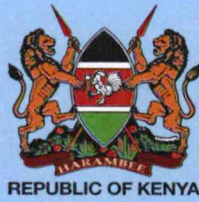


REPUBLIC OF KENYA



REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL

Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

DATE: 26 NOV 2025

DAY
Wed

TABLED
BY:

Hon. Robert Furtak

CLERK-AT
TABLE:

Mado Atabo



REPORT

OF

THE AUDITOR-GENERAL

ON

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

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

OFFICE OF THE AUDITOR GENERAL
P. O. Box 30084 - 00100, NAIROBI
RECORDS OFFICE

24 OCT 2025

RECEIVED



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

GATUNDU NORTH CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

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

| Table of Contents | Page |
|--|-------|
| 1. Acronyms and Definition of Key Terms..... | ii |
| 2. Key Constituency Information and Management..... | iii |
| 3. NGCDF Committee..... | viii |
| 4. NG-CDFC Chairman’s Report..... | x |
| 5. Statement Of Performance Against Predetermined Objectives for FY2024/25..... | xii |
| 6. Governance Statement | xiv |
| 7. Management Discussion and Analysis..... | xviii |
| 8. Environmental and Sustainability Reporting | xx |
| 9. Statement Of Management Responsibilities..... | xxv |
| 10. Report Of the Independent Auditor on the NGCDF- Gatundu North Constituency..... | xxvii |
| 11. Statement of Financial Performance for the Year Ended 30th June 2025 | 1 |
| 12. Statement Of Financial Position As At 30th June, 2025 | 2 |
| 13. Statement of Changes in Net Assets for the year ended 30 June 2025 | 4 |
| 14. Statement Of Cash Flows for The Year Ended 30th June 2025 | 5 |
| 15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025 | 6 |
| 16. Budget Execution by Sectors And Projects For The Year Ended 30 th June 2025 | 9 |
| 17. Notes to the Financial Statements..... | 18 |
| 18. Annexes..... | 57 |

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (amended 2023). The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 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 Gatundu North 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 | Mary Kyengo |
| 2. | National Sub-County Accountant | Reuben Kiarie |
| 3. | Chairman NGCDFC | Joseph Murori |
| 4. | Member NGCDFC | Esther Thungu |
| 5. | Member NG CDFC | Stephen Waititu |

(c) Fiduciary Oversight Arrangements

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

P.O. Box 201-01004 Kanjuku
GATUNDU NORTH NG CDF OFFICE
GATUNDU NORTH DCC COMPOUND
KAMWANGI, KENYA.

(e) NGCDF Gatundu North Constituency Contacts

Telephone: (254) 720893126
E-mail: cdfgatundunorth@ngcdf.go.ke
Website: gatundunorth.ngcdf.go.ke

(f) NGCDF Gatundu North Constituency Bankers

1. Bank A. (Operations Account).
Kenya Commercial Bank, Gatundu Branch
Acc. No. 1102763853
P.O. Box 518 Gatundu

2. Bank B. (Deposit account).
Equity Bank, Gatundu Branch
Acc. No. 0660285613484
P.O. Box 75105-00200 Nairobi

3. Bank C. (PMC Accounts)
Kenya Commercial Bank, Gatundu Branch
P.O. Box 518 Gatundu

Equity Bank, Gatundu Branch
P.O. Box 75105-00200 Nairobi

(g) Independent Auditor

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






(h) Principal Legal Adviser

The Attorney General
State Law Office

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

Harambee Avenue
P.O. Box 40112
City Square 00200
Nairobi, Kenya

3. NGCDF Committee

| Name | Details |
|---|---|
|  Joseph Murori Muiruri Chairman | DOB- 10/1/1986, O level, businessman, Ten years work experience in business. |
|  Peter Mutema Nguma Male youth representative | DOB-20/11/2989, Degree holder, Consultant, Five Years work experience in financial consultancy. |
|  Samwel Kimani Gachihi Male adult representative | DOB- 28/8/1982, Degree holder, businessman, Fifteen years work experience in business. |
|  Stephen Waititu Mungai Male adult representative | DOB- 1954, Diploma holder, pastor, Twenty five years work experience in ministry. |
|  Esther Wangari Thungu Female adult representative | DOB- 1/1/1977, O levels, business lady, Eighteen years work experience in business. |

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

| | |
|--|---|
|  <p>Susan Wanjiru Muchiri Female adult representative</p> | <p>DOB- 5/8/1987, O levels, business lady, Ten years work experience in business.</p> |
|  <p>Ann Mugure Njoroge Female youth representative</p> | <p>DOB- 6/3/1997, Diploma holder, business lady, Five years work experience in business.</p> |
|  <p>James Kibe Ngigi Co opted member</p> | <p>DOB-18/4/1974, O Levels, businessman, Twenty years work experience in business.</p> |
|  <p>Margaret Mbugua -DCC</p> | <p>DOB - 16/7/1979, Bachelors degree, Twenty one years work experience in administration.</p> |
|  <p>Mary Kyengo - FAM</p> | <p>DOB – 18/1/1989- Bachelors degree, Eighteen years work experience in accounting.</p> |

During the Financial Year 2024/2025, no NG CDFC member exited.

4. NG-CDFC Chairman's Report



Joseph Murori Muiruri
Chairman- Gatundu North NG CDF

I am pleased to present the Gatundu North NGCDF Annual report and financial Statements for the year ended 30th June 2025.

Gatundu North constituency is one of the twelve constituencies in Kiambu county.

In the year under review, Gatundu North constituency basically addressed the issue of bursary by ensuring 100% issuance of both secondary and tertiary bursary. The CDFC in its strategic plan is working towards 100% transition to secondary school and tertiary institutions. This year has seen the highest allocation under bursary of ksh. 68 million. This has ensured that students have been retained in school longer hence improved performance.

The CDFC is keen in setting realistic and achievable goals by giving priority to ongoing projects to ensure their completion in time.

Gatundu North NG CDF has ensured fairness in the disbursement of bursaries to help keep bright and needy students in school. This has gone a long way in improving the performance of the constituency. At the same time, the constituency holds an academic day for teachers and learners every year in a bid to motivate them for improved performance.

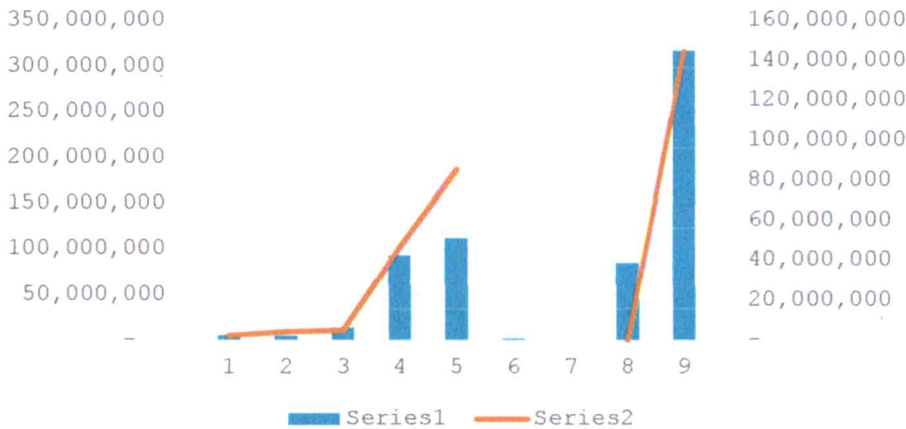
There has been great co-operation between the NG CDF and other sectors like KERRA and water departments to ensure easy access to clean water and ease in movements.

The level of education in the constituency is quite low and the PMCs engaged in the implementation of projects have quite low understanding in the management of the fund. The Constituency committee in its planning has put emphasis on training the PMCs before the onset of implementation of every project by imparting the management skills required in running the fund.

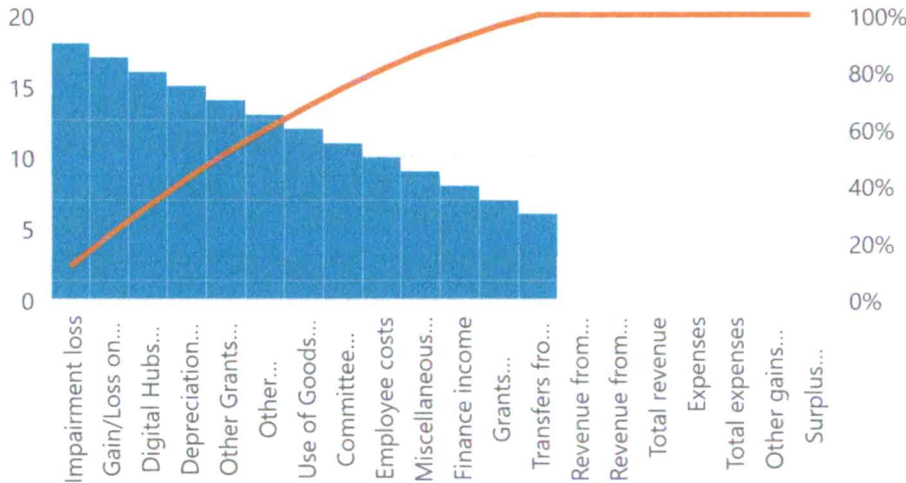
National Government Constituencies Development Fund (NGCDF)
Gatundu North Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

In summary the budget performance against actual amounts for the year 2024/2025 has been as shown below:

Final budget against actual expenditure



statement of financial performance for fy 2024/2025



Name **JOSEPH MUPAKA M.**
 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 Gatundu North Constituency 2024-2025 plan are to:

1. Improve education outcomes at all levels of learning.
2. Improve health access and quality.
3. Address health hazards through community driven sanitation programs.
4. Facilitate entrepreneurship and address market inefficiencies affecting traders in the constituency
5. Harness the potential of youth in combating unemployment in the constituency.
6. Empower special interest groups and provide safety nets for the vulnerable groups.
7. Encourage social cohesion through cultural programming.
8. Cordinate and facilitate infrastructural development in Gatundu North onstituency.
9. Enhance security for residents through multi-stakeholder pronged approaches.

