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THE AUDITOR-GENERAL

ON

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

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

BUMULA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

Transitional International Public Sector Accounting Standards (IPSAS) Financial Statements

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

(This list is an indication of the common acronyms and abbreviations; the Entity should include all from the annual report and financial statements prepared)

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 realisation 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 Bumula 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	Philip Simiyu
2.	National Sub-County Accountant	Samuel Muyoma
3.	Chairman NGCDFC	Powell Silisisi
4.	Member NGCDFC	Joseph Watula
5.	Member NG CDFC	Joseph Watula

(c) Fiduciary Oversight Arrangements

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

NG-CDF Building
Bumula Sub County Headquarters
Bungoma, KENYA

(e) NGCDF Bumula Constituency Contacts

P.O. Box 36-20500 Bungoma
Telephone: (254) 725779127
E-mail: cdfbumula@ngcdf.go.ke
Website: www.go.ke

(f) NGCDF Bumula Constituency Bankers

1. Operations Account

Equity Bank (Kenya) Limited
Bungoma Branch
P.O. Box 2450-50200
Bungoma

2. Deposit account

Equity Bank (Kenya) Limited
Bungoma Branch
P.O. Box 2450-50200
Bungoma

3. Project Management Committee Accounts

Equity Bank (Kenya) Limited
Bungoma Branch
P.O. Box 2450-50200

Co-operative Bank
Bungoma Branch
P.O. Box 2171-50200
Bungoma



(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 data-bbox="161 936 624 972">Powell Wangila Silisisi :Chairman</p>	<p data-bbox="799 398 979 430"><i>Date of Birth</i></p> <p data-bbox="799 434 954 465">29-12-1993</p> <p data-bbox="799 470 1374 501"><i>Academic and professional qualifications:</i></p> <p data-bbox="799 506 1145 537"><i>Diploma in Accountancy</i></p> <p data-bbox="799 542 1046 573"><i>Work experience:</i></p> <p data-bbox="799 577 1214 609"><i>Sales and Mkti- Valley-4 years</i></p> <p data-bbox="799 613 1481 694"><i>Currently he is serving as the Chairman to the Bumula NG-CDF Committee</i></p>
 <p data-bbox="161 1473 472 1505">Elizabeth Wabomba: Member</p>	<p data-bbox="799 976 1002 1008"><i>Date Of Birth:</i></p> <p data-bbox="799 1012 959 1043">21.07.1979</p> <p data-bbox="799 1048 1378 1079"><i>Academic and professional qualifications:</i></p> <p data-bbox="799 1084 1469 1115"><i>Diploma in Community Health & Development</i></p> <p data-bbox="799 1120 1050 1151"><i>Work experience:</i></p> <p data-bbox="799 1155 1485 1187"><i>World Vision - Orphans and Vulnerable Children</i></p> <p data-bbox="799 1191 1485 1272"><i>Currently she is serving as a Member to the Bumula NG-CDF Committee</i></p>



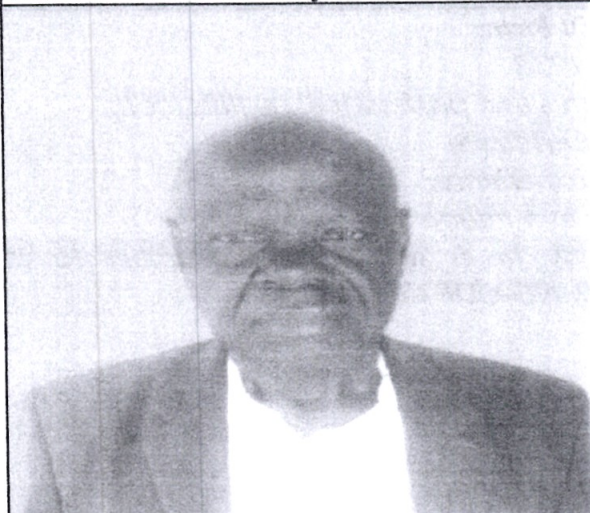
Susan Wasike: Member

Date Of Birth:
1964
Academic and professional qualifications:
Certificate in PI
Work experience:
Retired Teacher
Currently she is serving as a Member to the Bumula NG-CDF Committee






Wilfred Wamalwa Mayende: Member

Date Of Birth:
12.06.1964
Academic and professional qualifications:
Diploma in Project Planning and Management
Work experience:
Worked with Kenya Union of the Blind
Pastor in the Church
Currently he is serving as a Member to the Bumula NG-CDF Committee



Sylvester Makokha: Member



Date Of Birth:
1956
Academic and professional qualifications:
KJSE Certificate
Work experience:
Worked as a Teacher for 37 years and retired as deputy head teacher
Currently he is serving as a Member to the Bumula NG-CDF Committee

	<p>Date Of Birth: 1.7.1994</p> <p>Academic and professional qualifications: Diploma and Certificate in Education Arts</p> <p>Work experience: Taught in various school since 2021 Currently she is serving as a Member to the Bumula NG-CDF Committee</p>
	<p>Date Of Birth: 12.08.1978</p> <p>Academic and professional qualifications: BSC in Agriculture</p> <p>Work experience: Worked with Nzoia Sugar Co. as Nucleus Estate Manager, Area Manager Agronomy Superintendent, Seed Cane, Superintendent, Extension Field Superintendent, from 1999-2012 Director Kapwet Enterprises from 2012 to date. Currently he is serving as a Member to the Bumula NG-CDF Committee</p>
	<p>Date Of Birth: 24.02.1978</p> <p>Academic and professional qualifications: KCPE Certificate</p> <p>Work experience: Works as a mason and church leader Currently he is serving as a Member to the Bumula NG-CDF Committee</p>

Nancy Jesang: Member

Mark Agala Weloba: Member

Joseph Sikuku Watula: Member

 <p>Hadya Abdallah Salim; DCC</p>	<p><i>Date Of Birth:</i> 8.4.1981</p> <p><i>Academic and professional qualifications:</i> Bachelor's Degree</p> <p><i>Work experience:</i> D.O January 2008 – August 2010 ACC August 2010 – August 2020 DCC August 2020 to date 1 Year as untrained Teacher and 18 years as administrator Currently she is serving as a Member to the Bumula NG-CDF Committee</p>
 <p>Philip Simiyu: FAM</p>	<p><i>Date Of Birth:</i> 14.08.1977</p> <p><i>Academic and professional qualifications:</i> Bachelor's Degree – BBM (Accounting) CPA Diploma in Supplies Management</p> <p><i>Work experience:</i> Worked in Mumasa Sugar – Accounts Department Worked as a Fund Account Manager for Over 10 years, and currently the Fund Account Manager Bumala NG-CDF</p>

4. NG-CDFC Chairman's Report



Powell Silisisi, Chairman, Bumula NG-CDFC

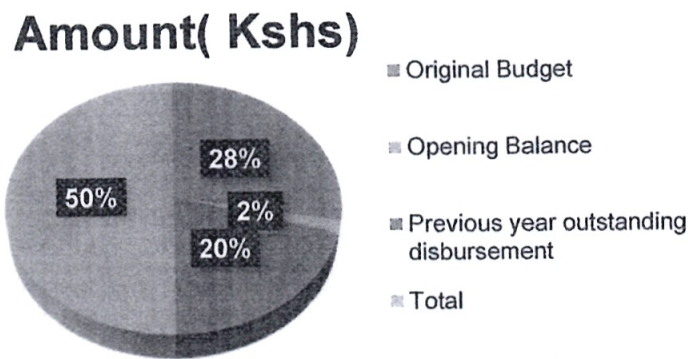
Executive Summary

I am pleased to present the financial statements for Bumula NGCDF for the financial year 2024-2025 in line with the requirements of the PFM Act 2012.

The constituency had an original budget of Kshs 197,386,150 (One hundred and ninety-seven million three hundred and eighty-six thousand and one hundred fifty shillings only). The opening balance at the start of the year was Kshs 11,440,236 (Eleven Million, Four Hundred and Fourty Four Thousand, Two Hundred and Thirty-Six Shillings only) and the previous year outstanding disbursements amounted to Kshs. 141,106,924 (One Hundred and Fourty One Million, One Hundred and Six Thousand, Nine Hundred and Twenty-Four Shillings Only), making a final budget of Kshs. 349,933,309 (Three Hundred and Fourty Nine Million, Nine Hundred and Thirty-Three Thousand, Nine Hundred and Nine Shillings Only), as presented below.

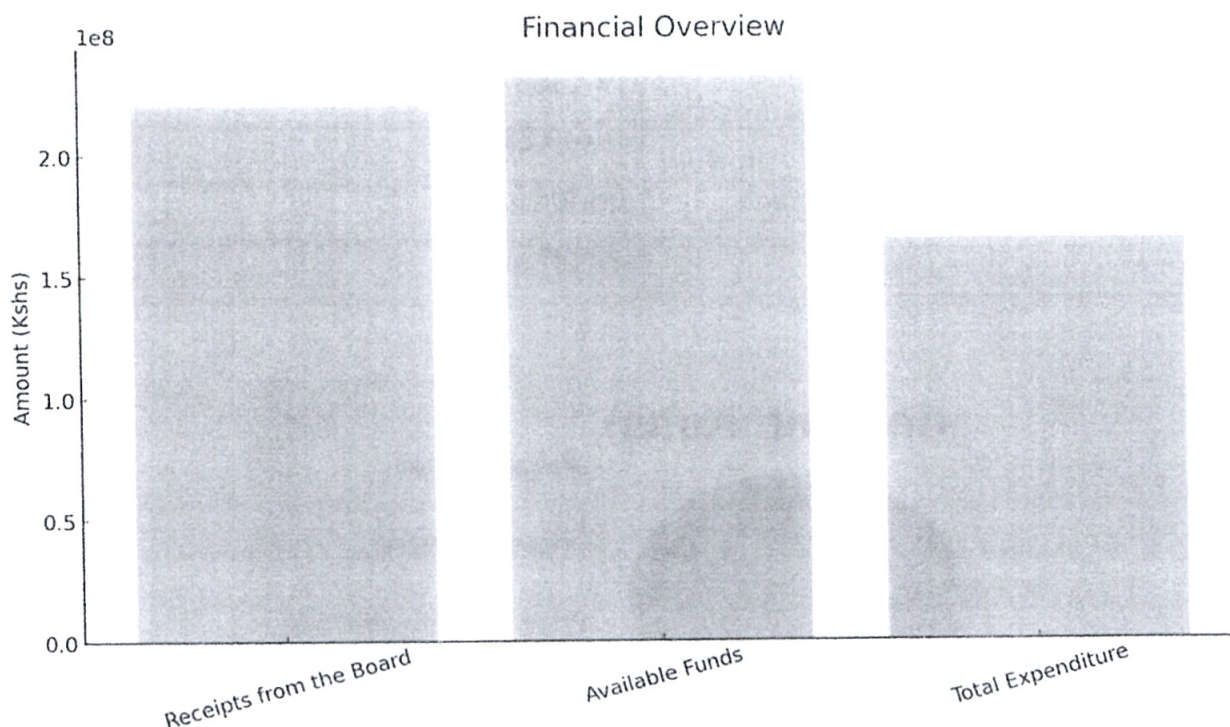
National Government Constituencies Development Fund (NGCDF)
Bumula Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

Description	Amount(Kshs)
Original Budget	197,386,150
Opening Balance	11,440,236
Previous year outstanding disbursement	141,106,924
Total	349,933,309



Out of this budget, the constituency received a total of Kshs. 220,576,924 (Two hundred and twenty million, five hundred and seventy-six thousand, and nine hundred and twenty-four shillings only) from the NGCDF Board, thus available expendable amount was Kshs.232, 017,160 (Two hundred and thirty-two million, seventeen Thousand, One Hundred and Sixty Shillings Only). The constituency was able to spent Kshs. 164,853,787 (One Hundred and Sixty-Four Million, Eight Hundred and Fifty-Three Thousand, Seven Hundred and Eighty-Seven Shillings Only), as presented below:

Description	Amount (Kshs)
Receipts from the Board	220,576,924
Available funds	232, 017,160
Total Expenditure	164,853,787



The Bumula NG-CDFC has all along strived to promptly disburse funds to earmarked projects. Hence progress has been made in the following areas:

1. Many needy students attaining their education dreams through bursary schemes.
2. Putting up of quality education and security infrastructure.
3. Environmental conservation, HIV/AIDS awareness campaigns, drugs and substance abuse sensitization in the constituency.

