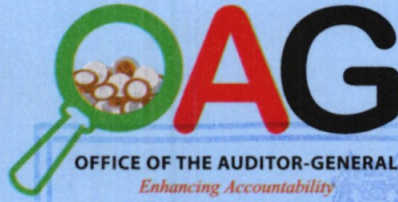


REPUBLIC OF KENYA



OFFICE OF THE AUDITOR-GENERAL
Enhancing Accountability

THE NATIONAL ASSEMBLY
PAPERS LAID

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Mada Atabo

REPORT

OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND – IGEMBE CENTRAL
CONSTITUENCY**

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



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

IGEMBE CENTRAL CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

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

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

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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
DFAC	Decentralized funds Accounts Committee

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established under the NG-CDF Act 2015 (amended 2023). The Act is a successor to the Constituencies Development Fund (CDF) Act of 2003 which initiated the Fund and its subsequent amendments/reviews of 2007 and 2013. At the cabinet level, NG-CDF is represented by the Cabinet Secretary for the Treasury, who is responsible for the Fund's general policy and strategic direction.

Mandate

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

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6(3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive realization of the economic and social rights guaranteed under Article 43 of the Constitution;
- g) Provide mechanisms for the National Assembly to exercise oversight over the performance of exclusive national government functions at the constituency level as provided for under Article 95 of the Constitution;
- h) Authorize withdrawal of money from the Consolidated Fund as provided under Article 206(2)(c) of the Constitution;
- i) Provide mechanisms for supplementing infrastructure development at the constituency level in matters falling within the exclusive functions of the national government at that level in accordance with the Constitution;
- j) Provide a framework for citizens-led development to assist the national government in planning and prioritizing the use of its resources;
- k) Create a harmonious relationship between citizens and the national government and its officers in local development;
- l) Provide a platform for citizens' participation in service delivery;

- m) Build local accountability and transparency in the use of resources; and
- n) Provide for a public finance system that promotes an equitable society and in particular expenditure that promotes equitable development of the country by making special provisions for marginalized groups and areas pursuant to Article 201(b)(iii) of the Constitution.

Vision

Equitable Socio-economic development countrywide.

Mission

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

Core Values

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

*National Government Constituencies Development Fund (NGCDF)
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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 Igembe central Constituency's day-to-day management is under the following key organs:

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

Fiduciary Management

The key management personnel who held office during the financial year ended 30th June 2024 and who had direct fiduciary responsibility were:

No	Designation	Name
1.	AIE holder	Danson Njogu Njiru
2.	National Sub-County Accountant	Faith Magiri
3.	Chairman NGCDFC	Reuben KaberiaBariu.
4.	Member NGCDFC	Rose MwariKaubuthu.
5.	Member NG CDFC	Raphael KiramanaThiaine

(c) Fiduciary Oversight Arrangements

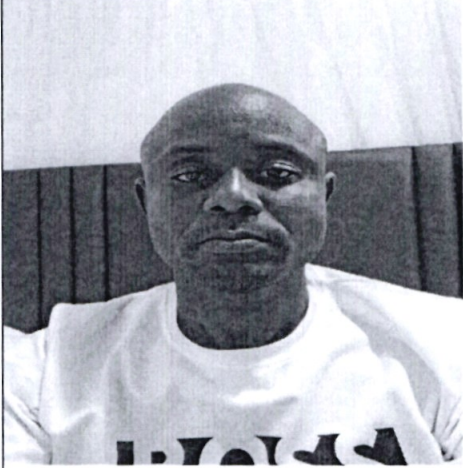


The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Igembe central Constituency. The reports and recommendations of the Audit Committee, when adopted by the NGCDF Board, are forwarded to the Constituency Committee for action. The Board forwards any matters that require policy guidance to the Cabinet Secretary and National Assembly Select Committee.