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 support the government in achieving 100% transition of students from primary to secondary. To have all children of school going</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</i> | <i>In FY 2024/25 -we allocated funds for renovation of 9 classrooms and construction of 6 new classrooms. The committee also awarded bursaries of ksh. 56,000,000 for needy students in secondary,</i> |

| | <i>age attending school</i> | | <i>number of bursary's beneficiaries at all levels</i> | <i>tertiary and special schools</i> |
|---|--|--|--|--|
| Security | To ensure justice and security of the constituents thus increase safety. | Increased rate of conflict resolution and justice | Expansion of business enterprises | In the FY 2024/2025, we allocated funds for completion of the Judiciary and ACCs office |
| Climate change mitigation activities | To ensure we provide conducive working environment for various stakeholders in the education sector | Increased motivation and morale thus improving performance | Tree planting | In FY 2024/2025, we allocated funds for planting of trees thus improving the temperatures and general outlook of the environment |
| Emergency | To cater for unforeseen occurrences in the constituency. | Clean school environment for the students | 3 no. ablution blocks constructed | In the FY 2024/2025, 3No. ablution blocks were constructed. |
| Others (Specify) Establishment of law court and Huduma centre | To ensure justice and security of the constituents thus increase safety and bring services closer to the people. | Increased rate of conflict resolution and justice | More offices for other government officers. | In the FY 2024/2025, the ACCs office and DCC office were upgraded to Huduma centre and law court respectively. |

6. Governance Statement

a. NG-CDFC process of appointment

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

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

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

The current NGCDFC members were gazetted in 11th April 2025 and the first meeting was held in the NG CDF office on 15th April 2025.

The persons appointed are drawn from different groupings as follows:

- Male Adult-Robert Njoroge Samuel-Member
- Male youth —Peter Mutema - Member

- Female adult—Esther Wangari Thungu- Secretary
- Female youth—Ann Mugure Njoroge - Member
- PWD REP—Joseph Murori Muiruri-Chairman
- CO-opted Member—James Kibe Ngigi - Member
- Nominee of constituency Office—Stephen Waititu Mungai - Member
- Nominee of constituency Office—Susan Wanjiru Muchiri - Member

b. NG-CDFC Tenure

The term of office of the members of the Constituency Committee is two years and is renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act, or as may be approved by the Board

c. The Role of the Constituency Committee

- ✓ Capacity build project management committees and the community on the operation of the fund.
- ✓ Consider project proposals from every ward in the constituency.
- ✓ Ensure adequate fund to each of the proposed projects and give priority to ongoing projects to ensure completion.
- ✓ Monitor the progress of ongoing projects to ensure quality.
- ✓ Consult relevant government departments to ensure project cost estimates are realistic.
- ✓ Ensure project reports are prepared and submitted to the Board.

d. Removal of a member

A member of the Constituency Committee may be removed from office on any one or more of the following grounds-lack of integrity; gross misconduct; embezzlement of public funds; bringing the committee into disrepute through unbecoming personal public conduct; promoting unethical practises; causing disharmony within the committee and physical or mental infirmity.

In the year under review, there was no removal of any member of the constituency Office, however one member, the male adult representative resigned in May 2024.

e. NG-CDFC Induction and training

The NG CDF committee has been trained once this financial year. The training was carried out in the month of June 2024 in Mombasa. Areas trained included financial management, risk management, NG CDF ACT, Procurement, Project management and other crosscutting issues.

f. Number of meetings;

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

In Gatundu North Constituency, the NG-CDF Committee conducted nine meetings and three sub-committee meetings making a total of twelve meetings.

| | Name of committee member | NGCDFC Meetings held | | | | | | | | | Sub committee meetings | | |
|---|--------------------------|----------------------|-----------|-----------|-----------|------------|------------|-----------|-----------|-----------|------------------------|---------|---------|
| | | 17/7/2024 | 2/09/2024 | 3/10/2024 | 5/11/2024 | 18/11/2024 | 16/12/2024 | 14/1/2025 | 15/4/2025 | 23/6/2025 | 17/11/24 | 23/4/25 | 21/5/25 |
| 1 | Samwel Gachihi | √ | √ | √ | √ | √ | √ | √ | √ | √ | | | |
| 2 | Peter Mutema | √ | √ | √ | √ | √ | √ | √ | √ | √ | | | |
| 3 | Esther Wangari | √ | √ | √ | √ | √ | √ | √ | √ | √ | | | |
| 4 | Ann Mugure | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 5 | Joseph Murori | √ | √ | √ | √ | √ | √ | √ | √ | √ | | | |
| 6 | James Kibe | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |
| 7 | Stephen Waititu | √ | √ | √ | √ | √ | √ | √ | √ | √ | | | |
| 8 | Susan Wanjiru | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ | √ |

g. Remuneration Rates

The chairperson of the constituency committee receives a sitting allowance of ksh.7,000 while other members receive a sitting allowance of ksh.5,000 per meeting.

h. Disclose the policy on conflict of interest

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

i. Succession plan

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

j. Ethics and code of conduct

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

k. Risk Management

The constituency has a risk policy which they observe and are required to maintain a risk register. The committee has the following responsibilities

- Capacity build project management committees and the community on the operation of the fund.
- Consider project proposals from every ward in the constituency.
- Ensure adequate fund to each of the proposed projects and give priority to ongoing projects to ensure completion.
- Monitor the progress of ongoing projects to ensure quality.
- Consult relevant government departments to ensure project cost estimates are realistic.

7. Management Discussion and Analysis

Gatundu North constituency has mainly concentrated with face lifting infrastructural facilities in the last five years. Of major concern in the renovation works has been primary school projects. This has been done to try and encourage students join primary schools as most of them drop out of school to do the avocado business which is the main economic activity in the area.

There has been delayed implementation of projects occasioned by the delay in approval of projects. In most cases, these projects are not approved on time due to land ownership challenges. In other cases, the approved projects end up not been implemented due to the emergency of other pressing needs affecting the constituency forcing the constituency committees to seek for reallocation to other projects

Despite the above challenges, the constituency has embarked on key projects that have been of great benefit to the constituents. Some of such key projects include the Kamwangi law courts. The law court has brought a lot of impact in the constituency as all court cases were previously being conducted from the neighboring constituency. In such a situation, there has been delay in delivery of justice to the constituents and also the costs for finalizing a court case has been quite high due to lengthy periods of time. In the present circumstance, courts cases are heard frequently and the persons involved don't have to travel far and thus reducing costs of court processes.

Another high impact project is the Kamwangi Huduma centre. This has brought all government services closer home, making government processes cheap and easily available.

The constituency committee is also in its final plans of establishing Kamwangi lands registry office which is a key department highly demanded by the constituents. In so doing, land matters will easily be resolved as the three key departments i.e. the courts, huduma centre and lands offices will now be set within one compound.

The constituency committee has put in place plans to ensure that all staff employed by the constituency committee comply with all government statutory requirements. All staff statutory deductions are remitted on time, and the constituency has had no challenges in statutory deductions and remittances.

At the same time, the constituency committee has put in place measures to ensure that all contractors engaged in supply of goods and services are prequalified for the works they have applied for. All contractors and suppliers have to be vetted to ensure that have all the required documents and per the government requirements. During the payment processing

the constituency committee ensures that all the contractors and suppliers pay all the required levies in form of deductions of Value Added Tax and Income taxes.

There has been threats facing the fund due to numerous court cases and petitions.

All the fund has fought to remain in existence, the court wars are not over and a lot need to be done to safeguard this fund which has very high impact to the various constituents across the country in mainly the education sector and security.

Quite a number of learners fully depend on this fund for their education and would not be able to continue with their studies should the fund come to an end. Most of the primary school and day secondary schools have not financial capacity to put up infrastructure facilities and majority of them could have collapsed and probably closed down if it were not for this fund.

Gatundu North constituency anticipates for the increase of this fund and its continuity as its impact has been quite high. At the same time, due to the high cost of living, most of the constituents cannot afford the very basic needs and so the need to increase the fund to even include feeding programmes in schools as this will help maintain learners in school.

Gatundu North constituency plans to increase the ICT hubs to enable the young people get online jobs. This is necessary due to the high rate of unemployment currently experienced in the country. Regular trainings will also be planned and conducted to assist the youth get these jobs even at the comfort of their homes.



.....
Name *Mary Kyengo*
Fund Account Manager

8. Environmental and Sustainability Reporting

Gatundu North constituency's main mandate is service delivery especially in the education and security sector. The constituency organizes ward meetings occasionally across all the wards in constituency to discuss on development matters and get to know the various challenges in the constituency to enable the constituency committee make informed decisions. The constituency committee has maintained constant touch with the constituents and also engages them in the implementation of the projects to ensure ownership of the projects.

