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ON

NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANYATTA CONSTITUENCY

FOR THE YEAR ENDED 30 JUNE, 2025

THE NATIONAL ASSEMBLY
PAPERS LAID
DATE: 03 DEC 2025
DAY. Wednesday
TABLED BY: Hon. Naomi Waqo, MP
CLERK-AT-THE-TABLE: Gertrude Chebet

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

MANYATTA CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

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

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1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (amended 2023). The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 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 Manyatta 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 Kabuga
2.	National Sub-County Accountant	Agnes Gitari
3.	Chairman NGCDFC	Raphael Ngari (Operations Bank Account
5.	Member NG CDFC	Lucy Njoki (deposit bank account)

(c) Fiduciary Oversight Arrangements

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

Manyatta NG-CDF Office
Along Embu Meru Highway
Opposite Regional Commissioner Offices
Eastern Region
Embu Town) KENYA.

(e) NGCDF Manyatta Constituency Contacts

P.O. Box 1991-60100
Telephone: (254) 782055523
E-mail: cdfmanyatta@ngcdf.go.ke
Website: www.cdfmanyatta.go.ke

(f) NGCDF Manyatta Constituency Bankers

1. Bank A. (Operations Account). NG-CDF Manyatta Operations Account
   Family Bank
   Embu Branch
   Account Number 075000062718
   Embu
   P.O. Box 1991-60100

2. Bank B. (Deposit account). *NG-CDF Manyatta Deposit Account*
   Family Bank
   Embu Branch
   Account Number 075000067169
   P.O. Box 1991

3. Bank C. Various (List of all PMC Accounts attached)
   1.Family Bank – Various- Embu Branch)
   P.O Box 1991 Embu
   2.Equity Bank- Various-
   P.OBox Embu Branch
   3.Sidian Bank- Various -
   P.O Box Embu Branch

(g) Independent Auditor

Auditor General
Office of the Auditor General
Anniversary Towers, University Way

P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser

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

3. NGCDF Committee

Name	Details
 Raphael Ngari- Male Adult Representative	Chairman NG-CDF Date of Birth: 22/09/1980 Academic Qualification: Diploma in Wildlife Management (Upper Credit) Professional Experience: Work Experience-Former CDF Committee Member Current Occupation: Farmer
 Lucy Njoki Nicholas Female Adult Representative-	Secretary NG-CDF Date of Birth: 11/01/1969 Academic Qualification: : Kenya Certificate of Secondary Education (Form 4), Current in college Professional Experience: Business woman
 Boniface Mugendi Muriithi Representative of Persons Living with Disability	Date of Birth: 30/08/1989 Academic Qualification: Bachelor of Science in Computer Science & Technology – Maseno University Professional Experience: • ICT Officer at Ngandori Water & Sanitation Company PLC (2018 – Present) • Board of Management Member at St John Chrysostom Muvandori Day and St Alphonse Day ICT Support at Kenyatta National Hospital (June 2016 – Feb 2016*)

 Ali Katheru Mwangi- Co-opted Member	Date of Birth: 27/07/1993 Academic Qualification: Kenya Certificate of Secondary Education (Form 4) Professional Experience: Casual worker
 Caroline Njeri Ndwiga- Women Adult Representative	Date of Birth: 01/08/1988 Academic Qualification: Kenya Certificate of Secondary Education (Form 4) Professional Experience: Business and Farmer
 Kauthar Aziz Nyawira Female Youth Representative	Date of Birth: *(not provided)* Academic Qualification: • Date of Birth: 22/03/2002 • Primary School (2008 – 2015) • High School (2016 – 2019) • Currently pursuing Secretarial Studies (Ongoing) • Professional Experience: Marketing at Multichoice Kenya (2020 – 2022)

 Eliphas Murimi Ireri Male Youth Representative	Date of Birth: 20/09/1997 Academic Qualification: Kenya Certificate of Secondary Education (Form 4) Professional Experience: Casual worker
 Fredrick Fundi Mutua Male Adult Representative	Date of Birth: 12/10/1988 Academic Qualification: College Level Professional Experience: Businessman, P1 Teacher
 Mary Kabuga- Fund Account Manager	NG_CDF -Fund Account Manager Date of Birth 24/10/1982 MBA-UON Bachelors of Commerce Accounting Option- UON CPA – Section 4

(*List the NG CDFC members who exited during the financial year and the period they served.*)

Outgoing NG_CDF Members includes;

Members Name	Designation	Period Served
Agnes Mukami Nyaga	Constituency Youth nominee	2years
Moses Muriuki Njagi	Constituency Youth nominee	2 years
Benson Mugambi Njeru	Youth Representative	2 Years

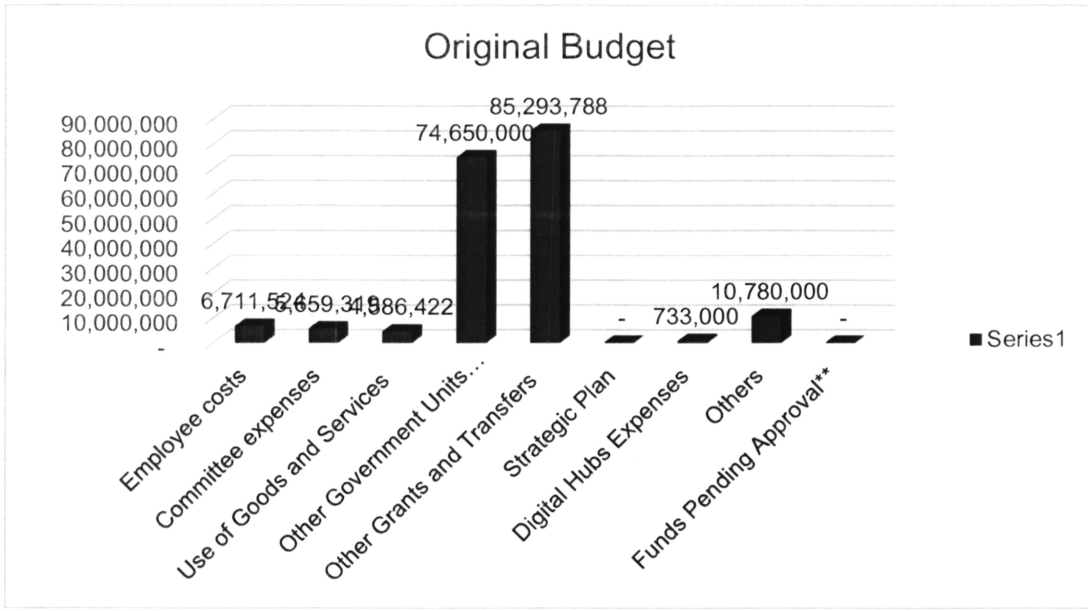
4.NG-CDFC Chairman's Report



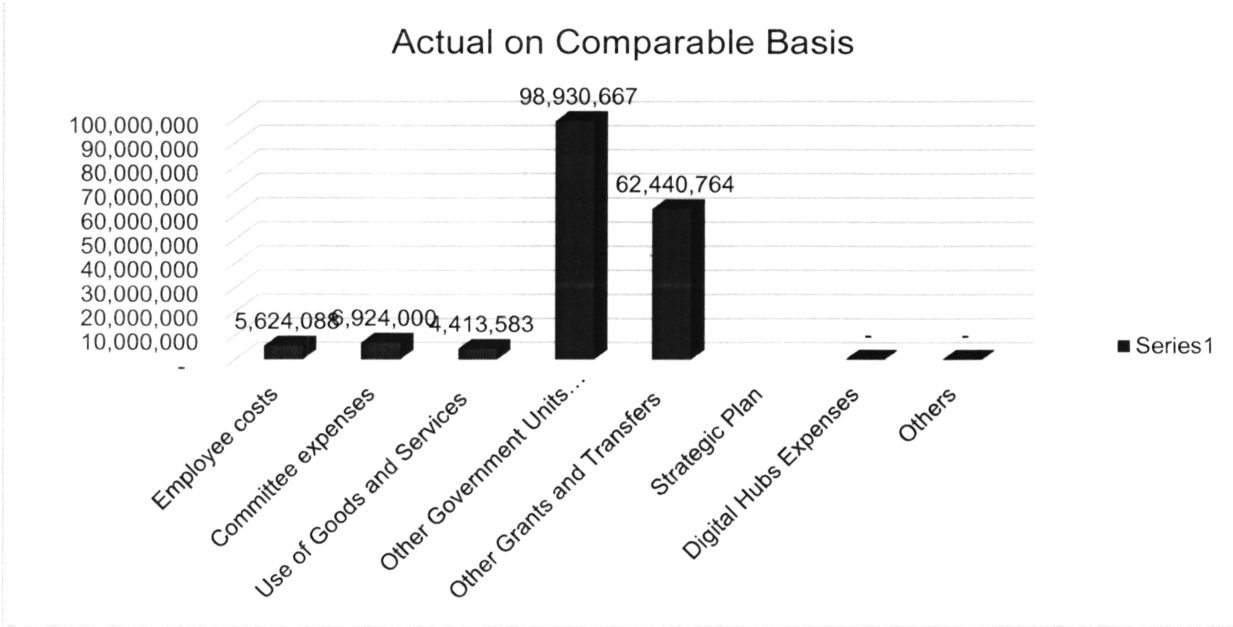
Manyatta Constituency is one of the four (4) constituencies in Embu County. It Boarders Mount Kenya Forest to the North, Mbeere South Constituency to the east and South East, Kirinyaga East Constituency to the west and Runyenjes Constituency to the south. The Constituency lies approximately within latitudes of 0°8' and 0°35' south and longitudes 37° 42' East. The Constituency has a total area of 434.2Km² with Mt Kenya forest occupying 202.8Km².

In the Financial year 2024-2025, the budget for NG-CDF Manyatta Constituency was Kshs 188,414,052,784. A total of Kshs 244,531,300 was received in the course of the financial year inch included previous year disbursements of Kshs 61,177,945. The balance brought forward from the previous financial year was Kshs Kshs 64,853,357. A total of Kshs 191,509,087 was spent to implement various programs in the course of the year. The balance carried forward at the end of the year amounted to Kshs 53,022,213.

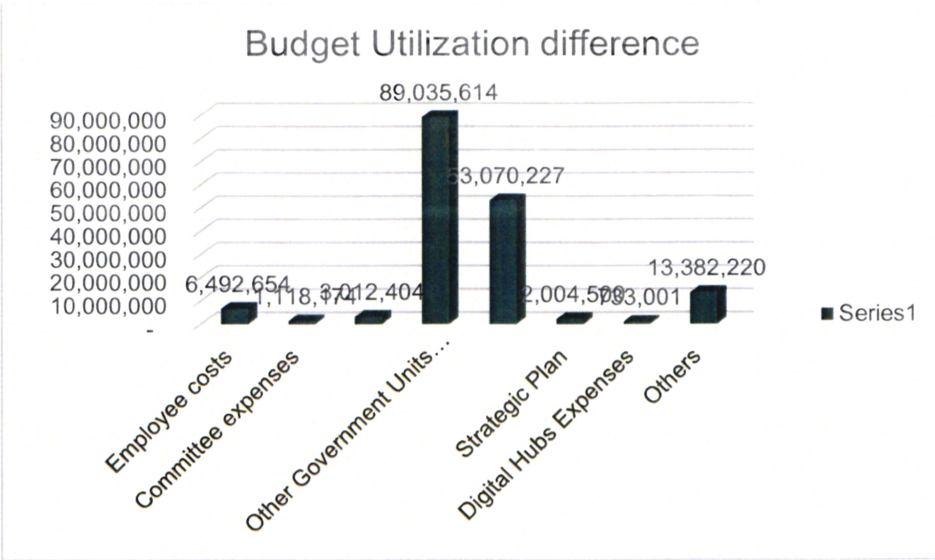
The original budget and the allocation per sector is as indicated on the pie chart below;



The actual expenditure during the financial year is as shown below



Budget utilization difference of various projects sector is as indicated below



KEY ACHIEVEMENTS

Some of of key development projects funded under the **National Government Constituencies Development Fund (NG-CDF), Manyatta Constituency** which aims to improve educational infrastructure, provide vital learning resources and bursary geared to improve academic performance and strengthen governance facilities with an emphasis on inclusivity through the incorporation of **access ramps for Persons with Disabilities (PWDs)** in all facilities.

