

REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – NORTH MUGIRANGO
CONSTITUENCY**

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

THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 18 FEB 2026	DAY: WED
TABLED BY: MEMBER AT DISPOSABLE:	MATAMBA PARTY WHIP HON. SILVANO OBERO OBIERO



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

NORTH MUGIRANGO CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

AIE	Authority to Incur Expenditure
AC	Audit Committee
DCC	Deputy County Commissioner
IPSAS	International Public Sector Accounting Standards.
FAM	Fund Account Manager
NG-CDFB	National Government Constituencies Development Fund Board
NG-CDF	National Government Constituencies Development Fund
NG-CDFC	National Government Constituency Development Fund Committee
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, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

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

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

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

Functions of NG-CDF Committee

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

(b) Key Management

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

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Robert Serem
2.	National Sub-County Accountant	Obiye Jackson
3.	Chairman NGCDFC	Yuvinalis Terah
4.	Member NGCDFC	Elizabeth Arika

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF North Mugirango 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 North Mugirango Constituency Headquarters

P.O. Box 105-40500
Sub- county Commissioners building
Nyamira Ikonge Road
Nyamira, KENYA

(e) NGCDF North Mugirango Constituency Contacts

Telephone: (254) 721431120
E-mail: cdf@northmugirango@ngcdf.go.ke
Website: www.ngcdf.go.ke

(f) NGCDF North Mugirango Constituency Bankers

1. Operations Account.
Equity Bank
Branch- Nyamira
P.O Box 75104-00200
Nairobi.

2. Deposit account.
Family Bank
Branch- Nyamira
P.O. Box 74145-00200,
Nairobi.

3. Project Management Committee Accounts
Family Bank
Nyamira Branch
P.O. Box 74145-00200,
Nairobi

Equity Bank
Nyamira Branch
P.O. Box 75104-00200,
Nairobi

Cooperative Bank
Nyamira Branch
P.O Box 48231-00100,
Nairobi

KCB Bank
Nyamira Branch
P.O.Box 48400-00100,
Nairobi





(g) Independent Auditor

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




(h) Principal Legal Adviser

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




3. NGCDF Committee

Name	Details
 <p>Mr. Yuvinalis Terah Chairman</p>	<p>Mr. Yuvinalis Terah is the current Chairperson and has served in the same capacity for 8 years in a row.</p> <p>He's aged 61 years, having a master degree in Economics and Literature from India and a former lecturer, several universities in Somalia.</p>
 <p>Mrs. Elizabeth Moraa Arika Secretary</p>	<p>Mrs. Elizabeth Arika is the current NG-CDFC Secretary, having served in the same capacity for 7 years in row Representing Female(Adult) Aged 72 years and a retired teacher after 30 years of teaching She is a holder of P1 certificate</p>
 <p>Erick Mweresa-Male Member</p>	<p>Mr Erick Mwereza is the current NG-CDFC member representing Male youth.</p> <p>He is 33years of age and a holder of Diploma, ICT from Jomo Kenyatta University currently studying a Theology at Pentecostal Bible College</p>
 <p>Mr. Thomas Oyaro Kimongo</p>	<p>Mr. Thomas Kimongo is the current NG-CDFC member, a male adult representative. He is 67 years of age and a holder degree in leadership and Integrity from Kisii University, and had served has councilor for 5 years representing Ikonge ward He is a businessman and is engaged in community service</p>

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Name	Details
<p>Member</p>  <p>Ms. Maureen Mokuia Bosibori Member</p>	<p>Ms. Maureen Mokuia Bosibori is the current NG-CDFC member representing Female youth a position She has served for three years</p> <p>He is 26 years of age and a holder of KCSE certificate Currently undertaking certificate in community health assistant at Mt Kenya University</p>
 <p>MR. Joseph Ogeta Nyangoya Member</p>	<p>MR. Joseph Ogeta Nyangoya is the current NG-CDFC member Representing PWDs has served for 5years. He is 77 years of age and graduate of Certificate of Primary Education, served for several years as a chairperson of Board of Management of Misambi primary and Matongo and Getare Secondary school</p> <p>He is a businessman and is engaged in community service</p>
 <p>Mrs. Dina Ondieki Member</p>	<p>Mrs. Dina Ondieki is the current NG-CDFC member Representing Female(Adult) she is 54 years of age and a holder Kenya Certificate of Secondary Education</p> <p>He is a business-lady and is engaged in community service</p>

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Name	Details
 <p>Joseck Ouya Marita Member</p>	<p>Joseck Ouya Marita is the co-opted NGCDF member has served for three years He is 72 years old and a holder of East Africa Certificate of Education. He is a business man and is engaged in community service</p>
 <p>Mr. Simon Osumba.</p>	<p>Mr. Simon Osumba is a holder of master in public administration from University of Nairobi with over 30years experience in public administration. He is the current Deputy County Commissioner, Nyamira north. He is a member of the NG-CDFC North Mugirango as a government official.</p>
 <p>Mr. Robert Serem Fund Account Manager</p>	<p>Mr Robert Serem is 45 years of aged served as Fund Account Manager from 2007, a graduate of Economics and Mathematics from Moi University , and Master of Projects Planning and Management, university of Nairobi. He is a member of NG-CDF Committee as an Officer of the Board and an Ex-officio.</p>

4. NG-CDFC Chairman's Report



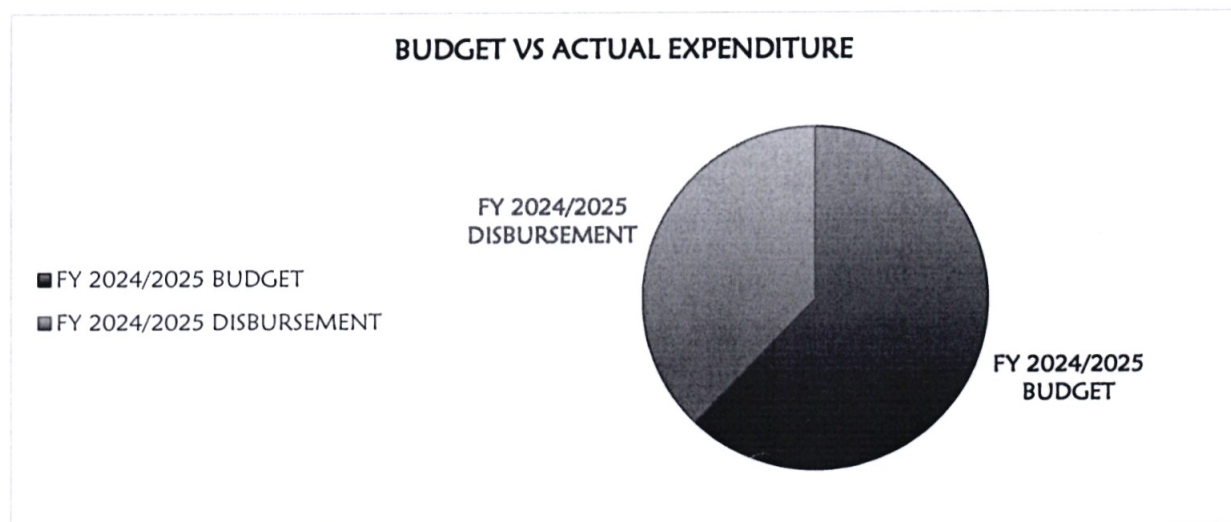
Yuvinalis Terah -NGCDFC Chairman

FUNDS DISBURSEMENTS:

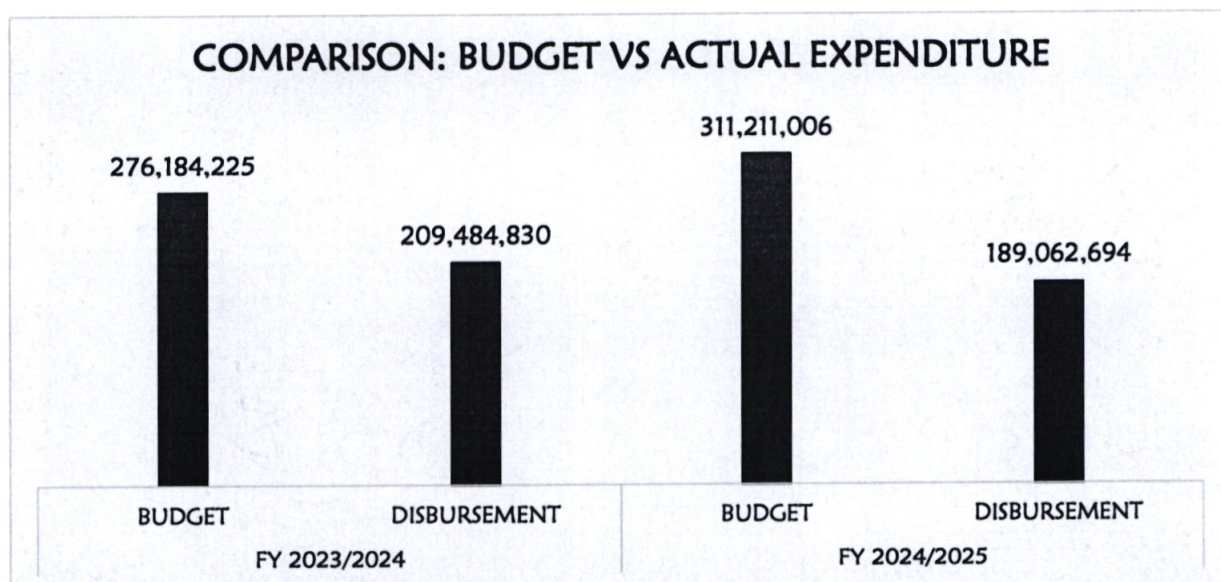
North Mugirango NG-CDF management and PMCs has in the last financial year disbursed and spent **Kshs 189,062,694** out of a total allocation of **Kshs 179,448,958** plus unspent balance from the **FY 2023/2024** of **Kshs 74,103,744** and un disbursed **Kshs 57,658,306** from the Board making a total budget of **Kshs 311,211,006**.
The PMCs spent a total of **Kshs 117,734,016.13** in implementation of various projects while the NG-CDFC disbursed a total of **Kshs 132,214,750.46**