The constituency in the financial year 2024-2025 managed to implement projects in learning institutions and security units. The following is an example of a project implemented by the Bumula constituency in 2024-2025 financial year.



Figure 1: Kitabisi RC Primary School: Completion of three classrooms funded in 2023-2024

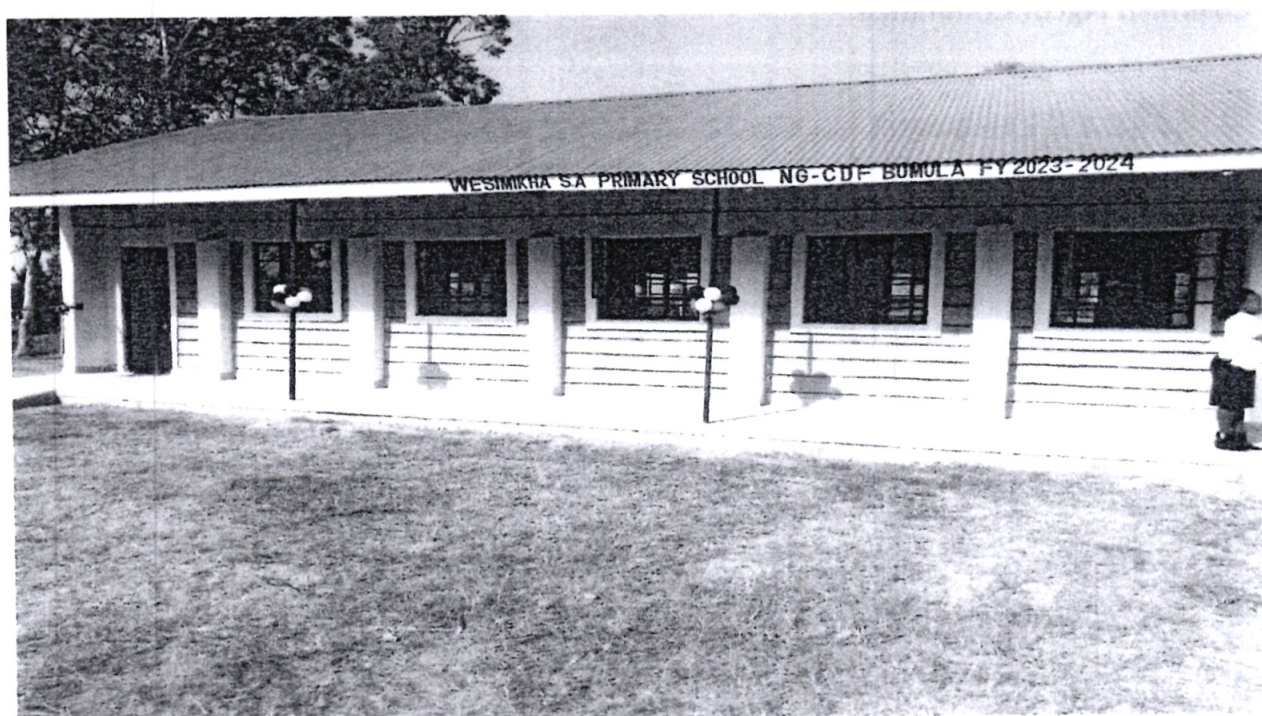


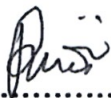
Figure 2: Wesimikha SA Primary: Completion of two classrooms funded in 2023-2024

However, this has not been without challenges as there's has been lack of understanding of the mandate of NG-CDF by stakeholders, delayed intermittent funding, limited financial resources amidst increasing development needs and overreliance on manual systems for data storage.

Other emerging issues include low ICT penetration in the constituency, large youthful population, rapid growth of tertiary institutions and increased transition, and curriculum reforms and introduction of CBC.

Nonetheless, we have tried to address the shortcomings by sticking to our strategic plan and ensuring available funds are prudently managed. We also educate the public on the functions of NG-CDF during public forums.

Finally, we appreciate the NG-CDF in its role of alleviating poverty at the grassroots.



.....
Powell Wangila Silisis
Chairman Ngcdf Committee

5. Statement Of Performance Against Predetermined Objectives for FY2024/25

Introduction

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

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

1. Education -To increase literacy levels of the population through infrastructure development and social protection to the vulnerable
2. Security -To curb insecurity in the constituency and promote co-existence and manage conflict resolutions.
3. Climate change mitigation activities-To train constituents on management of natural resources for present and future generations.
4. Emergency-To create awareness on disaster preparedness.
5. ICT Development- To enhance access to ICT services to meet its objective of creating employment to the youth through provision of platform to access online employment opportunities.

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	In FY 2024/2025 - we increased number of classrooms, toilets, and administration blocks from 72 to 105 in the following schools/institutions: Masuno primary, Bumula FYM primary, Kitabisi primary Netima primary school, Talitia primary, Naburereya primary, Sioya primary, Mukhuma primary, Lukusi primary, Bwaliro primary, Tunya Primary, Masielo Primary, Mukwa primary, Miluki primary, Bisuche primary, Nandika primary, Bisuche primary, Khasoko primary, Khabusi primary, Khayo primary, Lunao primary, Musiya primary, Syekumulo primary, Wesimikha primary, Bitobo primary, Bukirimo primary, Mwiyeza primary,

National Government Constituencies Development Fund (NGCDF)

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

				Nakhwana primary, Kibachenje primary, Lubunda primary, Namatelema primary, Sikata primary, Musiya primary, Kimatuni primary, Lumboka primary, Lukhuna primary school, Nakholo primary school, Malinda primary, Wamunyiri primary, Kabula primary, Bukirimo sec, Ng'oli sec, Kabubero sec, Mungore boys, and Khelela primary schools. - Bursary beneficiaries at all levels were as per the attached schedules
Security	To curb insecurity in the constituency	Decrease in number of insecurity cases reported in the constituency	Number of police houses and offices and public administration offices constructed in the constituency	In 2024-25 F/Y we completed renovation of a residential house at the Sub County Headquarters and Construction of a modern administrative office in the constituency
Climate change mitigation activities	To train constituents on tree planting and management	Increase in the size of forest cover in the constituency	Establishment of a forest on public land	In 2024-25 we intend to establish a 3 acre forest on public land by establishing seed beds for tree seedlings.
Emergency	To create awareness on disaster preparedness	Increased awareness on disaster preparedness	Number of emergency cases reported in the constituency	In 2024-25 F/Y we sensitized the public on disaster management and attended to 5 emergency cases

6. Governance Statement

1. Overview

The Bumula National Government Constituency Development Fund Committee has made a firm commitment to upholding a high standard of corporate governance, as evidenced by the performance contract signed for the 2023/2024 financial year. The committee has established mechanisms to ensure compliance with all applicable laws and regulations in the management of the fund and its interactions with the public.

Our unwavering dedication to the utmost levels of corporate governance and ethical business practices remains steadfast. Strong corporate governance practices are indispensable for delivering sustainable value to our stakeholders and shareholders over the long term.

We continually evaluate our governance operational framework to ensure the presence of robust internal governing bodies and effective systems and processes that support the Board and management in driving change, setting strategic direction, and formulating high-level objectives and policies. The governance of the organization falls under the purview of the Bumula National Government Constituency Development Fund Committee. Committee members are deeply committed to fulfilling their fiduciary responsibilities and have implemented a range of principles essential for ensuring that good governance is adhered to in all interactions with the organization's constituents, customers, and other pertinent stakeholders.

2. Organizational Structure:

- i) The National Treasury and Planning is responsible for allocating budgetary provisions and providing policy guidance on development matters to the fund. It also funds the NGCDF budgets and offers financial directives for the effective and efficient management of the Fund.

- ii) The NG-CDF Board operates as a corporate board under the jurisdiction of the National Treasury and Planning. Its primary role is to ensure the efficient management of funds within constituencies. The board has a secretariat located in Nairobi, led by the Chief Executive Officer.
- iii) The NG-CDF Committee (NG-CDFC) is tasked with formulating project proposals in consultation with the local community through periodic ward-level forums. These proposals are then submitted to the NG-CDF Board for approval and the committee facilitates Project Management Committees (PMCs) in the planning, implementation, and sustainability of projects at the constituency level.
- iv) The Project Management Committee (PMC) is responsible for overseeing project implementation projects on behalf of the local community. They collaborate with relevant government departments and prepare reports for submission to the NG-CDF Committee.
- v) The NGCDFC staff comprises key personnel responsible for managing the affairs of the constituency. Key positions within the current staffing include the Clerk of Works, Account Assistant, Records Officer, Secretaries, Driver and Janitores.

The process of appointment of NGCDF Committee

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

1. Call for Application and Selection Panel

Invitation; The process starts with a public call for application for the public who would wish to become member of the NGCDF committee for a given constituency.

Selection panel; A selection panel is constituted to check on application letters, carry out shortlisting and to interview the applicants.

2. Qualifications for applicants

For a member to qualify for an appointment, an individual MUST have some criteria as shown below;

- a) Kenyan Citizenship
- b) Resident and registered voter
- c) Someone should have fluent communication, read and write
- d) Meet chapter six of the constitution
- e) Availability to participate in committee duty

3. Nomination and Submission

After review of applications and interview, the panel prepares a list of successful nominees and then the FAM forward to the NGCDF Board, then the NGCDF Board finally forward it to National Assembly for approval.

4. Appointment and gazettelement

After the approval of nominees by the national assembly, NGCDF Board officially appoints the constituency committee members. Then the names of nominees are published in the Kenya Gazette which makes it now official.

5. Leadership after Committee formation

After the gazettelement, the committee holds first meeting whereby the chairperson and secretary are elected then the Board is notified on the leadership formation.

Tenure and removal of NGCDFC Members

The term of office for a member of committee is two years which is renewable. The term ends immediately new committee are appointed and approved by the NGCDF Board.

The tenure of the Bumula National Government Constituencies Development Fund Committee (NGCDFC) will run for a period of two years, commencing from the date of its gazettelement (21st May 2025) under Gazette Notice No. Vol. CXXVII – N0.98. This term presents a crucial opportunity for the Committee to spearhead transformative development, ensure prudent utilization of public resources, and strengthen service delivery across the constituency. With well-defined timelines and responsibilities, the Committee is expected to uphold the highest standards of transparency, accountability, and community-centered leadership throughout its mandate.

Removal of committee member may occur due to the following reasons;

1. Gross misconduct
2. Unethical practices
3. Lack of integrity
4. Physical or mental disorder

Roles and functions of the NGCDFC

The constituency committee members have the following roles as shown below

1. Management of funds; the committee members oversee the fund management of the constituency and ensures transparency and fund disbursement to PMC for the approved projects
2. Project Identification and proposal; the committee members are mandated to carry out public participation to identify the projects from the community and come up with project proposal

3. Accountability and reporting; the committee members are required to do the reports and ensure accountability of funds
4. Project Implementation and Oversight; the committee members are mandated to carry out monitoring and evaluation of the approved projects and ensure project are implemented to completion.