- (d) NGCDF Igembe central Constituency Headquarters
NG-CDF Building/House/Plaza
Meru-Maua Road/Highway
Kangeta Kenya.
- (e) NGCDF Igembe central Constituency Contacts
P.O. Box 417-60600
Telephone: (254) 0703-780 482
E-mail: cdfigembecentral.go.ke
Website: www.go.ke
- (f) NGCDF Igembe central Constituency Bankers
1. Equity Bank A/c. No.0400285132890 (Operations Account).
Maua Branch
P.O. Box 477-60600, Maua.
 2. Family Bank A/c. No.086000024732 (Deposit account).
Maua Branch
P.O. Box 118-60600, Maua.
 3. Family Bank A/c No. Various (as per annex 2) (PMC Accounts)
Maua Branch
P.O. Box 118-60600, Maua.
- (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




National Government Constituencies Development Fund (NGCDF)
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Nairobi, Kenya

3. NGCDF Committee

Name	Details
<p>Chairman. Reuben KaberiaBaariu</p> 	<p>Date of birth:8/4/1985 Academic and Professional Qualifications: Degree in Education Work Experience:10 Year's Experience in Teaching</p>
<p>Secretary. Rose MwariKaumbuthu.</p> 	<p>Date of birth.1/1/1976 Academic and Professional Qualifications: Degree in education Work Experience:7 Years Experience in teaching</p>
<p>JeseMutwiri</p> 	<p>Date of Birth: 1/1/1987 Academic and Professional Qualifications :Businessman Work Experience: 8 Years Experience in management</p>


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<p>Member. Jane KarimbiMurungi</p> 	<p>Date of Birth: 25/6/1971 Academic and Professional Qualifications: Businesswoman Work Experience: 8 Years Experience in management</p>
<p>Member Isaac MutembeiMeeme</p> 	<p>Date of Birth: 1/1/1976 Academic and Professional Qualifications: Businessman Work Experience : 7 Years Experience in management</p>
<p>Member Mutuma Gladys Makena</p> 	<p>Date of Birth: 05/03/1996 Academic and Professional Qualifications: Businesswoman Work Experience: 7 Years Experience in Hospitality management</p>

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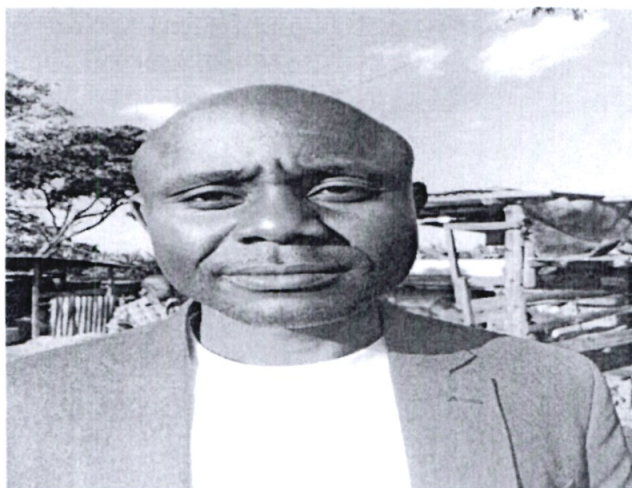
<p>Member Raphael KiramanaThiaine</p> 	<p>Date of Birth: 13/5/1990 Academic and Professional Qualifications: Degree in Education Work experience:8 Years Experience in Teaching</p>
<p>Member Charles Mwenda</p> 	<p>Date of Birth: 01/01/1986 Academic and Professional Qualifications: Businessman Work experience: 7 Years Experience in management</p>

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<p>Fund Account Manager Danson Njogu</p> 	<p>Date of birth: 15th May 1973 Academic and Professional Qualifications: Accounting Degree Work experience: 15 Years in accountancy and management</p>
--	---

No NG CDFC member(s) exited the committee during the financial year.

4. NG-CDFC Chairman's Report.



REUBEN KABERIA, Chairperson, NGCDF Igembe central

I am honored to present NGCDF Igembe Central reports and financial statements for the financial year ended 30th June 2025.