1. Sustainability strategy and profile -

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

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

2. Environmental performance

Gatundu north constituency policy on environment and climate mitigation measures is to ensure that all empty space is covered with trees. In its effort on this matter the constituency committee went round the constituency in all schools and security institutions enquiring on the tree cover. All the schools and security institutions that required trees were fully funded as per their requirements.

The publicity on environmental management has been successful as the constituents have taken up this concern with the seriousness it concerns. There have been however challenges as most of the tree land cover is private property and tree cutting is on the rise. Regular publicity campaigns have been done to encourage constituents plant two trees for every tree cut down. The constituency has public dustbins spread across every town and shopping centre in the constituency for waste collections. The waste is then collected after every two days for disposal. Anybody caught disposing waste in unacceptable places is fined and this has played a key role in keeping the environment waste free.

The constituency committee organizes public waste collection days where all students in day secondary schools are engaged in waste collection in their schools and nearby shopping centres. At the same time, the constituency committee has set aside one day every six months for tree planting where every student is required to come with a tree for planting in the school compound.

During the environmental campaigns, the constituency committee invited professionals to talk to the youth and community at large on drug abuse risks and dangers and how to rehabilitate drug victims.

The constituency committee has put up one major police stations i.e. kamwangi police station and is in the process of providing infrastructure facilities for another police station in Gatukuyu town. These are the major town centres in Gatundu North constituency and therefore the need to improve on security and maintain law and order.

3. Employee welfare

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

Gatundu North Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Gatundu North 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

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

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

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

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

Public Awareness

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

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



.....
Name *Mary Kyengo*
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-Gatundu North 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-Gatundu North 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- Gatundu North 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)
Gatundu North Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

The Accounting Officer in charge of the NGCDF Gatundu North 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- Gatundu North Constituency financial statements were approved and signed by the Accounting Officer on 19/9/ 2025.



.....
Name: JOSEPH MURENI M
Chairman – NGCDF Committee



.....
Name: Mary Kyengo
Fund Account Manager

REPUBLIC OF KENYA

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



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

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

PREAMBLE

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

- A. Report on Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in the Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure the Government achieves value for money and that such funds are applied for the intended purpose; and,
- C. Report on Effectiveness of Internal Controls, Risk Management and Governance which considers how the entity has instituted checks and balances to guide internal operations. This responds to the effectiveness of the governance structure, risk management environment and internal controls, developed and implemented by those charged with governance for orderly, efficient and effective operations of the entity.

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund - Gatundu North Constituency set out on pages 1 to 64, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash

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

In my opinion, except for the effects of the matter described in the Basis of Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of the National Government Constituencies Development Fund – Gatundu North Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with, the National Government Constituencies Development Fund Act, 2015 (Amended 2023) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

Inaccuracies in the Financial Statements

The statement of financial position reflects cash and cash equivalents comparative balance of Kshs.93,416,599 which as disclosed in Note 19 to the financial statements includes Project Management Committee balances totalling Kshs.5,352,151. However, the Annex 2 on PMC Bank Balances reflects a total amount of Kshs.3,991,913 resulting to an unreconciled variance of Kshs.1,360,238.

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

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

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amount reflects final receipts budget and actual on comparable basis of Kshs.316,545,721 and Kshs.233,464,095 respectively resulting to an under-funding of Kshs.83,081,626 or 26% of the budget. Similarly, the Fund spent Kshs.144,762,309 against actual receipts of Kshs.233,464,095 resulting to an under expenditure of Kshs.88,701,786 or 38% of actual receipts.

The under-funding and under-utilization 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 matter described in the Basis for Qualified Opinion section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matters

In the prior years' audit reports, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the National Government Constituencies Development Fund – Gatundu North Constituency in 2024/2025 revealed that the following matters remained unresolved.

| | Financial Year | Audit Issue |
|---|-----------------------|--|
| 1 | 2023/2024 | Inaccuracies in the Financial Statements |
| 2 | 2023/2024 | Unsupported Imprest Payments |
| 3 | 2023/2024 | Lack of Ownership Documents |
| 4 | 2023/2024 | Delay in Implementation of Projects |
| 5 | 2023/2024 | Cash Book and Payment Vouchers Alterations |
| 6 | 2023/2024 | Inaccuracies in the Financial Statements |
| 7 | 2023/2024 | Unsupported Imprest Payments |

Other Information

The Management is responsible for the Other Information set out on page iii to xxvi which comprise of Key Entity Information and Management, the NG-CDF 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 National Government Constituencies Development Fund - Gatundu North Constituency 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. Failure to Prepare and Table Committee Meetings Annual Calendar

The statement of financial performance reflects an amount of Kshs.4,402,767 in respect to committee expenses, as disclosed in Note 11 to the financial statements. However, records in respect to preparation and tabling of committee meetings schedule for the financial year were not provided for audit review. This was contrary to Regulation 7(9) of the National Government Constituencies Development Fund Regulations, 2016, which requires, the Secretary, at the beginning of every financial year, in consultation with the officer of the Board seconded to the Constituency, to prepare and table before a Constituency Committee a schedule of the meetings to be held during the year.”

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

2. Irregular Award of Bursary

The statement of financial performance reflects other grants and transfers totalling Kshs.86,024,550 which includes bursary to secondary schools, tertiary institutions and special schools of Kshs.41,763,000, Kshs.16,549,511 and Kshs.1,520,000 respectively totalling Kshs.59,832,511 as disclosed in Note 14 to the financial statements. Review of bursary disbursements revealed that a student was awarded bursary worth Kshs.116,750, which is equivalent to the full school fees payable. However, no bursary committee minutes were provided in regard to discussion, evaluation, and approval of the award in line with laid-down award of bursaries procedures. Further, the bursary file lacked documentary evidence on need, fee structure, recommendation letters, or socio-economic assessment reports, to justify why the student was considered for full sponsorship.

In addition, the bursary schedule provided for disbursements totalling Kshs.59,832,511 did not indicate the names and admission numbers of the benefiting students in each of the schools. This was contrary to Section 68(1) the Public Finance Management Act, 2012, which requires; an Accounting Officer for a National Government entity, to be accountable to the National Assembly for ensuring that the resources of the respective entity for which he or she is the Accounting Officer are used in a way that is effective, efficient, economical and transparent and shall ensure that proper records are maintained for the management of public finances.”

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

3. Unsupported Surrender of Imprest

Review of imprest surrender payment vouchers file revealed that officers surrendered imprests without attaching adequate supporting documents which include agenda of the meetings, invitation letters, attendance registers, or official travel authorizations. In several instances, only expenditure receipts were attached, without evidence confirming the official nature, purpose, and necessity of the activities undertaken. This weakens accountability and raises concerns on the validity of the expenditure totalling Kshs.872,000 as shown below.

| No. | Date | Item/Vote | PV No. | Payee | Amount (Kshs.) |
|-----|--------------|-----------|--------|----------------------|----------------|
| 1 | 12/05/2025 | 2210302 | 186 | Fund Account Manager | 400,000 |
| 2 | 05/05/2025 | 2210802 | 184 | Fund Account Manager | 322,000 |
| 3 | 30/12/2024 | 2210802 | 123 | Fund Account Manager | 150,000 |
| | Total | | | | 872,000 |

This was contrary to Regulation 93(5) of the Public Finance Management (National Government) Regulations, 2015 which requires that a holder of a temporary imprest shall account or surrender the imprest within 7 working days after returning to duty station.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

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

Responsibilities of the Management and those Charged with Governance

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

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

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

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

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

Auditor-General's Responsibilities for the Audit


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

In conducting the audit, Article 229(6) of the Constitution also requires that I express a conclusion on whether or not in all material respects, the activities, financial transactions

and information reflected in the financial statements are in compliance with the authorities that govern them and that public resources are applied in an effective way. In addition, I consider the entity's control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

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

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


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

14 November, 2025

National Government Constituencies Development Fund (NGCDF)
Gatundu North 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 | 170,469,857 |
| Grants/donations from other entities | 7 | - |
| Revenue from exchange transactions | | |
| Finance income | 8 | - |
| Miscellaneous income | 9 | 18,000 |
| Total revenue | | 170,487,857 |
| Expenses | | |
| Employee costs | 10 | 2,548,768 |
| Committee expenses | 11 | 4,402,767 |
| Use of Goods and Services | 12 | 5,204,288 |
| Other Government Units Actual expenditure | 13 | 49,613,440 |
| Other Grants and Transfers Actual expenditure | 14 | 86,024,550 |
| Depreciation and amortization expense | 15 | - |
| Digital Hubs Actual expenditure | 16 | - |
| Total expenses | | 147,793,813 |
| Other gains/(losses) | | |
| Gain/Loss on Sale of Assets | 17 | - |
| Impairment loss | 18 | - |
| Surplus/(Deficit) for the year | | 22,694,043 |

The Constituency financial statements were approved by the NGCDFC on 19/9/ 2025 and signed by:

Chairman NG-CDF
Committee

Name: JOSEPH MUNDA M

National Sub-County
Accountant

Name: REUBEN M. KARIE
ICPAK M/No:

Fund Account Manager

Name: Mary Kyengo

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

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

| | Note | Period as at June 2025 | Opening Statement 1st July 2024 |
|--|------|------------------------|---------------------------------|
| | | Kshs | Kshs |
| Assets | | | |
| Current Assets | | | |
| Cash And Cash Equivalents | 19 | 88,701,784 | 93,416,599 |
| Receivables from Exchange Transactions | 20 | - | - |
| Receivables from Non-Exchange Transactions | 21 | 83,081,626.72 | 52,641,266 |
| Prepayments | 22 | - | - |
| Total Current Assets | | 171,783,411 | 146,057,865 |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 23 | - | - |
| Intangible Assets | 24 | - | - |
| Right-of-use assets | 25 | - | - |
| Total Non- Current Assets | | - | - |
| Total Assets (A) | | 171,783,411 | 146,057,865 |
| Liabilities | | | |
| Current Liabilities | | | |
| Trade and Other Payables | 26 | - | - |
| Third-Party Deposits | 27 | 4,453,709 | 1,336,095 |
| Lease Liabilities | 28 | - | - |
| Gratuity provision | 29 | 288,370 | 374,480 |
| Total Current Liabilities | | 4,742,079 | 1,710,575 |
| Non-Current Liabilities | | | |
| Lease Liabilities | 28 | - | - |
| Total Liabilities (B) | | 4,742,079 | 1,710,575 |
| Net Assets (A-B) | | 167,041,333 | 144,347,290 |
| Represented by: | | | |
| Revaluation Reserves | | 167,041,333 | 144,347,290 |
| Accumulated Surplus | | | |
| Total Net Assets | | 167,041,333 | 144,347,290 |

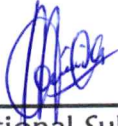
*National Government Constituencies Development Fund (NGCDF)
Gatundu North Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025*

The Constituency financial statements set out on pages 1 to 5 approved by NG CDFC on 19/9/
2025 and signed by:



Chairman NG-CDF
Committee

Name: AGUBAH
JOSEPH MURUMU



National Sub-County
Accountant

Name: REUBEN M-KIARIE
ICPAK M/No:



Fund Account Manager

Name: Mary Kyengo

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

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

| Description | Reserves | Accumulated surplus/Deficit | Total |
|--|-------------|-----------------------------|-------------|
| | Kshs | Kshs | Kshs |
| As at 30 th June 2024 (cash basis) | 93,416,599 | | 93,416,599 |
| Adjustments: (to recognize assets and liabilities) | | | |
| Add Assets | 52,641,266 | | 52,641,266 |
| Less Liabilities | 1,710,575 | | 1,710,575 |
| As at July 1, 2024 | 144,347,290 | | 144,347,290 |
| | | | |
| Surplus/(Deficit) For the Period | 22,694,043 | | 22,694,043 |
| Revaluation Gain/Loss | - | - | - |
| As at 30 th June (current year) | 167,041,333 | - | 167,041,333 |

Note:

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

*National Government Constituencies Development Fund (NGCDF)
Gatundu North 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 | Period ended june Kshs |
|---|-------|------------------------------|
| Cash flows from operating activities | | |
| Receipts | | |
| Transfers from the NGCDF Board | | 140,029,496 |
| Grants/donations from other entities | | - |
| Finance income | | - |
| Miscellaneous income | | 18,000 |
| Total Receipts | | 140,047,496 |
| Payments | | |
| Employee costs | | 2,634,878 |
| Committee expenses | | 4,402,767 |
| Use of Goods and Services | | 5,204,288 |
| Other Government Units Certified Works | | 46,927,398 |
| Other Grants and Transfers | | 85,592,978 |
| Digital Hubs Expenses | | - |
| Total Payments | | 144,762,309 |
| Net Cash Flows from/ (used in) Operating Activities | 30 | (4,714,813) |
| 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 | | (4,714,813) |
| Cash Flows from Financing Activities | | |
| Lease payment | | - |
| Net Cash Flows from Financing Activities | | (4,714,813) |
| Cash and cash equivalents at Period Start | 19 | 93,416,599 |
| Cash and cash equivalents at Period End | 19 | 88,701,785 |

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

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

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

| | Original Budget | Adjustments | | Final Budget | Actual on comparable basis | Budget utilization difference | % of Utilization |
|--------------------------------------|-----------------|--|---|--------------|----------------------------|-------------------------------|------------------|
| | Kshs | Kshs | | Kshs | Kshs | Kshs | |
| | a | b | | C=(a+b) | d | e=(c-d) | f=d/c*100 |
| | 2024-2025 | Opening Balance (operational, deposit and PMCs C/Bk) and AIA | Previous Years' Outstanding disbursements | 2024-2025 | 2024-2025 | | |
| Revenue | | | | | | | |
| Transfers From the NGCDF Board | 170,469,857 | 93,416,599 | 52,641,266 | 316,527,721 | 233,446,095 | 83,081,627 | 74 |
| Grants/donations from other entities | 0 | - | - | - | - | - | |
| Finance income | 0 | - | - | - | - | - | |
| Miscellaneous income | 0 | 18,000 | | 18,000 | 18,000 | - | - |
| Totals | 170,469,857 | 93,434,599 | 52,641,266 | 316,545,721 | 233,464,095 | 83,081,627 | 74 |

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

| | | | | | | | |
|--|-------------|------------|------------|-------------|-------------|-------------|-------|
| Expenses | | | | | | | |
| Employee costs | 1,212,480 | 4,487,810 | - | 5,700,290 | 2,634,878 | 3,065,412 | 46.22 |
| Committee expenses | 2,288,000 | 3,054,115 | - | 5,342,115 | 4,402,767 | 939,348 | 82.42 |
| Use of Goods and Services | 6,727,711 | 7,393,566 | - | 14,121,277 | 5,204,288 | 8,916,989 | 36.85 |
| Other Government Units Certified Works | - | 41,088,947 | 51,641,266 | 92,730,213 | 46,927,398 | 45,802,814 | 50.61 |
| Other Grants and Transfers | 77,160,040 | 33,520,170 | 1,000,000 | 111,680,210 | 85,592,978 | 26,087,232 | 76.64 |
| Digital Hubs Expenses | - | 2,379,607 | - | 2,379,607 | | 2,379,607 | - |
| Acquisition of assets | - | 893 | - | 893 | | 893 | - |
| Funds Pending Approval** | 83,081,626 | 1,509,490 | - | 84,591,116 | - | 84,591,116 | - |
| Total Expenditure | 170,469,857 | 93,434,598 | 52,641,266 | 316,545,720 | 144,762,309 | 171,783,411 | 46 |
| Surplus for the period | | | | | | | |

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

Explanatory Notes.

- a. There was underutilization on final budget due to less receipts from the NG CDF Board than expected.*

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

b. *The was under-utilization on expenditure under employee costs, committee expenses, use of goods, transfer to other government entities and other grants and transfers due to delayed approval of projects and less receipts from the NG CDF Board.*

| Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities | |
|---|-------------|
| Description | Amount |
| Budget utilization difference totals | 171,783,411 |
| Less undisbursed funds receivable from the Board as at period 30th Jun, 2025 | 83,081,627 |
| Cash and Cash Equivalents at the end of the 30 th June 2025 | 88,701,784 |

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 19/9/2025 and signed by:



Fund Account Manager

Name: Mary Kyego



National Sub-County Accountant

Name: Reuben M. KARIE
 ICPAK M/No:



Chairman NG-CDF Committee

Name: JOSEPH MURARI M

National Government Constituencies Development Fund (NGCDF)

Gatundu North 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 | Budget utilization difference |
|----------------------------------|-----------------|--|---|--------------|------------------|-------------------------------|
| | | Opening Balance (operational, deposit and PMCs C/Bk) and AIA | Previous Years' Outstanding Disbursements | | comparable basis | |
| | | | | | | |
| | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| 1.0 Administration and Recurrent | | | | | | |
| 1.1 Compensation of employees | 1,212,480 | 4,487,810 | | 5,700,290 | 2,634,878 | 3,065,412 |
| 1.2 Committee allowances | 2,288,000 | 990,945 | | 3,278,945 | 1,895,767 | 1,383,178 |
| 1.3 Use of goods and services | 6,727,711 | 3,656,055 | | 10,383,766 | 5,204,288 | 5,179,478 |
| Sub-total | 10,228,191 | 9,134,810 | - | 19,363,001 | 9,734,933 | 9,628,068 |
| 2.0 Monitoring and evaluation | | | | | | |
| 2.1 Capacity building | | 450,000 | | 450,000 | | 450,000 |
| 2.2 Committee allowances | | 2,063,170 | | 2,063,170 | 2,507,000 | (443,830) |
| 2.3 Use of goods and services | | 3,287,511 | | 3,287,511 | | 3,287,511 |
| Sub-total | - | 5,800,681 | - | 5,800,681 | 2,507,000 | 3,293,681 |
| 4.0 Emergency | | | | | | |
| Kamunyaka Primary School | | 2,413,940.00 | | 2,413,940 | 2,293,520 | 120,420 |
| Mariaini Primary School | | 2,413,940.00 | | 2,413,940 | 2,291,429 | 122,511 |

