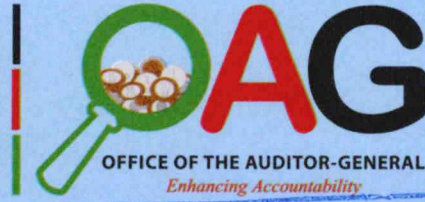



REPUBLIC OF KENYA



 <b>THE NATIONAL ASSEMBLY PAPERS LAID</b>		
<b>REPORT</b>	<b>DATE:</b> 13 NOV 2025	<b>DAY:</b> Thursday
<b>TABLED BY:</b>	Hon Eric Karemba, MP	
<b>CLERK-AT THE-TABLE:</b>	P Muga	

PARLIAMENT  
OF KENYA  
LIBRARY

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

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

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



*Revised 30<sup>th</sup> June 2025*



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# NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

## KINANGO CONSTITUENCY

### ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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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 Kinango Constituency's day-to-day management is under the following key organs:

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

#### Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Flora Mutua
2.	National Sub-County Accountant	Stephen Mwachia
3.	Chairman NGCDFC	Mugunya Mganga
4.	Member NGCDFC	Josephine Mwandoro
5.	Member NG CDFC	Seif Ngao Gonzi

#### (c) Fiduciary Oversight Arrangements

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

NGCDF Kinango Constituency Offices  
Kinango NGCDF Office Building  
Kinango Sub-County Head Quarters  
P.O Box 41-Kinango

**(e) NGCDF Kinango Constituency Contacts**

Telephone: (254) 710629633  
E-mail: [cdfkinango.go.ke](mailto:cdfkinango.go.ke)  
Website: [www.cdf.go.ke](http://www.cdf.go.ke)

**(f) NGCDF Kinango Constituency Bankers**

1. (Operations Account)  
KCB Bank (K) Limited Branch  
Account no. 1108631142  
P.O. Box 60-80500  
Kwale –Kenya
2. (Deposit account)  
KCB Bank (K) limited Branch  
Account no.1330252209  
P.O. Box 60-80500  
Kwale –Kenya
3. PMC Bank Accounts  
KCB Bank (K) Limited Branch  
Account Number: Various  
P.O. Box 60-80500  
Kwale –Kenya






**(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
 Mugunya Mganga Chairman	Date of birth: 01/7/1964 Level of education: Diploma in Education Retired Head Teacher Male Adult Representative
 Seif Ngao Gonzi	Date of birth: 01/01/1959 Level of education: East African Certificate of Education Retired Teacher Male Adult Representative
 Edwin Yawa Mgandi	Date of birth: 24/07/1996 Level of education: KCSE Business Person Male youth Representative
 Lucy Mwaka Mwangoa	Date of birth: 25/5/1982 Level of education: KCSE Certificate of Computer Packages Business Person Female adult representative
 Mercy Chizi Naronga	Date of birth: 8/8/2002 Level of education: KCPE Business Person Female adult representative

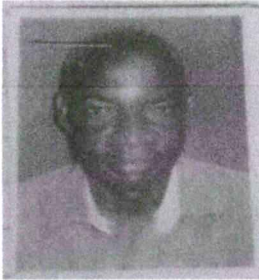
**National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
Annual Report and Financial Statements for The Year Ended June 30, 2025**

	<p>Date of birth: 19/8/1997 Level of education: KCSE Business person Female Youth representative</p>
	<p>Date of birth: 3/7/1987 Level of education: KCSE Certificate of Computer Packages Pastor PWD representative</p>
	<p>Date of birth: 15/5/1972 Level of education: KCSE Business Person Co-opted member</p>
	<p><u>Ex-official Member</u> Date of birth: 10/10/1971 Fund Account Manager having joined the Board since 2007. She holds a Master Degree in Commerce</p>
<p>Flora Mutua Fund Account Manager</p>	

**NG CDFC members who exited during the financial year and the period they served**

Name	Period
Augustino Mukamba Ngao	16/12/2022 to 29/05/2025
Kutoka Nadzua Mejumaa	16/12/2022 to 29/05/2025
Kadzo Topista Ngala	16/12/2022 to 29/05/2025

**4. NG-CDFC Chairman’s Report**



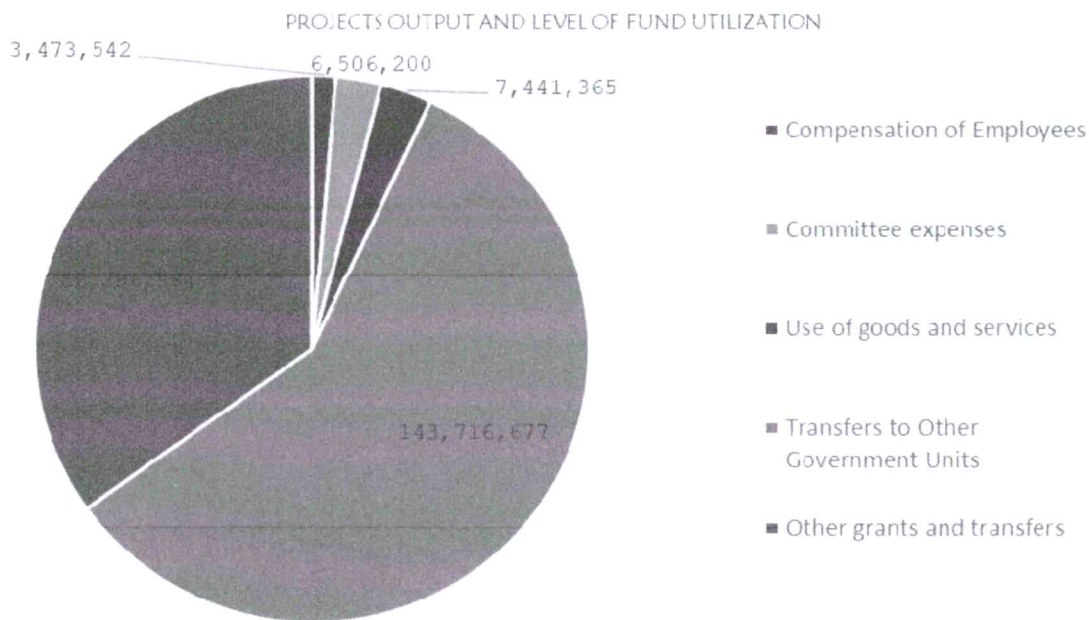
**Mugunya Mganga**

**Financial Statement FY 2024-2025**

I am pleased to forward the Financial Statements and Reports for NGCDF Kinango Constituency for the period ended 30<sup>th</sup> June 2025 as the expended Budget for the Financial Year 2024/2025. The actual budget from the NGCDF Board for the referred period was Kshs. 197,386,150 which represents the total annual Project Proposal Budget for the FY 2024/2025. The actual final budget for the referred period was Kshs. 360,123,622 backed up by opening balance (unutilized funds balances brought forward) of kshs. 162,737,472

Total expenditure for the period was Kshs. 244,297,715 which is equivalent to 68% of the actual final budget closing with an unutilized funds balance of Kshs. 116,089,381 representing a 32% of the final actual budget for the referred period.

Hence the less than 100% utilization is as shown in the bar-graph below



**Projects output and level of fund utilization**

The low level of project implementation was due to delays occasioned by late disbursement of funds by the Board coupled with the bureaucracies in the procurement laws which makes it virtually unviable to expend the budget within the required time frame

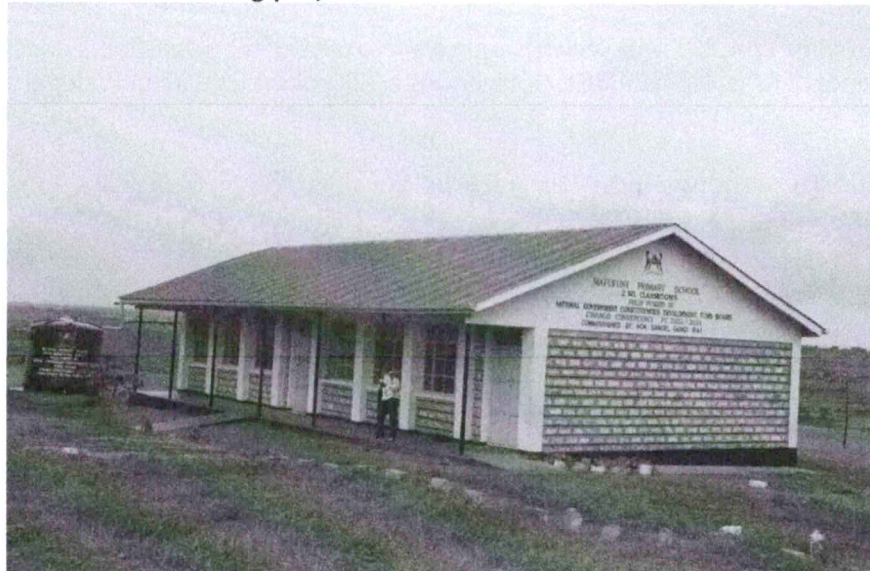
### Challenges Encountered During the Budget Implementation

- a. Delays in project implementation due to delayed disbursement.
- b. Too many proposals on projects submitted all over the constituency making it difficult to prioritise them.
- c. Vastness of the constituency makes it difficult to monitor and evaluate the projects due to

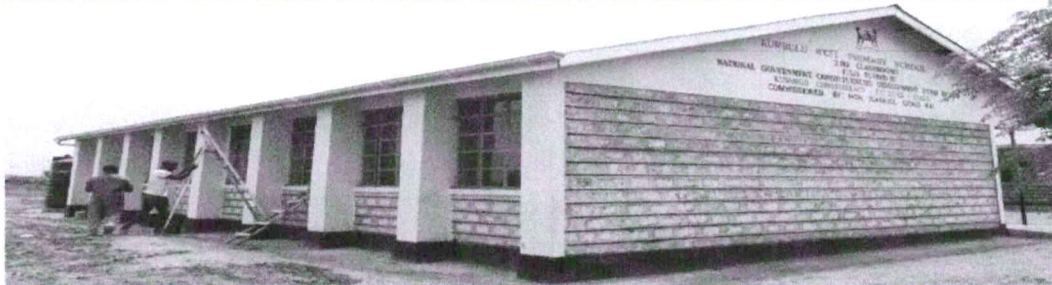
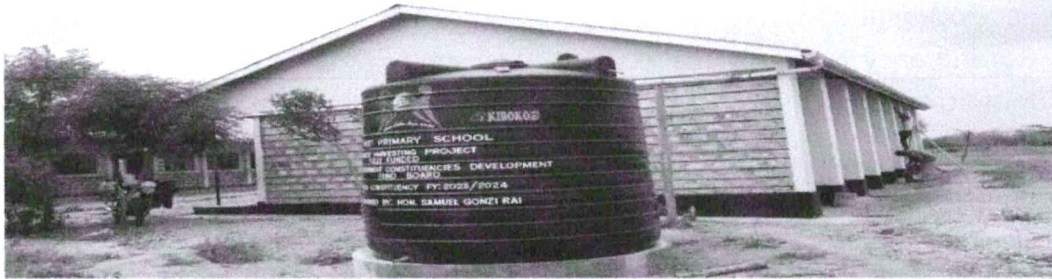
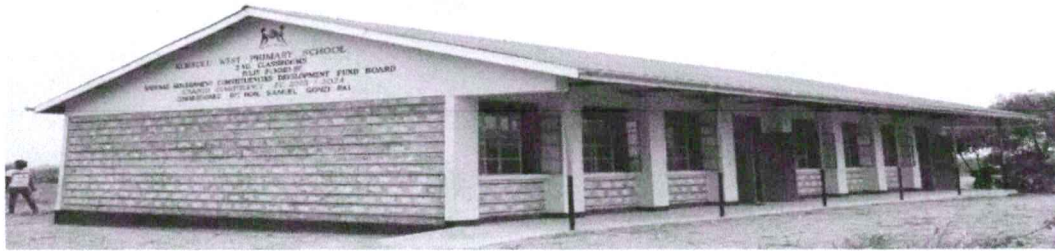
### Achievements

- a. Many new schools have been established in both primary, junior secondary and senior secondary schools.
- b. Construction of new modern classrooms in existing schools all over the constituency.
- c. Provision of bursaries to needy students has made transition possible and reduced dropouts.
- d. National administration and security initiatives have been realized.