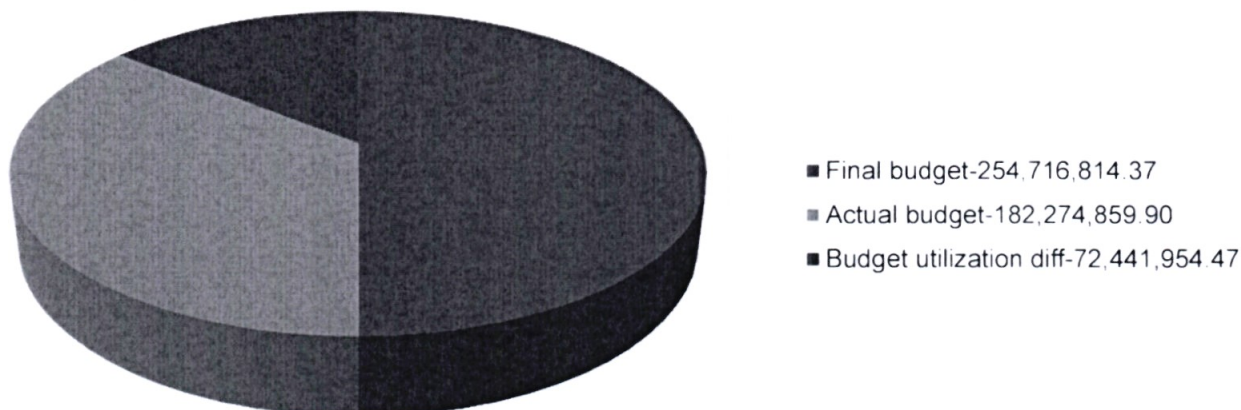
Igembe central constituency is situated along Meru-Maua road and borders Igembe South on the north, Isiolo on the west and Tigania east on the south regions. The main economic stay of the constituency is mainly farming of food crops with a large portion with Miraa cash crop. There is a large area in the west which is dry and the community majors on livestock keeping as their main economic activities. The constituency is vast with five wards with a population of approximately 350,000 residents as per the 2019 Census. The constituency is wholly developed by NGCDF in about 80% together with other partners, mainly national government and nongovernmental organizations.

IGEMBE CENTRAL NGCDF PERFORMANCE.

The constituency final budget was Kshs. 254,716,814.37 the financial year 2024/2025 and has efficiently absorbed Kshs. 182,274,859.90 which translate into 72%% rate inclusive of bank balance brought forward and there was budget utilization difference of Kshs. 72,441,954.47 as shown below.

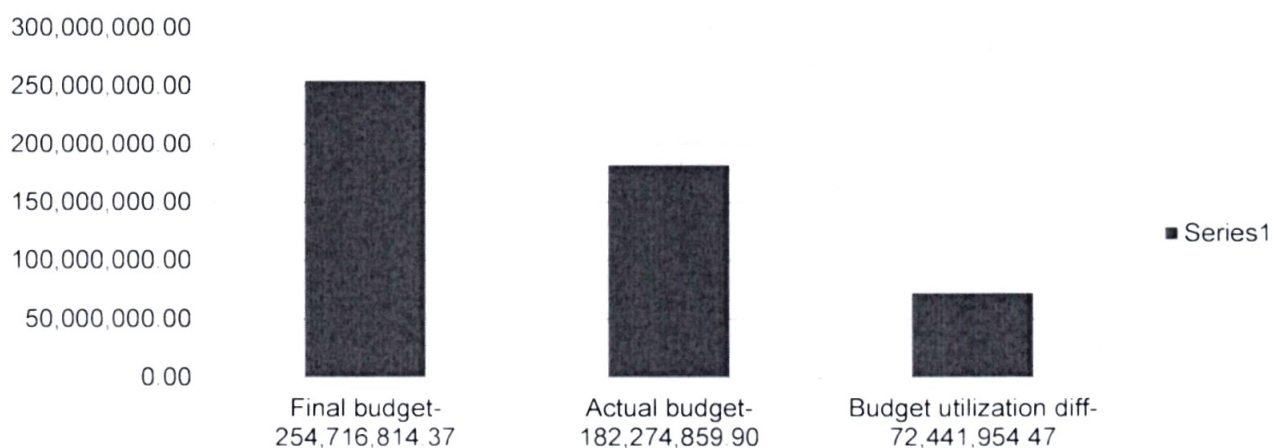
The analysis of the comparison of the final budget, Actual budget and budget utilization difference is hereby shown on a pie chart below: -