Date of gazettelement of each member

1. Male Adult-Joseph Watula-Secretary– 11th April, 2025
2. Male youth —Powell Wangila - Chairman– 11th April, 2025
3. Female adult—Susan Wasike Member– 11th April, 2025
4. Female youth—Anastancia Nekesa - Member– 11th April, 2025
5. PWD REP—Wilfred Mayende-secretary– 11th April, 2025
6. Co-opted Member—Sylevester Makokha - Member– 11th April, 2025
7. Nominee of constituency Office—Elizabeth Wabomba - Member– 11th April, 2025
8. Nominee of constituency Office—Mark Weloba- Member– 23rd June, 2025

Induction and training of Members

The induction and training of committee members is a crucial process to equip members with the knowledge and skills to manage the funds effectively. These are the key areas of induction and training;

1. Legal Framework; this is done to enable committee members understand the NGCDF Act and its regulations. It enables committee members to operate within the law and rules governing the funds.
2. Project Management; The committee members are trained in project planning, implementation and sustainability. This enables the members to assist PMC in the execution of the projects
3. Financial Management; the training equips on critical areas like public finance management, budgeting and guidelines on the efficient fund management.

Number of meetings held (tabulate the details)

The number of meetings according to parliamentary reports, the NGCDF constituency committee is required to meet not more than twenty-four meetings and not less than twelve including sub-committee meetings.

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

NAME OF COMMITTEE MEMBER	MEETINGS HELD													
	12/07/24	05/08/24	10/09/24	06/10/24	21/10/24	05/11/24	29/11/24	09/12/24	23/01/25	28/02/25	25/03/25	09/04/25	06/05/25	24/06/25
1. Powell Wangila (Chairman)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2. Joseph Watula- (Member)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3. Susan Wasike (Member)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4. Nancy Jesang (Member)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5. Wilfred Mayende (Member)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6. Elizabeth Wabomba (Member)	✓	✓	✓	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓
7. Mark Weloba (Member)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8. Sylvester Makoha (Member)	✓	✓	✓	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓
9. Hadya Salim-DCC	✓	X	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	X
10. Philip Simiyu (FAM)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

7. Management Discussion and Analysis

Operational and Financial Performance Review (2020/2021 - 2024/2025)

Over the past five financial years, the Bumula National Government Constituencies Development Fund (NG-CDF) has consistently aligned its development priorities with national goals and Vision 2030. Despite budgetary constraints and rising costs, the Fund has demonstrated steady financial discipline and growth in project delivery.

Between FY 2020/2021 and FY 2024/2025, Bumula NG-CDF disbursed a cumulative total of KES 823,294,644. This funding was channeled toward critical sectors such as education, security, and digital empowerment.

Financial Performance Summary (FY 2021/2022 – FY 2024/2025)

Below is the Fund's annual budget allocation and absorption for the last four financial years:

Financial Year	Balance from Allocation (KES)	Total Funds available	Actual Expenditure (KES)	Absorption Rate
2020–2021	137,171,879	137,171,879	137,171,879	100%
2021–2022	137,088,879	137,088,879	137,088,879	100%
2022–2023	158,832,745	158,832,745	138,215,033	100%
2023–2024	192,897,991	128,226,924	128,226,924	100%
2024–2025	197,386,149	111,636,150	164,853,707	84%
Total	823,377,643		705,556,422	86%

The Fund has demonstrated high budget absorption rates year-on-year, averaging over 86% for the past five years. This performance underscores the Fund's effective planning and execution capacity.

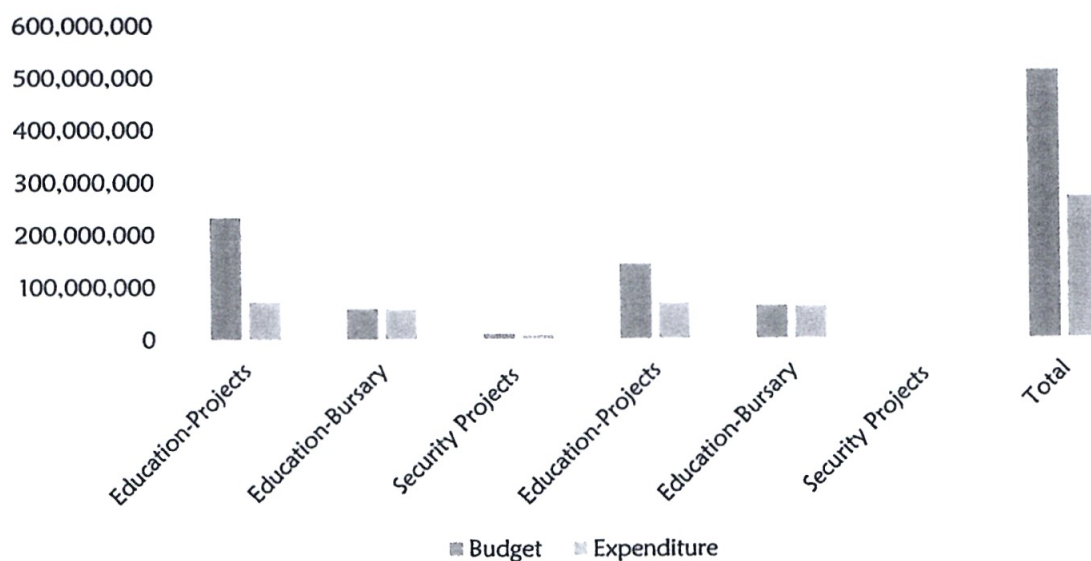
The below table further illustrates the expenditure performance of Bumula NG-CDF in the past two years;

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

Financial Year	Sector	Budget	Expenditure
2024-2025	Education-Projects	233,471,447	71,913,958
	Education-Bursary	59,517,514	58,238,555
	Security Projects	10,448,763	7,996,489
2023-2024	Education-Projects	142,757,041	68,177,319
	Education-Bursary	62,750,443	62,091,283
	Security Projects	2,091,000	2,091,000
	Total	511,036,208	270,508,604

Sector	Sector Budget	Percentage
Education	260,361,115	96%
Security	10,087,489	4%
Total	270,448,604	

Financial Performance



Based on the above information for the last two financial years; the key consumer of the resources is Education sector with an average of 91.3% of the entire allocation and secondly the security sector with average of 8.7%. This is an indicator that the Fund has put more

efforts in improving the academic standards of Bumula constituency through both the infrastructure and bursaries to needy students studying in various institutions.

Further from the above analysis, it is important to note that the Fund has been able to serve the rural communities and be able to improve on the living standards of the people, poverty eradication being one of its key objective. The management advocates for more resource allocation to further improve on its mandate.

Sector Performance

Over the reporting period, the Bumula NG-CDF focused its interventions in key sectors as outlined below:

Education Sector

- Over 154 classrooms constructed or renovated across primary and secondary schools.
- More than 15,000 students benefited from bursaries over five years.
- New science laboratories constructed or completed to equip students with scientific skills.
- Key infrastructure support and mobility for institutions such as Lumboka Primary School (Dormitory) and Namusasi Secondary School (School Bus).

Security Sector

- Renovation of Bumula DCC residence at Bumula to improved safety and police welfare.
- Construction of Chief's Office at Khasoko to enhance proper service delivery to the public.

ICT and Digital Empowerment

- Digital Innovation: Initiating implementation of a Constituency Digital Hub, expected to promote access to internet and online jobs.

Key Projects Implemented and Ongoing

1. Bishop Atundo Boys Kimaeti Secondary School (PMC Project)
 - Construction of a single storey – unit administration
2. St. Miluki Girls Secondary School (PMC Project)
 - Construction of a single storey 11 – unit administration.
3. Remwa Secondary School (PMC Project)
 - Construction of a storey tuition block.



Figure 1: Construction of 4 No. Classrooms at Namanje FYM Primary School

Statutory Compliance and Financial Obligations

The Fund has complied with all statutory obligations, including submission of financial statements, quarterly reports, procurement plans, and environmental impact assessments where applicable. There are no material arrears or pending statutory obligations as of the end of FY 2024/2025.

Major Risks Facing the Fund

- **Delayed Disbursements:** Timely release of funds from the National Treasury remains a challenge, impacting project timelines.
- **Inflation and Cost Escalation:** Rising costs of construction materials affect project scope and delivery.
- **Land Ownership Issues:** In some projects, unclear land documentation has led to delays.

Mitigation Measures:

- Engaging Treasury through the NG-CDF Board for timely disbursements.
- Early procurement and cost forecasting.

Review of the Economy and Sector Performance

The national economy experienced moderate recovery post-COVID-19, but fiscal tightening has led to cautious spending. In the education sector, the introduction of the Competency-Based Curriculum (CBC) has increased demand for infrastructure in Junior Secondary Schools. The Fund responded by allocating resources to classroom construction and science laboratories.

Future Developments

Looking ahead, the Fund will focus on:

- Full operation of Digital Hubs in every ward to foster internet access and youth employment.
- Increased environmental initiatives such as tree planting and water harvesting in schools and various security sectors.
- Completion of all ongoing projects in education and security.
- Increased stakeholder participation to enhance community ownership and accountability of the projects.

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Name

Fund Account Manager

8. Environmental and Sustainability Reporting

Environmental sustainability is a crucial world issue that requires proper approach. The mandate and strategy components are key aspects to ensure that the sustainability is achieved. The mandate defines the core purpose and non-negotiable principles of sustainability effort while the strategy outlines how the specific action and policies and approaches to achieve the above mentioned mandate's strategy. The recent amendment to the NG-CDF Act 2022, which raised the allocation for climate change activities from 2% to 5%, reinforces the commitment to addressing these issues through the NG-CDF Fund. In the 2024-2025 financial years, Bumula NG-CDF allocated Kshs. 4,459,093 for tree planting projects in various institutions and gabion building respectively within the constituency.

1. Sustainability strategy and profile -

To ensure the sustainability of Bumula Constituency, the committee funds the following key sectors with the following sustainable priorities;

- a. **Education and Training:** Bumula 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 Bumula constituency 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:** Bumula Constituency acknowledges that all its operation has an impact on the environment. Cognizant of the Sustainable development goals, Bumula NG-CDF has allocated part of its budget to climate change mitigation activities such as afforestation, reafforestation, grassroots sensitization, and tree seedling production.

2. Environmental performance

The environmental policy guiding and provide evidence of the policy the constituency Bumula constituency has set aside the policy by providing funding in every financial year to ensure the environmental activities are achieved. Some key guidelines laid down are as follows;

1. Project identification which is a primary objective for identifying sustainable environment development through tree planting and water conservation efforts.
2. Public participation; this is done to give the public platform on decision making process on environmental projects selection.
3. Local action plans; the constituency in partnership with community have developed local regulations for waste collection, tree planting and disposal actions.

Outline successes

Bumula Constituency has managed to achieve success and is still in progress to sustain environmental activities as shown below;

1. Tree planting in various schools and chiefs offices
2. Water tank installation

Shortcomings

Bumula Constituency has been hit by some of the problems to enable achieve the target as shown below;

1. Scientific uncertainty; Lack of scientific data on climate change affects the planning to meet the target
2. Weak enforcement and implementation; lack of political will and inadequate funding challenges the sustainability of environment.

Efforts to manage biodiversity

Bumula constituency is in the line to manage biodiversity of environmental activities such as;

1. Community Involvement and Education; public members engagement through creation of awareness on the importance of tree planting
2. Sustainable practices; members are encouraged to adopt practices such as reducing waste and pollution, water management, agriculture practices to eliminate soil erosion.
3. Policy and Governance; effective biodiversity management requires strong regulations and policy framework.