### Some of outstanding projects



Mafufuni Primary school 2 classrooms



**KUMBULU WEST PRIMARY SCHOOL**  
**Two classrooms**

#### Challenges Experienced

- Inconsistent disbursement of funds from the board has, at times, hindered the progress of the project. These delays compromise timely implementation of activities and affect overall planning.
- The allocated bursary funds have been insufficient, resulting in many needy students missing out on support despite a long register of eligible recipients.
- During budget implementation, various legal and governance concerns arose. This led to multiple lawsuits filed against Constituencies Development Fund committees, further complicating project operations.

#### Mitigation Strategies on the Challenges

- The Board to disburse funds timely and effectively.
- CDFC to meet regularly and do their roles as stipulated by NGCDF laws and regulations laid down in the Act to prevent any breach of the CDF Act.
- CDFC to allocate bursaries to only the deserving students to avoid any wastage of the limited resources disbursed to the constituency.
- More funds on projects to be disbursed to the constituency due to its vastness

*Mugunya Mganga*

Name: Mugunya Mganga  
Chairman NGCDF Committee

## 5. Statement of Performance Against Predetermined Objectives for FY2025

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 Kinango Constituency 2022-2027 plan are to:

Kinango Constituency is mainly made up of the semi-arid lands of Kwale County. Thus the main economic activity is small scale farming and animal husbandry. Arable land is majorly semi-arid though the population practice some crop production mainly food crops such as maize, beans, green grams and sim-sim. They also keep some livestock such as cows and goats.

The constituency has people of diverse culture that co-exist and participate in the development of the constituency but majority of the population is composed of the Duruma community

Majority of the population is poor and records high illiteracy rate and perennial food deficit. This is one of the biggest challenges that face the population of Kinango Constituency. In terms of infrastructural development, the constituency lags behind in poor road network, inadequate safe drinking water, schools, security infrastructure and health facilities.

Majority of the population of Kinango Constituency derive their livelihood from subsistence agriculture and livestock keeping. The area experiences unreliable rainfall and the population have perennial shortage of food and has repeatedly to depend on the government for food relief. Thus 65 per cent of the populations are food poor, 43 per cent are hard-core poor meaning that they cannot meet the basic minimum food requirements even after spending all their income on food alone. About 60 per cent of the adult population cannot meet the minimum cost of food and non-food items essential for human life hence are absolutely poor. In terms of gender, 45 percent of the poor are male and 55 percent are female. The highest poverty incidence is found in the hinterland areas of the constituency where majority inhabitants are Duruma.

Lack of sufficient and reliable sources of potable water supply and sanitation services in Kinango Constituency have greatly contributed to the high poverty levels inherent of the area. Provision of readily available potable water supply and improved sanitation will impact positively on the livelihoods of the communities by availing adequate time for engagement in farming and other economic activities, eradication of water borne related diseases, improved food security and better health care services

The constituency has endeavoured to come up with strategic objectives and related programmes and projects that have been formulated to better the livelihoods of the constituents as envisaged in the five year strategic plan (2022-2027). This is a commitment by the Kinango NGCDF Committee to initiate projects for a period of five years that is expected to transform the livelihoods of the constituents for the better.

**Progress on the attainment of Strategic development objectives**

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

Constituency Program	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Number of usable physical infrastructure build in primary, secondary, and tertiary institutions Number of bursary beneficiaries at all levels	In the FY 2024/2025 we have increased number of Classrooms by 14 and 33 in secondary school and primary schools respectively. Remarkably is the construction of a storey building 4classrooms and administration block at Gonzi girls secondary school. Construction of 1 science laboratory at Bang'a and vigurugani secondary schools. Construction of a nd dormitory at Moyeni and Taru girls' secondary School
Security	To have all government security agencies within the constituency provided with	Heightened security within the constituency that guarantees safe working environment	Number of police posts constructed and furnished Number of chiefs offices constructed and furnished	Construction of DCC Samburu is still going on

*National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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	administration offices and secured working environment	and peaceful co- existence of communities and improved service delivery to the citizens		
Environment	Rehabilitation and Conservation of environment	Restoration of nature and protecting nature from degradation and pollution	Number of tree seedlings planted, gabions constructed, water harvesting facilities initiated and pit- latrines Constructed	In the FY 2024/2025, we will implement climate change projects in 19 primary schools; this will be tree growing water harvesting.
Sports	Promotion of Sports and Sporting activities	Harnessing of youth talents and promotion of peaceful coexistence of communities through social welfare activities such as ball games, boat racing and donkey competitions	Number of teams participated in sponsored sporting events Infrastructures constructed in institutions that providing sporting space Sporting gear and equipment procured for sporting teams	In the FY 2024/2025, we did not allocate funds to hold sport torments
Social Security Programs	Promotion of social welfare programs and activities	Provision of public amenities that cater for public utilities	Construction of public Dias Procurement of Office motor vehicles that enhance service delivery to the public	In the FY 2024/2025, we did not allocate funds to NHIF.

## 6. Governance Statement

The NG-CDF Kinango is governed by the NG-CDF committee members who are selected by a selection panel established under paragraph (4) of NG-CDF regulations.

The functions of a constituency committee shall be to

- Build the capacity of project Management Committees and sensitize the community on the operations of the fund.
- Consider all project proposals from all wards in the constituency and any other projects which a constituency committee considers beneficial to the constituency;
- Ensure that all proposed projects are approved;
- Ensure that project proposals submitted to the board include detailed budget proposals, procurement plans and works plans; in approving a project and before submitting the project to the board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the constitution;
- Consult with relevant government department to ensure that cost estimates for projects are realistic; in considering joint projects;
- Ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board'
- Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board
- Ensure that project reports are prepared and submitted to the board;
- Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- Ensure that the principles of public finance as provided for under chapter twelve of the constitution and the public finance management legislation are observed in the management of the fund;
- Submit financial statements to the board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- Collaborate with the officer of the Board seconded to the Constituency in the management of the fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- Record the names of all the signatories

### Removal of NG-CDF Members

- The members of a constituency committee may remove a member in accordance with section 43(13) and (14) of the Act upon receipt of a complaint against a member.
- A complaint against a member of a constituency committee shall be deposited with the National Government Constituency office.
- The complaint referred to in paragraph (2) shall clearly set out the particulars of the issues complained of
- The secretary shall convene a special meeting in accordance with these regulations to deliberate on the complaint, but the member against whom the complaint is raised shall not participate in such a meeting
- If, at a meeting held pursuant to paragraph (4) members determine that sufficient grounds exist requiring the member against whom the complaint is raised to respond to the

issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complaint within fourteen days of the date of the notice

- A copy of the complaint and any other grounds of removal shall be attached to the notice issued under paragraph (5).
- The member against whom the complaint is raised may be required to respond to the complaint in writing. The member against whom a complaint is raised may, in addition to the written response required under paragraph (7), elect to be heard orally, and a constituency committee may hear such a member
- The member against whom a complaint is made may call witness. If the member against whom a complaint is raised choose not to submit a response in writing or to attend the hearings, a constituency committee may proceed to determine the matter
- Notwithstanding paragraph (10), a constituency committee may summon the member against whom the complaint is made to clarify any issue, and such member shall attend the hearing. Kenya subsidiary legislation, 2016 1955
- If the member against whom a complaint is made fails to respond to the complaint as may be directed by a constituency committee, the committee may proceed and make a determination based on the evidence available.
- A constituency committee shall issue its decision on the complaint within seven days after the conclusion of the hearing.
- If constituency committee resolves to remove the member against whom a complaint is made, the secretary shall communicate the decision of the constituency committee to the board within fourteen days of the decision.
- The communication to the board under paragraph (14) shall include dully executed proceedings, together with all the supporting documents.
- The board shall, within thirty days after receipt of the communication in the paragraph consider the matter and issues a final declaration which shall be binding on all parties.

NG-CDFC members were appointed as stated by NG-CDF Act section 43(1), (2), (3), and (4) and gazetted on 5<sup>th</sup> April 2025 and inducted on 29<sup>th</sup> May 2025 as listed below: -

S/No.	Name	Representation
1.	Mugunya Mganga	Male Adult Representative
2.	Seif Ngao Gonzi	Male Adult Representative
3.	Edwin Yawa Mgandi	Male Youth Representative
4.	Lucy Mwaka Mwangoa	Female Adult Representative
5.	Mercy chizi Naronga	Female Adult representative
6.	Josephine Mwaka Mwandoro	Female Youth Representative
7.	Hamisi Chimera	PWD's Representative
8.	Mbodze Mwanza Ruwa	Co -opted members

The roles and functions of NG-CDFC have been: -

- (i) Allocation of funds to various projects, taking into account the disbursement received and the requirement of different projects.
- (ii) Submission of a list of constituency based projects to the NG-CDF board within the stipulated time.
- (iii) Determination of the allocation of the emergency reserve in accordance with the NG-

**National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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CDF Act, 2015.

- (iv) Making appropriate consultations with the relevant government departments to ensure that cost estimates for the projects are as realistic as possible.
- (v) Ranking the constituency projects in order of priority, among other activities.

The CDFC members have been in office as from 05/04/2025. Their tenure of the office of the members of NG-CDFC shall expire on 04/04/2027

The outgoing CDFC held a total of 22 meetings in the financial year 2024/2025. Allowances and taxes totalling to Kshs. 782,600 and 335,400 has been paid respectively. The three incoming CDFC members held two meetings earning a total of Kshs. 34,000.

Several trainings have also been held: -

CDFC training held on 23<sup>rd</sup> June to 28<sup>th</sup> June 2025 at Sai Rock Beach Hotel- Mombasa.

PMC training held 22/05/2025 at Bishop Ntombura Methodist Church – Kinango.