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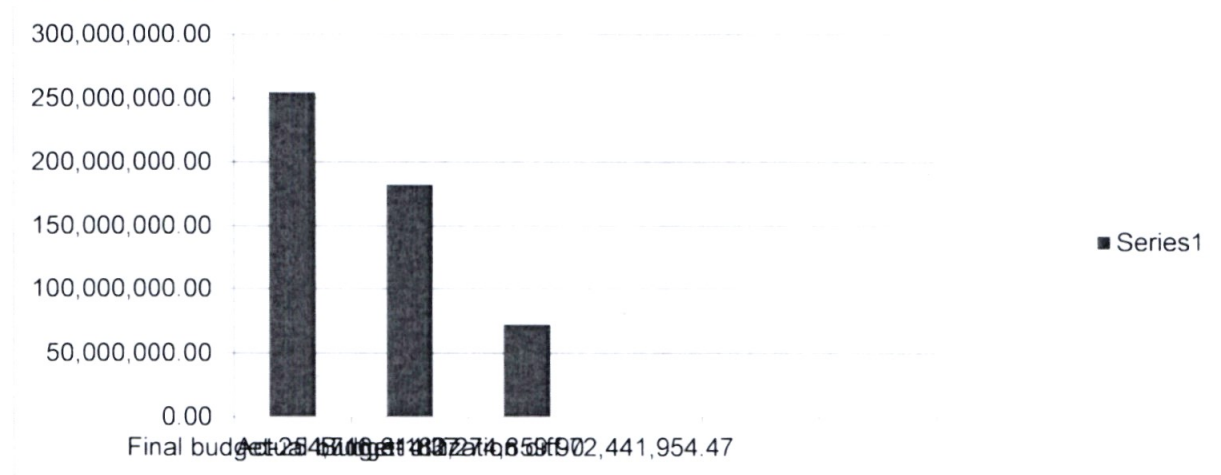
The pie chart shows that the disbursement of funds from the NG-CDF board was more than half the amount allocated funds in the financial year. The absorption rate of the constituency as per the amount disbursed was above fifty percent and the priority of the funds went to bursary and education sectors and the rest were distributed in the other sectors namely administration, and security. The figure for budget utilization difference was the amount not yet received from the board and the bank balance as at 30th June, 2025.

The final budget ,actual budget and budget utilization difference is hereby shown below . The budget utilization difference was as a result of delay in disbursement of funds from NG-CDF board occasioned by failure of treasury to honor its mandate of timely remittance of funds to NG-CDF board. Much of the funds that were disbursed to the constituency were directed to bursaries for both secondary schools and tertiary institutions and construction of classrooms.



The budget expenditures per sector as a percentage of the total expenditure is shown below. As shown below on different sectors the graph clearly shows the funds received in the financial year were utilized by the committee. The greatest percentage of the use of allocated funds per sector went to the transfer to other government units meaning amount allocated in this sector was utilized efficiently and that the committee allocated fully in this sector all the money received by the constituency.

Thus the percentage depended on the priorities the committee considered when they got there first disbursement.



KEY ACHIEVEMENTS OF THE FUND

NGCDF has transformed many lives of Igembe central residents. The empirical data available coupled with actual observations reveal an enormous impact on the residents in improved standard of living which was never witnessed before the inception of NGCDF especially in the previous years. The current year also has seen the students’ benefit 99% from the bursary kitty enabling students from poor families’ access education.

ATHIRU PRIMARY SCHOOL-TOILETS

KABUKURO SEC. SECONDARY-LAB



Kabukuro secondary school students used a class as a laboratory and this project was a game changer to all the students’ fraternity of this school and the community.

Also Athiru primary school all the latrines in a very deplorable condition and this projects improved the school image and boosting the school fraternity morale.

EMERGING ISSUES

NGCDF being a community fund has so far been identified with the needs of the constituents which changes now and then. With the establishment of the devolved functions, various sectors have been taken by the county governments which have stripped off residents the very pertinent projects central to their economic life. County governments have slowly taken off with residents agitating for various projects formally funded by NGCDF and this has brought great discontent on the side of the residents who think such functions should be handled by NGCDF.

IMPLEMENTATION CHALLENGES.