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

| | | | | | | |
|--|------------|-----------|---|------------|------------|------------|
| Mutuma Secondary School | | 2,966,835 | | 2,966,835 | 2,816,641 | 150,194 |
| unutilized | 8,972,098 | | | 8,972,098 | | 8,972,098 |
| Sub-total | 8,972,098 | 7,794,715 | - | 16,766,813 | 7,401,590 | 9,365,222 |
| 5.0 Bursary and Social Security | | | | | | |
| 5.1 Primary Schools | | | | - | | - |
| 5.2 Secondary Schools | 51,687,942 | 1,268,000 | | 52,955,942 | 41,763,000 | 11,192,942 |
| 5.3 Tertiary Institutions | 15,000,000 | 4,600,761 | | 19,600,761 | 16,549,511 | 3,051,250 |
| 5.4 special needs | 1,500,000 | 699,262 | | 2,199,262 | 1,520,000 | 679,262 |
| 5.5 Education Support Programmes | | | | - | | - |
| 5.6 Social Security | | | | - | | - |
| Sub-total | 68,187,942 | 6,568,023 | - | 74,755,965 | 59,832,511 | 14,923,454 |
| 7.0 Environment | | | | | | |
| Kamunyaka Primary School | | 800,000 | | 800,000 | | 800,000 |
| Chania Primary School | | 27,500 | | 27,500 | 27,000 | 500 |
| Gachege Primary School | | 172,500 | | 172,500 | 171,000 | 1,500 |
| Gakoe Girls Secondary School | | 67,250 | | 67,250 | 12,180 | 55,070 |
| Gakoe Primary School | | 157,750 | | 157,750 | 156,000 | 1,750 |
| Gatei Primary School | | 116,250 | | 116,250 | 115,025 | 1,225 |
| Gatei Secondary School | | 58,750 | | 58,750 | 57,000 | 1,750 |
| Gatunguru Primary School | | 178,125 | | 178,125 | 177,000 | 1,125 |
| Gikindu Girls Secondary School | | 55,000 | | 55,000 | | 55,000 |
| Gikindu Primary School | | 292,000 | | 292,000 | 280,600 | 11,400 |

National Government Constituencies Development Fund (NGCDF)

Gatundu North Constituency

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

| | | | | | | |
|---|--|---------|--|---------|---------|--------|
| Holy Rosary Kamwangi Secondary School | | 55,000 | | 55,000 | | 55,000 |
| Igamba Primary School | | 259,000 | | 259,000 | 255,000 | 4,000 |
| Igegania Primary School | | 213,750 | | 213,750 | 210,000 | 3,750 |
| IHM Kairi Girls Secondary School | | 63,750 | | 63,750 | 63,000 | 750 |
| Iruri Secondary School | | 67,500 | | 67,500 | 995 | 66,505 |
| James Njenga Primary School | | 151,250 | | 151,250 | 147,600 | 3,650 |
| Kaibere Primary School | | 63,750 | | 63,750 | 63,000 | 750 |
| Kairi Boys High School | | 55,000 | | 55,000 | 605 | 54,395 |
| Kairi Rumwe Mixed Secondary School | | 103,250 | | 103,250 | 102,000 | 1,250 |
| Kamunyaka Central Primary School | | 177,500 | | 177,500 | 175,225 | 2,275 |
| Kamwangi Primary school | | 63,750 | | 63,750 | 63,000 | 750 |
| Kamwirigi Primary School | | 297,000 | | 297,000 | 297,000 | - |
| Kangaita Primary School | | 131,250 | | 131,250 | 129,000 | 2,250 |
| Kanjabi Primary School | | 56,750 | | 56,750 | 55,800 | 950 |
| Kiangunu Primary School | | 33,750 | | 33,750 | 33,000 | 750 |
| Kiangunu Secondary School | | 162,500 | | 162,500 | 162,000 | 500 |
| Kieni Primary School | | 76,250 | | 76,250 | 75,000 | 1,250 |
| Makohokoho Primary school | | 237,500 | | 237,500 | 234,000 | 3,500 |

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

| | | | | | | |
|--------------------------------|--|---------|--|---------|---------|---------|
| Makwa Secondary School | | 55,000 | | 55,000 | | 55,000 |
| Mangu Primary School | | 71,750 | | 71,750 | | 71,750 |
| Mariaini Primary School | | 160,000 | | 160,000 | 159,600 | 400 |
| Mataara Secondary School | | 195,000 | | 195,000 | - | 195,000 |
| Mbichi Primary School | | 225,000 | | 225,000 | 223,020 | 1,980 |
| Miiri Primary School | | 106,250 | | 106,250 | 90,000 | 16,250 |
| Miugu Primary School | | 48,750 | | 48,750 | 48,000 | 750 |
| Muchakai Primary School | | 46,250 | | 46,250 | 45,000 | 1,250 |
| Muhindi Primary School | | 66,000 | | 66,000 | 66,000 | - |
| Muirigo Primary School | | 103,750 | | 103,750 | 102,000 | 1,750 |
| Mukurwe Secondary School | | 215,000 | | 215,000 | | 215,000 |
| Mukuyuini Primary School | | 147,500 | | 147,500 | 144,000 | 3,500 |
| Munyaka Primary School | | 55,000 | | 55,000 | 54,000 | 1,000 |
| Murata wa twana Primary school | | 133,750 | | 133,750 | 132,000 | 1,750 |
| Mutuma Primary School | | 677,500 | | 677,500 | 667,025 | 10,475 |
| Mutuma Secondary School | | 207,500 | | 207,500 | 204,000 | 3,500 |
| Mwea Secondary School | | 134,000 | | 134,000 | - | 134,000 |
| Ndekei Primary School | | 115,000 | | 115,000 | 114,000 | 1,000 |

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

| | | | | | | |
|-------------------------------------|---|------------|---|------------|-----------|-----------|
| Ndekei Secondary School | | 10,000 | | 10,000 | - | 10,000 |
| Ndiko Primary School | | 178,750 | | 178,750 | 176,700 | 2,050 |
| Ngethu Secondary School | | 237,750 | | 237,750 | | 237,750 |
| Njahi Secondary School | | 140,000 | | 140,000 | 138,000 | 2,000 |
| Njathaini Primary School | | 123,750 | | 123,750 | 123,000 | 750 |
| Nyamangara Primary School | | 204,000 | | 204,000 | 201,000 | 3,000 |
| Nyamathumbi Primary School | | 182,500 | | 182,500 | 180,000 | 2,500 |
| Our Lady Of Fatima Kiriko Girls | | 108,750 | | 108,750 | - | 108,750 |
| South Kanyoni Primary School | | 257,500 | | 257,500 | 255,000 | 2,500 |
| St. Francis Primary School | | 168,750 | | 168,750 | 165,000 | 3,750 |
| St. Gabriel Kahata Secondary School | | 72,500 | | 72,500 | 72,000 | 500 |
| Wandui Primary School | | 82,500 | | 82,500 | 81,000 | 1,500 |
| Sub-total | - | 8,723,375 | - | 8,723,375 | 6,502,375 | 2,221,000 |
| 8.0 Primary Schools Projects | | | | | | |
| Mariaini Primary School | | 900,000 | | 900,000 | | 900,000 |
| Kihunjioini Primary School | | 15,982,080 | | 15,982,080 | 7,893,833 | 8,088,247 |
| St Francis Primary School | | 3,550,000 | | 3,550,000 | | 3,550,000 |

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

| | | | | | | |
|---|--|------------|--------------|------------|-----------|------------|
| James Njenga Primary School | | 900,000.00 | | 900,000 | | 900,000 |
| Gakoe Primary and Junior Secondary School | | 5,718,000 | | 5,718,000 | | 5,718,000 |
| Iruri Primary school | | 4,500,000 | | 4,500,000 | 4,272,976 | 227,024 |
| Kanjabi Primary School | | 2,517,849 | 482,150.60 | 3,000,000 | 2,172,022 | 827,978 |
| Mangu Primary and Junior Secondary School | | | 1,677,633.00 | 1,677,633 | | 1,677,633 |
| Muchakai Primary School | | | 5,700,410.00 | 5,700,410 | 4,838,150 | 862,260 |
| Muhindi Primary School | | | 4,977,223.00 | 4,977,223 | 4,352,379 | 624,844 |
| Murata wa twana primary school | | | 4,923,849.40 | 4,923,849 | 3,516,115 | 1,407,734 |
| Kihunjioini Primary School | | | 17,298,000 | 17,298,000 | 3,424,805 | 13,873,195 |
| Kiangunu primary school | | | 4,500,000.00 | 4,500,000 | | 4,500,000 |
| Kiangunu primary school | | 3,909,308 | | 3,909,308 | 3,649,750 | 259,558 |
| Ndiko primary school | | | 500,000.00 | 500,000 | | 500,000 |
| Gakoe Prim. Renov. | | 7,632 | | 7,632 | | 7,632 |
| Gatunguru H. P. | | 824 | | 824 | | 824 |
| Kamwagi Prim. | | 114,388 | | 114,388 | 108,957 | 5,431 |
| Kiangunu P. S. | | 108,913 | | 108,913 | 108,780 | 133 |
| Kihunjioini P. S. | | 25,701 | | 25,701 | | 25,701 |
| Makohokoho P. s. | | 78,871 | | 78,871 | | 78,871 |
| Muirigo P. S. | | 888 | | 888 | | 888 |
| Mukuyuini P. S. | | 8,503 | | 8,503 | | 8,503 |
| Murata wa twana P. S. | | 8,600 | | 8,600 | | 8,600 |
| Mutuma P. S. | | 162,275 | | 162,275 | 96,722 | 65,552 |

National Government Constituencies Development Fund (NGCDF)