Issuance of Mobile Laboratories to all Junior Secondary in Manyatta Constituency

Manyatta Constituency currently has 55 junior secondary Schools. During the financial year,all the Junior schools were issued with a unit of mobile laboratory and a science kits . This has resulted to numerous benefits which include:

1. Improved Quality of STEM Education

Hands-on learning: Students can perform experiments in physics, chemistry, and biology rather than relying solely on theory.

Better comprehension: Seeing chemical reactions, dissecting specimens, and testing scientific principles in real time deepens understanding.

Boost to STEM interest: Practical exposure often sparks curiosity and career ambitions in science, technology, engineering, and medicine

2. Equal Access for All Schools

Bridging the gap: Rural or under-resourced schools that can't afford permanent labs get the same learning opportunities as well-equipped urban schools.

3. Cost-Effective Infrastructure Solution

Avoids construction delays: Building permanent labs in every school can take years and large budgets; mobile labs deliver immediate results.

Maintenance efficiency: Easier to maintain a few well-equipped mobile units than dozens of separate facilities.

4. Boost to Academic Performance

Higher science grades: Practical application helps students retain concepts, boosting exam performance.

Confidence in experiments: Students can practice experiments before exams, reducing mistakes and improving outcomes.

Better transition to senior school: Prepares students for advanced science work in Form 1–4.

5. Teacher Empowerment

Teaching support: Science teachers can demonstrate experiments they might not be able to do in poorly equipped classrooms.

Professional development: Teachers learn new lab techniques and improve their instructional methods through mobile lab sessions.

Reduced burnout: Teachers don't have to improvise experiments with inadequate materials

Following is an image of an operational mobile laboratory;



2. Construction of a Two-Storey Building with Six Classrooms – Ndunda Primary School

Description:

A modern, durable, and spacious two-storey block comprising six classrooms and each floor has two rooms, each designed with accessibility features including ramps for PWDs to ensure barrier-free access.

Positive Impacts of the project:

Reduce overcrowding and improve the teacher-to-pupil ratio.

It will create an inspiring and inclusive learning environment for all learners.

Accommodate more pupils, including those with mobility challenges.

Boosts school pride and improves community perception.

Observations:

The elevated design uses land efficiently while ensuring that ramps provide safe, easy access to all floors.

Quality workmanship ensures the building's longevity and safety.



3. Construction of Itabua Chief's Office

Description:

A fully equipped and secure administrative office for the chief, complete with a PWD access ramp for full public accessibility.

Positive Impacts:

Brings government services closer to residents.

Strengthens local security coordination and community dispute resolution.

Ensures that residents with mobility challenges can access services without barriers.

Encourages inclusive civic participation.

Observations:

The building's accessibility provisions promote equality in service delivery.

The design provides a professional and welcoming environment for all citizens.



4. Renovation of Four Classrooms – Kithegi Primary School

Description:

Comprehensive refurbishment of four classrooms, including structural repairs and the addition of access ramps to promote inclusivity for PWD learners.

Positive Impacts:

Restores classrooms to safe, modern standards while enabling wheelchair access.
Improves comfort and convenience for all learners.
Encourages regular attendance, especially among pupils with disabilities.

Observations:

The school now offers a more inclusive environment that supports diversity.
Ramps are well-constructed with appropriate gradient and safety rails where necessary.



5. Bursary Award to Secondary Schools

A total of Kshs 46M, was disbursed to secondary school applicants who were needy and deserving. Vetting of the applicants was done using a vetting form that had been designed by the office. The applicants were classified depending on the level of need and those that were very needy; mostly the orphans and vulnerable families were awarded the fund. This has ensured seamless learning of the students without being sent home for school fees which has in turn contributed to their improved performance.

The Bursary allocation and release this financial year have received tremendous accolades due to award of substantial amount of money to the applicants unlike previous years where all applicants were awarded bursary with too little.

The funds have also gone along way especially to the day schools which have recently been financially constrained.

Improved academic performance have been witnessed in many secondary schools and Primary schools due to upgrade of school infrastructure including, Classrooms, Laboratories, Administration blocks & Dining Halls.

EMERGING ISSUES ON THE FUND

The following are some of the emerging issues that have been experienced during the year;

1. Changes in Procurement process

There was a Presidential directive to suspend procurement processes to transition to the Electronic Government Procurement System (e-GP). While the e-GP aims to increase transparency, reduce corruption, and improve efficiency in the long term, the transition has caused disruptions.

This has resulted to;

i).Delays in Project Implementation: Ongoing and planned projects have stalled as procurement officers and suppliers adapt to the new digital system.

ii).Capacity Gaps: Many procurement officers and contractors lack adequate training on the new platform, creating backlogs in approvals.

iii).Supplier Adjustments: Small-scale suppliers, especially in rural areas, may face challenges in meeting the e-GP's technical requirements.

2. Litigation and Constitutionality Questions on the Fund

Legal challenges have been raised regarding the constitutionality and operational framework of the Fund. Petitioners question whether it complies with constitutional provisions on public finance management and equitable resource distribution.
This has led to slow disbursements and halt program rollouts.

3. Harmonization of Bursary Funds

Currently, multiple bursary schemes exist — from NG-CDF bursaries, county government bursaries, to private or donor-supported schemes. This fragmented approach creates duplication, mismanagement risks, and uneven distribution.

This results to i) Inefficiency where Students may receive overlapping support while others get none,(ii)**Administrative Burden:** Tracking and auditing multiple bursary sources is resource-intensive.

IMPLEMENTATION CHALLENGES AND SOLUTIONS

1. Project Implementation Challenge

Delays in Project Implementation: Ongoing and planned projects have stalled as procurement officers and suppliers adapt to the new digital system.

Capacity Gaps: Many procurement officers and contractors lack adequate training on the new platform, creating backlogs in approvals.

Supplier Adjustments: Small-scale suppliers, especially in rural areas, may face challenges in meeting the e-GP's technical requirements.

Solutions:

Immediate capacity-building programs for all stakeholders.

Temporary measures to clear pending procurements to avoid service interruptions.

2.**Non-Acknowledgement of Bursary as a Challenge**

One of the persistent challenges faced in bursary administration has been the **non-acknowledgement of bursary disbursements** by some beneficiary institutions. In certain cases, schools do not promptly issue the required Bursary Acknowledgement Receipts, making it difficult to meet accountability and reporting requirements.

To address this, the NG-CDFC Manyatta has adopted a targeted approach in disbursement. Where feasible, **combined cheques** are issued to schools that either have a high number of beneficiaries or are located within close proximity. This strategy has proven effective in securing at least a portion of the required acknowledgement receipts, thus partially fulfilling compliance obligations.

Moving forward, **timely release of funds** by the National Government Constituencies Development Fund Board is essential. The NG-CDFC Manyatta reaffirms its commitment to disbursing funds **within 30 working days upon receipt** from the Board to minimize delays and enhance efficiency.

Additionally, the office has been utilizing **courier services** to deliver cheques directly to institutions. This not only expedites the process but also ensures that acknowledgement receipts are obtained immediately upon delivery, thereby strengthening accountability and compliance with set regulations.



.....

Name: Raphael Ngari
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 Manyatta Constituency** 2024-2025* plan are to:

1. To improve access, affordability and availability of quality education
2. To empower the youth and harness their talent
3. To improve security preparedness and service delivery in the constituency
4. To strengthen the CDF Office to deliver on its mandate
5. To improve environmental sustainability and climate change mitigation
6. To improve preparatory and response mechanisms in the constituency
7. To strengthen performance measurement mechanisms

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	Access to quality education	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2024/2025, Kshs 25M to Renovate 45 No. classrooms for 15 primary schools construct 16 No. Classrooms in 5 schools and 4 No Administration block. In addition Kshs 22M was set aside for supply of mobile laboratories to junior secondary infrastructure This has contributed to increase in number of classrooms from 40 in the financial year 2023/2024 to 65 Kshs 45 was disbursed to secondary school. There were 9,000 Bursary beneficiaries for secondary.
Security	To enhance security and social order within the community	Improve security preparedness and service delivery in the constituency	No of Chiefs & Assistant chiefs Offices constructed	Kshs 6,400,000 was allocated for security projects to completion of construction of an Administration Block and purchase of an 1/8 piece of for Assistant chief office and construction of an armoury
NG-CDF Office	To Expand the office to ensure each staff has a work station	Construction of 3 rooms consisting of MP's office, Secretary & a store	A complete NG-CDF office Extension	Kshs 2 was set aside to construct the office
Emergency Support	To improve preparatory and response mechanisms in the constituency	Catering for any unforeseen occurrences in the constituency	11schools has been given funds to cater for emergency cases	Kshs 9.4 M was used to cater for sanitation in primary & Secondary School whose toilets has collapsed. And were emergency in nature
Youth Empower	To empower the youth and	Renovation and	-100 jobs to be created	2 No. ICT hubs are being implemented to create

ment	harness their talent asthey earn a living through digital nline jobs	installation of ICT Hubs Creation of employment among the youths	per year for youths - 2 ICT hubs to be made functional	100 jobs created among the youths

6.Governance Statement

a. Appointment of NG-CDF Committee

Under **section 43(2) of the National Government Constituencies Development Fund (NG-CDF) Act, 2023**, a Constituency Committee is comprised of:

- The national government official responsible for coordination of national government functions in the constituency;
- Three men (one a youth);
- Three women (one a youth);
- One person with disability nominated by a registered group representing persons with disabilities;
- The officer of the Board seconded to the Constituency (ex officio, no vote);
- One member co-opted by the Board.

By **Regulation 5 of the NG-CDF Regulations, 2016**, when vacancies arise (due to new parliamentary term, dissolution, removal, or vacancy), the Board must:

- Constitute a selection panel within 14 days;
- The panel selects nominees for the categories (men, women, PWDs, youth etc.);
- Submit names with report to the Board;
- The Board co-opts additional member for equitable representation;
- Forward selected names to National Assembly for approval;
- Within 14 days of Assembly approval, the Board makes appointments by **Gazette notice** .

Manyatta Constituency NG-CDFC members were **Gazetted on 21 May 2025** vide a gazette notice no CXXVII- No 98 dated 21st May, 2025.