Waste management policy

Bumula constituency has created some policies and guidelines which ensures that wastes are managed accordingly by initiating the below policies;

1. Recycle; this involves change wastes materials into new usable products
2. Disposal; it involves controlled disposal of wastes that cannot be managed through other methods

Efforts to reduce the environmental impact of the constituency's activities.

- Bumula in partnership with other bodies (Equity Bank & NGO) has been providing various public school children and students with trees to help in curbing environmental dangers annually.
- Bumula constituency is fully involved in the sensitization of youth/ community on the impact of drug abuse through creating activities that shall always keep youths busy and this been achieved by taking them to vocational, technical and driving school.
- Bumula constituency is taking responsibility in each and every financial year allocating the funds towards the security infrastructural development as shown below;
 - (a) Renovation of Bumula DCC residence at Bumula.

(b) Construction of Chief's Office at Khasoko

3. Employee welfare

We invest in providing the best working environment for our employees. Bumula 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. Bumula 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-

Bumula 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 value for money is felt on all goods and services procured.

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Bumula 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

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

Public participation

This is the 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.

Bumula 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 Philip Simiyu

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-Bumula 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-Bumula 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- Bumula 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)
Bumula Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025***

The Accounting Officer in charge of the NGCDF Bumula 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- Bumula Constituency financial statements were approved and signed by the Accounting Officer on 4th August, 2025.



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Name: Powell Wangila
Chairman – NGCDF Committee



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Name: Philip Simiyu
Fund Account Manager

REPUBLIC OF KENYA

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REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - BUMULA 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 - Bumula Constituency set out on pages 1 to 83, which comprise of the statement of financial position as at 30 June, 2025 and the

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

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

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

Basis for Qualified Opinion

1. Unsupported Project Management Committee (PMC) Bank Balances

The statement of financial position reflects cash and cash equivalents balance of Kshs.67,163,373 and as disclosed in Note 19 to the financial statements. The balance includes PMC bank account balances totalling Kshs.53,953,828 held in 141 bank accounts in commercial banks. However, the certificates of bank balance as at 30 June, 2025 for the bank accounts were not provided for audit review to confirm the bank balances.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.67,163,373 could not be confirmed.

2. Unconfirmed Third-Party Deposits Balance

The statement of financial position and Note 27 to the financial statements reflects third-party deposits balance of Kshs.2,714,655. However, the deposits ledger indicating the retentions held during the year of Kshs.4,843,138, and the payments made during the year of Kshs.2,128,483 was not provided for audit review. The supporting schedule for the outstanding balance which was provided for audit review indicates deposits totaling to Kshs.2,749,197, resulting in an unreconciled variance of Kshs.34,542.

In the circumstances, the accuracy, and completeness of third-party deposits balance of Kshs.2,714,655 could not be confirmed.

3. Misstatement of Cash Generated from Operations

Note 30 to the financial statements in respect to cash generated from operations indicates net cash flows from operating activities of Kshs.55,723,137 and surplus for the year of Kshs.29,482,931. However, the changes in working capital were erroneously disclosed

as cash outflows for receivables of Kshs.23,190,774, third party deposits of Kshs.2,714,655 and gratuity provisions of Kshs.334,777. The changes working capital should be disclosed as cash inflows.

In the circumstances, the accuracy and completeness of net cash flows from operating activities of Kshs.55,723,137 could not be confirmed.

4. Misclassification of Net Assets Balance

The statement of financial position and the statement of changes in net assets indicates a net assets balance of Kshs.181,236,508 which was erroneously classified as revaluation reserves, contrary to the financial reporting template which requires the assets to be classified as accumulated surplus since the Fund did not revalue its property, plant and equipment during the year under review.

In the circumstances, the disclosure does not represent the actual net assets held by the Fund.

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis of Kshs.349,933,309 and Kshs.232,017,160 respectively, resulting to under-funding of Kshs.117,916,149 or 34% of the budget. Similarly, the Fund spent Kshs.164,853,787 against an actual receipt of Kshs.232,017,160 resulting to an under-expenditure of Kshs.67,163,373 or 29% of the actual receipts

The under-funding and under-expenditure affected the planned activities and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

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

Other Matter

Unresolved Prior Year Matters

In the previous year audit report, issues were raised under Report on Financial Statements, and the Report on Lawfulness and Effectiveness in the Use of Public Resources as detailed in **Appendix I**. However, Management had not resolved the issues or given any explanation for the delay in resolving the issues.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance with Transition from Cash to Accrual Accounting Framework

Review of the implementation of cash basis to accrual basis of accounting roadmap at the National Government Constituencies Development Fund - Bumula Constituency revealed that the accounting officer of the Fund did not establish a cash to accrual

transition committee at the entity level and did not appoint a project manager to oversee the transition. Further, a detailed roadmap outlining the key milestones at the entity level have not been developed as required. This was contrary to The National Treasury and Economic Planning circular Ref. Treasury circular No.3/2025 of 14 April, 2025 for Guidelines on transition from cash to accrual accounting by the National Government, County Governments and their respective entities.

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

2. Delayed Implementation of Projects

The projects status report for the financial year 2024/2025 indicate that the Fund had planned to implement a total of sixty-three (63) projects with a budget of Kshs.104,410,048. Fifty (50) projects with a budget of Kshs.64,610,048 and disbursement of Kshs.64,610,048 were completed, and thirteen (13) projects with a budget of Kshs.39,800,000 and disbursement of Kshs.39,800,000 were ongoing.

In the circumstances, value for money was not obtained from the thirteen (13) projects which had been ongoing and may have negatively impacted service delivery and achievement of the Fund's objectives.

3. Unreported Payments of Emergency Projects

The statement of financial performance reflects other grants and transfers of Kshs.72,623,510 and as disclosed in Note 14 to the financial statements. The amount includes emergency projects expenses of Kshs.2,296,064. However, during the year under review, the constituency committee did not prepare and send to the Board reports of the occurrence of emergencies as required by Regulation 20(2) of the National Government Constituencies Development Fund, Regulations, 2016 which states 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.

4. Outstanding Tax Arrears Owed to Kenya Revenue Authority

The statement of financial position and Note 26 to the financial statements reflects trade and other payables of Nil balance. However, a tax audit for five-years period from 2014 to 2018, revealed that the Fund had tax arrears amounting to Kshs.4,529,720 which was not been settled as at 30 June, 2025. Further, the tax liability was not disclosed in the financial statements.

In the circumstances, the accuracy and completeness trade and other payables of Nil balance could not be confirmed.

The audit was conducted in accordance with ISSAI 3000 and ISSAI 4000. The standards require that I comply with ethical requirements and plan and perform the audit to obtain assurance about whether the activities, financial transactions and information reflected in the financial statements comply in all material respects, with the authorities that govern

them. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my conclusion.

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Transitional 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 control, risk management and overall governance.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to sustain services, disclosing, as applicable, matters related to sustainability of services and using the applicable 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 are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

governance and risk management, and ensuring the adequacy and effectiveness of the control environment.

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

08 December, 2025

Appendix I

Unresolved Prior Year Matters

Reference No. of the Auditor-General's Report	Title of Audit Issue
	Report on the Financial Statements
1	Unsupported project management committee bank balances
2	Variances in the use of goods and services
3	Unsupported emergency projects
	Emphasis of Matter
	Budgetary Control and Performance
	Report on Lawfulness and Effectiveness in the Use of Public Resources
1	Failure to provide meetings schedules and minutes

***National Government Constituencies Development Fund (NGCDF) Bumula 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	197,386,150
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		197,386,150
Expenses		
Employee costs	10	6,304,247
Committee expenses	11	6,530,185
Use of Goods and Services	12	7,816,584
Other Government Units Actual expenditure	13	74,622,104
Other Grants and Transfers Actual expenditure	14	72,630,099
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		167,903,219
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		29,482,931

The Constituency financial statements were approved by the NGCDFC on 4th August, 2025 and

signed by:



Chairman NG-CDF
Committee
Name: Powell Wangila



National Sub-County
Accountant
Name: Samuel Muyoma
ICPAK M/No:



Fund Account Manager
Name: Philip Simiyu

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

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

	Note	2024-2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	67,163,373	11,440,236
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	117,916,150	141,106,924
Prepayments	22	-	-
Total Current Assets		185,079,523	152,547,160
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		185,079,523	152,547,160
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third Party Deposits	27	2,714,655	-
Lease Liabilities	28	-	-
Gratuity Provision	29	1,128,360	793,583
Total Current Liabilities		3,843,015	793,583
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		3,843,015	793,583
Net Assets (A-B)		181,236,508	151,753,577
Represented by:			
Revaluation Reserves		181,236,508	151,753,577
Accumulated Surplus			
Total Net Assets		181,236,508	151,753,577

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

The Constituency financial statements set out on pages 1 to xxx approved by NG CDFC on 4th August, 2025 and signed by:



Chairman NG-CDF
Committee
Name: Powell Simiyu



National Sub-County
Accountant
Name: Samuel Muyoma
ICPAK M/No:



Fund Account Manager
Name: Philip Simiyu

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	2,202,602	-	2,202,602
Adjustments			
Recognition of Assets	150,344,558		150,344,558
Recognition of Liabilities	793,583		793,583
As at July 1, 2025	151,753,577		151,753,577
Surplus/(Deficit) For the Period	29,482,931		29,482,931
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	181,236,508	-	181,236,508

Explanatory Notes – Statement of Changes in Net Assets for the Period Ended 30th June 2025

The Statement of Changes in Net Assets presents a reconciliation of the Fund’s accumulated surplus from the previous cash-basis position to the IPSAS-accrual basis position as at 30th June 2025. The movement reflects the recognition of previously unreported assets, liabilities, and the surplus generated during the period.

1. Opening Balance as at 30th June 2024 (Cash Basis) – Kshs 2,202,602

This represents the accumulated surplus under cash accounting as per the previous year’s financial statements before conversion to accrual accounting. It primarily reflects unspent funds in the main NG-CDF operational account.

2. Adjustments to Recognize Assets and Liabilities

Upon transition to the accrual basis, additional resources controlled by the Fund and obligations outstanding were identified and recognized, resulting in the following adjustments:

a) Add: Assets – Kshs 150,344,558

This includes all accrual-related asset balances not previously captured under cash accounting, summarized as follows:

- PMC Bank Balances: Kshs 8,444,051.09
- Disbursements Owing from the Board: Kshs 141,106,924.00
(Committed allocations due but not yet received as at year-end)
- Prepayments: Nil
- Cash and Cash Equivalent Adjustment: Kshs 793,583.00

These items collectively increase the resource base of the Fund under accrual principles.

b) Less: Liabilities – Kshs 793,583

This represents the recognized statutory obligation relating to gratuity provisions outstanding at the start of the financial year.

No other trade payables or third-party deposits were recorded.

3. Accumulated Surplus as at 1st July 2024 – Kshs 151,753,577

After adjusting for all recognized assets and liabilities, the Fund's opening accumulated surplus under the accrual basis increases from Kshs 2,202,602 (cash basis) to Kshs 151,753,577.09.

This becomes the opening net assets position for FY 2024/25.

4. Surplus/(Deficit) for the Period – Kshs 29,482,931

This amount represents the net operating surplus generated during FY 2024/25 from approved program expenditures, administration costs, disbursements, and other income streams. The figure reflects the Fund's operational performance over the reporting period.

5. Revaluation Gain/Loss – Nil

No revaluation of assets was undertaken during the year; hence no gains or losses were recognized.