Gatundu North Constituency

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

| | | | | | | |
|--|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Mwea Prim. | | 459,562 | | 459,562 | 279,002 | 180,560 |
| Ndiko Primary School | | 770,871 | | 770,871 | 731,333 | 39,538 |
| Nyamathumbi p. S. | | 425 | | 425 | | 425 |
| Wandui P. S. | | 5,938 | | 5,938 | | 5,938 |
| Igamba P. S. | | 280,592 | | 280,592 | | 280,592 |
| Muhindi P. S. | | 53,332 | | 53,332 | | 53,332 |
| Sub-total | - | 40,064,546 | 40,059,266 | 80,123,812 | 35,444,823 | 44,678,989 |
| 9.0 Secondary Schools Projects (List all the Projects) | | | | | | |
| Mutuma Secondary School | | | 11,582,000 | 11,582,000 | 11,482,575 | 99,425 |
| Mukurwe Sec. School | | 488 | | 488 | | 488 |
| Kamunyaka Sec. Shool | | 1,808 | | 1,808 | | 1,808 |
| Mataara Sec. Sch. | | 1,022,106 | | 1,022,106 | | 1,022,106 |
| Sub-total | - | 1,024,401 | 11,582,000 | 12,606,401 | 11,482,575 | 1,123,826 |
| 10.0 Tertiary institutions Projects (List all the Projects) | | | | | | |
| | | | | - | | - |
| | | | | - | | - |
| Sub-total | - | - | - | - | - | - |
| 11.0 Security Projects | | | | | | |
| Kamwangi Judiciary Law courts | | 4,936,517 | | 4,936,517 | 4,672,001 | 264,516 |
| Gakoe Police station | | 3,257,100 | | 3,257,100 | 3,077,768 | 179,333 |
| Kamwangi ACC | | 312,609 | | 312,609 | 304,565 | 8,044 |

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

| | | | | | | |
|---|------------|------------|-----------|------------|-----------|------------|
| Kamwangi DCC | | 281,805 | | 281,805 | 279,988 | 1,817 |
| Kamwangi police Stn | | 1,445,913 | | 1,445,913 | 1,424,470 | 21,443 |
| NGCDF Office | | 200,115 | 1,000,000 | 1,200,115 | - | 1,200,115 |
| | | | | | | |
| Sub-total | - | 10,434,057 | 1,000,000 | 11,434,057 | 9,758,791 | 1,675,266 |
| 12.0 Acquisition of assets | | | | | | |
| 12.1 Motor Vehicles (including motorbikes) | | | - | - | | - |
| 12.2 Purchase of furniture and fittings | | | | - | | - |
| 12.2 Construction of CDF office | | 893 | | 893 | | 893 |
| Sub-total | - | 893 | - | 893 | - | 893 |
| 13.0 Others | | | | | | |
| Kamwangi Huduma centre | | 2,378,720 | | 2,378,720 | 2,097,711 | 281,010 |
| Sports | | 887 | - | 887 | | 887 |
| Ainamoi NG-CDF Strategic Plan | | | - | - | | - |
| Sub-total | - | 2,379,607 | - | 2,379,607 | 2,097,711 | 281,897 |
| Funds pending approval** | | | | - | | - |
| unapproved projects | 83,081,626 | - | | 83,081,626 | | 83,081,626 |
| PMC Savings | | 1,306,379 | | 1,306,379 | | 1,306,379 |

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

| | | | | | | |
|------------------|-------------|------------|------------|-------------|-------------|-------------|
| Reversed cheques | | 165,111 | | 165,111 | | 165,111 |
| AiA | - | 38,000 | | 38,000 | | 38,000 |
| Sub-total | 83,081,626 | 1,509,490 | - | 84,591,116 | - | 84,591,116 |
| Total | 170,469,857 | 93,434,598 | 52,641,266 | 316,545,720 | 144,762,309 | 171,783,411 |

(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 Gatundu North Constituency principal activity is service delivery to the constituents.

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 Gatundu North 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 Gatundu North 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.

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

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, and International Public Sector Accounting Standards (IPSAS). The accounting policies adopted have been consistently applied to all the years presented.

3. Adoption of New and Revised Standards

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

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

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

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

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

| | |
|------------------------------|---|
| IPSAS 45: | <i>Applicable 1st January 2025</i> |
| Property Plant and Equipment | <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> |
| IPSAS 46: | <i>Applicable 1st January 2025</i> |
| Measurement | <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> |
| IPSAS 47: | <i>Applicable 1st January 2026</i> |
| Revenue | <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> |

| | |
|--|---|
| | under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. |
| IPSAS 48: Transfer Expenses | <i>Applicable 1st January 2026</i> 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. |
| IPSAS 49: Retirement Benefit Plans | <i>Applicable 1st January 2026</i> 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. |
| IPSAS 50: Exploration For & Evaluation of Mineral Resources | <i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. |

iii. Early adoption of standards

The Gatundu North NGCDF did not early – adopt any new or amended standards in the financial year

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

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

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

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

c) Property, plant and equipment

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

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the Gatundu North NGCDF. 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF. 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 Gatundu North NGCDF does not have any hedge relationships and therefore the new hedge accounting rules have no impact on the Company's financial statements.* A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. At initial recognition, the Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 18*

b) Financial liabilities

Classification

The Gatundu North NGCDF 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 Gatundu North NGCDF.

h) Provisions

Provisions are recognized when the Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF provides retirement benefits for its employees and directors. Defined contribution plans are post-employment benefit plans under which an Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF, or vice versa.

o) **Cash and Cash Equivalents**

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

p) **Comparative figures**

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

q) **Subsequent events**

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF. 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.

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

6. Transfers from the NGCDF Board

| Description | 2024-2025 |
|--|--------------------|
| | Kshs |
| NGCDFB Transfers (Allocation for the FY) | 170,469,857 |
| Total | 170,469,857 |

7. Transfers from domestic and foreign partners

| Description | 2024-2025 |
|--------------|-----------|
| | Kshs |
| Grants | - |
| Total | - |

8. Finance income

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

9. Miscellaneous income

| | 2024-2025 |
|---------------------------------------|---------------|
| | Kshs |
| Rental Income | - |
| Income from sale of tenders | 18,000 |
| Hire of plant/equipment/facilities | - |
| Other Income Not Classified Elsewhere | - |
| Total | 18,000 |

10. Employees cost

| Description | Period ended June 2025 |
|--|------------------------|
| | Kshs |
| NG-CDFC Basic staff salaries | 1,827,814 |
| Personal allowances paid as part of salary | - |
| House Allowance | - |
| Transport Allowance | - |
| Leave allowance | - |
| Gratuity to contractual employees | 442,130 |
| Employer Contributions Compulsory national social security schemes | 221,908 |
| Employer Contributions Compulsory Housing levy | 56,916 |
| Employer contributions to National Industrial Training Authority | - |
| Other Specify | - |
| Total | 2,548,768 |

11. Committee Expenses

| | 2024-2025 |
|--------------------------|------------------|
| | Kshs |
| Sitting allowance | 2,507,000 |
| Other Committee expenses | 1,895,767 |
| Total | 4,402,767 |

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

12. Use of Goods and services

| Description | Period ended June 2025 |
|--|------------------------|
| | Kshs |
| Utilities, supplies and services | 67,362 |
| Communication, supplies and services | 201,074 |
| Domestic travel and subsistence | 1,919,400 |
| Printing, advertising and information supplies & services | 1,472,640 |
| Office Rent | - |
| Training expenses | - |
| Hospitality supplies and services | 291,092 |
| Insurance costs | - |
| Specialized materials and services | - |
| Office and general supplies and services | 1,146,468 |
| Fuel, oil & lubricants | 100,000 |
| Bank Charges | 6,252 |
| Routine maintenance – vehicles and other transport equipment | - |
| Routine maintenance – other assets | - |
| Strategic plan expenses | - |
| Other operating expenses | - |
| Total | 5,204,288 |

13. Other Government Units Actual expenditure

| Description | Period ended June 2025 |
|--|------------------------|
| | Kshs |
| Primary Schools Actual expenditure | 38,130,865 |
| Secondary Schools Actual Expenditure | 11,482,575 |
| Tertiary Institutions Actual Expenditure | - |
| Total | 49,613,440 |

14. Other Grants and transfers Actual expenditure

| Description | Period ended June 2025 |
|--|------------------------|
| | Kshs |
| Bursary – secondary schools | 41,763,000 |
| Bursary – tertiary institutions | 16,549,511 |
| Bursary – special schools | 1,520,000 |
| Bursary - Education Support programmes | - |
| Social Security programmes (SHIF) | - |
| Security projects Actual Expenditure | 9,573,573 |
| Climate change mitigation projects | 6,502,375 |
| Emergency projects Actual Expenditure | 7,791,014 |
| Roads projects | - |
| Others specify (Huduma Center) | 2,325,078 |
| Total | 86,024,550 |

15. Depreciation and Amortization Expenses

| Description | 2024-2025 |
|------------------------------|-----------|
| | Kshs |
| Property Plant and Equipment | - |
| Intangible Assets | - |
| Total | - |

16. Digital Hubs Expenses

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

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

17. Gain/loss on Sale of Assets

| Description | 2024-2025 |
|-----------------------------------|-----------|
| | Kshs |
| Property, Plant and Equipment | - |
| Intangible Assets | - |
| Total Gain/loss on Sale of Assets | - |