**No. of meetings (state how many meetings each member attended)**

S/no	Name	Position	Status of Contract	No. of meetings attended
i.	Augustino Mukamba	Out going	Not renewed	22
ii.	Seif Ngao Gonzi	Male Adult Representative	Active	24
iii.	Edwin Yawa Mgandi	Male Youth Representative	Active	24
iv.	Lucy Mwaka Mwangoa	Female Adult Representative	Active	2
v.	Josephine Mwaka Mwandoro	Female Youth Representative	Active	24
vi.	Mercy chizi Naronga	Female Adult representative	Active	2
vii.	Hamisi Chimera	PWD's Representative	Active	24
viii.	Mbodze Mwanza Ruwa	Co -opted members	Active	24
ix.	Ngura Mwamachi	National Government Representative	Active	24
x.	Mugunya Mganga	Male Adult Representative	Active	2
xi.	Kutoka Nadzua Mejumaa	Out going	Not renewed	22
xii.	Kadzo Topista Ngala	Out going	Not renewed	22

### **Functions and Operations of the Constituency Committee**

Regulation 11 of NG- CDF Act outlines the functions of the Constituency Committee. Implementation of projects through the Projects Management Committees at the community level is one of the mandates. In addition, effective and efficient project management is cardinal achievement of the Fund's objective of poverty reduction while ensuring equitable development across the Constituency. In order to achieve this objective, the Fund Account Manager through the Board, continuously trains the NG- CDF Committee, the staff and the technical officers from relevant government departments on various projects management, pertinent issues to enable them facilitate Project management Committees. Regulation 11 (1) (a) is the function of the Constituency Committee to build capacity of the Project Management Committees and sensitize the community on the operations of the Fund.

Section 43 (11) of the Act provides that the Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings.

### **Management of Transition and Handing over**

Pursuant to Section 43 (8) and (9) of the NG- CDF Act 2025 as amended in 2023, the tenure of the members of NG-CDFCs shall expire upon the appointment of a new Constituency Committee in the manner provided in the Act and Regulations, while the Officer of the Board shall remain the custodian of all the records and equipment of the Constituency. Therefore, the officer of the Board shall play an important role of ensuring the assets of the constituency are protected and preserved, and ensure smooth transition between the committees.

Upon appointment of the new committee, the officer of the Board in liaison with the Deputy County Commissioner, shall facilitate smooth handover between the outgoing and the newly gazetted NG-CDF members. To facilitate this, the Officers of the Board are required to prepare a comprehensive handover report on behalf of the outgoing committee. The handover report must be signed by the Chairpersons (or a member acting in such capacity), secretary (or a member acting in such capacity) and witnessed by the Officer of the Board

## 7. Management Discussion and Analysis

### Establishment and Management of the Fund

Section 4 of the Act state that: There is established a fund to be known as the National Government Constituencies Development Fund which shall—(a) Be a National Government Fund consisting of monies of an amount of not less than 2.5% (two and half per centum) of all the national government's share of revenue as divided by the annual Division of Revenue Act enacted pursuant to Article 218 of the Constitution;

The Fund Account Manager shall hold the authority to incur expenditure of the funds at the constituency account. Further, projects under this Act shall only be in respect of works and services falling within the exclusive functions of the national government as provided in the Constitution. However, the administration of the fund is done through the National Government Constituency Development Fund Committee.

NG- CDF Kinango, pursuant to Section 34 of the Act, was allocated Kshs. 823,294,644.23 between FY 2020/2021 and 2024/2025:

#### FINANCIAL YEAR ALLOCATION (KSHS)

FY	Kshs.
2020/2021	137,088,879.31
2021/2022	137,088,879.00
2022/2023	158,832,745.00
2023/2024	192,897,991.00
2024/2025	197,386,149.92
<b>Total</b>	<b>823,294,644.23</b>

Sectorial allocation over the period as per the approved code list and Section 24 of the Act, the highest beneficiary being education sector through bursary and school's infrastructural development. The table below shows how the funds were distributed:

#### Major Sector Analysis

Sectors	2024/2025	2023/2024	2022/2023
Bursary	55,000,000	45,000,000	35,500,000
Primary	49,525,743	67,350,000	56,000,000
Secondary	46,136,586	49,084,314	26,000,000
Climate Change	5,804,655	4,900,333	3,176,654.90
Security	-	26,000,000	-
ICT	22,900,000	-	-
Strategic plan	-	-	2,200,000

## Bursary Sector

The committee over the last 3 years managed to allocate bursary over 7,500 learners every financial year. In addition, the committee managed to train 70 learners in driving schools. Further, the committee allocates Kshs. 10,000 to learners at the University pursuing a degree program, Kshs. 8,000 to learners pursuing diploma and certificate courses. With respect to Secondary Schools, learners are allocated Kshs. 7,000 for boarders, Kshs. 5,000 for day scholars and Kshs. 7,000 for learners in school within the constituency.

## Grants to Primary and Secondary Schools

Poor academic performance in the constituency is contributed to by lack of proper school infrastructure, such as laboratories and laboratory apparatus, a shortage of dormitories in several schools, insufficient classrooms at the primary level, and unsecured school compounds that are invaded by domestic animals like donkeys, along with uncontrolled movements by outsiders.

The committee have finalised dormitory and laboratory for four secondary schools to allow students to take advantage of the facilities. The committee established 6 new secondary schools and 7 new primary schools.

The committee is in the process of constructing ICT centre of excellence at Samburu/Chengoni.

## 8. Environmental and Sustainability Reporting

### 1. Sustainability strategy and profile -

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

- a. **Education and Training:** Kinango Constituency's focus on human capital for constituency development is entrenched in its strategy to support needy and bright students from each ward of the constituency. The intention is to empower the constituents such that in years to come, the beneficiaries at secondary school levels would have transitioned to Tertiary institutions while those at tertiary level would have transitioned to the job market as employees or employers, thereby contributing positively to the economic growth of the constituency. This strategy takes care of both marginalized groups, including girls and people living with disabilities.
- b. **Security Sector Support:** Among its key pillars, NGCDF has security as a priority area with the intention to provide a better working environment for the security providers within the constituency as well as a secure constituency. The strategy is to

have a long-term collaborative working approach that enhances community engagement in security activities. This is aimed at eliminating crime and vices in the long run by providing a better working environment for law enforcement agencies while collaborating with the community in trust on matters of security.

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

## **2. Environmental performance**

The Constituency acknowledges that all its operation has an impact on environment. Cognizant of the Sustainable development goals, the NG-CDF has allocated part of its budget on environment conservation through activities such as tree planting, water conservation, sensitization forums for agro-forestry as well as best practices to reduce soil erosion

## **3. Employee welfares**

We invest in providing the best working environment for our employees. Kinango 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. Kinango 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. Market place practices-**

Kinango Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

#### **5. Community Engagements-**

Kinango 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**

Kinango 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.

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



.....  
Name: Flora Mutua  
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-Kinango 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-Kinango 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- Kinango Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

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

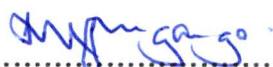
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The Accounting Officer in charge of the NGCDF Kinango Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds 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- Kinango Constituency financial statements were approved and signed by the Accounting Officer on 17/10 2025



.....  
Name: Mr. Mugunya Mganga  
Chairman – NGCDF Committee



.....  
Name: Ms. Flora Mutua  
Fund Account Manager

# REPUBLIC OF KENYA



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

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

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### **PREAMBLE**

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

- A. Report on the 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 the Lawfulness and Effectiveness in 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 the 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.

An Unmodified Opinion is issued when the Auditor-General concludes that 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 aim to address the Auditor-General's statutory roles and responsibilities 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**

#### **Opinion**

I have audited the accompanying financial statements of National Government Constituencies Development Fund – Kinango Constituency set out on pages 1 to 62 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

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

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, the financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund - Kinango Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) and comply with the National Government Constituencies Development Fund Act, 2015 (amended 2023) and the Public Finance Management Act, 2012.

### **Basis for Opinion**

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

### **Emphasis of Matter**

The statement of comparison of budget and actual amounts reflects final budget and actual on a comparable basis of Kshs.369,096,630 and Kshs.320,710,841 respectively, resulting to under-funding of Kshs.48,385,790 or 13% of the budget. Similarly, the entity spent Kshs.222,970,627 against actual receipts of Kshs.320,710,841 resulting to under-absorption of Kshs.97,740,214 or 30% of actual receipts.

The under-funding and under-absorption affected the planned activities of the Fund 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. There were no key audit matters to report in the year under review.

### **Other Matter**

#### **Unresolved Prior Year's Audit Matters**

In the audit report for the previous financial year, an issue was raised in respect of the Report on the Financial Statements. Although Management has reported that the

issue has been resolved, no evidence was provided to show action taken by Management to resolve the prior year audit matter.

### **Other Information**

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

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

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

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

### **Conclusion**

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

### **Basis for Conclusion**

#### **Failure to Return Bank Balances on Completed Projects to the Main Account**

The statement of financial position and Note 19 to the financial statements reflect cash and cash equivalents balance of Kshs.97,740,214. Included in the balance is Kshs.96,169,362 in respect of Project Management Committee (PMC) accounts as disclosed in Annex 2 to the financial statements. The balances include unspent PMC bank balances of Kshs.20,534,589 relating to completed projects. However, the funds were not transferred back to the Constituency main account contrary to Section 12(8) of the National Government Constituencies Development Fund Act, 2015 which requires that all unutilized funds of the Project Management Committee (PMC) to be returned to the Constituency account.

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 THE 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 effect of the matters described in the Basis for Conclusion on Effectiveness of Internal Controls, Risk Management and Governance section of my report, I confirm that nothing else has come to my attention to cause me to believe that internal controls, risk management and governance were not effective.

### Basis for Conclusion

#### 1. Delay in Appointing Constituency Fund Committee

Review of administrative records provided for audit revealed that the term of the Constituency Fund Committee lapsed on 13 December, 2024. However, no evidence was provided to show steps taken by management to appoint another committee to oversee the operations of the Fund.

In the circumstances, the effectiveness of internal controls and governance could not be confirmed.

#### 2. Lack of Land Ownership Documents

The asset register provided for audit reflects property, plant and equipment balance of Kshs.52,419,390. Included in the balance is Kshs.11,200,931 in respect of buildings and structures. However, the Fund does not have a title deed to the land on which the buildings and structures are constructed, thus exposing the Fund to possible loss of property in case of dispute.

In the circumstances, the existence of an effective mechanism to safeguard the assets could not be confirmed.