6. Closing Net Assets as at 30th June 2025 – Kshs 181,236,508

The closing net assets position is derived by adding the current-year surplus to the opening accrual-based surplus:

- Opening Accumulated Surplus: Kshs 151,753,577
- Plus: Surplus for the Period: Kshs 29,482,931
- Closing Net Assets: Kshs 181,236,508

This balance represents the total accumulated surplus and reserves available to the Fund under IPSAS accrual reporting at year-end.

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

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

	Notes	<i>Insert Current FY</i>
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		220,576,924
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		220,576,924
Payments		
Employee costs		5,969,470
Committee expenses		6,530,185
Use of Goods and Services		7,816,584
Other Government Units Certified Works		71,914,038
Other Grants and Transfers		72,623,510
Digital Hubs Expenses		-
Total Payments		164,853,787
Net Cash Flows from/ (used in) Operating Activities	30	55,723,137
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		55,723,137
Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		55,723,137
Cash and cash equivalents at 1 July	19	11,440,236
Cash and cash equivalents at 30 June	19	67,163,373

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

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024-2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024-2025	2024-2025		
Revenue							
Transfers From the NGCDF Board	197,386,150	11,440,236	141,106,924	349,933,309	232,017,160	117,916,149	66%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	197,386,150	11,440,236	141,106,924	349,933,309	232,017,160	117,916,149	66%
Expenses							
Employee costs	6,233,980	984,844	-	7,218,824	5,969,470	1,249,354	83%
Committee expenses	6,384,931	576,157	4,616,680	11,577,768	6,530,185	5,047,583	56%
Use of Goods and Services	5,145,843	777,295	144,813	6,067,951	7,816,584	(1,748,633)	129%
Other Government Units Certified Works	94,938,448	7,663,043	130,869,957	233,471,447	71,914,038	161,681,629	31%
Other Grants and Transfers	77,947,838	1,391,803	5,475,474	84,815,115	72,623,510	12,191,605	86%
Acquisition of assets	-	-	-	-	-	-	

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024-2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024-2025	2024-2025		
Digital Hubs Expenses	4,371,600	47,095	-	4,418,695	-	4,418,695	0%
Funds Pending Approval**	2,363,511	-	-	2,363,511	-	2,363,511	0%
Total Expenditure	197,386,150	11,440,236	141,106,924	349,933,309	164,853,787	185,079,522	47%
Surplus for the period	-	-	-	-	67,163,373	(67,163,373)	

Explanatory Notes.

Funds pending approval are sums not yet approved by the board for utilization and include approved allocations and/or AIA not yet allocated for specific projects.

Employee costs (83%), Committee expenses (56%), Other Government Units Certified Works (31%), Other Grants and Transfers (86%), Acquisition of assets (0%), Digital Hubs Expenses (0%) because some funds had not been disbursed by NG-CDF Board.

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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	185,079,522
Less undisbursed funds receivable from the Board as at 30 th June 2025	117,916,149
Cash and Cash Equivalents at the end of the 30 th June 2025	67,163,373

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



Fund Account Manager

Name:



National Sub-County Accountant

Name:
ICPAK M/No:



Chairman NG-CDF Committee

Name:

*National Government Constituencies Development Fund (NGCDF) Bumula 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	6,233,980	984,844	-	7,218,824	5,969,470	1,249,354
1.2 Committee Allowances	2,419,000	363,510	-	2,782,510	2,304,505	478,005
1.3 Use Of Goods And Services	3,190,189	777,295	-	3,967,484	1,039,875	2,927,609
Sub-Total	11,843,169	2,125,649	-	13,968,818	9,313,850	4,654,968
2.0 Monitoring And Evaluation						
2.1 Capacity Building	1,913,931		2,482,550	4,396,481	4,472,570	-76,090
2.2 Committee Allowances	2,052,000	212,647	2,134,130	4,398,777	4,225,680	173,097
2.3 Use Of Goods And Services	1,955,654		144,813	2,100,467	2,229,679	-129,212
Sub-Total	5,921,585	212,647	4,761,493	10,895,724	10,927,929	-32,205
3.0 Emergency						
Unutilized	10,388,745	-	-	10,388,745	-	10,388,745
Musakasa Tti	-	-	-	-	-	-
St. Jude Muanda Secondary	-	-	-	-	-	-
Kimatuni Sa Primary	-	-	-	-	-	-
Masuno Primary	-	-	-	-	-	-
Kabubero Primary	-	1,000		1,000	786,203	-785,203
Chriske Gen Contractors	-	-	-	-	1,509,861	-1,509,861

*National Government Constituencies Development Fund (NGCDF) Bumula 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			
Sub-Total	10,388,745	1,000	-	10,389,745	2,296,064	8,093,681
4.0 Bursary And Social Security						
4.1 Primary Schools	31,200,000	121,737	942,010	32,263,747	42,807,555	-10,543,808
4.2 Secondary Schools	26,500,000	310,000		26,810,000	15,431,000	11,379,000
4.3 Tertiary Institutions	300,000	143,767		443,767		443,767
4.4 Special Needs	-	-	-	-	-	-
4.5 Education Support Programmes	-	-	-	-	-	-
4.6 Social Security	-	-	-	-	-	-
Sub-Total	58,000,000	575,504	942,010	59,517,514	58,238,555	1,278,959
5.0 Environment						
Bumula Climate Mitigation Project	4,459,093	-	-	4,459,093	1,370,000	3,089,093
Sub-Total	4,459,093	-	-	4,459,093	1,370,000	3,089,093
6.0 Primary Schools Projects						
Tabuti Sudi Rc Primary	-	5,748	-	5,748	-	5,748
Lunao Primary	-	36,745	-	36,745	-	36,745
Sihilila Rc Primary	-	8,668	-	8,668	-	8,668
Masuno Rc Primary	-	98,275	-	98,275	-	98,275
Mukwa Rc Primary	-	3,280	-	3,280	-	3,280

*National Government Constituencies Development Fund (NGCDF) Bumula 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	Kshs
Machwele Deb Primary	-	933	-	933	-	933
Siyombe Ack Primary	-	19,863	-	19,863	-	19,863
Kimaeti Primary	-	25,116	-	25,116	-	25,116
St. Kizito Masielo Rc Primary	-	36,188	-	36,188	-	36,188
Bunambobi Rc Primary	-	65,757	-	65,757	-	65,757
Kibuke Ersf Primary	-	17,109	-	17,109	-	17,109
Billiso Primary	-	-	1,500,000	1,500,000	1,349,100	150,900
Bisuche Primary	800,000	15,443	-	815,443	-	815,443
Bitobo Primary School	800,000	324,000	-	1,124,000	-	1,124,000
Bosio Primary	1,500,000	-	-	1,500,000	1,348,803	151,197
Bosio Primary School	-	933	1,500,000	1,500,933	-	1,500,933
Bukirimo Rc Primary	-	48,603	-	48,603	-	48,603
Bukumuma Primary	-	-	1,500,000	1,500,000	1,137,706	362,294
Bukumuma Primary	1,500,000	75,160	-	1,575,160	-	1,575,160
Bumula Fym Primary School	1,423,037	-	-	1,423,037	-	1,423,037
Bunambobi Primary School	-	-	900,000	900,000	-	900,000
Burangasi Primary	-	2,548	1,500,000	1,502,548	-	1,502,548
Burangasi Primary	-	-	-	-	1,092,510	-1,092,510
Burangasi Rc Primary Sch	-	2,000	-	2,000	-	2,000
Bwaliro Primary	-	114,579	1,500,000	1,614,579	1,605,636	8,943

*National Government Constituencies Development Fund (NGCDF) Bumula 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			
Chiliba Primary	800,000	-	-	800,000	-	800,000
Joy Valley Special Primary School	-	-	1,350,000	1,350,000	1,349,000	1,000
Kabubero Primary	900,000	-	-	900,000	-	900,000
Kabubero Primary	400,000	-	-	400,000	-	400,000
Kabula Primary School	-	-	500,000	500,000	-	500,000
Kamurumba Primary	-	-	1,500,000	1,500,000	-	1,500,000
Kamurumba Primary	800,000	-	-	800,000	-	800,000
Khabusi SA Primary School	-	549,423	-	549,423	-	549,423
Khasoko Primary School	-	-	500,000	500,000	-	500,000
Khasoko Special School	-	-	1,500,000	1,500,000	1,379,889	120,111
Khasolo Primary	-	-	1,500,000	1,500,000	-	1,500,000
Khasolo Primary School	1,626,866	31,264	-	1,658,130	-	1,658,130
Khayo Primary School	-	15,103	900,000	915,103	-	915,103
Khayo Primary School	800,000	-	-	800,000	125,000	675,000
Khelela Primary	4,000,000	715,689	1,891,067	6,606,756	1,799,000	4,807,756
Kibachenje Primary School	500,000	16,103	800,000	1,316,103	-	1,316,103
Kibachenje Primary	-	-	-	-	-	-
Kibachenje Primary School	-	198,178	-	198,178	-	198,178
Kimwanga Rc Primary	-	57	-	57	-	57

*National Government Constituencies Development Fund (NGCDF) Bumula 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
Kisawayi Primary	-	-	500,000	500,000	-	500,000
Kisawayi Primary School	-	-	-	-	500,000	-500,000
Kibuke Primary	1,500,000	-	500,000	2,000,000	-	2,000,000
Kimaeti Primary	2,008,411	-	400,000	2,408,411	-	2,408,411
Kimatuni RC Primary	500,000	-	-	500,000	-	500,000
Kimwanga Primary	500,000	-	-	500,000	-	500,000
Kisawayi Primary School		813	-	813	-	813
Kisawayi Primary School		0	1,400,000	1,400,000	-	1,400,000
Kisioyi Primary School	178,340	5,239	-	183,579	-	183,579
Kisioyi Friends Primary Sch		863	-	863	-	863
Kitabisi Primary	2,117,860	85,702	1,500,000	3,703,562	-	3,703,562
Kitingia Primary		24,492	-	24,492	-	24,492
Lubunda Primary	1,166,900	0	1,500,000	2,666,900	-	2,666,900
Lubunda Primary School		25,745	6,000,000	6,025,745	-	6,025,745
Lukhuna Primary	399,190	-	-	399,190	-	399,190
Lukhuna Primary School	-	-	-	0	-	-
Lukusi Primary	-	-	1,908,933	1,908,933	-	1,908,933
Lumboka Primary School	4,000,000	514,900	1,500,000	6,014,900	369,580	5,645,320
Lumoro Primary	1,500,000	-	500,000	2,000,000	5,769,500	-3,769,500

**National Government Constituencies Development Fund (NGCDF) Bumula 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			
Lumoro Primary	1,767,076	-	-	1,767,076	-	1,767,076
Lumoro Primary School	-	-	1,908,933	1,908,933	-	1,908,933
Lunao FYM	500,000	-	1,000,000	1,500,000	-	1,500,000
Lunao Fym Primary	-	-	-	-	-	-
Lwanja Primary School	-	-	-	-	1,337,729	-1,337,729
Malinda Primary School	-	20,170	1,000,000	1,020,170	489,811	530,359
Malinda Primary School	-	983	-	983	-	983
Manani Primary	800,000	-	1,500,000	2,300,000	-	2,300,000
Masielo Primary	2,143,114	-	-	2,143,114	-	2,143,114
Masuno Primary School	-	-	722,090	722,090	-	722,090
Masuno Primary School	3,000,000	-	-	3,000,000	-	3,000,000
Mayanja Primary School	-	-	348,000	348,000	-	348,000
Mayanja Rc Primary Sch	-	24,224	1,500,000	1,524,224	-	1,524,224
Mikokwe Primary	1,500,000	1,000	-	1,501,000	1,500,000	1,000
Mikokwe Primary School	-	-	772,090	772,090	-	772,090
Miluki Primary	500,000	22,444	-	522,444	-	522,444
Muanda Primary School	-	211,241	348,000	559,241	-	559,241
Mukhekhe Deb Primary	-	18,421	1,500,000	1,518,421	-	1,518,421
Mukhekhe Primary	-	-	-	-	125,000	-125,000