GRAPHICALLY

1. BUDGET VS ACTUAL EXPENDITURE FOR THE FY 2024/2025



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



3. EXPENDITURE DURING THE YEAR

DESCRIPTION	BUDGET	ACTUAL EXPENDITURE	% UTILIZATION
Employee costs	4,868,400	4,710,767	97%
Committee expenses	4,131,929	3,520,000	85%
Use of Goods and Services	7,717,492	6,897,609	89%
Other Government Units Certified Works	140,834,272	87,535,796	62%
Other Grants and Transfers	113,651,914	83,898,520	74%
Acquisition of Assets	40,000,000	2,500,000	6%
Funds Pending Approval**	17,000	-	0%
Totals	311,221,007	189,062,693	61%

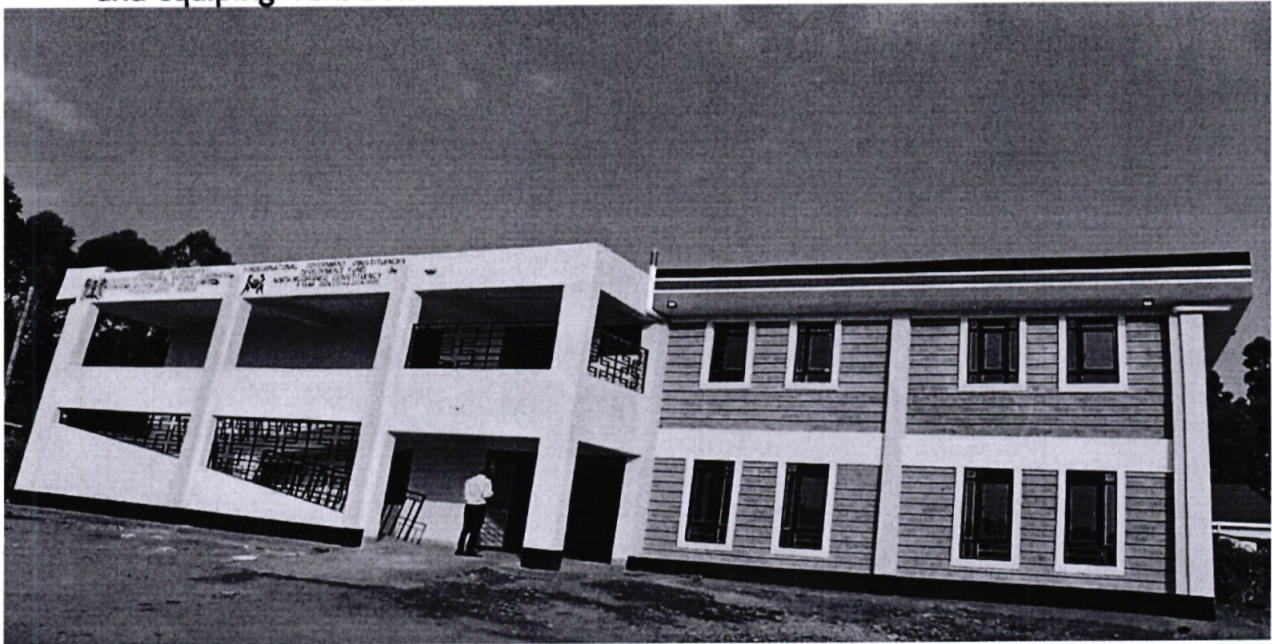
Key Achievements:

The greatest achievements are in project implementation which included improvement of learning structures in schools by construction of classrooms and administration blocks.

The management also constructed several classes during the financial year to create conducive environment for learning:

Sample of the projects implemented:

1. **Magwagwa Divisional Headquarters -Construction of ACCs divisional headquarters and equipping- Kshs 20.5M**



2. **Matongo Chiefs office- Construction of 3-roomed chiefs office with conference hall to completion- Kshs 5M**



Emerging issues:

Emerging issues include:

1. High demand for bursary due to high poverty index.

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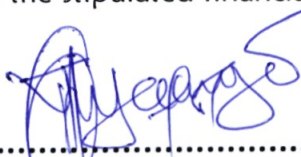
2. High cost of building materials due making the cost of building a classrooms higher and hence less number are allocated funds in the Financial Year

Challenges:

1. Some schools are inaccessible due to poor road networks

Way forward

The NG-CDF Board to disburse projects on timely basis for the constituencies to implement projects within the stipulated financial year.



.....
Name: Yuvinalis Terah
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY2024/2025

Introduction

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

The key development objectives of the *NGCDF* North Mugirango *Constituency 2022-2027* plan are to:

- To mobilize more resources for community development.
- To improve safe water supply.
- To improve the health standards of the constituency.
- To improve infrastructure, especially schools and roads within the constituency.
- To build capacity of the community to implement development projects.
- Empower and training of youth

Progress on the attainment of Strategic development objectives

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	<ul style="list-style-type: none"> - number of usable physical infrastructure build in primary, secondary, and tertiary institutions - number of bursary beneficiaries at all levels 	In FY 2024/2025 -we have constructed 3 admin blocks, Renovated 30 classrooms in primary and secondary, Purchased 1 school bus, constructed 20 classrooms, disbursed

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Constituency Program	Objective	Outcome	Indicator	Performance
				bursary for the 9,000 needy students, drilled 1 borehole
Security	To have conducive working environment for security agencies	Increased construction of chief's office	Improved security in the area	In FY 2024/2025 we have constructed 1 divisional headquarters at Kshs 23M, 2 chiefs offices, and 2 police posts
Climate Change Mitigation Activities	To improve environment by carrying out environmental activities	Increased planting of trees both indigenous and fruit trees	Improved environment	In the FY 2024/2025, management did not implement environment projects
Emergency	To mitigate disasters through disaster management	Increased capacity building on disaster management	Improved awareness	Management has carried out PMC & CDPC capacity building to improve in the management of NG-CDF funds, disbursed emergency funds worth Kshs 5,4M

6. Governance Statement

Background

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency.

Further, Section 5 (1) of the regulation states that the members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a vacancy in the Constituency Committee.

The officer of the board coordinated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

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

- i. One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- ii. Officer of the Board seconded to the constituency who is be the secretary of the selection panel

Further the NG CDF regulations requires that for one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

a. NG-CDFC process of appointment

The NGCDF Act 2016 on appointment of NGCDFC members' states;

(1) The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(4) The selection panel referred to in paragraph (1) shall consist of—

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- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette. 1952 Kenya Subsidiary Legislation, 2016

To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicized in churches, public offices notice boards and other public areas in the constituency. The selection panel developed a shortlisting criterion which enabled picking of the nominees. Two additional nominees were proposed from North Mugirango Constituency Office as per section 43 of the NG-CDF Act, 2015.

Five best NG-CDF applicants were selected taking into account age, gender, special interest groups and regional balance in accordance with section 43(2)(b)(c) and (d) of the Act

S/N	Name	Category representation	Ward
1.	Yuvinalis Terah	Male (Adult)	Itibo
2.	Thomas Kimongo	Male (Adult)	Ekerenyo
3.	Elizabeth Arika	Female (Adult)	Bomwaga
4.	Maureen Mokau Bosibori	Female (Youth)	Bokeira

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5.	Dina ondieki	Female (Adult)	Ekerenyo
6.	Erick Mwereza	Male (Youth)	Itibo

Nominee of the person representing persons with disability

S/N	Name	Nominating Organization	Nature of physical Impairment	Ward
1.	Joseph Ogeta	National Council Of People Living With Disability	Deformed Limbs	Magwagwa

Upon further consultation with the panel and the constituency office, members agreed to recommend for co-option by the NG-CDF Board as per section 43 subsection 2(g) as

S/N	Name	Gender	Ward
1.	Joseph Marita	Female	Itibo

The list of the selected and recommended members was forwarded to the NG_CDF Board and were further gazetted through a gazette notice dated 25th May, 2025.