The Manyatta NG-CDFC Members were gazette as follows;

S/N	*Name*	*Category*	*Statutory Provision Under NG-CDF Act*
1.	Raphael Ngari Njiru	Male Adult Representative	Appointment Pursuant to Section 43 (2)(b)
2.	Fredrick Fundi Mutua	Male Adult Representative	Appointment Pursuant to Section 43 (2)(b)
3.	Elphus Murimi Ireri	Male Youth Representative	Appointment

			Pursuant to Section 43 (2)(b)
4.	Lucy Njoki Nicholus	Female Adult Representative	Appointment Pursuant to Section 43 (2)(c)
5.	Caroline Njeri Ndwiga	Female Adult Representative	Appointment Pursuant to Section 43 (2)(c)
6.	Aziz Kauthar Nyawira	Female Youth Representative	Appointment Pursuant to Section 43 (2)(c)
7.	Boniface Mugendi Muriithi	Representative of Persons Living with Disability	Appointment Pursuant to Section 43 (2)(d)

The NG-CDF Board as per section 43 subsection 2(g) co-opted the following member

S/N	Name	Gender	Ward
1.	Ali Mwangi Katheru	Male	Kithimu

b. **Tenure and Basis of Removal of Committee Members**

- **Tenure**: In the NG-CDF Act, 2023 **section 43(8)** confirms *the term of office of the members Committee shall be two years and shall be renewable.*
- **Removal**:
  - Under **Act section 43(13)–(14)**: A member may be removed, or the Committee dissolved upon a petition presented to the Board on grounds such as serious violation of the Constitution or other law (including Chapter Six), gross misconduct, incompetence, bankruptcy, or any other justifiable cause .
  - The Regulations 2016 (Regulation 10) outline the procedure: a complaint is filed, a special meeting convened, the concerned member gets opportunity to respond in writing or orally, and the Committee issues a decision within 7 days; the Board makes a final binding determination within 30 days .

c. Roles and Functions of the NG-CDF Committee (Manyatta Constituency)

As per **Regulation 11, NG-CDF Regulations, 2016**, the Constituency Committee is mandated to:

- Build capacity of project management committees and sensitize community on NG-CDF operations;
- Consider all project proposals from wards and those deemed beneficial;
- Ensure proposals meet Section 24 requirements of the Act;
- Ensure proposals include detailed budgets, procurement plans, work plans;
- Make declarations that approved projects fall within national government functions;
- Consult relevant departments for realistic cost estimates;
- In joint projects, ensure proper fund management and record-keeping;
- Recommend removal of committee members per the Act;
- Submit reports containing list of new projects and their completion status to the Board;
- Ensure reports are received before funding release for project phases;
- Record names of project management committee signatories;
- Receive and address project implementation complaints and audit queries;
- Avoid commitments without allocated funding;
- Ensure projects are properly labelled;
- Perform any function assigned by the Board.

d. Induction & Training of Members (4–9 July 2025, Garissa)

Members underwent an induction and training workshop from **4–9 July 2025** at **Garissa**, covering:

- Overview of NG-CDF structure and objectives;
- Rationale for strategic planning in NG-CDF;
- Project Cycle Management in NG-CDF;
- Technical aspects of project planning and management;
- Records management at NG-CDF Committee and Project Management Committee levels;
- Overview of public procurement and disposal procedures/processes;
- Role of NG-CDF Committee in procurement of NG-CDF projects and use of e-GPS;
- Public Finance Management in NG-CDF operations;
- Taxation considerations in NG-CDF operations;
- Management of NG-CDF staff;
- Monitoring & Evaluation of NG-CDF projects;
- Risk Management and risk-based audit;
- Performance contracting within NG-CDF;

- NG-CDF meetings protocol and minutes writing;
- Effective communication and ICT solutions.

This capacity building ensures members understand their legal, financial, technical, and administrative responsibilities.

e. Meetings Held (Tabulated per NG-CDF Act Requirements)

By **Section 43(11)** of the Act, the Constituency Committee must meet **at least six times a year**, but **not more than 24 times** in a financial year (including sub-committee meetings.

In Manyatta constituency, meetings are scheduled as follows;

	Meeting Type	Date/Period	Purpose
1	First Meeting	Within 120 days post-election (e.g., 2025)	Induction; elect Chairperson & Secretary
2	Quarterly Regular Meeting	Q2 2025	Review project proposals, budgets
3	Quarterly Regular Meeting	Q3 2025	Monitor project progress; approve work plans
4	Quarterly Regular Meeting	Q4 2025	Review performance, M&E indicators
5	Sub-Committee Meeting	As needed (e.g., Procurement Sub-com)	Oversee procurement or technical issues
6	Ward Open Forum Meetings	At least one per ward (as per Act)	Community engagement; discuss priorities

f. Conflict of Interest Policy

By virtue of the requirement under **Chapter Six of the Constitution**, members must avoid conflicts of interest; though the Act or Regulations don't stipulate a standalone policy, strict adherence to constitutional values—integrity, accountability, transparency—is mandated. Members must declare interests before decisions, recuse themselves when necessary, and ensure impartiality in procurement and project selection.

g. Members' Remuneration Rates

Regulation 33 (Allowances) of the NG-CDF Regulations, 2016 provides that the Cabinet Secretary, with the National Assembly Select Committee's approval, issues guidelines on allowances payable to Constituency Committee members and other involved officers. As per the template instruction, the remuneration terms would include sitting allowances of Kshs 5,000 sitting allowance to the members and Kshs 7,000 sitting allowance to the Chairmen,Other allowances include Monitoring allowance, subsistence, per diem which are paid following SRC guidelines.

h. Succession Planning, Ethics & Conduct, and Risk Management

- **Succession Plan**: The Regulations require that vacancies (resignation, death, and incapacitation) within 120 days be filled from the same category to maintain representation continuity.
- **Ethics & Conduct**: Mandated by constitutional Chapter Six and Act provisions, members are expected to observe high standards of integrity, avoid corruption, and uphold NG-CDF values (transparency, equity, inclusivity).
- **Risk Management**: The induction training included risk management and risk-based audit modules, suggesting the Committee is expected to apply risk identification, mitigation, and review in project planning and oversight.

i. Summary & Governance Flow

- **Appointment & Tenure**: Members appointed post-vetting and Assembly approval, gazetted on 21 May 2025; serve renewable two-year term.
- **Removal**: By petition to Board on stipulated grounds (misconduct, incompetence, constitutional breaches); follow procedural fairness.
- **Roles & Functions**: Oversight, project approval, capacity building, community engagement, reporting, and transparency as per Regulations.
- **Capacity Building**: Comprehensive induction in Garissa (4–9 July 2025) covering planning, finance, procurement, governance.
- **Meetings**: At least six per year; detailed schedule ensures statutory compliance and stakeholder engagement.
- **Remuneration & Conduct**: Governed by parliamentary guidelines; ethics, conflict management, and succession embedded in Act and induction.
- **Risk Management**: Embedded via training and implied monitoring mechanisms.

7.Management Discussion and Analysis

1. Introduction

This Management Discussion and Analysis (MD&A) provides an overview of the operational and financial performance of the Manyatta Constituency NG-CDF over the last five (5) years. It highlights key development projects, financial trends, compliance with statutory requirements, emerging risks, sector and economic reviews, and planned future developments.

2. Operational Performance

The Fund's primary focus remained the improvement of educational infrastructure and learner support. Over the review period, flagship projects included the procurement of school buses, construction of storeyed classrooms, laboratories, and renovation of classrooms across primary schools.

2.1 Key Flagship Projects Implemented

Project	Institution	Description	Status
School Bus Purchase	St Christopher Secondary School	62-seater school bus procured and delivered	Completed
School Bus Purchase	Iveche Primary School	School bus for transport and academic trips	Completed
School Bus Purchase	County Day Secondary Schools	Buses for inter-school programs	Completed
Classroom Block Construction	Urban Day Secondary School	Storeyed classroom block	Completed
Classroom Block Construction	Kangaru DEB Day Secondary School	Storeyed classroom block	Completed
Laboratory Construction	Rugumu Day Secondary School	Fully equipped science laboratory & Administration block	Completed
Laboratory Construction	St Michael Day Secondary School	Fully equipped science laboratory	Completed
Storeyed Clasrooms St Josep	St Joseph Ndunda Primary School , Gaciigi Primary	Tuition Block wit 6 No Classrooms	Ongoing
Mobile Laboratories	All Junior Secondary School	Issuance of Mobile laboratories and science kits to all secondary	Completed

		schools	
Renovations	Multiple Primary Schools	Roofing, flooring, and painting of classrooms	Ongoing

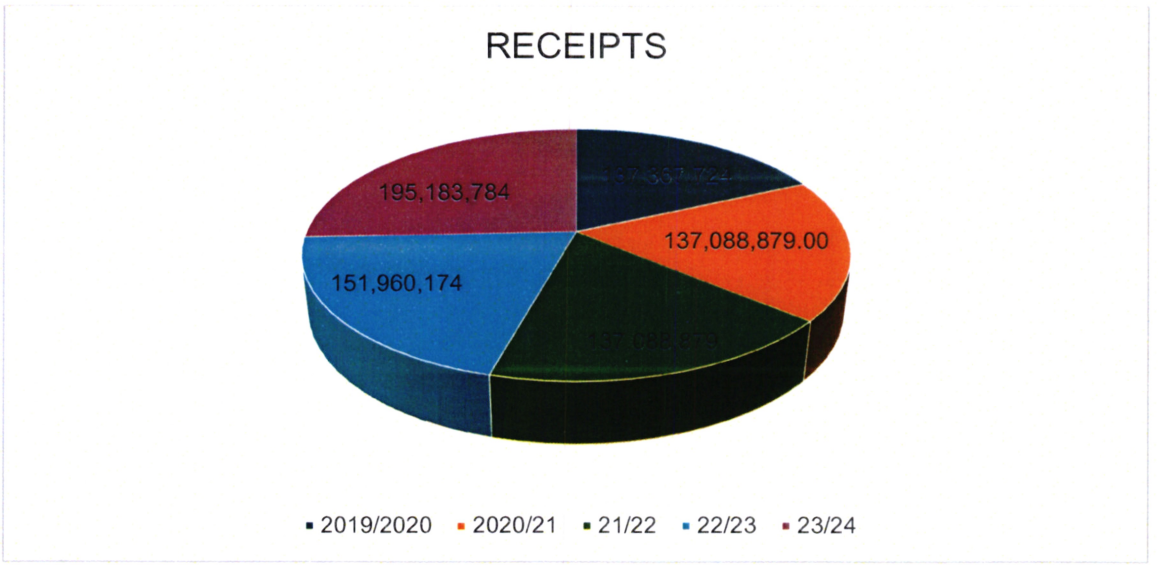
3. Financial Performance

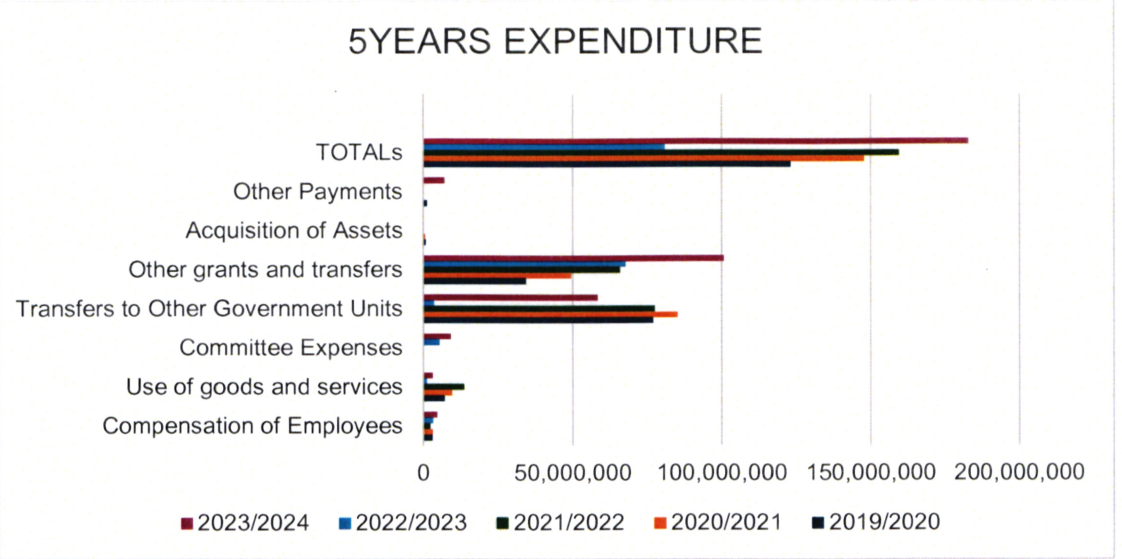
3.1 Fund Allocations and Expenditure Trends (FY 2019/20 – FY 2023/24)

Financial Year	Annual Allocation (KES)	Actual Expenditure (KES)	Absorption Rate (%)
2019/20	137,367,724	123,189,152	90%
2020/21	137,088,879	147,862,724	99%
2021/22	137,088,879	159,470,382	99%
2022/23	151,960,174	80,945,705	53%
2023/24	195,183.784	182,905,952	93%

Observation: The Fund has consistently achieved a high absorption rate, with minimal variances between allocations and actual expenditures.