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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
Mukhuma Primary	--	572,222	1,500,000	2,072,222	442,000	1,630,222
Mukhuma Primary Primary School	604,970	-	-	604,970	1,348,000	-743,030
Mukuyuni Primary School	871,359	-	959,807	1,831,166	-	1,831,166
Musakasa Primary	800,000	22,444	-	822,444	-	822,444
Musakasa Rc Primary School	-	8,938	1,500,000	1,508,938	-	1,508,938
Musiya Primary	-	-	-	-	-	-
Mwanda Primary School	-	-	-	-	-	-
Musiya Primary	300,000	-	-	300,000	-	300,000
Mutua Primary	1,500,000	-	1,712,294	3,212,294	-	3,212,294
Mwiyenga Ack Primary School	-	-	-	-	910,807	-910,807
Myanga Primary School	-	37,994	1,500,000	1,537,994	-	1,537,994
Mwomo Primary	800,000	-	-	800,000	-	800,000
Naburereya Primary	1,693,613	-	-	1,693,613	-	1,693,613
Nabuyeywe Primary School	845,000	-	-	845,000	-	845,000
Nakalila Primary School.	-	-	900,000	900,000	-	900,000
Nakholo Priamry School	-	-	-	-	1,151,675	-1,151,675
Nakhwana Primary	1,165,816	7,641	1,500,000	2,673,457	-	2,673,457
Namanje Primary	2,400,000	-	800,000	3,200,000	-	3,200,000
Namanze Primary	10,000,000	-	-	10,000,000	-	10,000,000

**National Government Constituencies Development Fund (NGCDF) Bumula 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	Kshs
Namatelema Primary	-	-	-	0	1,740,000	-1,740,000	
Nandika Primary	450,000	-	1,000,000	1,450,000	-	1,450,000	
Nandingwa Primary School	-	22,149	1,500,000	1,522,149	-	1,522,149	
Nandingwa Primary School	-	-	-	-	1,362,558	-1,362,558	
Napara ACK Primary	-	-	1,500,000	1,500,000	-	1,500,000	
Napara ACK Primary	800,000	18,379	-	818,379	-	818,379	
Nasimbo Sa Primary	-	29,763	-	29,763	-	29,763	
Nasyanda Bahai Primary	1,733,222	106,353	-	1,839,575	-	1,839,575	
Netima Rc Primary Sch	-	142,120	1,500,000	1,642,120	-	1,642,120	
Ng'oli Primary	-	-	-	-	-	-	
Siboti Rc Primary School	-	3,391	-	3,391	-	3,391	
Sango Primary	2,000,000	0	1,500,000	3,500,000	-	3,500,000	
Sihillila Primary School	-	1,000	-	1,000	1,350,201	-1,349,201	
Sikata Primary	500,000	0	5,580,357	6,080,357	204,000	5,876,357	
Sikinga Primary School	-	-	-	-	1,103,075	-1,103,075	
Siloba Shine Rc Primary School	-	10,338	-	10,338	-	10,338	
Silinga Primary School	1,500,000	-	-	1,500,000	-	1,500,000	
Sioya Primary	-	-	-	-	-	-	
Sioya Primary Sch	-	-	1,500,000	1,500,000	-	1,500,000	

*National Government Constituencies Development Fund (NGCDF) Bumula 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
St Bridgit Lukhuna Rc Primary School	-	131,700	-	131,700	1,456,724	-1,325,024
St Josephene Lumoro Primary	-	-	-	-	560,269	-560,269
St Marys Ng'oli Primary School	-	3,550	1,500,000	1,503,550	950,000	553,550
St Patrick Lukusi Primary Sch	-	-	-	-	1,373,399	-1,373,399
St. Jude Syoya Rc Primary	-	72,222	-	72,222	-	72,222
St. Mary's Ng'oli Rc Primary	-	4,818	5,580,357	5,585,175	-	5,585,175
Syekumulo Primary School.	-	196,865	1,500,000	1,696,865	5,777,222	-4,080,357
Syombe Primary School	-	-	-	-	-	-
Syekumulo Primary School	-	66,756	1,908,933	1,975,689	-	1,975,689
Syoya Primary Sch	-	-	-	-	-	-
Tabala Primary	800,000	-	397,500	1,197,500	-	1,197,500
Talitia Primary	1,000,000	-	500,000	1,500,000	-	1,500,000
Tulukuyi Priamry School	-	-	1,000,000	1,000,000	-	1,000,000
Tulumba Primary	1,450,164	-	1,500,000	2,950,164	-	2,950,164
Tunya Primary	1,993,510	8,000	-	2,001,510	-	2,001,510
Tunya Rc Sec Sch	-	36,269	1,500,000	1,536,269	-	1,536,269
Wamumali Primary School	-	-	397,500	397,500	-	397,500
Wamunyiri Primary School	-	115,382	-	115,382	-	115,382
Wamunyiri Primary School	-	-	-	-	905,000	-905,000

**National Government Constituencies Development Fund (NGCDF) Bumula 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
Wamunyiri Primary	-	-	-	-	-	-
Wekelekha Top Rc Primary	-	-	1,500,000	1,500,000	-	1,500,000
Wesimikha Primary	-	952,000	1,500,000	2,452,000	100,000	2,352,000
Sub-Total	73,138,448	5,953,290	88,385,861	167,477,599	42,013,274	125,464,325
7.0 Secondary Schools Projects (List All The Projects)						
Bisuche Ack Secondary	-	2,215	-	2,215	-	2,215
Bukirimo Sec Sch	-	4,005	-	4,005	-	4,005
Bishop Atundo Kimaeti Secondary	3,000,000	-	-	3,000,000	-	3,000,000
Bumula Boy's Secondary	1,500,000	-	-	1,500,000	-	1,500,000
Kabubero Secondary School	-	5,205	-	5,205	-	5,205
Kabubero Secondary School	-	-	-	-	-	-
Kimaeti Sec	-	-	-	-	967,041	-967,041
Miluki Secondary	4,000,000	-	-	4,000,000	-	4,000,000
Mungore Boys	-	134,534	1,400,000	1,534,534	1,376,438	158,096
Mwiyenga Girls Secondary School.	-	336,242	1,171,191	1,507,433	-	1,507,433
Mwiyenga Girls H. Sch	-	2,215	-	2,215	1,159,267	-1,157,052
Mwiyenga Girls Sec Sch	-	3,281	-	3,281	-	3,281

*National Government Constituencies Development Fund (NGCDF) Bumula 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
	-	8,725	-	8,725	-	8,725
Myanga Sec School	-	8,725	-	8,725	-	8,725
Namatotota Secondary School	3,300,000	-	-	3,300,000	-	3,300,000
Namusasi Secondary	-	-	10,050,395	10,050,395	-	10,050,395
Nandika Secondary	1,500,000	21,479	-	1,521,479	-	1,521,479
Nangata Secondary School	-	-	2,300,000	2,300,000	2,070,000	230,000
Napara Secondary School.	-	119,430	2,462,510	2,581,940	-	2,581,940
Napara Secondary School	-	-	-	-	-	-
Remwa Secondary School	-	353,051	5,000,000	5,353,051	5,268,680	84,371
Remwa Secondary School	4,000,000	-	450,000	4,450,000	-	4,450,000
Sikinga Secondary	-	-	700,000	700,000	-	700,000
Simba Corporation(Namusasi Secondary)	-	-	10,050,000	10,050,000	10,050,000	-
Sirende Secondary	-	-	500,000	500,000	-	500,000
St. Elizabeth Lunao Secondary	3,000,000	2,993	-	3,002,993	-	3,002,993
St Kizito Mayanja Sec Sch	-	16,492	-	16,492	-	16,492
St Marys Mukhuma Sec Sch	-	3,941	-	3,941	-	3,941
St Marys Namatotoa Sec Sch	-	2,000	-	2,000	-	2,000
St Patricks Netima Sec Sch	-	4,253	-	4,253	-	4,253
St Pauls Miluki Girls Sec	-	410,378	-	410,378	4,395,257	-3,984,879
St. Anthony Naburereya Second	-	15,438	-	15,438	-	15,438

*National Government Constituencies Development Fund (NGCDF) Bumula 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
St. Joseph's Remwa Secondary	-	0	-	-	-	-
St. Jude Muanda Secondary	1,500,000	54,862	2,400,000	3,954,862	-	3,954,862
St. Jude Muanda Secondary	-	0	-	0	2,500,000	-2,500,000
St. Jude Syoya Secondary	-	10,338	-	10,338	-	10,338
St. Kizito Masielo Secondary	-	11,050	-	11,050	-	11,050
St. Monica Mungore	-	20,290	-	20,290	-	20,290
St. Teresa's Kabula Secondary	-	0	3,900,000	3,900,000	-	3,900,000
Tulukuyi Secondary School	-	20,239	2,100,000	2,120,239	2,114,082	6,157
Sub-Total	21,800,000	1,562,653	42,484,096	65,846,749	29,900,765	35,945,985
8.0 Tertiary Institutions Projects (List All The Projects)						
Bumula KMTC	-	23,318	-	23,318	-	23,318
Cardinal Maurice Otungatti	-	123,781	-	123,781	-	123,781
Sub-Total	-	147,099	-	147,099	-	147,099
9.0 Security Projects						
Bitobo Assistant Chiefs Office	-	1,205	-	1,205	-	1,205
Bumula Dcc Residence	-	-	1,200,000	1,200,000	1,200,000	-
Kimaeti DCC Sub-County Hqs	-	338,094	-	338,094	50,000	288,094
Kimaeti Sub County	3,100,000	-	-	3,100,000	3,100,000	-
Mukwa Police Station	2,000,000	-	-	2,000,000	-	2,000,000

*National Government Constituencies Development Fund (NGCDF) Bumula 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
Mungore Chiefs Office.		476,000	3,333,464	3,809,464	3,646,489	162,975
Sub-total	5,100,000	815,299	4,533,464	10,448,763	7,996,489	2,452,274
10.0 Acquisition of assets						
	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
11.0 Others						
Machwele Huduma ICT Digital Hub	3,000,000	-	-	3,000,000	-	3,000,000
National Sub County Accountants Office	-	-	-	-	1,000,000	-1,000,000
Bumula NG-CDF Office	1,371,600	-	-	1,371,600	1,722,402	-350,802
Strategic Plan	-	-	-	-	74,460	-74,460
MUSAKASA WATER PROJECT	-	9,785	-	9,785	-	9,785
Bumula Sports Committee	-	37,310	-	37,310	-	37,310
Sub-total	4,371,600	47,095	-	4,418,695	2,796,862	1,621,833
Funds pending approval**	-	-	-	-	-	-
unapproved projects	-	-	-	-	-	-
Cardinal Maurice Otunga Vocational College	1,563,511	-	-	1,563,511	-	1,563,511
Tunya primary	-	-	-	-	-	-

National Government Constituencies Development Fund (NGCDF) 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
Mwiruti Primary					-	-
Talitita primary	800,000	-	-	800,000		800,000
AIA	-	-	-	-	-	-
Sub-total	2,363,511	-	-	2,363,511	-	2,363,511
Total	197,386,150	11,440,236	141,106,924	349,933,309	164,853,787	185,079,522

(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 Bumula Constituency principal activity is to service delivery through improvement of infrastructure and provision of bursaries to needy students within the constituency.