There various challenges meted in the implementation of the kitty namely:

- a) Lack of management skills by the project implementation committees.
- b) Political interferences from the competing political groups.
- c) Funds delay from the NG-CDF board.
- d) Security threats especially in projects falling to cattle rustling areas.
- e) Roads impassability in the heart of the constituency.

WAY FORWARD

1. Again PMC are being trained frequently on good management practices.
2. NG-CDFC have spear headed a campaign of non-interference with development
3. The NG-CDF board has promised to hasten the process of Funds disbursement
4. NG-CDF has implemented various security projects i.e. police posts, AP lines and G.S.U camps.
5. KERRA which is under national government and also managed by NG-CDF committees has improved so many roads



Name: Reuben kaberia.
CHAIRMAN NGCDF COMMITTEE

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

Introduction

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

The key development objectives of the **NGCDF Igembe central Constituency 2024-2025** plan are to:

six strategic objectives namely;

1. To mobilize more resources for community development
2. To improve school performance in national examinations of the constituency
3. To increase youth and women participation in development
4. To build capacity of the community to implement development projects
5. To improve security in the constituency
6. To reduce environmental degradation

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	Increased number of usable physical infrastructure build in 1. primary schools a) classrooms b) Administration	In FY 2024/25 -we increased number of classrooms from 25 to 29: - a). In primary schools 29 classrooms were implemented. b) In secondary

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			<p>blocks</p> <p>c) Toilets</p> <p>2.. secondary schools</p> <p>a) Laboratories</p> <p>b) Administration blocks.</p> <p>d) Bursaries.</p> <p>3. Tertiary institutions.</p> <p>a) bursaries</p>	<p>school increased laboratories from 2 to 3 in various schools/institutions</p> <p>- Bursary beneficiaries at all levels were approximately 7,000 students</p>
Security	To ensure security is upheld in every area of the constituency	Increased security projects to bridge the gap between recommended residents versus security personnel	<p>Increase in Number of usable security infrastructure:</p> <p>1.Chiefs offices</p> <p>2.police toilets</p> <p>3. Assistant chief offices</p>	<p>In the FY 2024/25 the number of security projects increased from 3 to 4.</p> <p>1. One assistant Chiefs office was built.</p> <p>2. Three projects to sub-county commissioner's area were built, namely fencing projects and DCC's offices.</p>
Environment	To have the constituency forest cover in every ward	Increased constituency forest cover	Increase in area with forest cover in primary schools.	<p>In the financial year 2024/25: -</p> <p>1.7water catchment areas were rehabilitated by planting indigenous trees</p>
Emergency	To ensure unseen	Decrease in unseen	Increase in Physical number of	In the 2024/25 Emergency

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	occurrences in the constituency are attended timely	occurrences in the constituency	emergency cases solved by the constituency. 1.primary schools' toilets 2.Primary schools classrooms	projects funded increased from 4 to 10 projects as compared to previous year. 1. 8 primary schools were funded and toilets rehabilitated and classes also renovated. 2. 2 secondary schools renovated.
--	---	---------------------------------	---	--

6. Governance Statement

PROCESS OF APPOINTMENT OF NG-CDFC COMMITTEES

NG-CDFC is appointed pursuant to section 43(1), (2), (3) and (4) of the National constituencies development fund (NG-CDF) Act as follows: -

1. In case of the person living with disability, the fund account manager shall write to a registered group representing persons with disabilities in the constituency requesting of one person with disability to sit in the NG-CDF committee. The nominating organization shall be required to provide specific description of the kind of disability and provide necessary support to facilitate full participation of the nominee in the various activities of the fund.
2. Members of the public are invited to tender applications to be appointed as a NG-CDFC committee with requisite qualifications as per the NG-CDF Act.
3. The selection panel shall sit and analyze applications based on age, gender, special interest groups and regional balance.
4. Obtain from the constituency office manager via formal written communication names of two nominees to the NG-CDF committee one being of either gender.
5. Ensure that the original report of the selection panel duly signed by all members of the panel, original letter from the constituency office manager forwarding two nominees to the NG-CDF committee one being of either gender, original letter and copies of minutes of the meeting of the body nominating person with disability to NG-CDF committee, copies of national identity cards of all the nominees, the long list and short listing criteria, and three color passport size photographs of each of the respective nominees are attached to the list submitted to the board.
6. The final report shall be properly bound containing pertinent documents following the sequence of the checklist provided.
7. For avoidance of doubt the two persons to be nominated by the constituency office to sit in the selection panel and the two persons nominated by the same office to sit in the NG-CDF committee shall be drawn from community and not serving public offices.