18. Impairment Loss

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

19. Cash and Cash Equivalents

| Name Of Bank and Account No. | Period ended June 2025 | Opening Statement 1st July 2024 |
|---|------------------------|---------------------------------|
| | Kshs | Kshs |
| Bank Accounts (Cash Book Bank Balance) | | |
| <i>KCB Bank, Account No. 1102763853 (Operations account)</i> | 71,307,333 | 88,064,448 |
| <i>Operations account pending closure (Indicate name & account no.)</i> | - | - |
| <i>Equity Bank, account No. 0660285613484 (Deposit account)</i> | 288,370 | - |
| <i>Name of Bank, account No. (PMC's account- Various- See Annex 2)</i> | 17,106,081 | 5,352,151 |
| Total | 88,701,784 | 93,416,599 |
| Cash Balances | | |
| Location 1 | - | - |

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

| | | |
|-----------------|---|---|
| Location 2 | - | - |
| Other Locations | - | - |
| Total | - | - |
| | | |

20. Receivables from Exchange Transactions

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

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

21. Receivables from Non-Exchange Transactions

| Description | 2024-2025 | | Opening Statement 1 st July 2024 | |
|---|-------------------|----------------|--|----------------|
| | Kshs | | Kshs | |
| Transfers from NGCDFB | 83,081,627 | | 52,641,266 | |
| Outstanding imprest | - | | - | |
| Total | 83,081,627 | | 52,641,266 | |
| Ageing Analysis- Receivables from non-exchange transactions | 2024-2025 | % of the total | Opening Balance | % of the total |
| Less than 1 year | 83,081,627 | 100% | 52,641,266 | 100% |
| Between 1-2 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | 83,081,627 | 100% | 52,641,266 | 100% |

22. Prepayments

| Description | 2024-2025 | | 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)
Gatundu North Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

23. Property, Plant and Equipment

| | Land | Buildings | Motor vehicles | Furniture and fittings | Computers & ICT Equipment | Other Assets (specify) | Capital Work in progress | Total |
|---|------|-----------|----------------|------------------------|---------------------------|------------------------|--------------------------|-------|
| Depreciation Rate(specify) | | 2% | 25% | 12.5% | 30% | x% | | |
| Cost | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs | Kshs |
| Opening Bal as 1 st July 2024 | - | - | - | - | - | - | - | - |
| 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 2024 | - | - | - | - | - | - | - | - |

National Government Constituencies Development Fund (NGCDF)
Gatundu North Constituency
Annual Report and Financial Statements for The Year Ended June 30, 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). These amounts were adopted on xxx.

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 | - | - |

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

24. Intangible Assets

| Description | 2024-2025 |
|--|-----------|
| | Kshs |
| Cost | |
| Opening balance at 1 st July 2024 | - |
| Additions | - |
| Disposal | - |
| At end of the 2025 | - |
| Amortization and impairment | |
| At beginning of the year | - |
| Amortization | - |
| At end of the year | - |
| Impairment loss | - |
| At end of the year | - |
| NBV at July 1 st 2024 | - |
| 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 (2024-2025) | - | - | - | - |
| Accumulated Depreciation | | | | |
| As At 1 July 2024(Comparative period) | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2025 (Comparative period)) | - | - | - | - |
| Charge for the period | - | - | - | - |
| As At 30 June 2025 (2024-2025) | - | - | - | - |
| Carrying Amount | | | | |

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

| | | | | |
|--|---|---|---|---|
| As At 30 June 20xx (Current FY) | - | - | - | - |
| As At 30 June 20xx. (Comparative Period) | - | - | - | - |

26. Trade and Other Payables

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

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

27. Third-Party deposits

| | <i>Period ended June 2025</i> | <i>Opening Statement 1st July 2024</i> |
|---|-------------------------------|--|
| | Kshs | Kshs |
| Retention as at start of the period (A) | 1,336,095 | - |
| Retention held during the period (B) | 5,988,685 | 1,336,095 |
| Retention paid during the period (C) | 2,871,071 | - |
| Closing Retention as at period xx, D= A+B-C | 4,453,709 | 1,336,095 |

Retentions aging analysis.

| | <i>2024-2025</i> | <i>% of the total</i> | <i>Opening Statement 1st July 2024</i> | <i>% of the total</i> |
|------------------|------------------|-----------------------|--|-----------------------|
| Less than 1 year | 4,453,709 | % | 1,336,095 | % |
| 1-2 years | - | % | - | % |
| 2-3 years | - | % | - | % |
| Over 3 years | - | % | - | % |
| Total | 4,453,709 | | 1,336,095 | |

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

28. Lease Liabilities

| <i>Description</i> | <i>2024-2025</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 | - | - |

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

Maturity Analysis

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

Analysed as:

| Description | Amount |
|--------------|--------|
| Current | - |
| Non- Current | - |
| Total | - |

29. Gratuity Provision

| Description | Period ended June 2025 | Opening Statement 1st July 2024 |
|---|------------------------|------------------------------------|
| | Kshs | Kshs |
| Gratuity at the beginning of the period (A) | 374,480 | - |
| Gratuity held during the period (B) | 442,130 | 374,480 |
| Gratuity paid during the period (C) | 528,240 | - |
| Total Gratuity provision D=(A+B-C) | 288,370 | 374,480 |

30. Cash Generated from Operations

| | <i>Period ended June 2025</i> |
|---|-------------------------------|
| | Kshs |
| Surplus for the period before tax | 22,694,043 |
| Adjusted for: | |
| Depreciation | - |
| Non-cash grants received | - |
| Contributed assets | - |
| Impairment | - |
| Gains and losses on disposal of assets | - |
| Contribution to provisions | - |
| Contribution to impairment allowance | - |
| Working capital adjustments | |
| Changes in inventory | - |
| Changes in receivables | 30,440,361 |
| Changes in deferred income | - |
| Changes in Third party deposits | (3,117,614) |
| Changes in gratuity provision | 86,110 |
| Changes in payments received in advance | - |
| Net cash flow from operating activities | (4,714,813) |

31. Financial Risk Management

The Gatundu North NGCDF activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Gatundu North NGCDF 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 Gatundu North NGCDF does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

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

i) Credit risk

The Gatundu North NGCDF 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 Gatundu North NGCDF 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 (2024-2025) | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | - | - | - | - |
| Bank balances | - | - | - | - |
| Total | - | - | - | - |
| As at 30 June (2023-2024) | | | | |
| Receivables from exchange transactions | - | - | - | - |
| Receivables from non-exchange transactions | - | - | - | - |
| Bank balances | - | - | - | - |
| Total | - | - | - | - |

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 Gatundu North NGCDF has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Gatundu North NGCDF has significant concentration of credit risk on amounts due from. The board of directors sets the Gatundu North NGCDF 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 Gatundu North NGCDF directors, who have built an appropriate liquidity risk management framework for the management of the Gatundu North NGCDF short, medium and long-term funding and liquidity management requirements. The Gatundu North NGCDF manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Gatundu North NGCDF 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 (2024-2025) | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |
| Provisions | - | - | - | - |
| Deferred income | - | - | - | - |
| Gratuity Provision | - | - | - | - |
| Total | - | - | - | - |
| As at 30th June (2023-2024) | | | | |
| Trade payables | - | - | - | - |
| Current portion of borrowings | - | - | - | - |

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

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

iii) Market risk

The Gatundu North NGCDF has put in place an internal audit function to assist it in assessing the risk faced by the Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF 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 Gatundu North NGCDF exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The Gatundu North NGCDF 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 Gatundu North NGCDF 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.

b) Interest rate risk

Interest rate risk is the risk that the Gatundu North NGCDF 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 Gatundu North NGCDF to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Gatundu North NGCDF deposits.

Management of interest rate risk

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

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 *Gatundu North* 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 *Gatundu North NGCDF* 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:

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

| Description | Level 1 | Level 2 | Level 3 | Total |
|---|---------|---------|---------|-------|
| | Kshs | Kshs | Kshs | Kshs |
| As at 30 June (Current FY) | | | | |
| Financial Assets | | | | |
| Quoted Equity Investments | - | - | - | - |
| Non- Financial Assets | | | | |
| Investment Property | - | - | - | - |
| Land And Buildings | - | - | - | - |
| Total | - | - | - | - |
| As at 30 th June (Previous FY) | | | | |
| Financial Assets | | | | |
| Quoted Equity Investments | - | - | - | - |
| Non- Financial Assets | | | | |
| Investment Property | - | - | - | - |
| Land And Buildings | - | - | - | - |
| Total | - | - | - | - |

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

iv) Capital Risk Management

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

| Description | 2024-2025 | Opening Statement 1 st July 2024 |
|------------------------------|-----------|---|
| | Kshs | Kshs |
| Revaluation Reserve | - | - |
| Retained Earnings | - | - |
| Capital Reserve | - | - |
| Total Funds | - | - |
| Total Borrowings | - | - |
| Less: Cash and Bank Balances | - | - |

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

| | | |
|---|----|----|
| Net Debt/(Excess Cash And Cash Equivalents) | - | - |
| Gearing | 0% | 0% |

32. Related Party Disclosures

| | <i>2024-2025</i> | <i>Opening Statement 1st July 2024</i> |
|--|--------------------|---|
| | Kshs | Kshs |
| Committee Members Remuneration | | |
| Sitting allowance of committee Members during the year | 2,507,000 | 1,853,600 |
| Transaction with the NGCDF Board | | |
| Transfers from the NGCDF Board during the year | 140,029,496 | 178,934,000 |
| Total | 140,029,496 | 178,934,000 |

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 Gatundu North performance and allocation of resources to different segments)

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

Contingent Liabilities

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

35. Capital Commitments

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

(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 Gatundu North 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.