2. Statement of Compliance and Basis of Preparation

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

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

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

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.

Adoption of New and Revised Standards

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

- 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	<p><i>Applicable 1st January 2025</i></p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.</p> <p>The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.</p> <p><i>Not Applicable</i></p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p><i>Applicable 1st January 2025</i></p> <p>The Standard requires,</p> <p>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:</p> <p>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.</p> <p><i>Not Applicable</i></p>

<p>IPSAS 45: Property Plant and Equipment</p>	<p><i>Applicable 1st January 2025</i></p> <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><i>Not Applicable</i></p>
<p>IPSAS 46: Measurement</p>	<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><i>Not Applicable</i></p>
<p>IPSAS 47: Revenue</p>	<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>

	<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><i>Not Applicable</i></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><i>Not Applicable</i></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><i>Not Applicable</i></p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the 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. <p><i>Not Applicable</i></p>

iii. Early adoption of standards

The Entity did not early – adopt any new or amended standards in the financial year or *the entity adopted the following standards early (state the standards, reason for early adoption, and impact on the entity's financial statements.)*

3. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

The original budget was approved by Parliament on 30th June 2024 for the period 1st July 2025 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

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

4. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

6. Transfers from the NGCDF Board

Description	Period ended June 2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	197,386,150
Total	197,386,150

7. Transfers from domestic and foreign partners

Description	Period ended June 2025
	Kshs
Grants	-
Total	-

8. Finance income

Description	Period ended June 2025
	Kshs
Interest Income on Bank Deposits	-
Total	-

(Provide a brief explanation for this revenue)

9. Miscellaneous income

	Period ended June 2025
	Kshs
Rental Income	-
Income from sale of tenders	-
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere <i>(specify)</i>	-
Total	-

10. Employees cost

	<i>Period ended June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	4,636,217
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	4,000
Gratuity to contractual employees	1,348,460
Employer Contributions Compulsory national social security schemes	288,840
Employer Contributions Compulsory Housing levy	15,930
Employer contributions to National Industrial Training Authority	10,800
Other Specify	-
Total	6,304,247

11. Committee Expenses

	<i>Period ended June 2025</i>
	Kshs
Sitting allowance	2,304,505
Other Committee expenses	4,225,680
Total	6,530,185

12. Use of Goods and services

	<i>Period ended June 2025</i>
	Kshs
Utilities, supplies and services	96,000
Communication, supplies and services	382,305
Domestic travel and subsistence	950,749
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	4,472,570
Hospitality supplies and services	578,500
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	551,570
Fuel, oil & lubricants	-
Bank charges	10,000
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	74,460
Other operating expenses	700,430
Total	7,816,584

13. Other Government Units Actual expenditure

Description	<i>Period ended June 2025</i>
	Kshs
Primary Schools Actual expenditure	43,748,091
Secondary Schools Actual expenditure	30,874,014
Tertiary Institutions Actual expenditure	-
Total	74,622,104

14. Other Grants and transfers Actual expenditure

	<i>Period ended June 2025</i>
	Kshs
Bursary – secondary schools	42,807,555
Bursary – tertiary institutions	15,431,000
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	8,003,078
Climate change mitigation projects	1,370,000
Emergency projects Actual expenditure	2,296,064
Roads projects Actual expenditure	-
Others specify	2,722,402
Total	72,630,099

15. Depreciation and Amortization Expenses

Description	<i>Period ended June 2025</i>
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

Description	<i>Period ended June 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	-

17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
Equity Bank Bungoma Branch, Account No.0480278524012 (Operations account)	11,470,927	2,996,185
Operations account pending closure (Indicate name & account no.) N/A	-	-
Equity Bank Bungoma branch, account No.0480285260689) (Deposit account)	1,738,618	
PMC accounts – Various Banks Listed in (Annex 2)	53,953,828	8,444,051
Total	67,163,373	11,440,236
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

(Provide a schedule of all reconciled PMC bank balances as at the end of the period)

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)	-	-

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

i. Ageing Analysis for Receivables

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

21. Receivables from Non-Exchange Transactions

Description	Period ended June 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	117,916,150		141,106,924	
Outstanding imprest	-		-	
Total	117,916,150		141,106,924	
Ageing Analysis- Receivables from non-exchange transactions	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	111,636,150	95%	-	0%
Between 1-2 years	6,280,000	5%	134,506,924	95%
Over 3 years	-	%	6,600,000	5%
Total	117,916,150	100%	141,106,924	100%

22. Prepayments

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

*National Government Constituencies Development Fund (NGCDF) Bumula Constituency
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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2025	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-
Depreciation And Impairment								
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-
Net Book Values	-	-	-	-	-	-	-	-
Opening Bal as at 1 st July 2025	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-

Valuation

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

22 b) Property, Plant and Equipment at Cost

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

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

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

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

24. Intangible Assets

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

25. Right-of use assets

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

26. Trade and Other Payables

Description	Period ended June 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)	2024-2025	% of the Total	1 st July	% of the Total
Under one year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (tie to above total)	-		-	

**National Government Constituencies Development Fund (NGCDF) Bumula Constituency
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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>2023-2024</i>
	KShs	
Retention as at 1 st July (A)	-	
Retention held during the year (B)	4,843,138	-
Retention paid during the Year (C)	2,128,483	-
Closing Retention as at 30 th June D= A+B-C	2,714,655	-

Retentions aging analysis.

	<i>Period ended June 2025</i>	<i>% of the total</i>	<i>Period ended June 2024</i>	<i>% of the total</i>
Less than 1 year	2,714,735	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	2,714,735	100%	-	

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

28. Lease Liabilities

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

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	2023-2024
	Kshs	
Gratuity at the beginning of the year 1 st of July	793,583	
Gratuity held during the year	1,348,460	793,583
Gratuity paid during the year	1,013,683	-
Total Gratuity Provision 30th June (A+B-C)	1,128,360	793,583

30. Cash Generated from Operations

	Period ended June 2025
	Kshs
Surplus/Deficit for the year	29,482,931
Adjusted for:	
Depreciation	-
Impairment	-
Gains and losses on disposal of assets	-
	-
Working capital adjustments	-
Increase/decrease in receivables	(23,190,774)
	-
Increase/decrease in payables	(3,049,432)
	-
Net cash flow from operating activities	55,723,137

(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:

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 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	117,916,150	117,916,150	-	-
Bank balances	67,163,373	67,163,373	-	-
Total	185,079,523	185,079,523	-	-
As at 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	141,106,924	141,106,924	-	-
Bank balances	11,440,236	11,440,236	-	-
Total	152,547,160	152,547,160	-	-

(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 (Current FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	2,714,655	2,714,655
Deferred income	-	-	-	-
Gratuity Provision	-	-	1,128,360	1,128,360
Total	-	-	3,843,015	3,843,015
As at 30th June (Previous FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Employee benefit obligation	-	-	793,583	793,583
Total	-	-	793,583	793,583

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:

2024-2025 FY

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

Foreign currency sensitivity analysis

2024-2025 FY

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

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
2024-2025 FY			
Euro	10%	N/A	N/A
USD	10%	N/A	N/A
2023-2024 FY			
Euro	10%	N/A	N/A
USD	10%	N/A	N/A

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. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by

one percentage point as a decrease/increase of Kshs nil (Current FY: Kshs nil). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs nil (Current FY – Kshs nil)

Fair value of financial assets and liabilities

a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	N/A	N/A	N/A	N/A
Non- Financial Assets				
Investment Property	N/A	N/A	N/A	N/A
Land And Buildings	N/A	N/A	N/A	N/A

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Total	N/A	N/A	N/A	N/A
As at 30 th June 2024				
Financial Assets				
Quoted Equity Investments	N/A	N/A	N/A	N/A
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

iv) Capital Risk Management

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

Description	Period ended June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	181,236,508	151,753,577
Capital Reserve	-	-
Total Funds	181,236,508	151,753,577
Total Borrowings	-	-
Less: Cash and Bank Balances	67,163,373	11,440,236
Net Debt/(Excess Cash And Cash Equivalentents)	114,073,135	140,313,341
Gearing	63%	92%

32. Related Party Disclosures

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,304,505	2,924,005
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	197,386,150	155,221,624
Total	197,386,150	155,515,629

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

Contingent Liabilities

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

35. Capital Commitments

Capital Commitments	Period ended June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Authorised for	NA	NA
Authorised and Contracted for	NA	NA
Total	NA	NA

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

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

38. Currency

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

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18. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	1,722,402	-	-	1,722,402
Transport equipment	-	-	-	-
Office equipment, furniture, and fittings	-	-	-	-
ICT Equipment and Other ICT Assets	-	-	-	-
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
Total	1,722,402	-	-	1,722,402

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

PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Billiso Primary	Equity	480286170135	150,900	-
Bisuche Ack Secondary	Equity	480299866048	2,215	2,215
Bisuche Primary	Equity	480282580211	15,443	15,443
Bitobo Assistant Chiefs Office	Co-operative	1141669771100	1,205	1,205
Bitobo Primary	Equity	480284643136	324,000	324,000
Bosio Primary School	Equity	480286119043	151,197	-
Bosio Rc Primary	cop	1141049704800	933	933
Bukirimo Rc Primary	Equity	480281173147	48,603	48,603
Bukirimo Sec Sch	Equity	480281176548	4,005	4,005
Bukumuma Primary	Equity	480279031082	362,294	-
Bumula Fym Primary School	Co-operative	1141011443300	75,160	75,160
Bumula KMTC	Equity	480284713631	23,318	23,318
Bumula Sports Committee	Equity	480279034749	37,310	37,310
Bunambobi Rc Primary	Equity	480280984918	65,757	65,757
Burangasi Primary	Co-operative	1141049667200	2,548	2,548
Burangasi Primary	Equity	480285795147	407,490	-
Burangasi Rc Primary Sch	Equity	480285213326	2,000	2,000
Bwaliro Primary	Equity	480284582313	8,943	114,579
Cardinal Maurice Otungatti	Equity	480284558369	123,781	123,781

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Joy Valley Special	Equity	480286103356	1,000	-
Kabubero Primary	Equity	480286103328	14,797	1,000
Kabubero Secondary School	Co-operative	1141669883500	5,205	5,205
Kabubero Secondary School	Equity	480286387007	900,000	-
Kabula Primary	National Bank	1022239612700	500,000	-
Kamurumba Primary	Equity	480284558369	1,500,000	-
Khabusi SA Primary School	Sidian	480284589897	549,423	549,423
Khasoko Primary	Co-operative	141049861200	500,000	-
Khasoko Special School	Equity	480281173703	120,111	-
Khasolo Primary	Equity	480285795058	1,500,000	-
Khasolo Rc Primary	Co-operative	1139050160001	31,264	31,264
Khayo Mmk Primary School	Equity	480285049539	15,103	15,103
Khayo Primary School	Equity	480279034749	775,000	-
Khelela Ack Primary	Equity	480284632304	807,756	715,689
Kibachenje Primary	Equity	480284376187	16,103	16,103
Kibachenje Primary	Co-operative	1139290099702	800,000	-
Kibachenje Primary School	Co-operative	1141049295400	198,178	198,178
Kibuke Ersf Primary	Equity	480280981883	17,109	17,109
Kimaeti Primary	Equity	480279057222	25,116	25,116
Kimaeti Sec	Equity	480282620818	2,934,443	-