The North Mugirango NG_CDFC Members were gazetted as follows

S/N	Name	Category	Statutory Provision Under NG-CDF Act
1.	Yuvinalis Terah	Male Adult Representative	Appointment, pursuant to Sec. 43 (2) (b)
2.	Thomas Kimongo	Male Adult Representative	Appointment, pursuant to Sec. 43 (2) (b)
3.	Maureen Mokau Bosibori	Female Youth Representative	Appointment, pursuant to Sec. 43 (2) (c)
4.	Elizabeth Arika	Female Adult Representative	Appointment, pursuant to Sec. 43 (2) (c)
5.	Joseph Ogeta	Representative of Persons Living with Disability	Appointment, pursuant to Sec. 43 (2) (d)
6.	Erick Mwereza	Male Youth Representative	Appointment Pursuant to Sect. 43 (2)(e)
7.	Dinah Ondieki	Female Adult Representative	Appointment Pursuant to Sect. 43 (2)(e)

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The First NG-CDFC inaugural meeting was held on 8th July, 2025. The members carried out an election for the position of a chairperson and the secretary of the committee. The following member were elected.

	NAME	POSITION	WARD
1	Yuvinalis Terah	Chairperson	Itibo
2	Elizabeth Arika	Secretary	Bomwaga

NG-CDF Regulations Section 7(6) & (7) requires that the first meeting, a Constituency Committee shall establish two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board and in establishing sub-committees. Under paragraph 5, constituency Committee shall ensure that there is equitable representation

The Committees were constituted as follows;

1. Bursary Sub-committee

	NAME	POSITION
1.	Sub-County Director of Education	Chairperson
2.	Robert Serem-FAM	Secretary
3.	Erick Mwereza	Member
4.	Dinah Ondieki	Member
5.	Maureen Mokau	Member

2. Complaint Handling & Resolution Sub-Committee

	NAME	POSITION
1.	Simon Osumba-DCC	Chairperson
2.	Elizabeth Arika	Secretary
3.	Thomas Kimongo	Member
4.	Joseph Marita	Member

b. NG-CDFC Tenure

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

The tenure of the current committee were inaugurated on May 2025. The term of the previous committee members expired on December 2024 and after recruitment process, all the previous members were retain in a period of 2 years. The current term of the committee expires on May 2027 and can be renewed subject to boards guidelines and their performance.

c. The Role of the Constituency Committee

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

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

d. Removal of a member

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

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

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In North Mugirango the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Handing Over

The handing over of the office by the outgoing NG-CDFC Committee to the Incoming committee was carried out smoothly and successfully on 8th July, 2025.

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e. NG-CDFC Induction and training

In the financial year 2024/2025 the NGCDF Board organized training of NGCDFC members. During the training, critical areas such as public finance, project planning, procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF North Mugirango.

f. Number of meetings

Schedule of meetings held during the FY 2024/2025

S. No	Name of committee member	12/07/2024	26/07/2024	16/08/2024	31/08/2024	12/09/2024	29/09/2024	17/10/2024	11/11/2024	21/11/2024	07/12/2024	19/12/2025	18/01/2025	13/02/2025	26/02/2025	25/03/2025	04/04/2025	29/04/2025	13/05/2025	27/05/2025	25/06/2025
1	Yuvinalis Terah	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
2	Joseph Ogeta	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	Robert Serem	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Dinah Ondieki	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
5	Elizabeth Arika	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
6	Erick Mwereza	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
7	Thomas Kimongo	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
8	Jospeh Marita	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
9	Maureen Mokau	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
10	Simon Osumba	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√

g. Remuneration Rates

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

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

h. Disclose the policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact

thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2024/2025 no member of NGCDFC North Mugirango contravened conflict of interest policy.

i. Succession plan

Vacancies arising as a result of the removal or end of tenure of the members of the Constituency Committee, the vacancy shall be filled in the manner set out in section 43 and minutes of the meeting shall indicate the fact of the removal or appointment of members.

j. Ethics and code of conduct

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

k. Risk Management

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

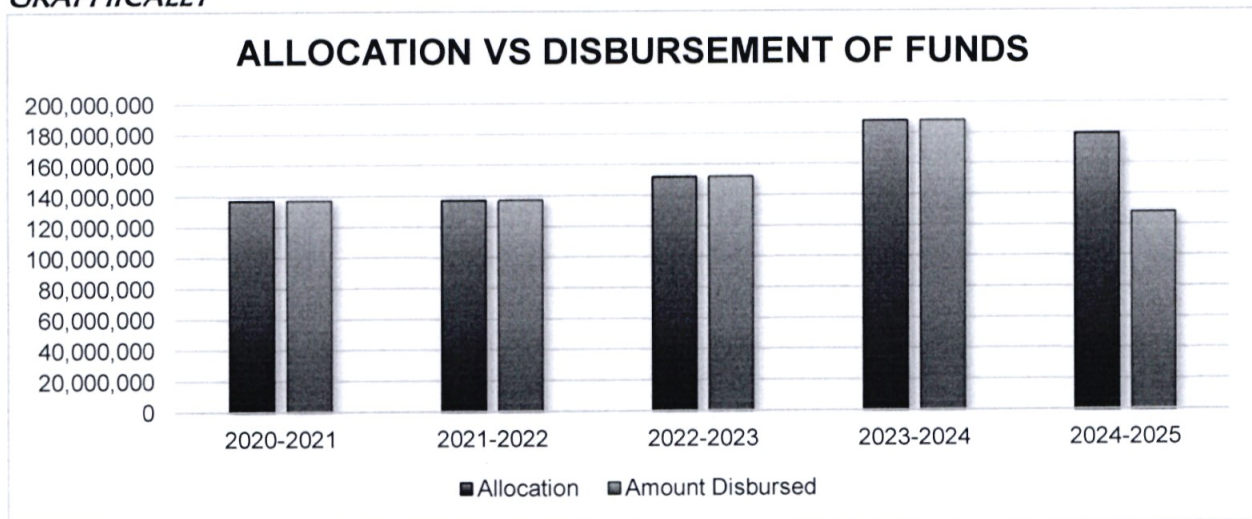
7. Management Discussion and Analysis

a. Sector Performance

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

Financial Year	Allocation	Amount Disbursed	Percentage
2020-2021	137,183,879	137,183,879	100%
2021-2022	137,088,879	137,088,879	100%
2022-2023	151,960,174	151,960,174	100%
2023-2024	187,963,288	187,963,288	100%
2024-2025	179,448,958	128,000,000	71%
Total	793,645,178	742,196,220	

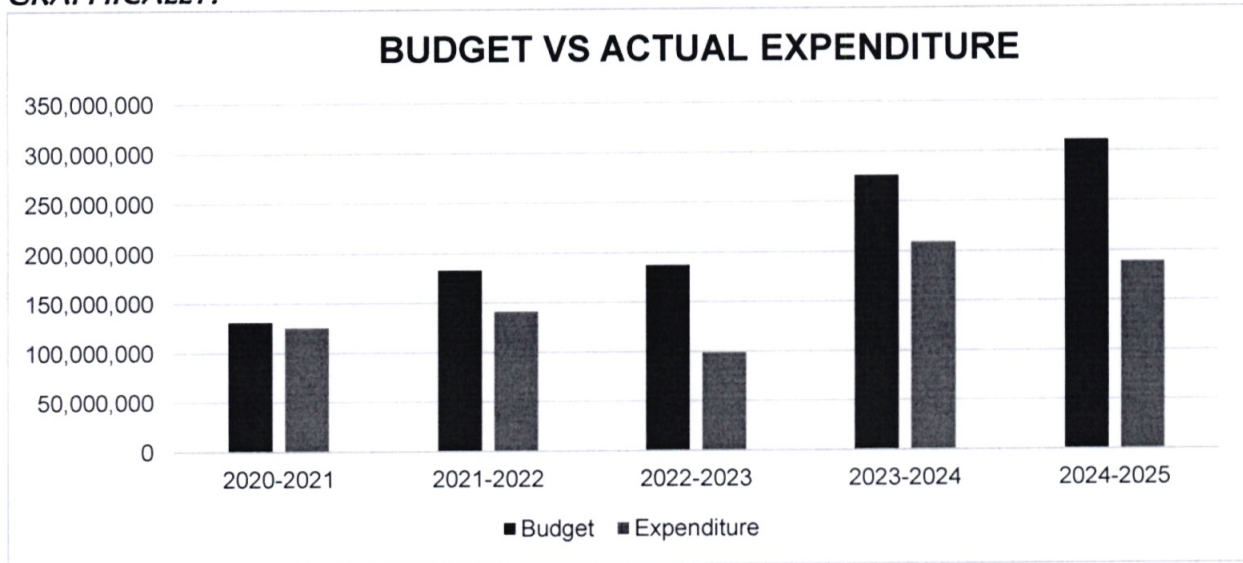
GRAPHICALLY



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

Financial Year	Budget	Expenditure
2020-2021	130,767,724	125,283,892
2021-2022	183,072,771	140,852,964
2022-2023	187,312,423	99,098,491
2023-2024	276,184,225	209,484,830
2024-2025	311,221,007	189,062,693
Total	1,088,558,150	793,782,870

GRAPHICALLY:



c. Summary of Disbursement to Projects in the Last 5 Years

Sector	Allocation	Percentage (%)
Primary Schools	270,860,500	33
Secondary Schools	150,500,000	28
Bursary	124,729,000	19
Others Grants	103,867,400	19
	649,956,900	100

d. NG-CDF Achievements

North Mugirango NG-CDF Committee has always endeavored to ensure timely implementation approved projects and equitable distribution of allocation within the four wards in the constituency. Some of the notable achievements are as shown in the table below:

Category	No. Implemented
New Classrooms	620
Bursary	Over 6000 needy students per year
Administration Blocks	24
Dining Hall	8
TVET	1
Chiefs Offices	16
ACCs office	1
Classrooms Renovations	200
NG-CDF office	1
Buses	6

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Through the NG-CDF, massive infrastructural facilities have been constructed in the following schools which has in turn led to an increase in the enrolment rates and performance of students in the schools: -

Name of School	Facilities Funded by NG-CDF
Gisage Primary School	<ul style="list-style-type: none"> Established from scratch by the NG-CDF Purchase of 1.5 acres of land Construction of 6 No. classrooms
Tombe Secondary School	<ul style="list-style-type: none"> Construction of 4 No. classrooms Construction of 1 No. laboratory Construction of 1 No. dining hall Construction of 3 roomed offices
St. Paul Tombe Secondary School	<ul style="list-style-type: none"> Construction of 4 No. classrooms Construction of 1 No. laboratory Construction of 1 No. dining hall Purchase of 1 No. School bus
Tombe Primary School	<ul style="list-style-type: none"> Construction of 8 No. classrooms
Gesweswe Primary School	<ul style="list-style-type: none"> Construction of 8 No. classrooms
St. Francis Girls Gekendo Secondary School	<ul style="list-style-type: none"> Construction of 1 No. dormitory Construction of 2 No classrooms

1. Purchase of 5 school buses

Institution Name	Project Activity	Total (Kshs.)
Gekonge Secondary School	Purchase of 51-seater School Bus	7,800,000
Maagonga Secondary School	Purchase of 51-seater School Bus	8,000,000
Enginga Secondary School	Purchase of 51-seater School Bus	8,000,000
Riomego DEB Secondary School	Purchase of 51-seater School Bus	8,000,000
Ekerubo National Polytechnic	Purchase of 51-seater School Bus	8,000,000
		47,800,000

2. Bursary Disbursement

S/NO	SECTOR	ACTIVITY	TOTAL AMOUNT
1	BURSARY	Payment of bursary to needy student	124,729,000

CLIMATE CHENAGE MITIGATION

- The constituency has been allocating funds for climate change mitigation every financial year.
- Last financial year and current financial year, the constituency has allocated Ksh 3.6M with each financial year allocating Kshs 3.6M

In the FY 2025/2026, the constituency intends to allocate kshs 7.1M for climate change mitigation activities.

Challenges and way forward

a. Challenges

- Limited resources and high demand especially for bursary
- Poor road networks to schools making construction cost higher
- Higher cost of building materials.
- Court cases at National level/delayed disbursement of funds
- Inadequate funding at 2.5% to meet the needs in the community
- Key constituency staff turnover after electioneering year

b. Way forward

- Government should consider higher allocations for the constituencies to meet the higher demands.
- Retention of Constituency key staff to aid in records purposes

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**Name: Robert Serem
Fund Account Manager**

8. Environmental and Sustainability Reporting

Environmental matters relates to mitigation of the climate change effects that has been put forward as a government agenda. The recent amendment of NGCDF Act 2015 to increase the allocation to climate change mitigation activities from 2% to 5% has ensured this objective is achieved through the NGCDF Fund. North Mugirango NG-CDF in its budget for Financial year 2024-2025 allocated Ksh 3,600,000 towards climate change mitigation measures across the constituency.

1. Sustainability strategy and profile -

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

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

2. Environmental performance

- The constituency has allocated a total of Kshs 3,600,000 towards planting of tree seedlings to support presidential directive of planting 15 billion trees and other environmental interventions.
- The constituency buys seedlings from youth nurseries and hence empowering them

3. Employee welfare

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

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

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

4. Marketplace practices-

North Mugirango 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 honouring contracts and respecting payment practices.
- c) Responsible marketing and advertisement
- d) Product stewardship by safeguarding consumer rights and interests.

5. Community Engagements-

North Mugirango 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

North Mugirango 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.

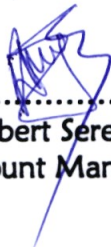
Public participation is a process that directly engages the concerned stakeholders in decision-making and fully considers public input.

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.

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


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

The Accounting Officer in charge of the NGCDF-North Mugirango 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- North Mugirango 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.

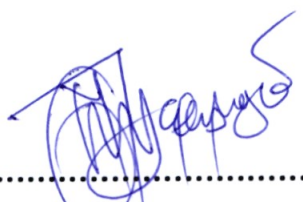
*National Government Constituencies Development Fund (NGCDF)
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The Accounting Officer in charge of the NGCDF North Mugirango Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external 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- North Mugirango Constituency financial statements were approved and signed by the Accounting Officer on 09/12 2025.



.....
Name: Yuvinalis Terah
Chairman – NGCDF Committee



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Name: Robert Serem
Fund Account Manager

REPUBLIC OF KENYA

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NAIROBI

REPORT OF THE AUDITOR GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - NORTH MUGIRANGO 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 transitional IPSAS financial statements of National Government Constituencies Development Fund – North Mugirango Constituency set out on pages 1 to 66 which comprise of the statement of financial position as at

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - North Mugirango Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

1. Tax Arrears

Review of financial records and books of accounts revealed that the Fund had not reported any tax arrears for KRA. However, letter Ref: NG-CDFB/CEO/KNA/VOL V.7 (6), on tax arrears communicated by the Kenya Revenue Authority (KRA) relating to enforcement of outstanding taxes owed by National Government Constituencies Development Funds (NG-CDF) showed North Mugirango Constituency owed KRA a total of Kshs.77,977,494. Management failed to maintain an updated and reconciled schedule of statutory obligations, resulting in the omission of the tax arrears from the financial statements.

In the circumstance, the absence of disclosure of significant tax arrears resulted in the financial statements being misleading and non-compliant with IPSAS requirements for completeness and accuracy.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - North Mugirango 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.310,075,655 and Kshs.258,931,688 respectively

resulting to an under-funding of Kshs.51,143,967 or 16% of the budget. Similarly, the Fund spent an amount of Kshs.189,062,693 against actual revenue of Kshs.258,931,688 resulting to an under-utilization of Kshs. 69,868,995 or 27% of actual revenue.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the audit report of the previous year, several issues were raised under Report on Financial Statements and Report on Lawfulness and Effectiveness in the use of Public Resources. However, the Management has not resolved the issues contrary to Section 149(2)(l) of the Public Finance Management Act, 2012 which requires the Accounting Officers designated to try to resolve any issues resulting from an audit that remain outstanding. **Refer to Appendix 1.**

Other Information

Management is responsible for the Other Information set out on page iii to xxxiv which comprise of Key Constituency Information and Management, NGCDF Committee, NG-CDFC Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environment and Sustainability Reporting, Statement of Management's Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

Failure to Submit Emergency Expenditure Returns

The statement of financial performance reflects other grants and transfers amount of Kshs.79,898,520, which includes Kshs.2,200,000 for the Emergency projects as disclosed in Note 14 to the financial statements. However, Management did not submit expenditure returns to the NGCDF Board, contrary to Regulation 20(2) of the National Government Constituencies Development Fund Regulations, which requires that the utilization of the emergency reserve shall be reported to the Board within thirty days of the occurrence of the emergency, in the format prescribed by the Board.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Absence of Internal Audit Reports on NGCDF Operations

Review of the Fund's records revealed that there were no internal audit reports on planning, implementation and financial execution of the fund activities. No documentation was provided to confirm that internal audits were conducted to assess the efficiency, effectiveness and compliance of the expenditures with the law.

In the circumstances, the internal control systems are weak.

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

Responsibilities of Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

17 December, 2025

Appendices

Appendix 1

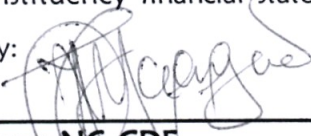
Basis for Qualified Opinion
1. Inaccuracies in the Financial Statements
2. Misstatement of Cash and Cash Equivalents
3. Unsupported Project Management Committee Bank Balance
Report on Lawfulness and Effectiveness in the Use of Public Resources
1. Failure to Report Emergency Expenditure to the Board
2. Project Completed but not in use
3. Purchase of a School Bus for St. Francis Gekendo Secondary School
4. Unapproved Change of Project Scope

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


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

	Note	Period ended june 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,448,954
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
AIA	9	10,000
Total revenue		179,458,954
Expenses		
Employee costs	10	3,411,226
Committee expenses	11	5,715,600
Use of Goods and Services	12	4,702,009
Other Government Units Actual expenditure	13	91,535,796
Other Grants and Transfers Actual expenditure	14	79,898,520
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	-
Total expenses		185,263,151
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(5,804,197)

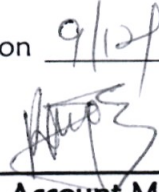
The Constituency financial statements were approved by the NGCDFC on 9/12 2025 and signed by:



Chairman NG-CDF
Committee
Name: Yuvinalis Terah



National Sub-County
Accountant
Name: Jackson Obiye
ICPAK M/No:



Fund Account Manager
Name: Robert Serem

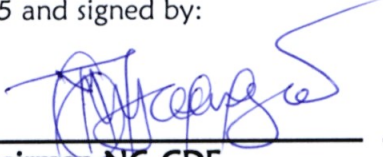
National Government Constituencies Development Fund (NGCDF)
North Mugirango Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