Receipts & Expenditure for the last 5 years is as indicated on the diagrams





3.2 Material Arrears

- No arrears in supplier payments as of June 2025.

4. Compliance with Statutory Requirements

The Fund has ensured that:

- All projects exclusively fall under **National Government functions** as per the NG-CDF Act.
- Procurement processes follow the **Public Procurement and Asset Disposal Act (PPADA)**, with adjustments for the **Electronic Government Procurement (e-GP) System** transition.
- Administrative costs remain below the **statutory 5% cap** of the total allocation.
- The fund is tax compliant

5. Major Risks and Continuity Issues

Risk	Description	Impact	Mitigation Measures
Litigation & Constitutionality	Ongoing court cases questioning NG-CDF legality	Potential discontinuity of operations	Legal monitoring, stakeholder engagement
Procurement Changes	Shift to e-GP system	Delays in project start	Training for staff & contractors
Funding Delays	Late exchequer releases	Project cost escalation	Early procurement planning

Funding Delays	Late exchequer releases	Project cost escalation	Early procurement planning

6. Review of the Economy

The Kenyan economy during the review period faced inflationary pressures, currency depreciation, and COVID-19-related slowdowns. Despite these challenges, GDP growth has recovered, though fiscal space remains constrained. This has occasionally affected NG-CDF disbursement timelines.

7. Review of the Sector

The education sector has been reshaped by the Competency-Based Curriculum (CBC) and expansion of Junior Secondary Schools, increasing the demand for modern classrooms, laboratories, and ICT facilities. The Fund's investments directly support these national priorities.

8. Future Developments

The Fund intends to:

- Construct ICT-enabled learning centers in targeted schools.
- Introduce solar energy systems for cost efficiency.
- Upgrade sanitation and water facilities in learning institutions.
- Expand bursary allocations to support more vulnerable learners.
- Enhance stakeholder engagement to align projects with community needs.

9. Conclusion

Over the last five years, the Manyatta Constituency NG-CDF has delivered impactful educational projects while maintaining financial discipline. Though litigation and procurement changes pose operational challenges, the Fund remains committed to prudent management, statutory compliance, and sustainable development



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Mary Kabuga
Fund Account Manager

8. Environmental and Sustainability Reporting

The Manyatta National Government Constituencies Development Fund (NG-CDF) operates with the primary mandate of financing community-based development projects aimed at improving the social and economic welfare of residents within the constituency. Its core focus is on funding initiatives in priority sectors such as education bursary & infrastructure and security, ensuring that resources directly address the needs of the people. To achieve long-term impact, Manyatta NG-CDF adopts a sustainability strategy that emphasizes prudent resource allocation, community participation, and the promotion of self-reliant projects. This approach ensures that funded initiatives are not only responsive to current needs but also capable of delivering benefits to citizens for years to come, thereby safeguarding service continuity and fostering inclusive growth across the constituency.

1. **Sustainability strategy and profile -**

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

   a. **Education and Training:** Manyatta Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalized groups, including girls and people living with disabilities.

   b. **Security Sector Support:** Among its key pillars, NGCDF has security as a priority area with the intention to provide a better working environment for the security providers within the constituency as well as a secure constituency. The strategy is to have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for law enforcement agencies while collaborating with the community in trust on matters of security.

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

2. **Environmental performance**

The Manyatta National Government Constituencies Development Fund (NG-CDF) operates with the primary mandate of financing community-based development projects aimed at improving the social and economic welfare of residents within the constituency. Its core focus

security, ensuring that resources directly address the needs of the people. To achieve long-term impact, Manyatta NG-CDF adopts a sustainability strategy that emphasizes prudent resource allocation, community participation, and the promotion of self-reliant projects. This approach ensures that funded initiatives are not only responsive to current needs but also capable of delivering benefits to citizens for years to come, thereby safeguarding service continuity and fostering inclusive growth across the constituency. Manyatta NG-CDF finances community priority projects aligned to the NG-CDF Act. This policy ensures funded activities conserve biodiversity, minimize pollution, build climate resilience, and comply with Kenyan environmental laws and county by-laws while advancing service delivery (education, security, health, water, roads).

Objectives:

1. Integrate environmental safeguards in all NG-CDF project cycles.
2. Prevent, reduce, and properly manage waste from projects and institutions supported by NG-CDF.
3. Ensure meaningful community participation, transparency, and compliance with NEMA requirements.
4. Initiate Re afforestation programs through setting aside funds to plant fruit trees. Projects allocated funds for tree planting includes; Mtetu Secondary School, Tende Primary School, Karurириri Primary School, Kathuniri Primary School, Emhu Urban Primary School, Kithegi Primary School and Nthambo Primary

3. Employee welfare

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

Manyatta 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-

Manyatta 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

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

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

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

Public Awareness

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

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



Mary Kabuga
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-Manyatta 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-Manyatta 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- Manyatta Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Manyatta 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- Manyatta Constituency financial statements were approved and signed by the Accounting Officer on 18th November 2025.

Name: Raphael Ngari
Chairman – NGCDF Committee

Name: Mary Kabuga
Fund Account Manager

REPUBLIC OF KENYA

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REPUBLIC OF KENYA

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Enhancing Accountability

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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND – MANYATTA 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 - Manyatta Constituency set out on pages 1 to 73, 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 effect of the matters described in the Basis for Qualified Opinion section of my report, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Manyatta 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 National Government Constituencies Development Fund Act, 2015 (Amended 2022) and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1. Unacknowledged Receipt of Bursary

The statement of financial performance reflects other grants and transfers actual expenditure amount of Kshs.62,359,759 which includes bursary - secondary schools' amount of Kshs.46,819,640 as disclosed in Note 14 to the financial statements. Out of the bursary to secondary school's amount of Kshs.46,819,640, an amount of Kshs.12,563,000 was not acknowledged by the respective Institutions.

In the circumstances, the accuracy and completeness of other grants and transfers actual expenditure amount of Kshs.12,563,000 could not be confirmed.

2. Undisclosed Arrears of Tax

The statement of financial position reflects Nil trade and other liabilities balance. However, review of National Government Constituencies Development Fund Board letter reference. NG-CDFB/CEO/KNA/VOL V. 7(6) dated 16 September, 2025 indicates that Kenya Revenue Authority raised a demand note for Kshs.241,084 covering the period between 2018 to 2022 financial years which have not been disclosed in the financial statements.

In the circumstances, the accuracy and completeness of Nil trade and other liabilities balance 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 – Manyatta Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on a comparable basis of Kshs.347,181,895 and Kshs.288,767,841 respectively resulting to overfunding of Kshs.58,414,054 or 17% of the final receipts budget. Similarly, the Institute spent Kshs.178,333,101 against actual receipts of Kshs.288,767,841 resulting to an over-utilization of Kshs.110,434,740 or 38% of the actual receipts.

The underperformance affected the implementation of 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 effects of the matter described in the Basis for Qualified Opinion section, I have determined that there are no key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Matter

In the prior years' audit report, one issue was raised under the Report on Financial Statements on non-acknowledgement of bursaries totalling Kshs.11,664,500. Review of the status during audit of the Entity in 2024/2025 revealed that the matter was not addressed.

Other Information

The National Government Constituencies Development Fund Committee is responsible for the Other Information set out on page i to xxxviii which comprise of Key Constituency Information and Management, NGCDF Committee, NGCDF Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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 USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. **Non – Compliance with the Public Procurement Capacity Building Levy Order**

Documentary evidence has not been provided to confirm that the Fund complied with paragraph 3(1) of the Public Procurement Capacity Building Levy, Order 2023 which states that there shall be paid a levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes. In addition, Public Procurement Regulatory Authority (PPRA) circular No. 01/2024 dated 30 August, 2024 which requires procurement entities to remit the levy to the Authority through the e-Citizen payment platform by the 20th day of the subsequent month and also file monthly returns.

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

2. **Non-Compliance with Law on Staff Ethnic Composition**

Review of staff bio data established that Manyatta NG-CDF had nine (9) employees on its payroll. However, all the nine employees or 100% of the employees were from one dominant community. This was in contravention of Section 7(2) of National Cohesion and Integration Act, 2008 which provides that the staff establishments of public entities to reflect the diversity of the people of Kenya with least 30% of employees are expected to be from other ethnic communities.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

As required by Section 7(1)(a) of the Public Audit Act, 2015, based on the audit procedures performed, except for the effects of the matter described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance

section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

Basis for Conclusion

Use of Manual Payroll

During the year under review, the Fund operated a manual system in processing payroll. The use of Manual system requires manual calculation of deductions and net pay and constant monthly or annual updates of the data manually which is prone to error or manipulations. The Management did not provide a justification of maintaining a manual payroll and did not demonstrate mechanisms put in place to protect payroll data integrity in respect of the manual.

In the circumstances, the continued use of a manual payroll system without adequate control measures indicates ineffective internal controls and weak risk management practices over payroll processing and data integrity.

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 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 the National Government Constituencies Development Fund Committee

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.

The National Government Constituencies Development Fund Committee is 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

25 November, 2025

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

	Note	*2024-2025*
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	188,414,052
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		188,414,052
Expenses		
Employee costs	10	5,906,818
Committee expenses	11	6,924,000
Use of Goods and Services	12	4,413,583
Other Government Units Actual expenditure	13	100,753,442
Other Grants and Transfers Actual expenditure	14	62,359,759
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		180,357,602
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		**8,056,450**

The Constituency financial statements were approved by the NGCDFC on 18th November 2025 and signed by:

Chairman NG-CDF Committee Name:Raphael Ngari	National Sub-County Accountant Name: Agnes Gitari ICPAK M/No: 5382	Fund Account Manager Name: Mary Kabuga

(Paragraph 79 of IPSAS 33 allows for the election by an MDA to present one statement of financial performance, one statement of cash flow, one statement of net assets and the statement of financial position, and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made; therefore, there are no comparatives in the first year of transition.)

