirmed.			

*Aurelia Nyika*  
 .....  
 Aurelia Nyika  
 Fund Account Manager.