	Not e	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	69,868,995	72,958,395
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	51,143,967	57,658,306
Prepayments	22	-	-
Total Current Assets		121,012,963	130,616,701
Non-Current Assets			
Property, Plant and Equipment	23	2,500,000	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		2,500,000	-
Total Assets (A)		123,512,963	130,616,701
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	-	-
Lease Liabilities	28	-	-
Gratuity provision	29	1,221,138	2,520,679
Total Current Liabilities		1,221,138	2,520,679
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		1,221,138	2,520,679
Net Assets (A-B)		122,291,825	128,096,022
Represented by:			
Revaluation Reserves		122,291,825	128,096,022
Accumulated Surplus			
Total Net Assets		122,291,825	128,096,022

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

The Constituency financial statements set out on pages 2 to 3 approved by NG CDFC on 09/12/25 and signed by:



**Chairman NG-CDF
Committee**
Name: Yuvinalis Terah



**National Sub-County
Accountant**
Name: Jackson Obiye
ICPAK M/No:



Fund Account Manager
Name: Robert Serem

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

Description	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30th June 2024 (cash basis)	9,048,091		9,048,091
Adjustments: (to recognize assets and liabilities)			
Add Assets	121,568,610		121,568,610
Less Liabilities	2,520,679		2,520,679
As at July 1, 2024	128,096,022		128,096,022
Surplus/(Deficit) For the Period	(5,804,197)		(5,804,197)
Revaluation Gain/Loss	-	-	-
As at 30th June 2025	122,291,825	-	122,291,825

Note:

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

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

	Notes	Period ended june Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		185,963,293
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		10,000
Total Receipts		185,973,293
Payments		
Employee costs		4,710,767
Committee expenses		5,715,600
Use of Goods and Services		4,702,009
Other Government Units Certified Works		91,535,796
Other Grants and Transfers		79,898,520
Digital Hubs Expenses		-
Total Payments		186,562,693
Net Cash Flows from/ (used in) Operating Activities	28	(589,400)
Cash flows From Investing Activities		
Purchase of PPE		2,500,000
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		2,500,000
Net increase/(decrease) in cash & Cash equivalents		(3,089,400)
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		(3,089,400)
Cash and cash equivalents at Period Start	17	72,958,395
Cash and cash equivalents at Period End	17	69,868,995

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	<i>FY 2024/25</i>	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>FY 2024/25</i>	<i>FY 2024/2025</i>		
Revenue							
Transfers From the NGCDF Board	179,448,954	72,958,395	57,658,306	310,065,655	258,921,688	51,143,967	84%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	10,000	-	10,000	10,000	-	100%
Miscellaneous income	-	-	-	-	-	-	
Totals	179,448,954	72,968,395	57,658,306	310,075,655	258,931,688	51,143,967	84%
Expenses							
Employee costs	4,868,400	-	-	4,868,400	4,710,767	157,633	97%
Committee expenses	5,603,500	528,431	-	6,131,931	5,715,600	416,331	93%
Use of Goods and Services	5,678,505	38,983	-	5,717,488	4,702,009	1,015,478	82%
Other Government Units Certified Works	29,200,000	67,903,739	25,085,184	122,188,923	91,535,796	30,653,127	75%

	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
Other Grants and Transfers	89,091,549	280,614	19,779,751	109,151,914	79,898,520	29,253,394	73%
Digital Hubs Expenses	-			-		-	
Acquisition of Assets	20,000,000	4,206,629	12,793,371	37,000,000	2,500,000	34,500,000	7%
Other Payments				-		-	
Funds Pending Approval**	25,007,000	10,000	-	25,017,000	-	25,017,000	
Total Expenditure	179,448,954	72,968,395	57,658,306	310,075,655	189,062,693	121,012,963	61%
Surplus for the period					69,858,995	(69,868,995)	

Explanatory Notes.

Other Certified Works- 62% PMC works ongoing, projects at different stages of completion

Other grants and transfer- 74%- Unutilized bursary rolled over to current financial year

Acquisition of Asset at 6%, NG-CDF office block at and Purchase, construction ids yet to start

*National Government Constituencies Development Fund (NGCDF)
 North Mugirango Constituency
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Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	121,012,963
Less undisbursed funds receivable from the Board as at period 30 th June, 2025	51,143,967
Cash and Cash Equivalents at the end of the 30 th June 2025	69,868,995

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 09/12 2025 and signed by:



Fund Account Manager

Name: Robert Serem



National Sub-County Accountant

**Name: Jackson Obiye
 ICPAK M/No:**



Chairman NG-CDF Committee

Name: Yuvinalis Terah

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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,868,400			4,868,400	4,710,767	157,633
1.2 Committee allowances	2,227,500	328,431		2,555,931	2,550,000	5,931
1.3 Use of goods and services	3,671,033			3,671,033	2,985,880	685,153
Sub-total	10,766,933	328,431	-	11,095,364	10,246,648	848,716
2.0 Monitoring and evaluation						
2.1 Capacity building	1,714,858			1,714,858	1,626,127	88,731
2.2 Committee allowances	3,376,000	200,000		3,576,000	3,165,600	410,400
2.3 Use of goods and services	292,614	38,983		331,597	90,002	241,595
Sub-total	5,383,472	238,983	-	5,622,455	4,881,729	740,726
4.0 Emergency						
unutilized	9,444,313			9,444,313		9,444,313
Panom Ventures Ltd					669,827	(669,827)
Com of VAT					12,069	(12,069)
Com of income tax					18,104	(18,104)
Mwangencho Construction Ltd					717,671	(717,671)
Commission of VAT					12,932	(12,932)
Commission of Income Tax					19,397	(19,397)

National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Geserse SA Primary Secondary School					750,000	(750,000)
Sub-total	9,444,313	-	-	9,444,313	2,200,000	7,244,313
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	32,973,806	1,257,162		34,230,968	32,518,000	1,712,968
5.3 Tertiary Institutions	17,000,000	16,888	-	17,016,888	14,982,300	2,034,588
5.4 special needs	271,901			271,901		271,901
5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	50,245,707	1,274,050	-	51,519,757	47,500,300	4,019,457
7.0 Environment						
NYAMIRA NATIONAL POLYTECHNIC	400,000			400,000		400,000
KIABONYOURU SECONDARY SCHOOL	400,000			400,000		400,000
ST FRANCIS GEKENDO SECONDARY	400,000			400,000		400,000
KIAMOGAKE PRIMARY SCHOOL	400,000			400,000		400,000
MATONGO BOYS HIGH SCHOOL	400,000			400,000		400,000

National Government Constituencies Development Fund (NGCDF)
North Mugirango Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
NYAMIRA PRISONS	400,000			400,000		400,000
ESIANY PRIMARY SCHOOL	400,000			400,000		400,000
ITIBO PRIMARY SCHOOL	400,000			400,000		400,000
ERONGE PRIMARY SCHOOL	400,000			400,000		400,000
Sub-total	3,600,000	-	-	3,600,000	-	3,600,000
8.0 Primary Schools Projects						
GISAGE PRIMARY SCHOOL	500,000			500,000		500,000
MONGA PRIMARY SCHOOL	1,000,000			1,000,000		1,000,000
GETSWESWE PRIMARY SCHOOL	4,000,000			4,000,000		4,000,000
ORWAKI PRIMARY SCHOOL	2,000,000			2,000,000		2,000,000
ITIBO PRIMARY SCHOOL	2,000,000			2,000,000		2,000,000
MOREMBE PRIMARY SCHOOL	2,000,000			2,000,000		2,000,000
KIOMACHINGI PRIMARY SCHOOL	2,000,000			2,000,000		2,000,000
ESAMBA PRIMARY SCHOOL	2,000,000			2,000,000		2,000,000
KIEMUMA PRIMARY SCHOOL	1,000,000			1,000,000		1,000,000
KITWEBE PRIMARY SCHOOL	1,300,000			1,300,000		1,300,000
ESANIGE SPECIAL SCHOOL	1,500,000			1,500,000		1,500,000
KEBABE PRIMARY SCHOOL	2,000,000			2,000,000		2,000,000

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
MWANCHA SDA PRIMARY SCHOOL	1,000,000			1,000,000		1,000,000
Nyabweri PRIMARY SCHOOL	1,500,000			1,500,000		1,500,000
Esanige Primary School	2,000,000			2,000,000		2,000,000
Kenyerere Primary School	1,500,000			1,500,000		1,500,000
Chaina Primary School		479,931	1,145,589	1,625,520	1,571,271	54,249
Gisage Primary School		998,360	1,645,590	2,643,950	2,620,268	23,682
Nyakonyomisia primary school		998,360	1,145,590	2,143,950	2,040,679	103,271
Ntaba DEB Primary		998,360	1,145,590	2,143,950	2,087,048	56,902
Magwagwa Primary school		-	500,000	500,000	496,328	3,672
Mogongo Primary school		1,498,360	1,145,589	2,643,949	2,530,743	113,206
St. Mathews gekendo primary		2,000,000	1,000,000	3,000,000	2,953,794	46,206
Esanige Primary School		1,880	2,500,000	2,501,880	536,637	1,965,243
Ikonge primary School		4,705,022	2,000,000	6,705,022	6,702,243	2,779
Getengerene Pri School		9,018	6,000,000	6,009,018	6,000,322	8,696
MAAGONGA PRIMARY SCHOOL		70,126		70,126	70,000	126
ETONO PRIMARY SCHOOL		1,145,589		1,145,589	1,140,000	5,589
KIABIRAA PRIMARY SCHOOL		95,059		95,059	76,898	18,161
SIANY PRIMARY SCHOOL		1,000,000		1,000,000	992,575	7,425
EGETONTO PRIMARY SCHOOL		998,360		998,360	953,078	45,282