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

	Note	*2024/2025*	*Opening Statement 1st July 2024*
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	110,434,742	97,589,897
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	58,414,054	61,177,944.90
Prepayments	22	-	-
Total Current Assets		**168,848,795**	**158,767,842.89**
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		**168,848,795**	**158,767,842.89**
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third Party Deposits	27	6,290,764	4,548,993.75
Lease Liabilities	28	-	-

Gratuity Provision	29	550,171	267,440.00
Total Current Liabilities		**6,840,935**	**4,816,433.75**
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		6,840,935	4,816,433.75
Net Assets (A-B)		162,007,861	153,951,409.14
Represented by:			
Revaluation Reserves		162,007,859	153,951,408.56
Accumulated Surplus			
Total Net Assets		**162,007,859**	**153,951,408.56**

The Constituency financial statements set out on pages 1 to 33 approved by NG CDFC on 18th November 2025 and signed by:

Chairman NG-CDF Committee	**National Sub-County Accountant**	**Fund Account Manager**
Name: Raphael Ngari	**Name: Agnes Gitari**	**Name: Mary Kabuga**
	ICPAK M/No: 5382	

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30th June 2024	64,853,357	-	64,853,357
Adjustments			
Recognition of Assets	93,914,485	-	93,914,485
Recognition of Liabilities	4,816,434	-	4,816,434
As at July 1, 2025	153,951,409	-	153,951,409
Surplus/(Deficit) For the Period	8,056,450	-	8,056,450
Revaluation Gain/Loss	-	-	-
As at June 30, 2025 (current year)	162,007,859	-	162,007,859

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.

Chairman NG-CDF Committee
Name:Raphael Ngari

National Sub-County Accountant
Name: Agnes Gitari
ICPAK M/No: 5382

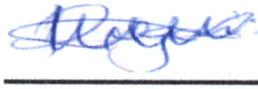
Fund Account Manager
Name: Mary Kabuga

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

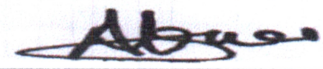
	Notes	2024-2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		191,177,943
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		**191,177,943**
Payments		5,624,088
Employee costs		6,924,000
Committee expenses		4,413,583
Use of Goods and Services		98,930,667
Other Government Units Certified Works		62,440,764
Other Grants and Transfers		-
Digital Hubs Expenses		
Total Payments		**178,333,101**
Net Cash Flows from/ (used in) Operating Activities	30	**12,844,842**
Cash flows From Investing Activities		-
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		12,844,842
Net increase/(decrease) in cash & Cash equivalents		

Cash Flows from Financing Activities		191,177,943
..ease Payment		
Net Cash Flows from Financing Activities		12,844,842
Cash and cash equivalents at 1 July	19	97,589,898
Cash and cash equivalents at 30 June	19	110,434,740

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



Chairman NG-CDF Committee
Name:Raphael Ngari



National Sub-County Accountant
Name: Agnes Gitari
ICPAK M/No: 5382



Fund Account Manager
Name: Mary Kabuga

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
	30TH JUNE 202	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	*30TH JUNE 2025*	*30TH JUNE 2025*		
Revenue							
Transfers From the NGCDF Board	188,414,052	97,589,898	61,177,945	347,181,895	288,767,841	58,414,054	83.174798
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-		-	
Miscellaneous income	-	-	-	-		-	
Totals	188,414,052	97,589,898	61,177,945	347,181,895	288,767,841	58,414,054	83.174798
Expenses				-			
Employee costs	6,711,524	5,120,911	284,307	12,116,742	5,624,088	6,492,654	46.41584
Committee expenses	5,659,319	2,293,726	89,129	8,042,174	6,924,000	1,118,174	86.096124
Use of Goods and Services	4,586,422	2,839,565	-	7,425,987	4,413,583	3,012,404	59.43429
Other Government Units Certified Works	74,650,000	66,161,417	55,367,146	196,178,563	98,930,667	97,247,896	50.428887
Other Grants and Transfers	85,293,788	19,169,779	2,467,363	106,930,930	62,440,764	44,490,166	58.393548
Strategic Plan	-	4,500	-	4,500		4,500	0
Digital Hubs Expenses	733,000	-	2,970,000	3,703,000	-	3,703,000	0
Others	10,780,000	2,000,000	-	12,780,000	-	12,780,000	0
Funds Pending Approval**	-	-	-			-	
Total Expenditure	188,414,052	97,589,898	61,177,945	347,181,895	178,333,101	168,848,795	51.365899
Surplus for the period	-	-	-	-	110,434,741	(110,434,741)	

Explanatory Notes

i)Underutilization on employee cost and use of goods is due to balances from previous years and gratuity earned but not paid.
ii)Underutilization on other Government units and other grants is due to funds received from the Board and not utilized by the PMCs due to changes in the procurement process

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	168,848,795
Less undisbursed funds receivable from the Board as at period 30th June, 2025	58,414,054
Cash and cash equivalents at the end of 30th June, 2025	110,434,741

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 18th November 2025 and signed by:

Fund Account Manager

Name: Mary Kabuga

National Sub-County Accountant

Name: Agnes Gitari
ICPAK M/No: 5382

Chairman NG-CDF Committee

Name: Raphael Ngari

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	6,711,524	5,120,911	284307	12,116,742	5,624,088	6,492,654
1.2 Committee allowances	3,739,319	258,597	89128.9	4,087,045	3,312,000	775,045
1.3 Use of goods and services	854,000	721,867		1,575,867	1,428,356	147,511
Sub-total	**11,304,843**	**6,101,375**	**373,436**	**17,779,654**	**10,364,444**	7,415,210
2.0 Monitoring and evaluation				-		-
2.1 Capacity building	1,703,897			1,703,897	1,374,600	329,297
2.2 Committee allowances	1,920,000	2,035,129		3,955,129	3,612,000	343,129
2.3 Use of goods and services	2,028,525	2,117,698		4,146,223	1,610,627	2,535,596
Sub-total	**5,652,422**	**4,152,827**	-	**9,805,249**	**6,597,227**	3,208,022
Emergency						

						-
						-
St Benedict Kithimu					38,031	-
St Hellen Karimari Primary					749,113	-
Karuriri Primary School					634,565	-
St Alphonse Sec					749,702	-
Kimangaru Mixed Day					749,908	-
Runganga Primary School					749,774	-
Kiriari Primary School					750,000	-
St Joseph Kathuniri Sec					750,000	-
St Joseph Allamano					746,178	-
Deb Kangaru Primary School					-	-
Kihumbu Primary School					712,214	-
Deb Kangaru Primary School					120	-
Rugumu Primary School					712,500	-
St Luke Karurina					749,113	-
						-
4.0 Emergency						

				-		-
Unutilized	9,916,529	10,711,651		20,628,180	8,091,218	12,536,962
Sub-Total	**9,916,529**	**10,711,651**	-	**20,628,180**	**8,091,218**	**12,536,962**
5.0 Bursary And Social Security				-		-
5.1 Primary Schools				-		-
5.2 Secondary Schools	47,000,000			47,000,000	46,819,640	180,360
5.3 Tertiary Institutions	15,000,000	1,323		15,001,323	-	15,001,323
5.4 Special Needs	1,000,000	823470		1,823,470		1,823,470
5.5 Education Support Programmes		1,800,000		1,800,000		1,800,000
5.6 Social Security	2,065,000			2,065,000		2,065,000
Sub-Total	**65,065,000**	**2,624,793**	-	**67,689,793**	**46,819,640**	**20,870,153**
7.0 Environment				-		-
Mtetu Secondary School	1,500,000.00			1,500,000		1,500,000
Tende Primary School	100,000.00			100,000		100,000
Karuriri Primary School	100,000.00			100,000		100,000
Kathuniri Primary Shool	100,000.00			100,000		100,000
Embu Urban Primary School	100,000.00			100,000		100,000

Kithegi Primary School	100,000.00			100,000		100,000
Nthambo Primary School	112,258.50			112,259		112,259
				-		-
Sub-Total	**2,112,259**	-	-	**2,112,259**	-	**2,112,259**
8.0 Primary Schools Projects				-		-
Igumo Primary		672,500	325,000	997,500	996,381	1,119
Igumo Primary School	1,950,000.00			1,950,000		1,950,000
Kagumori Primary School		625,760		625,760	625,760	-
Kagumori Primary School	1,300,000.00		325,000	1,625,000	324,787	1,300,213
Ack Kamviu Primary School	1,950,000.00			1,950,000		1,950,000
Ack Kathangariri Primary		47,553		47,553		47,553
Ack Kathangariri Primary School		1,600,000		1,600,000	1,514,840	85,160
Allamano Primary School	2,000,000.00			2,000,000		2,000,000
Allamano Primary School		62,661	325000	387,661	367,408	20,253
Ccm Muvandori Primary		59,669	325,000	384,669	384,344	325
Dallas Pri School		1,000,000		1,000,000	964,116.00	35,884
Dallas Primary					750918	

		800,000		800,000		49,082
Dallas Primary School	2,000,000.00			2,000,000		2,000,000
Deb Gaciigi				-		-
Deb Gaciigi Primary School		5,952,201		5,952,201	3,027,492	2,924,709
Deb Kangaru			325,000	325,000	324675	325
Deb Keria		27,035	325,000	352,035	351955	80
Embu County Pri			325,000	325,000	325000	-
Embu County Pri Sch				-		-
Embu County Primary School		2,445,360		2,445,360	2,409,891	35,469
Embu County Primary School			2600000	2,600,000	2,409,891	190,109
Embu Urban Pri.Sch			310,000	310,000	308,717.00	1,283
Gaciigi Primary School	4,500,000.00			4,500,000		4,500,000
Gaciigi Primary School			4000000	4,000,000		4,000,000
Gakinduriri Pri.			1,475,000	1,475,000	1336808	138,192
Gakinduriri Pri.			325,000	325,000	324675	325
Gakindurririri Primary School	1,300,000.00			1,300,000		1,300,000
Gatituri Pri.Sch			310,000	310,000	310,000.00	-

Gatondo Pri			325,000	325,000	324675	325
Gatoori Pri			325,000	325,000	324675	325
Gatoori Pri Sch		750,000		750,000	669898	80,102
Gatoori Primary School	1,300,000.00			1,300,000		1,300,000
Gatunduri Primary School		107,221	325,000	432,221	431,855	366
Gatunduri Primary School				-		-
Gatunduri Primary School				-		-
Gatwe Primary School		170	325,000	325,170	324,790	380
Gicherori Pri.Sch		107,598	310,000	417,598	394,358.00	23,240
Gituri Pri Sch			310,000	310,000	309,997.00	3
Gituri Primary			2,400,000	2,400,000	2,174,328	225,672
Gituri Primary School		42,093		42,093		42,093
Itabua Pri			325,000	325,000	324675	325
Ithangawe Pri			325,000	325,000	324790	210
Ithangawe Pri School		500,000	325,000	825,000	753299	71,701
Ithangawe Primary School				-		-
Iveche Pri		28,175	325,000	353,175	348250	4,925

Iveche Primary School	2,600,000.00			2,600,000		2,600,000
Iveche Primary School				-		-
Kairuri Pri			325,000	325,000	324675	325
Kamiu Pri			325,000	325,000	20020	304,980
Kamiu Primary School		42,684	650000	692,684	582,204	110,480
Kamuthatha Boarding			325,000	325,000	324675	325
Kamviu Pri School			325,000	325,000	20020	304,980
Kangaru Deb Primary School	1,300,000.00			1,300,000		1,300,000
Karau Pri			325,000	325,000	324675	325
Karau Primary			1,800,000	1,800,000	1,610,933	189,067
Karumiri Pri			381,426	381,426	381426	-
Karuriri Pri Sch			750,000	750,000	712408	37,592
Karuriri Primary School	1,950,000.00			1,950,000		1,950,000
Kathuniri Pri		119,506	325,000	444,506	356584	87,922
Kathuniri Primary School	1,300,000.00			1,300,000		1,300,000
Kathuniri Primary School				-		-
Kenga Pri					698500	