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

### Responsibilities of the Management and the Management 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 Management 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

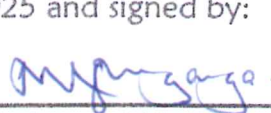


31 October, 2025

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

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

	Note	FY 2024/2025 Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	197,386,150
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
<b>Total revenue</b>		<b>197,386,150</b>
Expenses		
Employee costs	10	3,498,082
Committee expenses	11	5,738,650
Use of Goods and Services	12	5,713,865
Other Government Units Actual expenditure	13	114,905,814
Other Grants and Transfers Actual expenditure	14	82,064,111
Depreciation and amortization expense	15	333,237
Digital Hubs Expenses Actual expenditure	16	14,142,638
<b>Total expenses</b>		<b>226,396,397</b>
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		<b>(29,010,247)</b>

The Constituency financial statements were approved by the NGCDFC on 17/10/  
2025 and signed by:

		
Chairman NG-CDF Committee Name: Mr. Mugunya Mwanga	National Sub-County Accountant Name: Mr. Stephen Mwachia ICPAK M/No: 34396	Fund Account Manager Name: Ms. Flora Mutua


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

	Note	FY 2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	97,740,214	128,510,508
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	48,386,150	43,200,333
Prepayments	22	177,159	-
<b>Total Current Assets</b>		<b>146,303,523</b>	<b>171,710,841</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	866,773	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>866,773</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>147,170,296</b>	<b>171,710,841</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third Party Deposits	27	5,069,203	-
Lease Liabilities	28	-	-
Gratuity Provision	29	252,300	851,801
<b>Total Current Liabilities</b>		<b>5,321,503</b>	<b>851,801</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>5,321,503</b>	<b>851,801</b>
<b>Net Assets (A-B)</b>		<b>141,848,793</b>	<b>170,859,040</b>
<b>Represented by:</b>			
Revaluation Reserves		170,859,040	170,859,040
Accumulated Surplus		(29,010,247)	-
<b>Total Net Assets</b>		<b>141,848,793</b>	<b>170,859,040</b>

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

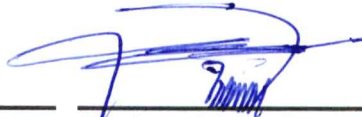
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The Constituency financial statements set out on pages 1 to 3 approved by NG CDFC on 17/10/25 2025 and signed by:



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Chairman NG-CDF  
Committee  
Name: Mr. Mugunya  
Mganga



---

National Sub-County  
Accountant  
Name: Mr. Stephen  
Mwachia  
ICPAK M/No: 34396



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Fund Account Manager  
Name: MS. Flora Mutua

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 <sup>th</sup> June 2024	4,345,612		4,345,612
Adjustments	-		-
Recognition of Assets	166,513,428		166,513,428
Recognition of Liabilities	-		-
As at July 1, 2024	170,859,040		170,859,040
Surplus/(Deficit) For the Period	-	(29,010,247)	(29,010,247)
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	170,859,040	(29,010,247)	141,848,793

14. Statement of Cash Flows for the year ended 30th June 2025

	Notes	FY 2024/2025
		Kshs
Cash flows from operating activities		
<b>Receipts</b>		
Transfers from the NGCDF Board		192,200,333
Grants/donations from other entities		
Finance income		
Miscellaneous income		
<b>Total Receipts</b>		<b>192,200,333</b>
<b>Payments</b>		
Employee costs		4,097,583
Committee expenses		5,738,650
Use of Goods and Services		5,891,024
Other Government Units Certified Works		113,831,862
Other Grants and Transfers		79,567,713
Digital Hubs Expenses		12,643,785
<b>Total Payments</b>		<b>221,770,617</b>
<b>Net Cash Flows from/ (used in) Operating Activities</b>	<b>30</b>	<b>(29,570,284)</b>
<b>Cash flows From Investing Activities</b>		
Purchase of PPE		1,200,010
Purchase of Intangible assets		
Proceeds From Sale of PPE		
<b>Net Cash Flows from Investing Activities</b>		<b>(1,200,010 )</b>
<b>Cash Flows from Financing Activities</b>		
Lease payment		
<b>Net Cash Flows from Financing Activities</b>		
<b>Net Increase/Decrease in cash and cash equivalents</b>		<b>(30,770,294)</b>
Cash and cash equivalents at Period Start		128,510,508
Cash and cash equivalents at Period End	19	97,740,214

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	<i>FY 2024/2025</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>FY 2024/2025</i>	<i>FY 2024/2025</i>		
<b>Revenue</b>							
Transfers From the NGCDF Board	197,386,150	128,510,148	43,200,333	369,096,630	320,710,841	48,385,790	87%
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
<b>Totals</b>	<b>197,386,150</b>	<b>128,510,148</b>	<b>43,200,333</b>	<b>369,096,630</b>	<b>320,710,841</b>	<b>48,385,790</b>	<b>87%</b>
<b>Expenses</b>							
Employee costs	4,036,238	1,565,475	-	5,601,713	4,097,583	1,504,130	73%
Committee expenses	7,700,000	1,747,687	562,092	10,009,779	5,738,650	4,271,129	57%
Use of Goods and Services	5,408,916	1,884,251	-	7,293,166	5,891,024	1,402,142	81%
Other Government Units Certified Works	95,662,329	92,419,969	30,636,840	218,719,138	113,831,862	104,887,276	52%
Other Grants and Transfers	71,193,400	30,892,766	1,200,007	103,286,173	79,567,713	23,718,460	77%
Digital Hubs Expenses	12,765,667	-	10,134,334	22,900,001	12,643,785	10,256,216	55%
Acquisition of Asset	619,600	-	667,060	1,286,660	1,200,010	86,650	93%

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

	Original Budget		Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	a	Kshs	b				
		FY 2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	FY 2024/2025	FY 2024/2025	e = (c-d)	f = d/c*100
Funds Pending Approval**		-	-	-	-	-	-	
Total Expenditure		197,386,150	128,510,148	43,200,333	369,096,630	222,970,627	146,126,003	60%
Surplus for the period								

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

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


**Explanatory Notes.**

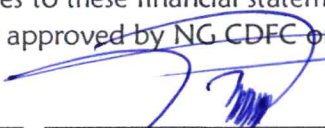
- i. *Employee costs: Under absorption of employee costs is due to amount brought forward from FY 2023/2024 which increased the budgeted figure for the FY 2024/2025. These are funds made to cater for the 1<sup>st</sup> and 2<sup>nd</sup> quarter of FY 2025/2026, because every new financial year, funds are always delayed to nearly six months. Hence this can result to NGCDFC staff going without salary.*
- ii. *Committee expenses: Under absorption of committee expenses is due to M & E activities not yet completed as funds to implement projects were delayed by NGCDF Board.*
- iii. *Use of Goods and Services: Under absorption of use of goods and services was due to some amount brought forward from the last financial year. This is due to delayed disbursement of funds from NGCDF Board.*
- iv. *Other Government Units Certified Works: Under absorption of other government units certified works is due to delayed disbursements of funds from NGCDF Board.*
- v. *Other Grants and Transfers: Under absorption of Other grants and transfers was due to late disbursements of funds from the board.*
- vi. *Digital Hubs Expenses: Under absorption of Digital Hubs funds was due to delayed disbursements of funds from NGCDF Board.*


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	146,126,003
Less undisbursed funds receivable from the Board as at 30 <sup>th</sup> June 2025	48,385,790
Cash and Cash Equivalents at the end of the 30 <sup>th</sup> June 2025	97,740,214

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 NGCDFC on 17/10 2025 and signed by:

  
 Fund Account Manager  
 Name: Ms. Flora Mutua

  
 National Sub-County Accountant  
 Name: Mr. Stephen Mwachia  
 ICPAK M/No: 34396

  
 Chairman NG-CDF Committee  
 Name: Mr. Mugunya Mganga

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

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

Programme/Sub-programme	Original Budget	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
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	4,036,238	1,565,475		5,601,713	4,097,583	1,504,130
1.2 Committee allowances	2,700,000	1,747,687	562,092	5,009,779	3,328,000	1,681,779
1.3 Use of goods and services	4,487,331	1,884,251		6,371,582	3,106,924	3,264,657
<b>Sub-total</b>	<b>11,223,569</b>	<b>5,197,413</b>	<b>562,092</b>	<b>16,983,074</b>	<b>10,532,507</b>	<b>6,450,566</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	2,300,000			2,300,000	1,820,000	480,000
2.2 Committee allowances	2,700,000			2,700,000	2,410,650	289,350
2.3 Use of goods and services	921,585			921,585	921,585	-
<b>Sub-total</b>	<b>5,921,585</b>	<b>-</b>	<b>-</b>	<b>5,921,585</b>	<b>5,152,235</b>	<b>769,350</b>
<b>3.0 Emergency unutilized</b>	<b>10,388,745</b>			<b>10,388,745</b>	<b>-</b>	<b>10,388,745</b>
<b>Sub-total</b>						
<b>4.0 Bursary and Social Security</b>						
4.1 Primary Schools						
5.2 Secondary Schools	40,000,000		1,200,000	41,200,000	41,200,000	
4.3 Tertiary Institutions	15,000,000			15,000,000	15,000,000	

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			
4.4 Universities						
4.5 Social Security						
<b>Sub-total</b>	<b>55,000,000</b>	<b>-</b>	<b>1,200,000</b>	<b>56,200,000</b>	<b>56,200,000</b>	
<b>5.0 Climate Change Mitigation</b>						
Chidzaya Primary School	315,568			315,568		315,568
Mwachanda Primary School	314,568			314,568		314,568
Mkilo Primary School	312,999			312,999		312,999
Bumani primary School	314,568			314,568		314,568
Gwadu primary School	57,000			57,000		57,000
Majengo primary School	257,568			257,568		257,568
Dumbule Primary School	325,568			325,568		325,568
Sagalato Primary School	325,568			325,568		325,568
Mgamani Primary School	325,568			325,568		325,568
Dudu Primary School	325,568			325,568		325,568
Mwakijembe Primary School	325,568			325,568		325,568
Magale Primary School	325,568			325,568		325,568
Kaluweni Primary School	325,568			325,568		325,568
Ng'onzini North Primary School	325,568			325,568		325,568
Kaphingo Primary School	325,568			325,568		325,568
BahaKwenu Primary School	325,568			325,568		325,568

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Mwashanga Primary School	325,568			325,568		325,568
Maweu Primary School	325,568			325,568		325,568
Chidzuvini Primary School	325,568			325,568		325,568
Makuluni Pri School	-	325,208		325,208	5,816	319,392
Dokata primary school		325,208	7	325,215	325,208	7
Mafufuni Primary School		325,208		325,208	325,208	-
Dzisuhuni primary school		325,208		325,208	325,208	-
Chigombero North primary school		325,208		325,208	325,208	-
Jitegemee primary school		325,208		325,208	325,208	-
Gombato primary school		325,208		325,208	325,208	-
Magodzoni primary school		325,208		325,208	325,208	-
Chengoni primary school		325,208		325,208	325,208	-
Kwa Kadogo primary school		325,208		325,208	325,208	-
Kumbulu West primary school		325,208		325,208	325,208	-
Mbita primary school		325,208		325,208	325,208	-
Mbwaleni primary school		325,208		325,208	325,208	-
Chikwakwani primary school		325,208		325,208	325,208	-
Majengo Primary School		49,640		49,640	49,640	-
Mwangea primary school		49,640		49,640	49,640	-
Vikolani Primary School		49,640		49,640	49,640	-

*National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Nzovuni Primary School		49,640		49,640	49,640	-
Dzivani Primary school		49,640		49,640	49,640	-
Mnyenzeni Primary School		49,640		49,640	49,640	-
Dzoya hewa primary school		42,014		42,014	42,014	-
<b>Sub-total</b>	<b>5,804,655</b>	<b>4,892,766</b>	<b>7</b>	<b>10,697,428</b>	<b>4,573,374</b>	<b>6,124,054</b>
<b>6.0 Primary Schools Projects (List all the Projects)</b>						
Mavirivirini Primary		117,807		117,807	117,583	224
Dokata Primary School		61,318		61,318	61,048	270
Tsunza Primary School		145,164		145,164	140,737	4,427
Mbwaleni Primary School		3,000,000		3,000,000	2,836,176	163,824
Mwarophesa Pri School		1,479,640		1,479,640	1,467,195	12,445
Chengoni Primary School		3,000,000		3,000,000	2,853,541	146,459
Gombato Primary School		1,500,000		1,500,000	1,478,936	21,064
Dzoya hewa primary school		1,529,103		1,529,103	1,449,948	79,155
Moyeni Primary School		1,479,640		1,479,640	1,405,883	73,757
Miyani Primary School		2,999,640		2,999,640	2,855,705	143,935
Magodzoni Pri School		3,000,000		3,000,000	2,998,921	1,079
Mafufuni Primary School		3,000,000		3,000,000	2,765,404	234,596
Yapha Primary School		1,479,640		1,479,640	1,333,109	146,531