National Government Constituencies Development Fund (NGCDF)
North Mugirango Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
GEKONGE PRIMARY SCHOOL		2,757		2,757	-	2,757
KEBARIGA PRIMARY SCHOOL		998,360		998,360	992,603	5,757
MONGA PRIMARY SCHOOL		998,360		998,360	952,686	45,674
MONYARA PRIMARY SCHOOL		1,143,949		1,143,949	1,140,633	3,316
NYAIMAO PRIMARY SCHOOL		398,360		398,360	379,514	18,846
NYAMAURO PRIMARY SCHOOL		1,145,589		1,145,589	1,142,813	2,776
OMOBIRO PRIMARY SCHOOL		2,521		2,521	-	2,521
SAKWA PRIMARY SCHOOL		2,523		2,523	-	2,523
ENCHORO PRIMARY SCHOOL		1,002,757		1,002,757	996,603	6,155
ENKINDA PRIMARY SCHOOL		377,847		377,847	329,065	48,782
ERONGE PRIMARY SCHOOL		3,332		3,332	-	3,332
ESAMBA PRIMARY SCHOOL		1,000,229		1,000,229	995,188	5,041
GESURA PRIMARY SCHOOL		1,145,589		1,145,589	1,142,366	3,223
GETARE PRIMARY SCHOOL		1,000,000		1,000,000	977,061	22,939
GETURI PRIMARY SCHOOL		998,360		998,360	992,603	5,757
ITERESI PRIMARY SCHOOL		1,145,589		1,145,589	1,144,243	1,346
KEA PRIMARY SCHOOL		24,982		24,982	-	24,982
KEGOGI PRIMARY SCHOOL		1,998,360		1,998,360	1,998,109	251
KENGUSO PRIMARY SCHOOL		1,332		1,332	-	1,332
KIANGOMBE PRIMARY SCHOOL		1,692		1,692	-	1,692

National Government Constituencies Development Fund (NGCDF)
North Mugirango Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIOMANGA PRIMARY SCHOOL		757		757	-	757
MOREMBE PRIMARY SCHOOL		1,145,949		1,145,949	1,142,037	3,912
NYABWARORO PRIMARY SCHOOL		1,498,360		1,498,360	1,495,593	2,767
NYAIRANGA ELCK COMPREHENSIVE PRIMARY SCHOOL		393,362		393,362	378,028	15,335
NYAMONGE PRIMARY SCHOOL		1,143,949		1,143,949	1,128,373	15,576
NYAMONURI DEB PRIMARY SCHOOL		1,143,949		1,143,949	1,140,037	3,912
NYAOBE DEB PRIMARY AND JSS		1,143,949		1,143,949	1,143,056	893
OMORARE PRIMARY SCHOOL		2,600,000		2,600,000	2,597,936	2,064
RIANYAMAGE DOK PRIMARY SCHOOL		1,145,589		1,145,589	1,142,828	2,761
RIOMEGO PAG PRIMARY AND JSS		1,998,360		1,998,360	1,995,603	2,757
ST PHILIP DOK PRIMARY SCHOOL		1,145,589		1,145,589	1,105,677	39,912
MAGWAGWA PRIMARY SCHOOL		1,165,754		1,165,754	1,163,161	2,593
KEBABE PRIMARY SCHOOL		1,149,789		1,149,789	1,140,701	9,088

National Government Constituencies Development Fund (NGCDF)
North Mugirango Constituency
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KENYORO PRIMARY SCHOOL		1,145,904		1,145,904	1,140,953	4,951
KIEMUMA PRIMARY SCHOOL		1,003,433		1,003,433	989,343	14,090
NYAGOKIANI PRIMARY SCHOOL		762,570		762,570	761,367	1,203
NYAMUSI PRIMARY SCHOOL		1,148,269		1,148,269	1,141,780	6,489
TOMBE PRIMARY SCHOOL		1,561,229		1,561,229	1,557,052	4,177
GESSWESWE PRIMARY SCHOOL		4,000,000		4,000,000	4,000,000	-
Sub-total	27,300,000	53,687,676	18,227,948	99,215,624	69,118,893	30,096,731
9.0 Secondary Schools Projects (List all the Projects)						
NYAKENIMO SECONDARY SCHOOL	1,000,000	1,023,654	3,507,236	5,530,890	5,484,939	45,951
MAAGONGA SECONDARY SCHOOL	400,000			400,000		400,000
Kiabonyoro secondary school		54,759	500,000	554,759	550,367	4,392
Fr. Kaizer Secondary School	500,000	3,007,388	1,500,000	5,007,388	4,982,819	24,569
Maagonga secondary school		1,034,754	1,000,000	2,034,754	2,025,772	8,982
NYAKENYOMISIA SECONDARY SCHOOL		13,065		13,065	10,152	2,913
ESANIGE TECH SCHOOL		25,906		25,906		25,906

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
RIOMEGO SDA SECONDARY SCHOOL		41,724		41,724		41,724
ST FRANCIS GEKENDO SEC SCHOOL		9,013,745	350,000	9,363,745	9,362,602	1,143
ST PAUL TOMBE TECHNICAL SEC SCHOOL		1,068		1,068	252	816
Sub-total	1,900,000	14,216,063	6,857,236	22,973,299	22,416,903	556,395
10.0 Tertiary institutions Projects (List all the Projects)						
				-		-
				-		-
Sub-total	-	-	-	-	-	-
11.0 Security Projects						
MAGWAGWA DIVISIONAL OFFICE	11,000,000		14,000,000	25,000,000	22,520,600	2,479,400
EKERENYO POLICE STATION	3,287,489			3,287,489		3,287,489
EAKA POLICE POST	4,000,000			4,000,000		4,000,000
MAGWAGWA DIVISIONAL OFFICE	4,225,061			4,225,061		4,225,061

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
NYAGOKIANI CHIEF OFFICE	588,979		938,979	1,527,958	866,706	661,252
Matongo Chiefs office	2,700,000		2,740,772	5,440,772	4,711,973	728,799
Magwagwa Police Post		2,155	600,000	602,155	598,941	3,214
Itibo Police Post		4,409		4,409		4,409
DCC's office-Nyamira North			1,500,000	1,500,000	1,500,000	-
Sub-total	25,801,529	6,564	19,779,751	45,587,844	30,198,220	15,389,624
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office	20,000,000	7,206,629.44	12,793,371	40,000,000	2,500,000	37,500,000
Sub-total	20,000,000	7,206,629	12,793,371	40,000,000	2,500,000	37,500,000
13.0 Others						
		-	-	-		-
		-	-	-		-
		-	-	-		-
Sub-total	-	-	-	-	-	-
Funds pending approval**				-		-
Unapproved projects				-		-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KIABONYOURU SECONDARY SCHOOL	25,000,000			25,000,000		25,000,000
AiA	7,000	10,000.00		17,000		17,000
Sub-total	25,007,000	10,000.00	-	25,017,000	-	25,017,000
Total	179,448,954	72,968,395	57,658,306	310,075,655	189,062,693	121,012,963

(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 North Mugirango Constituency principal activity is Executing national government functions at the constituency

2. Statement of Compliance and Basis of Preparation

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

The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF North Mugirango 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 North Mugirango 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.

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash-flows of an Entity. The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities. Not Applicable
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. Not Applicable
IPSAS 45: Property Plant	<i>Applicable 1st January 2025</i>

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Standard	Effective date and impact:
and Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under- maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p>Not Applicable</p>
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>Not Applicable</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue</p>

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Standard	Effective date and impact:
	<p>under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p>Not Applicable</p>
<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p>Not Applicable</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p>Not Applicable</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

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Standard	Effective date and impact:
	Not Applicable

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on 10 June 2024 for the period 1st July 2024 to 30th June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

c) Property, plant and equipment

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

d) Leases

Finance leases are leases that transfer substantially 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.

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

Based on the business model and the cash flow characteristics, 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 2*

b) Financial liabilities

Classification

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

g) Inventories

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

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

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

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

h) Provisions

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

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements.