		404,034	325,000	729,034		30,534
Keria Primary School	1,300,000.00			1,300,000		1,300,000
Keria Primary School				-		-
Kiandundu Primary School	1,000,000.00			1,000,000		1,000,000
Kiandundu Pri		86,272	325,000	411,272	410915	357
Kiangima Pri			325,000	325,000	324675	325
Kiangima Primary School	1,950,000.00			1,950,000		1,950,000
Kiangoci Pri			325,000	325,000	324675	325
Kiangoci Primary School		3,000,000		3,000,000	2,848,980	151,020
Kibugu Assistant Chief's Office		1,298,975		1,298,975		1,298,975
Kibugu Pri			325,000	325,000	20020	304,980
Kibugu Primary Shool	1,950,000.00			1,950,000		1,950,000
Kigari Primary School		1,271,860	325,000	1,596,860	1,526,739	70,121
Kihumbu Primary School		673,174	310,000	983,174	983,174	-
Kihumbu Primary School	1,950,000.00			1,950,000		1,950,000
Kimangaru Pri			325,000	325,000	324675	325
Kimangaru Primary School		1,337,208	325000	1,662,208	1,639,635	22,573

Kimangaru Primary School		1,800,000		1,800,000	1,800,000	-
Kiriari Pri			325,000	325,000	324951	49
Kirigi Pri			325,000	325,000	324675	325
Kirigi Primary		1,800,000		1,800,000	1,609,033	190,967
Kithegi Pri.Sch			310,000	310,000	310,000.00	-
Kithegi Primary School		42,901		42,901		42,901
Kithegi Primary School		2,400,000		2,400,000	2,148,974	251,026
Kithimu Pri.Sch			310,000	310,000	310,000.00	-
Kithimu Primary School		2,400,000		2,400,000	2,149,834	250,166
Kithumu Primary School		867,500		867,500	867,500	-
Kithunguririr Pri		1,048,975	325,000	1,373,975	1373402	573
Mbukori Primary School		1,422,500	325,000	1,747,500	1,676,411	71,089
Mukangu Primary			325,000	325,000	324675	325
Mukangu Primary School	1,950,000.00			1,950,000		1,950,000
Muvandori Primary School	1,300,000.00			1,300,000		1,300,000
Nembure Pri			325,000	325,000	324675	325
Nembure Primary School		875,000		875,000	875,000	-

Nembure Primary School		1,800,000		1,800,000	1,617,402	182,598
Ngerwe Primary School	5,000,000.00			5,000,000		5,000,000
Ngimari Primary School				-		-
Njakairi Primary School	2,600,000.00			2,600,000		2,600,000
Njukiri Primary School		366,922		366,922	336,727	30,195
Njukiri Primary School				-		-
Nthambo Primary			325,000	325,000	324675	325
Rugumu Pri			325,000	325,000	324686	314
Rugumu Primary		500,000		500,000	500,000	-
Rugumu Primary		750,000		750,000		750,000
Rugumu Primary		3,000,000		3,000,000	2,700,000	300,000
Rugumu Primary		123,883		123,883	123,883	-
Rukira Pri.Sch				-		-
Rukira Primary				-		-
Rukira Primary School		902,970	325,000	1,227,970	1,227,567	403
Rukira Primary School				-		-
Runganga Pri						

				-		-
Rung'ang'a Primary School	1,950,000.00			1,950,000	1,487,175	462,825
St Adrew Primary School		1,162,500		1,162,500	1,162,500	-
St Andrew Primary	1,300,000			1,300,000	1262991	37,009
St Andrew Primary School		1,000,000		1,000,000	1,000,000	-
St Andrew Primary School		900,000		900,000	767,500	132,500
St Andrew Primary School		850,000		850,000	823,666	26,334
St Andrew Primary School		1,400,000		1,400,000	324,675	1,075,325
St Francis Nguviu			325,000	325,000	324675	325
St Francis Primary School		62,047		62,047		62,047
St Hellen Karimari			325,000	325,000	324675	325
St John Primary Karumiri		61,147		61,147		61,147
St Joseph Allamano Pri				-		-
St Joseph Allamano Primary				-		-
St Joseph Ndunda Primary School	3,000,000.00	4,421,031	7,700,000	15,121,031	12,029,889	3,091,142
St Mark Rutune Pri		393,463	325,000	718,463	697676	20,787
St Mark Rutune Primary School				-		-

St Mary's Ithangwe Primary		84,366		84,366		84,366
St Monica Embu Special		41,843		41,843	24,702	17,141
St Monica Special				-		-
St Monica Special School				-		-
St Ursula Boarding			325,000	325,000	324675	325
St. Andrew Primary School				-		-
St. Francis Primary School				-		-
St. John Karumiri Primary School				-		-
St. Mark's Primary School Rutune				-		-
St. Michael Primary School	1,950,000.00			1,950,000		1,950,000
St.Andrew Pri Sch				-		-
St.Micheal Pri.School			325,000	325,000	324675	325
St.Paul Mbuvori			325,000	325,000	324800	200
St.Paul Mbuvori			750,000	750,000	670788	79,212
St.Paul Mbuvori			1,450,000	1,450,000	1278573	171,427
Tende Primary			325,000	325,000	325000	-
Tende Primary School						

		406,175		406,175		406,175
Tende Primary School				-		-
Tende Primary School		1,800,000	1,450,000	3,250,000	2,206,175	1,043,825
Urban Primary School	2,600,000.00			2,600,000		2,600,000
Sub-Total	**53,250,000**	**55,744,932**	**42,526,426**	**151,521,358**	**84,781,736**	**66,739,622**
9.0 Secondary Schools Projects (List All The Projects)				-		-
				-		-
County Day Seondary School	2,000,000.00			2,000,000		2,000,000
Deb Kangaru Day Secondary		116,246		116,246		116,246
Deb Kangaru Day Secondary School				-		-
Divine Mercy Rugumu Secondary		30,897		30,897	30,896	1
Embu County Day Sec			750,000	750,000		750,000
Embu Urban Intergrated Secondary		183,415		183,415	179,089	4,326
Gatondo Day Secondary School	2,000,000.00			2,000,000	1,869,312	130,688
Gatondo Day Secondary School		2,000,000		2,000,000		2,000,000
Gatunduri Day Sec				-		-
Kairuri Day	650,000.00					

Secondary School				650,000		650,000
Kairuri Secondary School		298,975		298,975		298,975
Kamiu Sec Sch		750,000		750,000	669374	80,626
Kathuniri Day Sec		366,481		366,481	366481	-
Kenga Day Secondary School		366,481		366,481		366,481
Kiriari Day Secondary School	5,500,000.00		750,000	6,250,000		6,250,000
Kiriari Day Secondary School		2,000,000		2,000,000	1,998,944	1,056
Kirimari Sec School		366,481		366,481	366481	-
Kithegi Day Secondary School	2,000,000.00			2,000,000		2,000,000
Kithunguriri Day Secondary School	2,000,000.00			2,000,000		2,000,000
Muvandori Day Sec			750,000	750,000		750,000
Muvandori Day Sec				-		-
Nthambo Day Secondary School	2,000,000.00			2,000,000		2,000,000
Nthambo Mixed Secondary		158,950		158,950		158,950
Nthambo Sec Sch			4,600,000	4,600,000	4,331,350	268,650
Rugumu Day Secondary School				-		-
Rukira Day Secondary School	1,300,000.00			1,300,000		1,300,000

St Benedict Karau Day Secondary School	1,950,000.00			1,950,000		1,950,000
St Benedict Kithimu		258,999	750,000	1,008,999	750654	258,345
St Christopher Day Secondary School				-		-
St Christopher Secondary		225,408		225,408	225,358	50
Ack St Mary Mukangu Secondary		1,264,383		1,264,383	1,264,383	-
St Michael Day Secondary School	2,000,000.00			2,000,000		2,000,000
St Michael Day Secondary School		2,000,000		2,000,000	1,998,944	1,056
Urban Day Secondary School				-		-
St Benedict Kithimu Day		29,770		29,770		29,770
				-		-
				-		-
Sub-Total	**21,400,000**	**10,416,485**	**7,600,000**	**39,416,485**	**14,051,266**	**25,365,219**
Sports				-		-
Constituency Sports Tournament		452		452	452	-
Regional Sports Tournament.				-		-
				-		-

				-		-
Sub-total	-	**452**	-	**452**	**452**	-
Strategic Plan				-		-
Strategic Plan		4,500		4,500		4,500
Sub-Total		**4,500**		**4,500**		**4,500**
				-		-
Tertiary Institutions				-		-
Manyatta Technical And Vocational			5,240,720	5,240,720	97,665	5,143,055
				-		-
Sub-Total	-	**9,000**	**5,240,720**	**5,249,720**	**97,665**	**5,152,055**
Ict Hubs				-		-
Kairuri Resource Centre Digital Hub	498,000.00		2,410,000	2,908,000		2,908,000
Kanoroori Ict Hub	235,000.00		560,000	795,000		795,000
				-		-
				-		-
Sub-Total	**733,000**	-	**2,970,000**	**3,703,000**	-	3,703,000
11.0 Security Projects				-		-

Kihumbu Assistant Chief's Office		141,756		141,756	140,593	1,163
Gatunduri Police Post		1,861,360		1,861,360	1,860,894	466
Itabua Chiefs Office		73,853	267,363	341,216	141,400	199,816
Kiambuthi Assistant Chief's Office	1,600,000.00			1,600,000		1,600,000
Mukangu Assistant Chief	1,600,000.00			1,600,000		1,600,000
Ngimari Police Station	800,000.00			800,000		800,000
Ngimari Police Station	700,000.00			700,000		700,000
Embu Police Station	1,500,000.00			1,500,000		1,500,000
Embu Police Station	800,000.00			800,000		800,000
Kyethiga Assistant Chief Office	1,200,000.00			1,200,000		1,200,000
Embu Police Station		3,300,000		3,300,000	3,299,769	231
Kithegi Assistant Chief				-	-	-
Gatituri Police Post			800,000	800,000	721,332	78,669
Ena East Asst Chief			100,000	100,000	-	100,000
Gatituri Ass Chief			100,000	100,000	-	100,000
Gatunduri Ass Chief			100,000	100,000	-	100,000
Itabua Ass Chief						

			100,000	100,000	-	100,000
Kamviu Asst Chief			100,000	100,000	-	100,000
Karuriri Asst Chief			100,000	100,000	-	100,000
Kiangima Asst Chief			100,000	100,000	-	100,000
Rugumu Asst Chief			100,000	100,000	-	100,000
Ngerwe Asst Chief			100,000	100,000	-	100,000
Mbuvori Asst Chief			100,000	100,000	-	100,000
Manyatta Asst Chief			100,000	100,000	-	100,000
Kirigi Assistant Chiefs		146,915	100,000	246,915	188,583	58,332
Kithimu Asst Chief			100,000	100,000	-	100,000
Nembure Chiefs Office			100,000	100,000	-	100,000
Acc Kangaru Office		300,000		300,000	285,146	14,854
				-		-
				-		-
				-		-
Sub-total	**8,200,000**	**5,823,883**	**2,467,363**	**16,491,246**	**6,637,717**	**9,853,530**
12.0 Acquisition of assets				-		-

12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fitiings				-		-
12.2 Construction of CDF office		2,000,000.00		2,000,000	891,737	1,108,263
Sub-total	-	**2,000,000**	-	**2,000,000**	**891,737**	**1,108,263**
13.0 Others				-		-
REREC	10,000,000.00	-		10,000,000		10,000,000
ICT Recurrent Expenditure	780,000.00	-	-	780,000		780,000
Sub-total	**10,780,000**	-	-	**10,780,000**	-	**10,780,000**
Funds pending approval**				-		-
unapproved projects		-		-		-
AiA	-			-		-
Sub-total	-	-	-	-	-	-
Total	**188,414,052**	**97,589,898**	**61,177,945**	**347,181,895**	**178,333,101**	**168,848,795**

(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 Manyatta Constituency principal activity is to ensure equitable social economic development across Manyatta Constituency.