*National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Kumbulu West Pri Sch		3,000,000		3,000,000	2,819,322	180,678
Chigombero North Pry		3,000,000		3,000,000	2,828,629	171,371
Mdomo Primary School		1,479,640		1,479,640	1,331,948	147,692
Mwangea Primary School		3,000,000		3,000,000	2,749,133	250,867
Nzovuni Primary School		3,000,000		3,000,000	2,999,738	262
Kwa Kadogo Pri School		3,000,000		3,000,000	2,778,193	221,807
Ndohivyo Primary School		2,999,640		2,999,640	2,830,539	169,101
Jitegemee Primary School		3,000,000		3,000,000	2,874,046	125,954
Bomani Primary School		1,479,640		1,479,640	1,408,856	70,784
Dzisuhuni Primary School		3,000,000		3,000,000	2,819,799	180,201
Mbita Primary School		3,000,000		3,000,000	2,823,825	176,175
Mwabila Primary School		2,999,640		2,999,640	2,851,141	148,499
Mwambani Pri School		1,479,640		1,479,640	1,402,709	76,931
Silaloni Primary School		2,999,640		2,999,640	2,999,352	288
Chikwakwani Pri School		3,000,000		3,000,000	2,845,467	154,533
Mabesheni Pri School		2,999,640		2,999,640	2,835,174	164,466
Gulanze Pri School		1,479,640		1,479,640	1,479,625	15
Dzendereni primary School			2,500,000	2,500,000	2,376,891	123,109
Kituoni primary School	747,474		452,526	1,200,000	785,079	414,921
Gwadu Primary School	1,400,000			1,400,000		1,400,000

*National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Chidzaya Primary School	1,400,000			1,400,000		1,400,000
Mwachanda Primary School	1,400,000			1,400,000		1,400,000
Mkilo Primary School	1,413,618			1,413,618		1,413,618
Bumani primaty School	1,400,000			1,400,000		1,400,000
Makuluni primary School	1,400,000			1,400,000		1,400,000
Majengo primary School	1,364,651			1,364,651		1,364,651
Dumbule Primary School	3,000,000			3,000,000		3,000,000
Sagalato Primary School	3,000,000			3,000,000		3,000,000
Mgamani Primary School	3,000,000			3,000,000		3,000,000
Chidzuvini Primary School	3,000,000			3,000,000		3,000,000
Dudu Primary School	3,000,000			3,000,000		3,000,000
Mwakijembe Primary School	3,000,000			3,000,000		3,000,000
Magale Primary School	3,000,000			3,000,000		3,000,000
Kaluweni Primary School	3,000,000			3,000,000		3,000,000
Ng'onzini North Primary School	3,000,000			3,000,000		3,000,000
Kaphingo Primary School	3,000,000			3,000,000		3,000,000
Baha Kwenu Primary School	3,000,000			3,000,000		3,000,000
Mwashanga Primary School	3,000,000			3,000,000		3,000,000
Maweu Primary School	3,000,000			3,000,000		3,000,000
<b>Sub-total</b>	<b>49,525,743</b>	<b>67,709,072</b>	<b>2,952,526</b>	<b>120,187,341</b>	<b>67,603,652</b>	<b>52,583,689</b>

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>7.0 Secondary Schools Projects (List All The Projects)</b>						
Mulunguni Sec School		3,399,640		3,399,640	3,398,931	709
Bang`a Secondary School		74,748	5,000,000	5,074,748	5,073,735	1,013
Taru Girls Sec School	-	4,999,640		4,999,640	4,484,059	515,581
Mazeras Girls Memorial Sec. School		4,758,626		4,758,626	4,369,514	389,112
Kinango Secondary School		1,455,527	1,934,314	3,389,841	3,389,141	700
Dalu Tayari Girls Secondary School		21,281		21,281	126	21,155
Miyani Secondary School		3,399,580		3,399,580	3,231,490	168,090
Vigurungani Secondary School			5,000,000	5,000,000	4,731,243	268,757
Moyeni Girls secondary school			5,000,000	5,000,000	4,288,026	711,974
Gonzi Girls Secondary School	27,000,000		10,750,000	37,750,000	1,710	37,748,290
Mazeras high School	2,136,586	6,601,855		8,738,441	8,729,374	9,067
Kifyonzo Secondary School	3,400,000			3,400,000		3,400,000
Gulanze Day and Mixed Secondary School	3,400,000			3,400,000		3,400,000
Silaloni Girls Secondary School	3,400,000			3,400,000	-	3,400,000
Mwangoni Day and Mixed Secondary School	3,400,000			3,400,000	-	3,400,000
Gandini Central Secondary School	3,400,000			3,400,000	-	3,400,000
<b>Sub-total</b>	<b>46,136,586</b>	<b>24,710,897</b>	<b>27,684,314</b>	<b>98,531,797</b>	<b>41,697,349</b>	<b>56,834,448</b>

*National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
Sub-total						
8.0 Tertiary institutions Projects (List all the Projects)						
Sub-total						
9.0 Security Projects						
9.1 Samburu kwale dcc office		26,000,000		26,000,000	23,367,713	2,632,287
Sub-total		26,000,000	-	26,000,000	23,367,713	2,632,287
10.0 Acquisition of assets						
10.1 Computer and accessories	380,000		667,060	1,047,060	1,047,060	-
10.2 Purchase of furniture and fittings	239,600			239,600	152,950	86,650
10.3 Motor Vehicles (including motorbikes)						
10.4 Construction of CDF office						
10.5 Purchase of land						
Sub-total	619,600	-	667,060	1,286,660	1,200,010	86,650
11.0 Digital Hubs						
Samburu Chengoni digital center	12,765,667		10,134,334	22,900,001	12,643,787	10,256,214
Sub total	12,765,667	-	10,134,334	22,900,001	12,643,787	10,256,214
12.0 Others						
12.1 Strategic Plan						

*National Government Constituencies Development Fund (NGCDF) Kinango Constituency  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
12.2						
Sub total						
13.0 Funds pending approval**						
13.1 Unapproved projects						
13.2 AIA						
13.3						
Sub-total						
Total	197,386,150	128,510,148	43,200,333	369,096,630	222,970,627	146,126,003

## 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 Kinango Constituency principal activity is poverty eradication

### 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 PFM Act, and international Public sector Accounting Standards (IPSAS). The NGCDF Kinango has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach; Therefore this is the 1st Transitional financial statements. (The NG-CDF Kinango has recognized all financial Assets Which includes cash and cash equivalent for operational account, deposit account and PMC balances, Receivables (owing from the Board and others), Prepayments, PPE and intangible assets acquired in F/Y 2023/2024 to date of reporting. Liabilities recognized includes trade and other payables, third party deposits and gratuity provisions. Recognition of all other non-financial assets acquired in f/y prior to 2023/2024 to

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

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be recognized in the third year of transition after identification and valuations have been done.)

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

3. Adoption of New and Revised Standards

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

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

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

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

Property Plant and Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><i>This IPSAS will be adopted effective 1<sup>st</sup> July 2025</i></p>
IPSAS 46: Measurement	<p><i>Applicable 1<sup>st</sup> January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><i>This IPSAS will be adopted effective 1<sup>st</sup> July 2025</i></p>
IPSAS 47: Revenue	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles</p>

	<p>that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><i>This IPSAS will be adopted effective 1<sup>st</sup> July 2026</i></p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p> <p><i>This IPSAS is not applicable at the Constituency</i></p>
IPSAS 49: Retirement Benefit Plans	<p><i>Applicable 1<sup>st</sup> January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p> <p><i>IPSAS is not applicable to the constituency</i></p>
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<p><i>Applicable 1<sup>st</sup> January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ol style="list-style-type: none"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>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.</li> <li>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.</li> </ol> <p><i>IPSAS is not applicable to the constituency</i></p>

*iii. Early adoption of standards*

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

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

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

**c) Property, plant and equipment**

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

exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

**d) 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. 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.

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6. Transfers from the NGCDF Board

Description	FY 2024/2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	197,386,150
<b>Total</b>	<b>197,386,150</b>

7. Transfers from domestic and foreign partners

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

8. Finance income

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

*(Provide a brief explanation for this revenue)*

9. Miscellaneous income

	FY2024/2025s
	Kshs
Rental Income	-
Income from sale of tenders	-
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere <i>(specify)</i>	-
<b>Total</b>	<b>-</b>

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10. Employees cost

	Period ended June 2025
	Kshs
NG-CDFC Basic staff salaries	1,959,604
Personal allowances paid as part of salary	-
House Allowance	420,000
Transport Allowance	312,000
Leave allowance	-
Gratuity to contractual employees	611,252
Employer Contributions Compulsory national social security schemes	155,140
Employer Contributions Compulsory Housing levy	40,086
Employer contributions to National Industrial Training Authority	-
Other Specify	-
<b>Total</b>	<b>3,498,082</b>

11. Committee Expenses

	Period ended June 2025
	Kshs
Sitting allowance	1,128,000
Other Committee expenses	4,610,650
<b>Total</b>	<b>5,738,650</b>

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12. Use of Goods and services

	Period ended June 2025 Kshs
Utilities, supplies and services	58,120
Communication, supplies and services	-
Domestic travel and subsistence	366,400
Printing, advertising and information supplies & services	-
Office Rent	-
Training expenses	1,820,000
Hospitality supplies and services	-
Insurance costs	99,179
Specialized materials and services	-
Office and general supplies and services	1,432,150
Fuel, oil & lubricants	900,000
Bank charges	72,961
Routine maintenance – vehicles and other transport equipment	965,055
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
<b>Total</b>	<b>5,713,865</b>

13. Other Government Units Actual expenditure

Description	Period ended June 2025 Kshs
Primary Schools Actual expenditure	27,300,000
Secondary Schools Actual expenditure	67,020,900
Tertiary Institutions Actual expenditure	-
<b>Total</b>	<b>94,320,900</b>

14. Other Grants and transfers Actual expenditure

	Period ended June 2025
	Kshs
Bursary – secondary schools	43,560,000
Bursary – tertiary institutions	12,640,000
Bursary – special schools	-
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	
Climate change mitigation projects	-
Emergency projects Actual expenditure	-
Roads projects Actual expenditure	-
Others specify	-
<b>Total</b>	<b>56,200,000</b>

15. Depreciation and Amortization Expenses

Description	Period ended June 2025
	Kshs
Property Plant and Equipment	333,237
Intangible Assets	-
<b>Total</b>	<b>333,237</b>