To embark on the process of recruitment of the committee, Igembe central formed a selection panel headed by the sub-county commissioner of 4 persons with fund manager as the secretary. This selection panel invited for applications from the public and the interested persons applied for the positions advertised for.

An agreed criterion was used to shortlist the qualified persons and interviews were conducted and most qualified persons were picked in the various categories namely man representative, woman representative, youth representative, person with disability.

The constituency office was also mandated to forward two persons of either gender to in the committee and through formal request in writing by the fund manager two persons were forwarded by the constituency.

Igembe central NG-CDF office also forwarded to the board one person to be appointed by the NG-CDF Board as its representative in the committee.

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Thus a total of 8 persons were selected through the above process and they formed the current NG-CDF committee of Igembe central.

The committee was gazetted on 15th December, 2022 and they took office on 20th December, 2022.

NOMINEES OF THE SELECTION PANEL

NO	NAME	CATEGORY	WARD
1	Reuben Kaberia Bariu	Man-Adult	Athiruruujiine
2	RaphileKiramanaThiaine	Man-Youth	Njia
3	Jane KarimbiMurungi	Woman-Adult	Athiruruujiine
4	Gladys Makena Mutuma	Woman-Youth	Igembe east

NOMINEE OF THE BODY REPRESENTING PERSONS WITH DISABILITY

N O	NAME	NOMINATI NG ORGANISATI ON	NATURE OF PHYSICAL IMPAIRMENT (Visual/hearing/mental/albinism/ambula tory/hands impairment) etc.	REMARKS (pertinent comments),inclu ding necessity/justific ation to attend meeting in company of an aid)
1	Charles AlaineMwe nda	Kathelwa Disability self Help Group	Physical	Attend a meeting on a wheel chair with an aid.

NOMINEES OF THE CONSTITUENCY OFFICE.

NO	NAME	CATEGORY	OCCUPATION	WARD
1	Rose MwariKaumbuthu	Female	Teacher	Akirang'onde
2	Isaac MutembeiMeeme	Male	Businessman	Akirang'onde

CO-OPTED NOMINEE BY NG-CDF BOARD.

NO	NAME	OCCUPATION	CATEGORY	WARD
1	JesseeMutwiriBaariu	Teacher	Male	Igembe east

REMOVAL OF NG-CDFC MEMBERS

NG-CDF Act section 43 (13) and (14) of the act specifies the process of the removal of members of NG-CDFC a complaint against a member.

A complaint against a member of a committee shall be deposited with the National government constituency office.

The complaint shall clearly set out the particulars of the issues complained of.

The secretary shall convene a special meeting in accordance with the 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 members 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 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.

That person is supposed to respond in writing and if he/she fails to do the same a decision will be reached by the committee and this is communicated to the board in fourteen days.

FUNCTIONS OF COMMITTEE.

Under the NG-CDF regulation 2016(11) NG-CDFC is mandated to do the following: -

1. Deliberate on all proposals from all wards in the constituency
2. Consult with relevant government departments to ensure that the cost estimate for the projects is as realistic as possible.
3. Rank project proposals in order of priority provided that ongoing projects shall take precedence
4. Ensure the projects proposed for funding comply with the Act.
5. Monitor the implementation of projects
6. Recommend to the board the removal of a member of the NG-CDFC in the line with section 24 sub sections 14-16 of the act.

INDUCTION/TRAINING

Upon appointment of the new members of the committee an induction training shall be conducted by the relevant government departments for the committee to know and understand the NG-CDF act and also their roles in the fund.

There after a complete training of the NG-CDFC shall take place to enable the committee to an in-depth knowledge of the fund in order to discharge their responsibilities effectively.

In Igembe central we have carried out in-house NG-CDFC training and the NG-CDF board did the induction for the new committee.