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Kimaeti Sub County Office	Equity	480286231049	288,094	338,094
Kimatuni Sa Primary	Equity	480286042847	3,605,600	-
Kimwanga Rc Primary	Equity	480281142109	57	57
Kisawayi Primary	Equity	480284597311	400,000	-
Kisawayi Sa Primary Sch	Co-operative	1141049265800	813	813
Kisioyi ERSF Primary School	Co-operative	1141049902000	5,239	5,239
Kisioyi Friends Primary Sch	Equity	48028458888101	863	863
Kitabisi Primary	Co-operative	1141011442100	85,702	85,702
Kitingia Primary	Co-operative	1141536506900	24,492	24,492
Lubunda Primary	Equity	480285582327	1,400,000	-
Lubunda Rc Primary Sch	Co-operative	1141011415901	25,745	25,745
Lumboka Primary	Equity	480284582313	514,900	514,900
Lumboka Primary School	Equity	480284543580	230,500	-
Lunao Fym Primary	Equity	480279032539	1,908,933	-
Lunao Primary	Equity	480282620818	36,745	36,745
Lwanja Primary School	Equity	48028953047	162,271	-
Machwele Deb Primary	Equity	480279482223	933	933
Malinda Primary	Co-operative	1135005915	30,359	20,170
Malinda Primary School	Co-operative	1141019902000	983	983
Masuno Primary	Equity	480279577344	1,000,000	-

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Masuno Primary	Equity	480284084400	2,000,000	-
Masuno Rc Primary	Co-operative	1141291147300	98,275	98,275
Mayanja Primary	National Bank	10224097717800	1,000,000	-
Mayanja Rc Primary Sch	National Bank	1024097765000	24,224	24,224
Mikokwe Ack Primary School	Equity	480285689194	1,000	1,000
Miluki Primary	Equity	1141049665100	22,444	22,444
Muanda Rc Primary	Equity	480279040595	211,241	211,241
Mukhekhe DEB	Co-operative	1141049317700	18,421	18,421
Mukhekhe Primary	Equity	480285951271	223,000	-
Mukhuma Primary School	Equity	480281014961	130,222	572,222
Mukhuma Primary School	Co-operative	1141050167300	152,000	-
Mukwa Rc Primary	Equity	480279577344	3,280	3,280
Mungore Boys	Equity	480284558369	158,096	134,534
Mungore Chief's Office	Equity	480284800657	156,386	476,000
Musakasa Primary	Co-operative	1141049295400	22,444	22,444
Musakasa Rc Primary School	Co-operative	1141049665100	8,938	8,938
Musakasa Tti	Equity	480285799286	3,500,000	-
Musakasa Water Project	Co-operative	1141668047600	9,785	9,785
Musiya Primary	Equity	480284647728	1,500,000	-
Mwanda Primary School	Equity	48021142109	722,090	-

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Mwiyenga Girls	Equity	480279031082	336,242	336,242
Mwiyenga Girls H. Sch	Equity	480279031082	14,139	2,215
Mwiyenga Girls Sec Sch	Co-operative	1141782337800	3,281	3,281
Mwiyenga Primary	Equity	480286091271	49,001	-
Myanga Primary School	Equity	480280842945	37,994	37,994
Myanga Sec School	Co-operative	1141049925000	8,725	8,725
Nakalila Primary	National Bank	1024055269400	1,712,294	0
Nakholo Priamry School	Equity	480285259665	348,325	0
Nakhwana Rc Primary Sch	Co-operative	1141049664700	7,641	7,641
Nandika Secondary	Equity	480281173147	21,479	21,479
Nandingwa Primary School	Co-operative	1141427551401	22,149	22,149
Nandingwa Primary School	Equity	480286443023	137,442	-
Napara Ack Primary	Equity	480284367237	800,000	-
Napara Rc Primary School	National Bank	1139049880001	18,379	18,379
Napara Secondary	Equity	480280842945	119,430	119,430
Napara Secondary School	Equity	480284630573	2,462,510	-
Nasimbo Sa Primary	Co-operative	114104985900	29,763	29,763
Nasyanda Bahai Primary	Co-operative	1139049929602	23,968	23,968
Netima Rc Primary Sch	National Bank	1024036028000	142,120	142,120
Remwa Sec School	Equity	48021142109	-244,430	353,051

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Siboti Rc Primary School	Co-operative	1141011440200	3,391	3,391
Sihilila Primary School	Equity	480285951297	150,799	1,000
Sihilila Rc Primary	Equity	480279610192	8,668	8,668
Sikinga Primary School	Equity	480285688865	396,925	-
Sikinga Secondary	Equity	480286294199	700,000	-
Siloba Shine Rc Primary School	Equity	480280994592	10,338	10,338
Sioya Primary School	Equity	480284751951	500,000	-
Siyombe Ack Primary	Equity	480278718124	19,863	19,863
St Bridgit Likhuna Rc Primary School	Equity	480285195555	174,976	131,700
St Elizabeth Bitobo Sec Sch	Equity	480280994592	2,993	2,993
St Josephene Lumoro Primary	Equity	480285698336	939,731	-
St Kizito Mayanja Sec Sch	Equity	480279610192	16,492	16,492
St Marys Mukhuma Sec Sch	Equity	480286294199	3,941	3,941
St Marys Namatotoa Sec Sch	Equity	480283993015	2,000	2,000
St Marys Ng'oli Primary School	Equity	480280842945	53,550	3,550
St Patrick Lukusi Primary Sch	Equity	480285758463	126,601	-
St Patricks Netima Sec Sch	Co-operative	114104985900	4,253	4,253
St Pauls Miluki Girls Sec	Co-operative	1139049016102	-132,463	410,378
St. Anthony Naburereya Second	Equity	480279065240	15,438	15,438
St. Joseph's Remwa Secondary	Equity	480284751951	450,000	-

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
St. Jude Muanda Secondary	Co-operative	480282294079	54,862	54,862
St. Jude Muanda Secondary	Co-operative	1139049016102	652,669	-
St. Jude Syoya Rc Primary	Equity	480280854023	72,222	72,222
St. Jude Syoya Secondary	Equity	480279044497	10,338	10,338
St. Kizito Masielo Rc Primary	Equity	480279577344	36,188	36,188
St. Kizito Masielo Secondary	Equity	480279031515	11,050	11,050
St. Mary's Ng'oli Rc Primary	Equity	480279046291	4,818	4,818
St. Monica Mungore	KCB	1112847197	20,290	20,290
St. Teresa's Kabula	KCB	1024097772200	3,900,000	-
Syekumulo Primary	Co-operative	1141049262900	-40	196,865
Syekumulo Primary School	Co-operative	1141049695400	66,756	66,756
Syoya Primary Sch	Equity	480284751951	1,908,933	-
Tabuti Sudi Rc Primary	Equity	480279850180	5,748	5,748
Tulukuyi Sec	Co-operative	1141668580000	6,157	20,239
Tunya Primary	Equity	480280822033	8,000	8,000
Tunya Rc Sec Sch	Co-operative	114049208000	36,269	36,269
Wamumali Primary School	Co-operative	114104986200	397,500	-
Wamunyiri Primary	Co-operative	1141669082200	115,382	115,382
Wamunyiri Primary	Equity	480286092621	95,000	-
Wamunyiri Primary	Co-operative	1141049861200	500,000	-

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PMC	Bank	Account number	Bank Balance 2024-2025FY	Bank Balance 2023-2024FY
Wekeleka Top Rc	Equity	480286569100	1,500,000	-
Wesimikha Primary School	Equity	480284904483	2,352,000	952,000
			53,953,828	8,444,051

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)
1.	<p>Unsupported Project Management Committee Bank Balances</p> <p>Note 19.4 to the financial statements reflects Project Management Committee (PMC) bank balances of Kshs. 4,518,664 held in sixty-seven (67) bank accounts in various commercial banks as disclosed in Annex 5 to the financial statements. However, the cash books, bank reconciliation statements and certificates of bank balance for the sixty-</p>	<p>During the time of audit the bank statements were not availed. However, they were obtained and availed for review.</p>	<p>Not Resolved</p>	<p>31-12-2025</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	seven (67) bank accounts were not provided for audit review. In the circumstances, the accuracy and completeness of the Project Management Committee bank balances of Kshs. 4,518 664 could not be confirmed.			
2.	Variance in Use of Goods and Services The statement of receipts and payments reflects use of goods and services for the previous financial year (2022/2023) of Kshs. 6,268,484 which differs from 6,536,180 resulting to unexplained variance of Kshs. 267,696. In the circumstances the accuracy and completeness of use of	The resulting difference was as a result of miscast and the statements were corrected and availed to the auditor for review.	Not Resolved	Not Resolved

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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)
	goods and services of Kshs. 6,268,484 could not be confirmed.			
3.	<p>Unsupported Emergency Projects</p> <p>The statement of receipts and payments reflects other grants and transfers of Kshs. 83,904,981 as disclosed in Note 8 to the financial statements. The amount includes emergency projects expenses of Kshs. 11,101,498. However, Management did not provide documents in support of the projects and the nature of the emergency. In addition, the Management did not report the emergency payments to the Board in accordance to Section 20(2) of National Government</p>	<p>Lack of support documents on the payment vouchers were a result of filing documents were a result of mix up of documents in the files during the audit exercise and the documents are available for review by the auditor</p> <p>The emergency expenditure is reported through emergency reports to the Board.</p>	Not Resolved	Not Resolved

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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>Constituencies Deployment Fund Regulations, 2016 which provides that the utilization of 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, accuracy and completeness of the emergency projects amount of Kshs. 11,101,498 could not be confirmed.</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>Emphasis of the Matter</p> <p>Budgetary Control and Performance</p> <p>The summary statement of appropriation reflects receipts final budget and actual on comparable basis of Kshs. 320,126,805 and Kshs. 155,221,624 respectively resulting to under-funding of Kshs. 164,905,181 or 52 % of the budget. Similarly, the statement reflects actual expenditure of Kshs. 176,817,280 against actual budget of Kshs. 155,221,624 resulting to overutilization of Kshs. 21,595,656 Or 12 % of the budget.</p> <p>The under-funding and overutilization of the</p>	<p>The under-funding was a result of delayed disbursement of funds to the constituency. However, the over-expenditure reflected in the statement was a result of available funds that spilled over from the previous financial years.</p>	<p>Not Resolved</p>	<p>Not Resolved</p>

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	budget means that the expenditure was above the planned budget and therefore irregular.			
	Other Matter In the report for previous year, several issues were raised under Report on the Financial statements, and Report on Lawfulness and Effectiveness in use of Public Resources. However, the issues had not been resolved and Management did not provide satisfactory reasons for the delay in resolving the issues.	Issues raised in the previous audit were presented to the auditor for review. However, resolution will be determined by the Devolved Funds Accounts Committee once the entity is invited for representation.	Not Resolved	Not Resolved
	Basis of Conclusion 1.Failure to Provide Meetings schedules and minutes The statement of receipts and payments	Failure to prepare a meetings schedule at the beginning of every financial year and failure to submit copies of approved minutes to	Not Resolved	Not Resolved

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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>reflects committee expense amount of Kshs. 7,263,065 as disclosed in Note 5 to the financial statements reflects committee sitting allowances of Kshs. 2,924,005. However, supporting documents for schedule of meetings tabled and approved by Constituency Committee were not provided for audit review. Additionally, there was no evidence that copies of the minutes were submitted to the Board within thirty days after the confirmation and execution of the minutes in the manner prescribed by the Board. This was contrary to Regulation 7 (9) and 7(12) of the National Government</p>	<p>the Board was an oversight on the part of the management. However, the management has noted the audit recommendations and going forward the audit recommendations will be implemented.</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>the meetings to be held during the year and copies of the minutes referred to in paragraph (9) shall be submitted to Board within thirty days after the confirmation of the minutes, in the manner prescribed by the Board.</p> <p>In the circumstances, Management was in breach of law.</p>			



Name
Fund Account Manager.