16. Digital Hubs Expenses

Description	Period ended June 2025
	-
Construction/ renovation/ Actual expenditure	22,900,000
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others ( <i>specify</i> )	-
<b>Total</b>	<b>22,900,000</b>

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17. Gain/loss on Sale of Assets

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

18. Impairment Loss

Description	FY2024/2025
	Kshs
Property, Plant and Equipment	-
Intangible Assets	-
<i>(Include financial instruments that are impaired)</i>	-
<b>Total Impairment Loss</b>	<b>-</b>

*(Provide brief explanation on assets impairment loss)*

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 1st July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
<i>Kinango cdf, Account No.1108631142 (Operations account)</i>	1,318,192	4,345,612
<i>Operations account pending closure (Indicate name &amp; account no.)</i>	-	-
<i>Kinango Constituency Deposit Account, account No.1330252209 (Deposit account)</i>	252,660	852,161
<i>KCB, account No. (PMC accounts)-VARIOUS</i>	96,169,362	123,312,735
<b>Total</b>	<b>97,740,214</b>	<b>128,510,508</b>
<b>Cash Balances</b>		
Location 1	-	-
Location 2	-	-
<i>Other Locations (Specify)</i>	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

*Explanatory note. A schedule of PMCs' bank balances Kshs, 96,169,362 as at the end of the period is provide in ANNEX2 on page 57.*

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20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

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

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21. Receivables from Non-Exchange Transactions

Description	FY 2024/2025		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	48,386,150		43,200,333	
Outstanding imprest				
<b>Total</b>	<b>48,386,150</b>		<b>43,200,333</b>	
Ageing Analysis- Receivables from non-exchange transactions	FY2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	48,386,150	100%	43,200,333	100%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	-	%	-	%

22. Prepayments

Description	Period ended June 2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Prepaid Rent		-
Prepaid Insurance	177,159	-
Prepaid Electricity Costs		-
Other Prepayments ( <i>Specify</i> )	-	-
<b>Total</b>	<b>177,159</b>	<b>-</b>

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	152,950	1,047,060	-	-	1,200,010
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	-	152,950	1,047,060	-	-	1,200,010
Depreciation And Impairment				-	-			-
Opening Depreciation	-	-	-	-	-	-	-	-
Depreciation	-	-	-	19,119	314,118	-	-	333,237
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 <sup>th</sup> June 2024	-	-	-	19,119	314,118	-	-	333,237
Net Book Values				-	-			-
Opening Bal as at 1 <sup>st</sup> July 2025	-	-	-	-	-	-	-	-
As At 30 <sup>th</sup> June 2025	-	-	-	133,831	732,942	-	-	866,773

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**Valuation**

Land and buildings/ Equipment (be specific) were valued by in line with the National Assets and Liabilities Management Policy and Guidelines (Issued 30<sup>th</sup> June 2020). These amounts were adopted on 2025.

**22 b) Property, Plant and Equipment at Cost**

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

	Cost	Accumulated Depreciation	NBV
	Kshs	Kshs	Kshs
Land	11,200,931	-	11,200,931
Buildings	470,026	-	470,026
Plant And Machinery	1,082,623	-	1,082,623
Motor Vehicles, Including Motorcycles	27,700,394	-	27,700,394
Computers And Related Equipment	10,962,916	-	10,962,916
Office Equipment, Furniture, And Fittings	-	-	-
<b>Total</b>	<b>51,416,890</b>	<b>-</b>	<b>51,416,890</b>

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

	Cost or valuation	Normal annual depreciation charge
Plant and Machinery	-	-
Motor Vehicles including Motorcycles	-	-
Computers and Related Equipment	1,047,060	314,118
Office Equipment, Furniture and Fittings	152,950	19,119
<b>Total</b>	<b>1,200,010</b>	<b>333,237</b>

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24. Intangible Assets

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

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July 2024 (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024 (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				

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As At 30 June 2025 (Current FY)	-	-	-	-
As At 30 June 2024 (Comparative Period)	-	-	-	-

**26. Trade and Other Payables**

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

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27. Third-Party deposits

	<i>FY2024/2025</i>
	KShs
Retention as at 1 <sup>st</sup> July (A)	
Retention held during the year (B)	8,596,881
Retention paid during the Year (C)	3,527,678
Closing Retention as at 30 <sup>th</sup> June D= A+B-C	<b>5,069,203</b>

Retentions aging analysis.

	<i>FY2024/2025</i>	<i>% of the total</i>	<i>FY2023/2024</i>	<i>% of the total</i>
Less than 1 year	5,069,203	100%	-	%
1-2 years		%	-	%
2-3 years		%	-	%
Over 3 years		%	-	%
Total			-	

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

28. Lease Liabilities

<i>Description</i>	<i>FY2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	Kshs	Kshs
Balance at the beginning of the year	-	-
Discount interest on lease liability	-	-
Paid during the year	-	-
At end of the year	-	-

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**Maturity Analysis**

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

**Analysed as:**

Description	Amount
Current	-
Non- Current	-
Total	-

**29. Gratuity Provision**

Description	FY 2024/2025
	Kshs
Gratuity at the beginning of the year 1 <sup>st</sup> of July	851,801
Gratuity held during the year	611,252
Gratuity paid during the year	1,210,753
<b>Total Gratuity Provision 30th June (A+B-C)</b>	<b>252,300.00</b>

**Cash Generated from Operations**

	FY 2024/2025
	Kshs
Surplus/Deficit for the year	(29,010,247)
Adjusted for:	
Depreciation	333,237
Impairment	
Gains and losses on disposal of assets	
<b>Working capital adjustments</b>	
Increase/decrease in receivables	
Changes in receivables	5,362,976
Increase/decrease in payables	
Changes in Third party deposits	(5,069,203)
Changes in gratuity provision	599,501
Changes in payments received in advance	
Net cash flow from operating activities	<b>(29,570,284)</b>

**30. 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
<b>As at 30<sup>th</sup> June 2025</b>	48,386,149.92	48,386,149.92		
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30 June 2024</b>	43,200,333.00	43,200,333.00	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
<b>Total</b>	<b>91,586,482.92</b>	<b>91,586,482.92</b>	-	-

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

### Financial Risk Management

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

#### ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>			252,300	
Trade payables	-	-	5,069,203	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June 2024</b>				
Trade payables		-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision		-	852,161	-

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
Total	-	-	6,173,664	-

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

### b) Interest rate risk

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

### Management of interest rate risk

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

### 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

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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	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
Revaluation Reserve	170,879,040	170,879,040
Retained Earnings	29,010,247	-
Capital Reserve		-
<b>Total Funds</b>	<b>199,889,287</b>	<b>170,879,040</b>
Total Borrowings	-	-
Less: Cash and Bank Balances	97,740,214	128,510,508
<b>Net Debt/(Excess Cash And Cash Equivalent)</b>	<b>102,149,073</b>	<b>42,368,532</b>
<b>Gearing</b>	<b>0%</b>	<b>0%</b>

### 31. Related Party Disclosures

	<i>FY 2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	5,738,650	-
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	149,000,000	-
<b>Total</b>	<b>149,000,000</b>	<b>-</b>

### 32. Segment Information

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

### 33. Contingent Assets and Contingent Liabilities

#### Contingent Assets

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

*(Give details)*

**Contingent Liabilities**

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

**34. Capital Commitments**

Capital Commitments	FY 2024/2025	Opening Statement 1 <sup>st</sup> July 20xx
	Kshs	Kshs
Authorised for	-	-
Authorised and Contracted for	-	-
<b>Total</b>	-	-

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

**35. Events after the Reporting Period**

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

**36. Ultimate and Holding Entity**

The Kinango 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.

**37. 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	11,200,931	-	-	11,200,931
Buildings and structures	470,026	-	-	470,026
Transport equipment	1,082,623	-	-	1,082,623
Office equipment, furniture, and fittings	27,700,394	152,950	-	27,853,344
ICT Equipment and Other ICT Assets	10,962,916	1,047,060	-	12,009,976
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>51,416,890</b>	<b>1,200,010</b>	<b>-</b>	<b>52,616,900</b>

*Complete asset register is attached in Annex 3*

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Annex 2 –PMC Bank Balances as at 30<sup>th</sup> June 25

PMC	Bank	Account number	Bank Balance FY 2024/2025	Bank Balance FY 2023/2024
Mavirivirini Primary	KCB	1315368366	224	117,807
Dokata Primary School	KCB	1316242188	270	386,526
Dzoya Hewa Primary	KCB	1315309882	121,169	1,571,117
Tsunza Primary School	KCB	1315169436	4,427	145,164
Mbwaleni Primary School	KCB	1316133583	163,824	3,325,208
Mnyenzeni Pri School	KCB	1315332604	-	49,640
Mwarophesa Pri School	KCB	1315182327	12,445	1,479,640
Chengoni Primary School	KCB	1314771531	146,459	3,325,208
Gombato Primary School	KCB	1309935483	21,064	1,825,208
Vikolani Primary School	KCB	1315309882	-	49,640
Moyeni Primary School	KCB	1315986698	73,757	1,479,640
Miyani Primary School	KCB	1291149325	143,935	2,999,640
Magodzoni Pri School	KCB	1315414791	1,079	3,325,208
Mafufuni Primary School	KCB	1315982269	234,596	3,325,208
Yapha Primary School	KCB	1314832638	146,531	1,479,640
Kumbulu West Pri Sch	KCB	1315170752	180,678	3,325,208
Chigombero North Pry	KCB	1315467720	171,371	3,325,208

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PMC	Bank	Account number	Bank Balance FY 2024/2025	Bank Balance FY 2023/2024
Mdomo Primary School	KCB	1315266032	147,692	1,479,640
Mwangea Primary School	KCB	1159081441	250,867	3,049,640
Makuluni Pri School	KCB	1210455528	319,392	325,208
Nzovuni Primary School	KCB	1124985220	262	3,049,640
Kwa Kadogo Pri School	KCB	1128005107	221,807	3,325,208
Ndohivyo Primary School	KCB	1135345880	169,101	2,999,640
Jitegemee Primary School	KCB	1132977479	125,954	3,325,208
Dzivani Primary School	KCB	1120495644	499	49,640
Majengo Primary School	KCB	1154843262	-	49,640
Bomani Primary School	KCB	1125113677	70,784	1,479,640
Dzisuhuni Primary School	KCB	3335235931	180,201	3,325,208
Mbita Primary School	KCB	1129646009	176,175	3,325,208
Mwabila Primary School	KCB	1129066215	148,499	2,999,640
Mwambani Pri School	KCB	1120799996	76,931	1,479,640
Silaloni Primary School	KCB	11077898234	288	2,999,640
Chikwakwani Pri School	KCB	1126413976	154,533	3,325,208
Mabesheni Pri School	KCB	1274588960	164,466	2,999,640
Gulanze Pri School	KCB	1126323403	15	1,479,640
Mulunguni Sec School	KCB	1315309882	709	3,399,640