2. Statement of Compliance and Basis of Preparation

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

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

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

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

The financial statements have been prepared and presented in Kenya Shillings, which is the functional and reporting currency of the NG-CDF. The financial statements have been prepared in accordance with the PFM Act, the NGCDF Act (include any other applicable

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

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 20xx, it is applicable in Kenya from 1st July 20xx)

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	***Applicable 1st January 2025*** The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. **Impact**: This IPSAS has no impact in the Constituency
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	***Applicable 1st January 2025*** The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. This IPSAS is not applicable in the Constituency
IPSAS 45: Property Plant and Equipment	***Applicable 1st January 2025*** The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and 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. This IPSAS is applicable effective 1st July 2025
IPSAS 46: Measurement	***Applicable 1st January 2025*** The objective of this standard was to improve measurement guidance across IPSAS by: i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. The standard also introduces a public sector specific measurement bases called the current operational value. This IPSAS is applicable effective 1st July 2025
IPSAS 47: Revenue	***Applicable 1st January 2026*** This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non-exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions. This IPSAS is applicable effective 1st July 2026
IPSAS 48: Transfer Expenses	***Applicable 1st January 2026*** The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial

	statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers. This IPSAS is not applicable this financial year
IPSAS 49: Retirement Benefit Plans	***Applicable 1st January 2026*** The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan. The new standard will require the Entity to prepare and present financial statements in accordance with the prescribed format and disclosure requirements. This will enhance transparency, comparability, and accountability in reporting and plan performance. This IPSAS is not applicable in the Constituency
IPSAS 50: Exploration For & Evaluation of Mineral Resources	***Applicable 1st January 2027*** The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized. This IPSAS is not applicable in the Constituency

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *Entity* also recognizes the associated lease liability at the inception of the lease. The liability

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date.

b) Financial liabilities

Classification

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

g) Inventories

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

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

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Entity.*

h) Provisions

Provisions are recognized when the *Entity* has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the *Entity* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is

recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement

i) Social Benefits

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

j) Contingent liabilities

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

k) Contingent assets

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

l) Employee benefits

Retirement benefit plans

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

employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

6. Transfers from the NGCDF Board

Description	*2024-2025*
	Kshs
NGCDFB Transfers (Allocation for the FY)	188,414,052
Total	**188,414,052**

7. Transfers from domestic and foreign partners

Description	*2024-2025*
	Kshs
Grants	-
Total	**-**

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

10. Employees cost

	2024-2025
	Kshs
NG-CDFC Basic staff salaries	4,178,194
Personal allowances paid as part of salary	135,200
House Allowance	-
Transport Allowance	-
Leave allowance	60,000
Gratuity to contractual employees	1,000,878
Employer Contributions Compulsory national social security schemes	408,291
Employer Contributions Compulsory Housing levy	119,156
Employer contributions to National Industrial Training Authority	5100
Other Specify	-
Total	**5,906,818**

11. Committee Expenses

	2024-2025
	Kshs
Sitting allowance	3,312,000
Other Committee expenses	3,612,000
Total	**6,924,000**

12. Use of Goods and services

	2024-2025
	Kshs
Utilities, supplies and services	1,376,349
Communication, supplies and services	-
Domestic travel and subsistence	1,374,600
Printing, advertising and information supplies & services	398,980
Office Rent	-
Training expenses	-
Hospitality supplies and services	552,518
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	-
Fuel, oil & lubricants	400,000
Bank charges	52,007
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	259,129
Strategic plan expenses	-
Other operating expenses	-
Total	**4,413,583**

13. Other Government Units Actual expenditure

Description	*2024-2025*
	Kshs
Primary Schools Actual expenditure	86,416,100
Secondary Schools Actual expenditure	14,239,677
Tertiary Institutions Actual expenditure	97,665
Total	**100,753,442**

14. Other Grants and transfers Actual expenditure

	2024-2025
	Kshs
Bursary – secondary schools	46,819,640
Bursary – tertiary institutions	-
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	6,419,664
Climate change mitigation projects	-
Emergency projects Actual expenditure	8,128,718
Roads projects Actual expenditure	-
Others –NG-CDF Extension Office	991,737
Total	**62,359,759**

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	**-**

17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	*2024-2025*	*Opening Statement 1st July 2024*
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
Family Bank, Account No. 075000062718	75,022,214	64,853,357.48
Operations account pending closure (Indicate name & account no.)	-	-
Name of Bank, account No. 075000067169	550,172	267,440.100
Name of Bank, account No. (PMC accounts)	34,862,356	32,469,100
Total	110,434,742	97,589,898
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (*Specify)*	-	-
Total	-	-
[Provided Cash Count Certificates for Each]		

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

20.Receivables from Exchange Transactions

Description	*2024-2025*	*Opening Statement 1st July 2024*
	Kshs	Kshs
Total receivables	58,414,054	61,177,945
Other exchange debtors (*Specify*)	-	-
Less: impairment allowance	-	-
Total receivables	**58,414,054**	**61,177,945**
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 1st July 2024*	
	Kshs		Kshs	
	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	**%**	-	**%**

20. Receivables from Non-Exchange Transactions

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Transfers from NGCDFB	58,414,054	61,177,945
Outstanding imprest	-	-
Total	58,414,054	61,177,945

Ageing Analysis- Receivables from non-exchange transactions	2024-2025	% of the total	Opening Balance	% of the total
Less than 1 year	58,414,054	100%	61,177,945	100%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	58,414,054	100%	61,177,945	100%

21. Prepayments

Description	2024-2025	Opening Statement 1st July 2024
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	-	-
Prepaid Electricity Costs	-	-
Other Prepayments *(Specify)*	-	-
Total	-	-

Valuation

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

22 a) 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	2938343	-	2938343
Motor Vehicles, Including Motorcycles	3475910	-	3475910
Computers And Related Equipment	1353680	-	1353680
Office Equipment, Furniture, And Fittings	1467807	-	1467807
Other material	700000		700000
Total	**9,935,740**	-	**9,935,740**

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	-	-

22. Intangible Assets

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

23. Right-of use assets

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

As At 30 June 2025. (Comparative Period)	-	-	-	-

24. Trade and Other Payables

Description	*2024-2025*		*Opening Statement 1st 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 2024**	**% of the Total**
Under one year	-	**%**	-	**%**
1-2 years	-	**%**	-	**%**
2-3 years	-	**%**	-	**%**
Over 3 years	-	**%**	-	**%**
Total (tie to above total)	-		-	

25. Third-Party deposits

	2024-2025	*Opening Statement 1st July,2024*
	KShs	
Retention as at 1st July (A)	4,548,994	
Retention held during the year (B)	2,876,032	4,548,994
Retention paid during the Year (C)	1,134,262	
Closing Retention as at 30th June D= A+B-C	**6,290,764**	**4,548,994**

Retentions aging analysis.

	2024-20245	% of the total	2023-2024	% of the total
Less than 1 year	6,290,764	100%	- 4,548,994	100%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	**6,290,764**	**100%**	**4,548,994**	100%

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

26. Lease Liabilities

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

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

27. Gratuity Provision

Description	*2024-2025*	*Opening Statement 1st July,2024*
	Kshs	
Gratuity at the beginning of the year 1st of July	267,440	267,440
Gratuity held during the year	1,000,878	
Gratuity paid during the year	718,147	
Total Gratuity Provision 30th June (A+B-C)	**550,170.90**	**267,440**

28. Cash Generated from Operations

	2024-2025
	Kshs
Surplus/Deficit for the year	8.056,450
Adjusted for:	
Depreciation	-
Impairment	-
Gains and losses on disposal of assets	-
Working capital adjustments	
Changes in receivables	2,763,891
Increase/decrease in payables	-
Changes in Third Party Deposits	1,741,770
Changes in gratuity Provision	282,731
Net cash flow from operating activities	**12,844,842**

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

29. Financial Risk Management

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

i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-153,951,409	-153,951,409	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
As at 30 June 2024	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	8,056,450	8,056,450	-	-
Bank balances	32,469,100	34,862,366	-	-
Total	194,476,959	196,870,225	-	-

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

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025-2925				
Trade payables	-	-	-	-
Current poportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	550,172	550172
Total	-	-	550,172	550172
As at 30th June 2024	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	550172	550,172
Total	-	-	550172	550172

iii) Market risk

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

a) Foreign currency risk

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

Financial Risk Management

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
Current FY			
Euro	10%	-	-
USD	10%	-	-
Previous FY		-	-
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

To manage the interest rate risk, management has endeavored to bank with institutions that offer favorable 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 *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities. This level includes listed equity securities and debt instruments on exchanges.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

- Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). This level includes equity investments and debt instruments with significant unobservable components. This hierarchy requires the use of observable market data when available. The *Entity* considers relevant and observable market prices in its valuations where possible.

iv) Capital Risk Management

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

Description	2024-2025	*Opening Statement 1st July 2024*
	Kshs	Kshs
Revaluation Reserve	153,951,409	153,951.409
Retained Earnings	8,056,450	-
Capital Reserve	-	-
Total Funds	162,007,859	153,951,409
Total Borrowings	-	-
Less: Cash and Bank Balances	75,022,214	64,853,357.48
Net Debt/(Excess Cash And Cash Equivalents)	-	-
Gearing	0-%	0-%

30. Related Party Disclosures

	2024-2025	*Opening Statement 1st July 2024*
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	6,924,000	-
	-	-
Transaction with the NGCDF Board	-	-
Transfers from the NGCDF Board during the year	191,177,943	-
Total	198,101,943	-

31. Segment Information

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

32. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	Insert Current FY	*Opening Statement 1st July 20xx*
	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	Insert Current FY	*Opening Statement*

		1st July 20xx
	Kshs	Kshs
Contingent Liabilities	-	-
Court Case against the Entity	-	-
Bank Guarantees in Favour of Subsidiary	-	-
Contingent Liabilities arising from Contracts Including PPPs	-	-
Others (Specify)	-	-
Total	-	-

33. Capital Commitments

Capital Commitments	2024-2025	*Opening Statement 1st 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).

34. Events after the Reporting Period

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

35. Ultimate And Holding Entity

The manyatta 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.