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During the training critical areas of the operation of the fund such as public finance, audit procedures, procurement, project management and complaint management were covered to equip members with requisite skills to manage the fund

NUMBER MEETINGS IN A YEAR

The Act stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less twelve including sub-committee meetings. During the financial year the Igembe NG-CDFC held 24 meetings during the year including the sub-committee meetings.

SCHEDULE OF MEETINGS

	JULY 202 4	AUG 202 4	SEPT 202 4	OCT 202 4	NO V 202 4	DEC 202 4	JAN 202 4	FEB 202 5	MA R 202 5	APR 202 5	MAY 202 5	JUN 202 5
	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s	2me eting s
Reuben Kaberia	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Raphael Kiramana	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Jane Karimbi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Gladys Makena	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Charles Alaine	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Rose Mwari	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Isaac Mute mbei	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

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

Jesee Mutwi ri	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
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POLICY ON CONFLICT OF INTEREST

NG-CDF Act specifies clearly that any member with an interest in the fund shall not participate in a meeting deliberations on the fund is made and shall withdraw insuch a meeting or resign from being a committee member.

Igembe central had no any case of conflict of interest in the financial year ended 30th June, 2025.

MEMBERS REMUNERATION.

NG-CDF act 2016 specifies remuneration of the members of the committee as follows: -

1. Each member shall receive an allowance of ksh.5, 000 and the chair of the constituency fund will receive ksh.7, 000 per sitting.

In the financial year 2024/2025 the committee adhered to cabinet secretary circular on sitting and field allowances.

MEMBERS ETHICS AND CONDUCT

The Act stipulates that members shall be of good conduct and adhere to chapter six of the constitution and shall not have any trail of criminal record. Members shall not indulge in any act in contravention of the act and PFM act which can lead to the loss

RISK MANAGEMENT

It is the responsibility of the members of the committee to be extra vigilant to ensure that risks likely to cause loss of fund are mitigated and proper controls are put in place in the process of implementation of the NG-CDF projects.

The committee shall ensure that relevant government line departments are consulted in every stage of project implementation process thus minimizing risks of loss of funds.

7. MANAGEMENT DISCUSSION AND ANALYSIS

Operational Performance

NG-CDF fund is one of the popular funds established under the act of parliament to alleviate poverty in the country, operating at the grass root level.

It has a well-structured system of operation whereby the communities are in charge of the management of the funds and projects originate from the same community.

This has ensured that all those projects implemented at a particular period are priorities for the communities at any given time.

Project identification process is clear and it is done in open forums in every two years.

Thereafter, the management process is done by the project management committees assisted by the technical officers from the government up to completion of the projects.

This initiative has enabled establishment of key projects in both education and security sectors respectively.

Financial Management

NG-CDF fund is a government fund and therefore it follows the statutory processes established by the government. Public finance management laws are key to the operation of the fund and all controls involved are adhered to the letter.

Various government institutions mandated for check and balances of the fund namely office of the auditor general, internal audit of the treasury and internal audit of NG-CDF board have ensured efficient and effective use of resources to benefit the public.

With proliferation of governance institutions such as EACC and other autonomous non-governmental organizations, NG-CDF funds have been utilised with minimal loses.

Risk Factors of the Fund

NG-CDF fund has been under constant litigation by the non-governmental organization challenging the legality of the fund under the constitution.

Although the fund has been on and off in the corridors of justice, there is a light at the end of the tunnel as there are efforts to end the controversy by anchoring the fund in the constitution.

Funds Compliance with Statutory Requirements/Material Arrears in Statutory and Other Financial Obligations.

The laws governing the operation and utilization of all government funds are also applicable with NG-CDF which is a department under the ministry of national treasury. Public finance management laws are key to efficient and effective management of the fund to ensure there are no wastage of resources.

However, the fund has lagged behind on implementation of online procurement of goods and services and this has been solved by a ministerial directive that all procurements goods and services for government must be done online.

The fund has honoured its financial obligations by paying timely all statutory obligations such as PAYE and other related taxes to the government.