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PMC	Bank	Account number	Bank Balance FY 2024/2025	Bank Balance FY 2023/2024
Bang`a Secondary School	KCB	1129646009	1,013	74,748
Taru Girls Sec School	KCB	1206849495	515,581	4,999,640
Mazeras Girls Memorial Sec. School	KCB	1120799996	-	4,758,626
Mazeras High School	KCB	1315982269	389,112	6,601,855
Kinango Secondary School	KCB	115173989	700	1,455,527
Dalu Tayari Girls Secondary School	KCB	1205634789	21,155	21,281
Miyani Secondary School	KCB	1150968303	168,090	3,399,580
Samburu/Kwale Sub-County Hq	KCB	1321231180	2,632,287	26,000,000
Moyeni Secondary School	KCB-	1330286057	711,974	-
Vigurugani Secondary	KCB-	1330285921	268,757	-
Samburu/chengoni huduma ict	KCB-	13322491537	10,256,215	-
Gonzi Girls Secondary School	KCB-	1330286065	37,748,290	-
Mazeras high School	KCB-	1315982269	9,067	-
Dzendereni primary School	KCB-	1336090324	123,109	-
Kituoni primary School	KCB-	1337008990	414,921	-
Chidzaya Primary School	KCB-	1341157563	315,568	-
Mwachanda Primary School	KCB-	1339444844	314,568	-
Mkilo Primary School	KCB-	1341327418	312,999	-
Bumani primary School	KCB-	1341458253	314,568	-

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PMC	Bank	Account number	Bank Balance FY 2024/2025	Bank Balance FY 2023/2024
Gwadu primary School	KCB-	1341214575	57,000	-
Majengo primary School	KCB-	1330286553	257,568	-
Dumbule Primary School	KCB-	1341251799	325,568	-
Sagalato Primary School	KCB-	1341290506	325,568	-
Mgamani Primary School	KCB-	1341290611	325,568	-
Dudu Primary School	KCB-	1341214559	325,568	-
Mwakijembe Primary School	KCB-	1341251888	325,568	-
Magale Primary School	KCB-	1341251772	325,568	-
Kaluweni Primary School	KCB-	1341290948	325,568	-
Ng'onzini North Primary School	KCB-	1341290697	325,568	-
Kaphingo Primary School	KCB-	1341149099	325,568	-
BahaKwenu Primary School	KCB-	1341148815	325,568	-
Mwashanga Primary School	KCB-	1341157679	325,568	-
Maweu Primary School	KCB-	1341252183	325,568	-
Gwadu Primary School	KCB-	1341214575	1,400,000	-
Mwachanda Primary School	KCB-	1339444844	1,400,000	-
Bumani primaty School	KCB-	1341458253	1,400,000	-
Makuluni primary School	KCB-	1341214613	1,400,000	-
Dumbule Primary School	KCB-	1341251799	3,000,000	-

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PMC	Bank	Account number	Bank Balance FY 2024/2025	Bank Balance FY 2023/2024
Dudu Primary School	KCB-	1341214559	3,000,000	-
Magale Primary School	KCB-	1341251772	3,000,000	-
Kaluweni Primary School	KCB-	1341290948	3,000,000	-
Kaphingo Primary School	KCB-	1341149099	3,000,000	-
Mwashanga Primary School	KCB-	1341157679	3,000,000	-
Kifyonzo Secondary School	KCB-	1341214583	3,400,000	-
Gulanze Day and Mixed Secondary School	KCB-	1341251829	3,400,000	-
Silaloni Girls Secondary School	KCB-	1341251748	3,400,000	-
<b>Total</b>			<b>96,169,362</b>	<b>123,312,735</b>

ANNEX 3: ASSET REGISTER

ASSET NAME/ DESCRIPTION	ASSET CATEGOR Y	ASSET NUMBER	SERIAL NO.	ACQUISITIO N DATE	PURCHASE COST	PHYSICAL LOCATIO N	Current condition
Buildings & Structures				2008/2009 2009/2010 2014/2015 2015/2016 2016/2017	11,200,931	NG - CDF OFFICE	Serviceable
Komatsu Grader. (GD 655-3A) Supplied with parts book(GD 655-3A), Shop manual (114 Series Diesel Engine),Shop Manual (GD 655-3A),Operations & maintenance manual, Tools kit with spares & keys	machinery	KNG CDC/015/026	11469	6/10/2008	19,640,000.00	PUBLIC WORKS OFFICE YARD KWALE	Serviceable
		GKA 451T	26813597				
			FEN00192-04				
			SEBM024605K				
			TEN00179-01				
		SEBM021007K					
Motor vehicle	motor vehicle	KNG CDC/010/118	Chassis No. JTEEB71J	Sept. 2014	7,603,544	NG - CDF OFFICE	Damaged
Land Cruiser		GKB 902F	807025053				

Model: HZJ76R-RKMRS			Engine No. 1HZ078832 4				
Yamaha Motorbike	Motorbike	KNG CDC/010/119	Chassis No. DG01X – 042580	Sept. 2014	456,850	NG - CDF OFFICE	Serviceable
Model: DT175		GKB 399F	Engine No. 3TS - 123550				
Executive office table.	furniture	KNG CDC/015/001A	NIL	13/02/07	33,060.00	NG - CDF OFFICE	Good
Side table.	furniture	KNG CDC/015/001B	NIL	13/02/07	6,960.00		Good
6-Inch Office table. (2)	furniture	KNG CDC/015/002 & 003	NIL	13/02/07	23,200.00	NG - CDF OFFICE	Good
Executive office chair.	furniture	KNG CDC/015/004	NIL	13/02/07	16,240.00		Worn out
Visitors Executive Chairs (2)	furniture	KNG CDC/015/005 & 006	NIL	13/02/07	9,042.00	NG - CDF OFFICE	Worn out
Metallic frame Chairs. (12)	furniture	KNG CDC/015/007-018	NIL	13/02/07	30,624.00		Good
4-Drawer steel Filing Cabinet (2)	furniture	KNG CDC/015/019 & 020	NIL	13/02/07	24,360.00	NG - CDF OFFICE	Good
Executive Boardroom Tables (3)	furniture	KNG CDC/015/021 & 023	NIL	13/02/07	75166		Good

Executive Boardroom Chairs (18)	furniture	KNG CDC/015/024 & 042	NIL	13/02/07	90000	NG - CDF OFFICE	Good
Visitors Arm Chairs (24)	furniture	KNG CDC/015/043 & 067	NIL	13/02/07	72000		Worn out
Notice Boards. (15)	furniture	KNG CDC/015/027	Kinango	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable
Notice Board.	furniture	KNG CDC/015/028	Puma	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/029	Ndavaya.	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable
Notice Board.	furniture	KNG CDC/015/030	Vigurangani	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/031	Mbaa	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable
Notice Board.	furniture	KNG CDC/015/032	Mwatate	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/033	Kasemeni	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable
Notice Board.	furniture	KNG CDC/015/034	Gandini	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/035	Mwavundo	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable
Notice Board.	furniture	KNG CDC/015/036	Makamini	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/037	Samburu	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable

Notice Board.	furniture	KNG CDC/015/038	Chengoni.	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/039	Taru.	20/11/08	6,800.00	NG - CDF OFFICE	Serviceable
Notice Board.	furniture	KNG CDC/015/040	Mackinon Rd.	20/11/08	6,800.00		Serviceable
Notice Board.	furniture	KNG CDC/015/041	CDF Office	20/11/08	7,600.00	NG - CDF OFFICE	Serviceable
Executive Desk	furniture	KNG CDF/010/122	CDF Office	June, 2015	66,745.00		Good
Executive Chair	furniture	KNG CDF/010/123	CDF Office	June, 2015	32,150.00	NG - CDF OFFICE	Good
Bookshelf	furniture	KNG CDF/010/124	CDF Office	June, 2015	20,400.00		Good
Office Table End	furniture	KNG CDF/010/125	CDF Office	June, 2015	14,350.00	NG - CDF OFFICE	Good
Centre Table	furniture	KNG CDF/010/126	CDF Office	June, 2015	16,745.00		Good
Office Reception Counter	furniture	KNG CDF/010//127	CDF Office	June, 2015	12,750.00	NG - CDF OFFICE	Good
Connection Top	furniture	KNG CDF/010/128	CDF Office	June, 2015	13,250.00		Good
Office Table (1.2m)	furniture	KNG CDF/010/129	CDF Office	June, 2015	15,950.00	NG - CDF OFFICE	Good
Office Table (1.4m)	furniture	KNG CDF/010/130	CDF Office	June, 2015	17,250.00		Good
Pedestal Fixed Drawers	furniture	KNG CDF/010/131	CDF Office	June, 2015	14,150.00	NG - CDF OFFICE	Good

Flash disk	equipments / utilities	KNG CDC/015/021	607070417 8	29/11/2007	1,300.00	NG - CDF OFFICE	Damaged
Casio Electronic calculator	equipments / utilities	KNG CDC/015/022	T 4971850172 857	1/12/2007	1,700.00	NG - CDF OFFICE	Serviceable
Office paper punch	equipments / utilities	KNG CDC/015/024	NIL	5/12/2007	300		Serviceable
Office paper punch	equipments / utilities	KNG CDC/015/025	NIL	27/03/2008	270	NG - CDF OFFICE	Serviceable
Ramtons water Dispenser	equipments / utilities	KNG CDC/015/042	F82560301	16/02/2009	6,495.00		Damaged
Pearl Wall clock (2).	equipments / utilities	KNG CDC/015/043 & 044	LK-17-2	16/02/2009	895	NG - CDF OFFICE	Serviceable
	equipments / utilities		MJ-17-2		745		
4 Way Master Plug (Surge Guard)	equipments / utilities	KNG CDC/015/045 & 046	KM 56507	16/02/2009	1,145.00	NG - CDF OFFICE	Serviceable
	equipments / utilities		KM56507		1,145.00		
Blazer stand fan 16 inch. (2)	equipments / utilities	KNG CDC/015/047 & 048	NIL	16/02/2009	1,795.00	NG - CDF OFFICE	Serviceable
	equipments / utilities				1,795.00		
Ramtons Electric Kettle	equipments / utilities	KNG CDC/015/049	80502462	16/02/2009	1,350.00	NG - CDF OFFICE	Serviceable
Clip stapler.(2)	equipments / utilities	KNG CDC/015/050 &	NIL	16/02/2009	265.15		Serviceable

	equipments / utilities	051			265.15	NG - CDF OFFICE	
KenPoly Document Tray.(2)	equipments / utilities	KNG CDC/015/052 & 053	NIL	16/02/2009	290	NG - CDF OFFICE	Serviceable
	equipments / utilities				290		
HP Desk top computers.(2) (CPUS)	equipments / utilities	KNG CDC/015/054 & 055	CZC8513BPJ	8/6/2009	75,000.00	NG - CDF OFFICE	Serviceable
+ HP Monitors 18.5 Inch screen	equipments / utilities	KNG	CZC8513BM				
		CDC/015/056 & 057					
			CNT902511 Y				
			CNT90250Z X				
Mecer 800VA UPS. (2)	equipments / utilities	KNG CDC/015/058 & 059	538503800	8/6/2009	5,500.00	NG - CDF OFFICE	Serviceable
			538503799		5,500.00		
HP Laptop 2230S, Carry case & mouse	equipments / utilities	KNG CDC/015/060	CNV9072W F1	8/6/2009	78,000.00	NG - CDF OFFICE	Damaged
HP Laser Jet printer + USB cable	equipments / utilities	KNG CDC/015/061	CNDT8BM H55	8/6/2009	45,000.00		Damaged
Sony Camera DSC W300	equipments / utilities	KNG CDC/015/062	NIL	8/6/2009	27,586.00	NG - CDF OFFICE	Lost
GPS Monitoring System	equipments / utilities	KNG CDF/010/142	Track n Trace Car	Sept. 2014	75,000.00		Serviceable