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

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

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6. Transfers from the NGCDF Board

Description	<i>FY 2024/2025</i>
	Kshs
NGCDFB Transfers (Allocation for the FY)	179,448,958
Total	179,448,958

7. Transfers from domestic and foreign partners

Description	<i>FY 2024/2025</i>
	Kshs
Grants	-
Total	-

8. Finance income

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

9. Miscellaneous income

	<i>FY 2024/2025</i>
	Kshs
Rental Income	-
Income from sale of tenders	10,000
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere (<i>specify</i>)	-
Total	10,000

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10. Employees cost

Description	<i>Period ended June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	2,231,385
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	60,600
Gratuity to contractual employees	751,440
Employer Contributions Compulsory national social security schemes	290,881
Employer Contributions Compulsory Housing levy	72,720
Employer contributions to National Industrial Training Authority	4,200
Other Specify	-
Total	3,411,226

11. Committee Expenses

	<i>FY</i> <i>2024/2025</i>
	Kshs
Sitting allowance	1,120,000
Other Committee expenses	4,595,600
Total	5,715,600

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12. Use of Goods and services

Description	<i>Period ended June 2025</i>
	Kshs
Utilities, supplies and services	109,450
Communication, supplies and services	445,480
Domestic travel and subsistence	-
Printing, advertising and information supplies & services	60,000
Office Rent	-
Training expenses	489,760
Hospitality supplies and services	-
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	1,810,000
Fuel, oil & lubricants	1,200,000
Bank Charges	30,178
Routine maintenance – vehicles and other transport equipment	557,142
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
Total	4,702,010

13. Other Government Units Actual expenditure

Description	<i>FY 2024/2025</i>
	Kshs
Primary Schools Actual expenditure	69,118,893
Secondary Schools Actual expenditure	22,416,903
Tertiary Institutions Actual expenditure	-
Total	91,535,796

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14. Other Grants and transfers Actual expenditure

Description	<i>Period ended June 2025</i>
	Kshs
Bursary – secondary schools	32,518,000
Bursary – tertiary institutions	14,982,300
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	30,198,220
Climate change mitigation projects	-
Emergency projects Actual Expenditure	2,200,000
Roads projects	-
Others specify	-
Total	79,898,520

15. Depreciation and Amortization Expenses

Description	<i>FY 2024/2025</i>
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

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

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17. Gain/loss on Sale of Assets

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

(Provide brief explanation on gains on sale of fixed assets)

18. Impairment Loss

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

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement as at July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Equity Bank, Nyamira Branch. Account no. 0520262112242 (Operations account)</i>	62,806,634	9,048,091.00
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Family Bank, Nyamira Branch Account No. 026000035262 (Deposit account)</i>	1,221,138	
<i>Family Bank, Nyamira Branch. Equity Bank, Nyamira Branch. KCB Bank, Nyamira Branch. (PMC's Accounts)</i>	5,841,223	63,910,304
Total	69,868,995	72,958,395

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20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

Description	FY 2024/2025		Opening Statement 1 st July 2025	
	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)	-	%	-	%

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21. Receivables from Non-Exchange Transactions

Description	FY 2024/2025		Opening Statement 1 st July 2025	
	Kshs		Kshs	
Transfers from NGCDFB	51,143,971		57,658,306	
Outstanding imprest	-		-	
Total	51,143,971		57,658,306	
Ageing Analysis- Receivables from non-exchange transactions	FY 2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	51,143,971	100%	57,658,306	100%
Between 1- 2 years		0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
Total (a+b)	51,143,971	100%	57,658,306	100%

22. Prepayments

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

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Infrastru cture assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concessi on assets	Total
Depreciation Rate		10%	25.00%	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-	-	-	-	-	-	-	-
Additions	2,500,000	-	-	-	-	-	-	-	2,500,000
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At 30th Jun 2025	2,500,000	-	-	-	-	-	-	-	2,500,000
Depreciation And Impairment									
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At 30th Jun 2025	-	-	-	-	-	-	-	-	-
Net Book Values									
Opening Bal as at 1st July 2024	-	-	-	-	-	-	-	-	-
As At 30th June 2025	2,500,000	-	-	-	-	-	-	-	2,500,000

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Valuation

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

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	2,500,000	-	2,500,000
Buildings	-	-	-
Plant And Machinery	-	-	-
Motor Vehicles, Including Motorcycles	-	-	-
Computers And Related Equipment	-	-	-
Office Equipment, Furniture, And Fittings	-	-	-
Total	2,500,000	-	2,500,000

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

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

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24. Intangible Assets

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

25. Right-of use assets

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

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26. Trade and Other Payables

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

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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	-	-
Retention held during the period (B)	-	-
Retention paid during the period (C)	-	-
Closing Retention as at period 2025, D= A+B-C	-	-

Retentions aging analysis.

	<i>FY 2024/2025</i>	<i>% of the total</i>	<i>FY 2023/2024</i>	<i>% of the total</i>
Less than 1 year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

28. Lease Liabilities

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

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Maturity Analysis

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	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2025</i>
	Kshs	Kshs
Gratuity at the beginning of the period (A)	2,520,679	2,520,679
Gratuity held during the period (B)	751,440	-
Gratuity paid during the period (C)	2,050,981	-
Total Gratuity provision as at period 2025 D=(A+B-C)	1,221,138	2,520,679

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	(5,804,193)
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(6,514,335)
Changes in deferred income	-
Changes in Third party deposits	1,299,541
Changes in gratuity provision	-
Changes in payments received in advance	-
Net cash flow from operating activities	(589,400)

(The total of this statement should tie to the cash flow section on net cash flows from/ used in operations)

31. Financial Risk Management

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

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i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (FY 2024/2025)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	51,143,971	51,143,971	-	-
Bank balances	62,806,634	62,806,634	-	-
Total	113,950,605	113,950,605	-	-
As at 30 June (FY 2023/2024)	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	57,658,306	57,658,306	-	-
Bank balances	9,048,090	9,048,090	-	-
Total	66,706,396	66,706,396	-	-

(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 2024. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (FY 2024/2025)				
Trade payables	-	-	-	-
Current poportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,221,138	1,221,138
Total	-	-	1,221,138	1,221,138
As at 30th June (FY 2023/2024)	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

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Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Employee benefit obligation	-			
Total	-	-	-	-

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 optimising 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 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 recognised 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:

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FY 2024/2025

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

Foreign currency sensitivity analysis

FY 2024/2025

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

Financial Risk Management

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
FY 2024/2025			
Euro	10%	-	-
USD	10%	-	-
Previous FY			
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 endeavoured to bank with institutions that offer favourable 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.

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 (FY 2024/2025)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June (FY 2023/2024)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				

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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	FY 2024/2025	<i>Opening Statement 1st July 2025</i>
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	123,437,176	129,241,369
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(71,014,343)	(74,103,743)
Net Debt/(Excess Cash And Cash Equivalents)	52,422,833	55,137,627
Gearing	-%	-%

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32. Related Party Disclosures

	FY 2024/2025	<i>Opening Statement 1st July 2025</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,120,000	1,235,000
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	185,963,293	211,497,603
Total	187,083,293	212,732,603

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

Contingent Liabilities

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

35. Capital Commitments

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

(NB: Capital commitments are commitments to be carried out in the next financial year and are disclosed in accordance with IPSAS 17. Capital commitments maybe those that have been 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 North Mugirango 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	-	2,500,000		2,500,000
Buildings and structures	-			-
Transport equipment	6,420,000			6,420,000
Office equipment, furniture, and fittings	478,660			478,660
ICT Equipment and Other ICT Assets	879,748			879,748
Other Machinery and Equipment	230,760			230,760
Intangible assets	-			-
Total	8,009,168	2,500,000		10,509,168

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

PMC	Bank	Account number	Bank Balance Current period	<i>Opening Statement 1st July 2024</i>
Chaina Primary School	COOPERATIVE	01139349817100	54,249	70,126
Gisage Primary School	EQUITY	0520285404979	23,682	1,145,589
Nyakonyomisia primary school	EQUITY	0520280722570	103,271	4,409
Ntaba DEB Primary	EQUITY	0520285390909	56,902	95,059
Magwagwa Primary school	EQUITY	0520279492658	3,672	1,348
Mogongo Primary school	EQUITY	0520285404951	113,206	1,000,000
St. Mathews gekendo primary	FAMILY	026000035255	46,206	998,360
Esanige Primary School	FAMILY	026000032794	1,965,243	25,906
Ikonge primary School	FAMILY	026000034426	2,779	2,757
Getengerene Pri School	FAMILY	026000035272	8,696	998,360
MAAGONGA PRIMARY SCHOOL	FAMILY	026000035289	126	1,498,360
ETONO PRIMARY SCHOOL	FAMILY	026000035275	5,589	998,360
ITIBO POLICE POST	FAMILY	026000035257	4,409	1,143,949
KIABIRAA PRIMARY SCHOOL	FAMILY	026000035253	18,161	998,360
SIANY PRIMARY SCHOOL	FAMILY	026000034483	7,425	398,360
EGETONTO PRIMARY SCHOOL	FAMILY	026000090900	45,282	1,145,589
GEKONGE PRIMARY SCHOOL	FAMILY	026000033696	2,757	2,521
KEBARIGA PRIMARY SCHOOL	FAMILY	026000034518	5,757	41,724
MONGA PRIMARY SCHOOL	FAMILY	026000033704	45,674	2,523
MONYARA PRIMARY SCHOOL	FAMILY	026000035303	3,316	479,931
NYAIMAO PRIMARY SCHOOL	FAMILY	026000033769	18,846	1,002,757
NYAMAURO PRIMARY SCHOOL	FAMILY	026000034941	2,776	377,847
OMOBIRO PRIMARY SCHOOL	FAMILY	026000034330	2,521	3,332
SAKWA PRIMARY SCHOOL	FAMILY	026000034484	2,523	1,000,229
ENCHORO PRIMARY SCHOOL	FAMILY	026000035269	6,155	-