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

18. Annexes
 Annex I: Summary of Asset Register

| Asset class | Historical Cost balance brought forward (Kshs) | Additions during the period (Kshs) | Disposals during the period (Kshs) | Historical Cost At Year/period End (Kshs) |
|---|---|---------------------------------------|---------------------------------------|--|
| Land | | | | |
| Buildings and structures | 8,962,239 | 3,250,000 | - | 12,212,239 |
| Transport equipment | 5,457,448 | - | - | 5,457,448 |
| Office equipment, furniture, and fittings | 1,681,225 | - | - | 1,681,225 |
| ICT Equipment and Other ICT Assets | 2,754,226 | - | - | 2,754,226 |
| Other Machinery and Equipment | - | - | - | - |
| Intangible assets | | | | |
| Total | 18,855,138 | 3,250,000 | - | 22,105,138 |

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

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

| PMC | Bank | Account number | Bank Balance 2024-2025 | Bank Balance 2023-2024 |
|---|------|----------------|------------------------|------------------------|
| Chania Primary And JSS | KCB | 1336335939 | 500 | |
| Gacege Primary School | KCB | 1336327022 | 1,500 | |
| Gakoe Girls Secondary School | KCB | 1337609676 | 55,070 | |
| Gakoe Police Station | | 1337619515 | 179,333 | |
| Gakoe Primary School | KCB | 1336327138 | 1,750 | |
| Gatei Mixed Day Secondary School | KCB | 1339273551 | 1,750 | |
| Gatei Primary School | KCB | 1337424722 | 1,225 | |
| Gatunguru Primary School | KCB | 1336336048 | 1,125 | |
| Gikindu Primary School | KCB | 1336326972 | 11,400 | |
| Igamba Priamry School | KCB | 1337424749 | 4,000 | |
| Igegania Primary School | KCB | 1336335882 | 3,750 | |
| IHM Kairi Girls Sec. School | KCB | 1336702915 | 750 | |
| Iruri Primary And Junior Secondary School | | 1336896094 | 227,024 | |
| Iruri Secondary School | KCB | 1338189484 | | |

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

| PMC | Bank | Account number | Bank Balance 2024-2025 | Bank Balance 2023-2024 |
|-----------------------------|------|----------------|---------------------------|---------------------------|
| | | | 66,505 | |
| James Njenga Primary School | KCB | 1336702893 | 3,650 | |
| Kaibere Primary School | KCB | 1336326964 | 750 | |
| Kairi Boys Secondary School | KCB | 1337149284 | 54,395 | |
| Kamunyaka Primary School | KCB | 1333066457 | 122,695 | |
| Kamwangi Huduma Center | | 1338410334 | 281,010 | |
| Kamwangi Law Courts | | 1338410024 | 264,516 | |
| Kamwangi Primary School | KCB | 1336702931 | 750 | |
| Kamwirigi Primary School | KCB | 1337424706 | - | |
| Kangaita Primary School | KCB | 1336327103 | 2,250 | |
| Kanjabi Primary School | KCB | 1336702877 | 828,928 | |
| Kiangunu Primary School | KCB | 1336335904 | 260,308 | |
| Kiangunu Secondary School | KCB | 1337149217 | 500 | |
| Kieni Primary School | KCB | 1336702842 | 1,250 | |
| Kihunjoini Primary School | | 1339782863 | 8,929,442 | |

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

| PMC | Bank | Account number | Bank Balance 2024-2025 | Bank Balance 2023-2024 |
|--------------------------------|------|----------------|---------------------------|---------------------------|
| Makohokoho Primary School | KCB | 1337149306 | 3,500 | |
| Mataara Secondary School | KCB | 1337351636 | 195,000 | |
| Mbichi Primary School | KCB | 1336335963 | 1,980 | |
| Miiri Primary School | KCB | 1337147354 | 16,250 | |
| Miugu Primary School | KCB | 1336896159 | 750 | |
| Muchakai Primary School | KCB | 1336327111 | 863,510 | |
| Muhindi Primary School | KCB | 1336327154 | 624,844 | |
| Muirigo Primary And JSS | KCB | 1336335947 | 1,750 | |
| Mukuyuini Primary School | KCB | 1336326948 | 3,500 | |
| Munyaka Primary School | KCB | 1336327014 | 1,000 | |
| Murata Wa Twana Primary School | KCB | 1339273578 | 1,409,484 | |
| Mutuma Primary School | KCB | 1336335920 | 10,475 | |
| Mutuma Sec. School | KCB | 1333153112 | 253,119 | |
| Mwea Secondary School | KCB | 1339273632 | 134,000 | |
| Ndekei Primary School | KCB | 1336327065 | 1,000 | |

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

| PMC | Bank | Account number | Bank Balance 2024-2025 | Bank Balance 2023-2024 |
|------------------------------------|--------|----------------|---------------------------|---------------------------|
| Ndekei Secondary School | KCB | 1337280496 | 10,000 | |
| Ndiko Primary School | KCB | 1336326980 | 2,050 | |
| Njahi Secondary School | KCB | 1337149276 | 2,000 | |
| Njathaini Primary School | KCB | 1336327057 | 750 | |
| Nyamangara Primary School | KCB | 1337424773 | 3,000 | |
| Nyamathumbi Primary School | KCB | 1336336056 | 2,500 | |
| Our Lady Of Fatima Kiriko Girls | KCB | 1339273683 | 108,750 | |
| Rumwe Mixed Secondary School | | 1339273659 | 1,250 | |
| South Kanyoni Primary School | KCB | 1336326883 | 2,500 | |
| St. Francis Primary School | KCB | 1336326956 | 3,750 | |
| St. Gabriel Kahata Primary And JSS | KCB | 1337147370 | 500 | |
| Wandui Primary School | KCB | 1336335912 | 1,500 | |
| Mariaini primary school | Equity | 0340285669506 | 122,911 | |
| Muirigo Primary School | Equity | 660284441925 | 888 | 888 |
| Mukuyuini Primary School | Equity | 660284441869 | 8,503 | 8503 |

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

| PMC | Bank | Account number | Bank Balance 2024-2025 | Bank Balance 2023-2024 |
|--------------------------------|--------|----------------|---------------------------|---------------------------|
| Murata Wa Twana Primary School | Equity | 660284441841 | 8,600 | 8,600 |
| Kihunjioini Primary School | Equity | 660284441248 | 25,701 | 25,701 |
| Kiangunu Primary School | Equity | 660284440660 | 133 | 107,713 |
| Mutuma Primary School | Equity | 660284617177 | 65,552 | 162,275 |
| Kamwangi Primary School | Equity | 660284633667 | 5,431 | 113,188 |
| Gakoe Primary School | Equity | 660284763385 | 7,632 | 7,632 |
| Gatunguru Primary School | Equity | 660284640587 | 824 | 824 |
| Makohokoho Primary School | Equity | 660284645593 | 78,871 | 78,871 |
| Nyamathumbi Primary School | Equity | 660284640767 | 425 | 425 |
| Wandui Primary School | Equity | 660284817147 | 5,938 | 5,938 |
| Ndiko Primary School | Equity | 660285146185 | 39,539 | 770,871 |
| Mwea Primary School | Equity | 660285150037 | 180,560 | 459,562 |
| Kamwangi DCC | Equity | 660284704182 | 1,817 | 281,805 |
| Kamwangi ACC | Equity | 660284704208 | 8,044 | 312,609 |
| Kamwangi Police Station | Equity | 660285104574 | 21,443 | 1,445,913 |

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

| PMC | Bank | Account number | Bank Balance 2024-2025 | Bank Balance 2023-2024 |
|----------------------------|--------|----------------|---------------------------|---------------------------|
| Mukurwe Secondary School | Equity | 660284817160 | 488 | 488 |
| NG-CDF Offices | Equity | 660284758713 | 200,115 | 200,115 |
| Igamba Primary School | Equity | 660279819777 | 280,592 | |
| Kamunyaka Secondary School | Equity | 660283480236 | 1,808 | |
| Mataara Secondary School | Equity | 660280067575 | 1,022,106 | |
| Muhindi Primary School | Equity | 660280051857 | 53,332 | |
| Total | | | 17,106,081 | 3,991,913 |

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

Annex 3: Progress On Follow Up of Auditor Recommendations

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

| Reference No. on the external audit Report | Issue / Observations from Auditor | Management comments | Status: (Resolved / Not Resolved) | Timeframe: (Put a date when you expect the issue to be resolved) |
|--|---|---|-----------------------------------|--|
| 1. | Inaccuracies in the financial statements | The financial statements have since been amended and resubmitted | Resolved | |
| 2. | Lack of support documents in imprest payments | Required documents have now been availed for review. | Resolved | |
| 3. | Lack of ownership documents | Explanations on the ownership of the land on which the NG CDF office building sits has been availed | Resolved | |
| 4. | Underutilization of funds | The intended projects have been resolved and codelist received and now works are in progress | Resolved | |

.....

 Name *Mary Kyengo*
 Fund Account Manager.