			track system				
HP Laser Jet Printer P2035	equipments / utilities	KNG CDC/010/120	VNC4B2732 7	Oct, 2014	27,000.00	NG - CDF OFFICE	Serviceable
	equipments / utilities	KNG CDF/010/121	HDR – PJ380E	Feb, 2015	70,000.00		NG - CDF OFFICE
HANDYCAM HD SONY Video Camera (16GB – 8.9 Mega pixels)	equipments / utilities		3626831				
	equipments / utilities		4-453-548-01				
Hisene LED Backlight TV	equipments / utilities	KNG CDF/010/132	Model; LHD32D33 T	June, 2015	38,000.00	NG - CDF OFFICE	Serviceable
Laptop HP Protect Smart	equipments / utilities	KNG CDF/010/133	6CF4255RX D15-U010DX	June, 2015	63,437.50		Good
Laptop HP Protect Smart	equipments / utilities	KNG CDF/010/134	6CF44622T P15-U010DX	June, 2015	63,437.50	NG - CDF OFFICE	Good
DVD Player (Samsung)	equipments / utilities	KNG CDF/010/135	DVDE360K,	June, 2015	8,562.00		Serviceable
			ZVYRIR292 02356W			NG - CDF OFFICE	
APC – Back UPS 1400	equipments / utilities	KNG CDF/010/136	BX140041	June, 2015	34,875.00	NG - CDF OFFICE	Good
			PTC202/14/006				
Projector Sony XGA VPL – DX122	equipments / utilities	KNG CDF/010/137	VPL – DX122	June, 2015	77,000.00		Good

			7019666 5045			NG - CDF OFFICE	
Projector Screen (Power: 38w)	equipments / utilities	KNG CDF/010/138	72 – 150”	June, 2015	22,185.00		Good
MIKA (HOT & COLD WATER) DISPENSER	equipments / utilities	KNG CDF/010/139	Model No.MWD24 04/SBL	February, 2016	16,495.00	NG - CDF OFFICE	Damaged
			Serial No.2015080 0251/SA				
HP Desktop Computer	equipments / utilities	KNG CDC/015/109	CZC0052ZC 1	2013	CDF Board	NG - CDF OFFICE	Serviceable
HP Monitor.	equipments / utilities	KNG CDC/015/110	CNC948PQ MH	2013	CDF Board		Serviceable
UPS	equipments / utilities	KNG CDC/015/111	S/N400843 30905	2013	CDF Board	NG - CDF OFFICE	Serviceable
HP Keyboard.	equipments / utilities	KNG CDC/015/112	CTBMKHO 4HHY115V	2013	CDF Board		Serviceable
HP Silver flat panel speaker.	equipments / utilities	KNG CDC/015/113	R33018	2013	CDF Board	NG - CDF OFFICE	Serviceable
HP Laser Jet Printer.	equipments / utilities	KNG CDC/015/114	CNCJG4358 1	2013	CDF Board		Serviceable
Sony Camera.	equipments / utilities	KNG CDC/015/115	S01- 4086881-L	2013	CDF Board	NG - CDF OFFICE	Serviceable
Huwei (Airtel Modem)	equipments / utilities	KNG CDC/015/116	S/N:B5A4C A10A 1607819	2013	CDF Board		Serviceable
HP Scanjet 5590	equipments / utilities	KNG CDC/010/117	CN2BJVH01 1	2013	CDF Board	NG - CDF OFFICE	Serviceable

Motor vehicle Land Cruiser Model BEIGE	motor vehicle	Kinango CDF GKB 572 V	Chassis no.F006422 Engine no.IHZ 0938607	9/1/2020	9,506,250.00	NG - CDF OFFICE	Good
KONICA MINOLTA	PRINTER	NG-CDFB003350	AOED0220 36916	16/11/2020	275,000	NG - CDF OFFICE	Good
inco	GENERAT OR		5.5KVA	28/01/2021	149,500.00	NG - CDF OFFICE	good
laser jet pro	PRINTER	m404dn			CDF Board	NG - CDF OFFICE	good
HP Desktop Computer	equipments / utilities	cdfb000099	4ce9500xcv		CDF Board	NG - CDF OFFICE	good
HP Monitor.	equipments / utilities		3cq9400jbg		CDF Board	NG - CDF OFFICE	good
keyboard	equipments / utilities		CT:BGCAF OAL7D4201		CDF Board	NG - CDF OFFICE	GOOD
Motor Vehicle	CDF/3070 4/10	Toyota Hilux- D/Cabin GKA266U	-	2/5/2010		NG-CDF Office	Damaged
Computers	CDF/3070 4/22	Desktop 1 CPU HP Pro	CZCOO52Z 7M	2/5/2010	70,000	NG-CDF Office	Usable
Computers	CDF/3070 4/005	HP Compaq LE1711	3CQ01311Y M		85000	NG-CDF Office	Usable
Office Equipment	CDF/3070 4/43	HP Silver Speaker Bar	SPO3A01		35000	NG-CDF Office	Usable
Computers	CDF/3070	Desktop 2	ET1850	3/7/2010	70,000	NG-CDF	Usable

	4/013	CPU Acer machines				Office	
Computers	CDF/3070 4/004		VI93HQ		95000	NG-CDF Office	Usable
		Screen- Acer TFT					
Computers	CDF/3070 4/021	Screen-Acer	VI93HQ TFT		75000	NG-CDF Office	Usable
Office Equipment	CDF/3070 4/006	Printer 1	CNCJH439 39	5/8/2010	104,000	NG-CDF Office	Usable
		HP LaserJet P2055d					
Office Equipment	CDF/3070 4/015	Printer 2	CNG8B34B NH	5/8/2010	104,000	NG-CDF Office	Usable
		HP LaserJet M1120					
Furniture	CDF/3070 4/34-41	6 High Back Chairs		3/5/2014	25,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/009	Wooden Chair 1		3/5/2014	15,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/28	Wooden Chair 2		3/7/2014	15,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/29	Wooden Chair 3		3/8/2014	15,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/32	Executive Table 1		3/9/2014	60,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/33	Executive Table 2		3/10/2014	60,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/54	Table- Wooden		3/11/2014	17,000	NG-CDF Office	Usable

Furniture	CDF/3070 4/30	Cabinet 1-Metallic		3/12/2014	15,000	NG-CDF Office	Usable
Furniture	CDF/3070 4/31	Cabinet 2-Metallic		3/12/2014	15,000	NG-CDF Office	Usable
Equipment	CDF/3070 4/43	Modem-Huawei	EC176	6/1/2010		NG-CDF Office	Not Functional
Office Equipment	CDF/3070 4/23	Stapler -Heavy Duty	HD-23S17	6/2/2010	2500	NG-CDF Office	Usable
Office Equipment	CDF/3070 4/52	Stapler -Office point	24/6.26/6	6/3/2010	1500	NG-CDF Office	Usable
Equipment	CDF/39704 /25	Paper Punch- Kangaro	DP-520	6/4/2010	3500	NG-CDF Office	Usable
Office Equipment	CDF 30704/024	Camera-Sony N50	DSC-S930	6/5/2010	15,000	NG-CDF Office	Not Functional
Office Equipment	CDF/3070 4/27	Calculator	DJ-120D	6/6/2010	2500	NG-CDF Office	Usable
Office Equipment	CDF/3070 4/42	Scanner HP 5590	CN31BWH OZS	4/1/2013	45000	NG-CDF Office	Usable
Office Equipment		Gas Cylinder-6 Kg		4/2/2013		NG-CDF Office	Usable
Computers	CDF/3070 4/45	Water Drum-120 litre		4/3/2013		NG-CDF Office	Usable
Computers	CDF/3070 4/46	Laptop 1	HP	4/4/2013	90,000	NG-CDF Office	Usable
Computers	CDF/3070 4/47	Laptop 2	HP	4/5/2013	90,000	NG-CDF Office	Usable

Photocopying Machine	Image Runner c3226i	KNG/NGCDF/23/24/01	Canon	1/10/2024	439,600.00	NG-CDF Office	New
HP PRO TOWER 290 G9	Desktop Computer	KNG/NGCDF/23/24/02	4CE424BXDJ	20/01/2025	97,500.00	NG-CDF Office	New
HP PRO TOWER 290 G9	Desktop Computer	KNG/NGCDF/23/24/03	4CE424BXN8	20/01/2025	97,500.00	NG-CDF Office	New
EPSON L6270	Printer/copy and scanner	KNG/NGCDF/23/24/04	XANW005309	20/01/2025	89,400.00	NG-CDF Office	New
HP Pavilion	Laptop	KNG/NGCDF/23/24/05	KSG1792388	12/03/2025	148,480.00	NG-CDF Office	New
HP Pavilion	Laptop	KNG/NGCDF/23/24/06	KSG1792388	12/03/2025	148,480.00	NG-CDF Office	New
Light wave 650 Va	UPS (3)	KNG/NGCDF/23/24/07	2404250302000	12/03/2025	22,620.00	NG-CDF Office	New
		KNG/NGCDF/23/24/08	2404250301998				
		KNG/NGCDF/23/24/09	2411251002894				
Electric Blower	Electric Blower	KNG/NGCDF/23/24/10	D72605	12/3/2025	3,480.00	NG-CDF Office	New
Office Mesh Chair	Office Mesh Chair	KNG/NGCDF/23/24/11	Nil	11/4/2025	17,914.00	NG-CDF Office	New
Filling cabinet(4cabinet)	Filling cabinet	KNG/NGCDF/23/24/12	Nil	11/4/2025	55,890.00	NG-CDF Office	New

Filling cabinet(4cabinet)with safe	Filling cabinet	KNG/NGCDF/23/24/13	Nil	11/4/2025	34,895.00	NG-CDF Office	New
Conference table	Conference table	KNG/NGCDF/23/24/14	Nil	11/4/2025	24,395.00	NG-CDF Office	New
visitors chair mesh	visitors chair mesh	KNG/NGCDF/23/24/15	Nil	11/4/2025	19,856.00	NG-CDF Office	New
					52,616,900	NG-CDF Office	



**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)
OOAG/CR/AUD/8/11/2023/2024(14)	<p><b>Basis of qualified opinion</b></p> <p><b>Unsupported Project Management Committee(PMC)</b> Annex 5 to the financial statements reflects bank balances of Kshs. 89,836,828 held in various project management committees(PMC)Bank accounts. However, the balances were not supported by individual cash books, bank reconciliation statements certificates of bank balances contrary to regulation 100 of the public finance management (National Government) Regulations ,2015 which requires Accounting officers to keep in all offices concerned with receiving cash or making payments a cash book showing the receipts and payments. In the circumstances, the accuracy of bank balances held in project management committee bank accounts of Kshs. 89,836,828 could not be confirmed.</p>	cash books, bank reconciliation statements certificates of bank balances have been availed	Issue resolved	



Name: Flora Mutua  
Fund Account Manager.