36. Currency

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

18.Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures	2,938,343	–	–	2,938,343
Transport equipment	3,475,910	–	–	3,475,910
Office equipment, furniture and fittings	1,467,807	–	–	1,467,807
ICT Equipment, Software and Other ICT Assets	1,353,680	–	–	1,353,680
Other Machinery and Equipment	700,000	–	–	700,000
Intangible assets		–	–	
Buildings and structures		–	–	
Total	9,935,740	–	–	9,935,740

(Attached a complete asset register showing all the assets in the constituency with the date of purchase, cost of the asset. depreciation rate, depreciation for the year, accumulated depreciation and the NBV of the assets)

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

Name	Bank	Bank Account Number	Bank Balance Current FY	Bank Balance Comparative FY
ACK Igumo Primary	Equity	0190284563597	1,119	672,500
ACK Kagumori Primary	Sidian	01007710001328	213	
ACK Kagumori Primary	Sidian	01007710001328	-	625,760
ACK Kathangariri Primary	Equity	0190284563405	132,713	47,553
Allamano Primary School	Equity	0190284563417	20,253	62,661
CCM Muvandori Primary	Equity	0190284567174	325	59,669
Dallas Primary School	Equity	0190285409475	35,884	
Dallas Primary School	Equity	0190285409475	2,000,000	
Dallas Primary School	Equity	0190285409475	49,082	
DEB Gaciigi Primary School	Sidian	01007710000981	3,249,709	5,952,201
DEB Gaciigi Primary School	Sidian	01007710000981	4,000,000	
DEB Kangaru Primary School	Family	075000066460	325	
DEB Keria Primary School	Sidian	1007710001818	80	27,035
Embu County Primary School	Sidian	01007710001008	-	
Embu County Primary School	Sidian	1007710001008	260,693	2,445,360
Embu County Primary School	Sidian	1007710001008	1,464,885	
Embu Urban Primary School	Family	75000032949	1,283	
Gakinduriri Primary School	Sidian	1007710001828	138,192	
Gakinduriri Primary School	Sidian	01007710001828	325	
Gatituri Primary School	Sidian	01007710003824		

			-	
Gatondo Primary School	Sidian	0190291035012	325	
Gatoori Primary School	Equity	0190286412990	325	
Gatoori Primary School	Equity	0190286412990	80,102	
Gatunduri Primary School	Sidian	01007710001028	366	107,221
Gatwe Primary School	Sidian	01007710001838	380	170
Gicherori Primary School	Sidian	01007710001058	23,240	107,598
Gituri Primary School	Equity	0190284563459	3	
Gituri Primary School	Equity	0190284563459	267,765	42,093
Itabua Primary School	Equity	0190286342823	325	
Ithangawe Primary School	Sidian	1007710001038	210	
Ithangawe Primary School	Sidian	1007710001038	81,067	84,366
Iveche Primary School	Equity	190284563588	4,925	28,175
Kairuri Primary School	Equity	190286383644	325	
Kamiu Primary School	Equity	190284563430	304,980	
Kamiu Primary School	Equity	0190284563430	110,480	42,684
Kamuthatha Boarding Primary Sch	Family	075000071327	325	
Kamviu Primary School	Equity	0190286342589	304,980	
Karau Primary School	Sidian	01007710003804	325	
Karau Primary School	Sidian	01007710003804	189,067	
Karumiri Primary School	Equity	0190284563346	4,721	61,147
Karuriri Primary School	Sidian	01007710003764	37,592	
Kathuniri Primary School	Equity	0190284563366	87,922	119,506
Kenga Primary School	Sidian	01007710001238	360	373,860
Kiandundu Primary School	Equity	0190284563386	357	86,272
Kiangima Primary School	Sidian	1007710001998	325	

Kiangoci Primary School	Sidian	01007710003814	325	
Kiangoci Primary School	Sidian	01007710003814	151,021	
Kibugu Primary School	Equity	0190286342746	304,980	
Kigari Primary School	Sidian	1007710001188	70,121	1,271,860
Kihumbu Primary School	Equity	0190284563554	-	673,174
Kimangaru Primary School	Equity	0190284563608	325	
Kimangaru Primary School	Equity	0190284563608	148,199	1,337,208
Kimangaru Prinary School	Equity	0190284563608	49,374	
Kiriari Primary School	Sidian	01007710003644	49	
Kirigi Primary School	Equity	01007710003794	325	
Kirigi Primary School	Equity	01007710003794	190,967	
Kithegi Primary School	Equity	0190284563540	-	
Kithegi Primary School	Equity	0190284563540	293,927	42,901
Kithimu Primary School	Equity	0190284563511	-	
Kithimu Primary School	Equity	0190284563511	250,166	867,500
Kithunguriri Primary School	Sidian	01007710001258	572	1,048,975
Mbukori Primary School	Equity	0190284563559	71,089	1,422,500
Mukangu Primary School	Equity	0190286382848	325	
Nembure Primary School	Equity	0190284563445	325	
Nembure Primary School	Equity	0190284563445	182,598	875,000
Njukiri Primary School	Equity	0190284563502	30,195	366,922
Nthambo Primary School	Equity	0190286409751	325	
Rugumu Primary School	Equity	0190285525410	315	
Rugumu Primary School	Equity	0190285525410	-	
Rugumu Primary School	Equity	0190285525410	300,000	
Rugumu Primary School	Equity	0190285525410	-	

Rukira Primary School	Equity	0190284563486	403	902,970
Runganga Primary School	Equity	0190285472391	325	1,162,500
St Andrew Primary School	Equity	0190284563394	78,834	
St Andrew Primary School	Equity	0190284563394	137,009	
St Andrew Primary School	Equity	0190284563394	-	
St Andrew Primary School	Equity	0190284563394	82,500	
St Andrew Primary School	Equity	0190284563394	135,000	
St Andrew Primary School	Equity	0190284563394	325	
St Francis Nguviu Primary School	Equity	0190284563371	62,372	62,047
St Hellen Karimari Primary School	Sidian	01007710003704	325	
St Joseph Ndunda Primary School	Sidian	01007710001808	25,000	
St Joseph Ndunda Primary School	Sidian	01007710001808	566,142	4,421,031
St Mark Rutune Primary School	Sidian	01007710001018	20,787	393,463
St Monica Special School	Equity	0190280912670	1,517,142	41,843
St Paul Mbuvori Primary School	Equity	0190193223262	79,212	
St Paul Mbuvori Primary School	Equity	0190193223262	200	
St Paul Mbuvori Primary School	Equity	0190193223262	171,427	
St Ursula Boarding Primary School	Equity	0190286406069	325	
St.Micheal Primary School	Equity	0190286342640	325	
Tende Primary School	Equity	0190284563570	-	
Tende Primary School	Equity	0190284563570	1,300,000	
Tende Primary School	Equity	0190284563570	0	406,175

SECONDARY SCHOOL PROJECTS			-	
Gatondo Secondary School	Sidian	01007710003734	130,688	
Kiriari Mixed Day Secondary	Sidian	01007710003664	1,056	
St Micheal Day Secondary	Sidian	01007710003894	1,056	
Nthambo Secondary School	Family	075000050125	427,600	158,950
Gatunduri Day Secondary School	Equity	0190286415889	750,000	
Kamiu Secondary School	Equity	0190286456909	80,626	
Kiriari Mixed Day Secondary School	Sidian	01007710003664	750,000	
Muvandori Day Secondary School	Family	075000071753	750,000	
Embu County Day Secondary School	Family	075000053526	750,000	
Kirimari Secondary School			-	
Muvandori Day Secondary School	Family	075000071753	-	
Kathuniri Day Secondary School	Sidian	01007710003654	366,481	
St Benedict Kithimu Mixed Day Sec	Equity	190284563579	29,116	29,770
Ack St Mary Mukangu Secondary	Family	75000064548	-	1,264,383
Divine Mercy Rugumu Secondary	Family	75000064550	1	30,897
Embu Urban Intergrated Secondary	Family	75000064563	4,326	183,415
Deb Kangaru Day Secondary	Family	075000064560	116,246	116,246
St Christopher Secondary	Family	075000063970	50	225,408
Kairuri Secondary School	Sidian	1007710012273	298,975	298,975

Kenga Day Secondary School	Equity	190284563622	28,174	28,174
TERTIARY INSTITUTION PROJECTS			-	
Manyatta Tech &Vocational	Sidian	01007710003924	5,143,055	
SECURITY PROJECTS			-	
Kithegi Chiefs Office	Equity	190285487269	900,000	
Embu Police Station	Sidian	1007710004882	231	
Gatituri Police Post	Sidian	1007710003874	78,669	
Ena East Asst Chief	Sidian	1007710005820	100,000	
Gatituri Ass Chief	Sidian	1007710004092	100,000	
Gatunduri Ass Chief	Sidian	1007710001068	100,000	
Itabua Ass Chief	Sidian	1007710004102	100,000	
Kamviu Asst Chief	Sidian	1007710004112	100,000	
Karuriri Asst Chief	Sidian	1007710003654	100,000	
Kiangima Asst Chief	Sidian	1007710004182	100,000	
Rugumu Asst Chief	Sidian	1007710004252	100,000	
Ngerwe Asst Chief	Sidian	1007710004122	100,000	
Mbuvori Asst Chief	Sidian	1007710004152	100,000	
Manyatta Asst Chief	Sidian		100,000	

		1007710004142		
Kirigi Asst Chief	Sidian	1007710004202	58,332	146,915
Kithimu Asst Chief	Sidian	1007710004192	100,000	
Nembure Chiefs Office	Sidian	1007710004172	100,000	
Kihumbu Assistant Chief's Office	Sidian	1007710001068	1,163	141,756
Gatunduri Police Post	Sidian	1007710000961	467	1,861,360
Itabua Chief Office	Sidian	1007710000971	125	141,525
Kibugu Assistant Chief's Office	Sidian	1007710001858	1,298,975	1,298,975
Acc Kangaru Office	Equity	190284715484	14,854	300,000
Sports Committee	Sidian	01007710001488	-	453
EMERGENCY			-	
St Benedict Kithimu	Equity	0190284563579	711,969	
St Hellen Karimari Primary	Sidian	01007710003704	887	
Karuriri Primary School	Sidian	01007710003764	115,435	
St Alphonse Secondary School	Equity	0190285475711	298	
Kimangaru Mixed Day	Sidian	01007710003714	92	
Runganga Primary School	Equity	0190285472391	226	
Kiriari Primary School	Sidian	01007710003644	-	
St Joseph Kathuniri Sec	Sidian	01007710003654	-	
St Joseph Allamano	Equity	190284563417	3,822	
Deb Kangaru Primary School	Family	075000066460	400,000	
Kihumbu Primary School	Equity	0190284563554	37,786	

Deb Kangaru Primary School	Family	075000066460	85,880	
Rugumu Primary School	Equity	0190285525410	37,500	
St Luke Karurina Mixed Day Sec	Family	075000069567	887	
Manyatta Cdf Office Construction	Family	075000071589	1,008,263	
GRANT TOTAL			**34,762,356**	**32,469,101**

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)*
Non Acknowledgement of Bursaries	The statement of receipts and payments reflects other grants snd transfers amount to Kss 100,820,970 which include disbursements to secondary schools and tertiary institutiona amounting to Kshs 58,985,431 and Kshs 13 ,821,030respectively both totaling to Kshs 72,816,461	The office is in the receipt of additional acknowledgement receipts amounting to Kshs3M. The office is following up on the remaining amount	Not resolved. In consultation with OAG before DFAC	3 Months

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)*
	as discosed in note 8 to the financial statements. However, records provided for audit review showed that an amount of kshs 11,664,500 could not be confirmed. In the circumstance, the propriety of the unacknowledged bursary disbursement amounting to kshs 11,664,500 could not be confirmed			
Budgetary Control & Performance	The summary statement of appropriation reflects final receipts budget and actual on a comparable basisi amount of Kshs 308,937,255 and Kshs 247,759,310 respectively resulting to under collection of Kshs 61,177,945 or 20% of the budget. Similarly, the fund spent of Kshs 182,905,953	The Funds not utilized have since been utilized and the funds which had not been received from the Board have been received	Not resolved. In consultation with OAG before DFAC	6 Months

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)*
	against actual receipts of Kshs 247,759,210 resulting in underutilization of Kshs 64,853,357 or 26% of the actual receipts. The underfunding and **the** underutilization affected the planned activities and may have impacted negatively on the service delivery to the public			

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Name Mary Kabuga
Fund Account Manager.