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PMC	Bank	Account number	Bank Balance Current period	Opening Statement 1st July 2024
ENKINDA PRIMARY SCHOOL	FAMILY	026000035314	48,782	-
ERONGE PRIMARY SCHOOL	FAMILY	026000035292	3,332	1,000,000
ESAMBA PRIMARY SCHOOL	FAMILY	026000035263	5,041	998,360
NYAMONGE PRIMARY SCHOOL	FAMILY	026000035265	-	998,360
GESURA PRIMARY SCHOOL	FAMILY	026000035428	3,223	-
GETARE PRIMARY SCHOOL	FAMILY	026000034502	22,939	24,982
GETURI PRIMARY SCHOOL	FAMILY	026000035226	5,757	1,998,360
ITERESI PRIMARY SCHOOL	FAMILY	026000034470	1,346	1,332
KEA PRIMARY SCHOOL	FAMILY	026000033914	24,982	1,692
KEGOGI PRIMARY SCHOOL	FAMILY	026000033693	251	757
KENGUSO PRIMARY SCHOOL	FAMILY	026000035256	1,332	1,145,949
KIANGOMBE PRIMARY SCHOOL	FAMILY	026000035288	1,692	1,498,360
KIOMANGA PRIMARY SCHOOL	FAMILY	026000035261	757	1,143,949
MOREMBE PRIMARY SCHOOL	FAMILY	026000033402	3,912	23,653
NYABWARORO PRIMARY SCHOOL	FAMILY	026000035250	2,767	998,360
NYAIRANGA ELCK COMPREHENSIVE PRIMARY SCHOOL	FAMILY	026000035269	15,335	1,143,949
NYAMONGE PRIMARY SCHOOL	FAMILY	026000035277	15,576	1,143,949
NYAMONURI DEB PRIMARY SCHOOL	FAMILY	026000035264	3,912	1,143,949
NYAOBE DEB PRIMARY AND JSS	FAMILY	026000035315	893	2,600,000
OMORARE PRIMARY SCHOOL	FAMILY	026000035296	2,064	1,145,589
RIANYAMAGE DOK PRIMARY SCHOOL	FAMILY	026000035254	2,761	1,198,360
RIOMEGO PAG PRIMARY AND JSS	FAMILY	026000035286	2,757	1,145,589
ST PHILIP DOK PRIMARY SCHOOL	KCB	1253576521	39,912	1,165,754
MAGWAGWA PRIMARY SCHOOL	KCB	1253603618	2,593	9,018
KEBABE PRIMARY SCHOOL	KCB	1287464521	9,087	1,149,789

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PMC	Bank	Account number	Bank Balance Current period	<i>Opening Statement 1st July 2024</i>
KENYORO PRIMARY SCHOOL	KCB	1143831810	4,951	1,145,904
KIEMUMA PRIMARY SCHOOL	KCB	1111866686	14,090	54,761
NYAGOKIANI PRIMARY SCHOOL	KCB	1253575851	1,203	1,003,433
NYAMUSI PRIMARY SCHOOL	KCB	1279823429	6,489	762,570
TOMBE PRIMARY SCHOOL	KCB	1291992553	4,177	1,101,189
Kiabonyoro secondary school	KCB	1286668786	4,392	1,561,229
Fr. Kaizer Secondary School	KCB	1272291715	24,569	9,013,745
ESANIGE TECH SCHOOL	KCB	1284597951	25,906	54,759
RIOMEGO SDA SECONDARY SCHOOL	KCB	1153169169	41,724	3,007,388
Maagonga secondary school	KCB	1278055762	408,982	1,034,754
NYAKENYOMISIA SECONDARY SCHOOL	KCB	1290611076	2,913	13,065
ST FRANCIS GEKENDO SEC SCHOOL	KCB	1272291715	1,146	9,013,745
ST PAUL TOMBE TECHNICAL SEC SCHOOL	KCB	1253606625	816	1,068
Nyakenimo Sec School	FAMILY	026000033402	45,951	1,023,654
Magwagwa Div office	KCB	1270305824	479,400	2,155
Matongo Chiefs office	KCB	1253606625	128,799	1,068
Magwagwa Police Post	FAMILY	026000035269	3,214	-
DCC's office-Nyamira North	FAMILY	026000035277	-	-
Nyagokiani Loc Chiefs office	FAMILY	026000035264	72,273	-
Nyaututu Primary School	FAMILY	026000035315	600,000	-
Matongo Primary School	FAMILY	026000035296	600,000	-
Kebaringa Primary School	FAMILY	026000035254	600,000	-
Total			5,841,223	63,910,304

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)
OAG/NGCDF NM/001	<p>Basis of Opinion</p> <p>1. Inaccuracies in Financial Statements. The statement of Assets and Liabilities and as disclosed in Note 14 to the Financial statements reflect nil balance in respect to gratuity. However, as previously reported, the financial statements did not disclose gratuity. This is contrary to reporting template issued by public sector accounting standard board which require gratuity earned by staff on monthly basis be recognized in the financial statements as account payable. No explanation were provided for failure to include the gratuity as an account payable. In the circumstances, the accuracy and completeness of the financial statement could not be confirmed.</p>	Financial statements amended	Not yet Resolved	Awaiting DFAC dates
OAG/NGCDF NM/002	<p>2. Misstatement of cash and cash equivalents The statements of assets and liabilities and as disclosed in nite 11A to the financial statements reflect cash and cash equivalents balance of kshs 9,048,090. However, the examinations of bank reconciliation statements revealed that cheques amounting to Kshs1,666,973 were stale since they had not been presented for payments for a period of 6 months.</p>	Financial statements amended	Not yet Resolved	Awaiting DFAC dates

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	In the circumstances, the accuracy and completeness of the cash and cash equivalents could not be confirmed.			
OAG/NGCDF NM/003	<p>3. Unsupported PMC bank balances Note 19.4 to the financial statements reflects PMC bank balances of Kshs 55,143,746. however, the cashbook, bank reconciliations statements and certificate of bank balances for the various PMC bank Accounts were not provided for audit review. In the circumstances, the accuracy and completeness of the PMC bank balances of Kshs 55,143,746 could not be confirmed.</p>	Certificate of PMC bank Balances availed to the auditor	Not yet Resolved	Awaiting DFAC dates
	<p>Other matter Budgetary Control and performance The summary statement of appropriation reflects the final budget and actual on comparable basis of Ksh276,184,225 and Kshs 218,525,920 retrospectively resulting to under funding of Kshs 57,658,306 or 21% of the budget. Similarly the fund spent Kshs 209,477,830 against revenue of kshs 218,525,920 resulting to underperform of Kshs 9,048.090 of 4 % of the actual receipts. The under funding and under utilization of funds affected the planed activities and may have impacted negatively on service delivery to the public.</p>			
OAG/NGCDF NM/004	<p>Basis of conclusion 1. Failure to report emergency funds to the Board The statements of receipts and payment reflect other grants and transfer of Kshs 62,943.797 which as disclosed</p>	Management to report future emergencies to the board	Not yet Resolved	Awaiting DFAC dates

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>expenditure amounting to Kshs 7,943,565. Examination of the supporting documents reveals that the expenditure on emergency projects included an amount of Kshs 3,822,800 which was used in the construction of ramp in a tuition block at Ikonge Primary school. However, there was no justification or reason to explain how this was an emergency in nature.</p> <p>In addition, the emergency expenditure was not reported to NG-CDF Board contrary to regulations 20(2) of NG-CDF which requires that utilization of emergency reserves be reported to the board within 30 days of the occurrence of emergency.</p> <p>In the circumstances, management was in breach of the law.</p>			
OAG/NGCDF NM/005	<p>2. Un approved change of project scope</p> <p>The statements of receipts and payments and as disclosed under note 7 to the financial statements reflects transfer to other government units of Kshs 133,275,013. the balance include transfer to secondary schools of kshs 31,300,000 which further includes a payment of Kshs 2,100,000 made to St Paul Tombe Secondary School for completion of 2 classrooms. However, physical verification conducted on 7 November, 2024 revealed the fund were reallocated and spent on constructed of administration block without the approval of NG-CDF Board contrary to section 6(2) of NG-CDF Act.</p>	NGCDFB approval letter availed to the auditor for review	Not yet Resolved	Awaiting DFAC dates

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	In the circumstances, it was not possible to confirm the regularity of the and value for money in the Project. Further, the management, was in breach of law			
OAG/NGCDF NM/005	<p>3. Purchase of school bus for st. Francis girls gekendo Secondary School</p> <p>The statement of receipts and payments and as disclosed under note 7 to the financial statement reflects transfer to other government units balance of Kshs 133,275,013. the balance include transfer payments of Kshs 9,000,000 made to St. Francis Gekendo for the purchase of 46 seater school bus. Examination of procurement records revealed that the tender for the supply of school bus was awarded to Motor vehicles dealer at a contract of Kshs 9,200,000. However, physical verification carried out on 7th November 2024 revealed that the school bus was not been delivered to the school despite the full payment having been made to the supplier to deliver the bus. In the circumstances, the value for money in the procurement of the bus could not be confirmed.</p>	School bus delivered by the dealer, copy of delivery and bus photos availed to the auditor	Not yet Resolved	Awaiting DFAC dates



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Name: Robert Serem
Fund Account Manager.