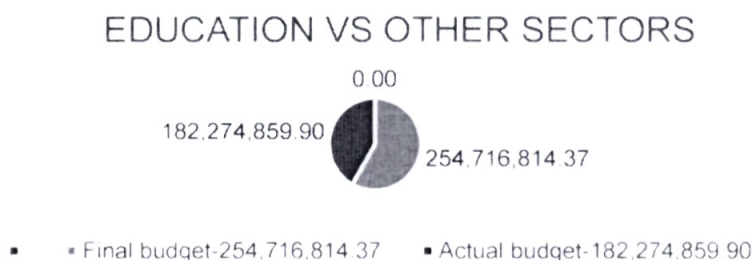
Review of The Economy/Sector And Future Development

NG-CDF fund has become the engine for the economy by injecting the supply of money in the economy at the grass root. The major sectors of education and security respectively have been beneficiaries of the fund which have directly and indirectly impacted the economy in the rural areas.

With now NG-CDF fund being anchored in the constitution the future of rural economy is bright and more development will be witnessed at all levels of the economy.

1.The pie chart shows the contribution of NG-CDF on education sector and it has the largest share as compared with other entities.

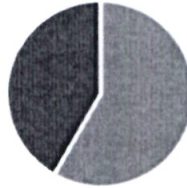
NG-CDF IN THE EDUCATION SECTOR



2.The pie chart shows the contribution of NG-CDF on security sector and it has the largest share as compared with other entities.

NG-CDF IN THE SECURITY SECTOR

NG-CDF VS OTHER ENTITIES CONTRIBUTIONS ON
SECURITY



- Final budget-254,716,814.37
- Actual budget-182,274,859.90

A handwritten signature in blue ink is positioned above a horizontal dotted line, indicating the signature of the Fund Account Manager.

Danson Njogu Njiru.
Fund Account Manager

Environmental and Sustainability Reporting

Environmental sustainability is a crucial component of sustainability development goals as it addresses issues such as pollution, climate change, deforestation and loss of biodiversity. Development activities can lead to environmental degradation. Overall, sustainable development and the environment are interconnected and their relationship is crucial for the wellbeing of both current and future generations.

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Igembe Central 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

Every year NG-CDF Igembe central allocates funds to various primary schools in the constituency to plant trees in order to increase the overall forest cover in the constituency.

NG-CDF holds constituency sensitization meetings in every ward to arouse youths on the need to keep off from drugs abuse and engage on meaningful activities.

By mobilizing pupils to plant trees in schools, pupils are imparted on issues of environmental conservation at an early age so as to be responsible environmental conservers in the long run.

3. Employee welfare

We invest in providing the best working environment for our employees. Igembe central 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. Igembe central constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

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

4. Marketplace practices-

Igembe central 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-

Igembe central 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

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

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

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

Public Awareness

National Government Constituencies Development Fund (NGCDF)
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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.

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


.....
Name: Danson Njogu Njiru.
Fund Account Manager.

8. 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-Igembe central 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 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-Igembe central 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 in charge of the NGCDF- Igembe central Constituency further confirms the completeness of the accounting records maintained for the constituency, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Igembe central 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

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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- Igembe central Constituency financial statements were approved and signed by the Accounting Officer on 20th August 2025.

.....
Name: Reuben Kaberia
Chairman – NGCDF Committee

.....
Name: Danson Njogu
Fund Account Manager

REPUBLIC OF KENYA

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E-mail: info@oagkenya.go.ke
Website: www.oagkenya.go.ke



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

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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund – Isembe Central Constituency set out on pages 1 to 83, which comprise of the statement of financial position as at 30 June,

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

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

In my opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of my report, the transitional IPSAS financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund – Igembe Central Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis (including the transitional provisions permitted under IPSAS 33) and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2022), the Public Finance Management Act, 2012 and The National Treasury and Economic Planning Circular No.3 of 14 April, 2025.

Basis for Qualified Opinion

Undisclosed Tax Arrears

The statement of financial position reflects total liabilities balance of Kshs.9,067,960 which includes gratuity provisions and third-party deposits balances of Kshs.2,735,676 and Kshs.6,332,284 respectively. However, National Government Constituencies Development Fund Board letter reference NG-CDFB/CEO/KNA/VOL V (6) dated 16 September, 2025 discloses a tax liability of Kshs.982,484, which has not been disclosed in the financial statements. No reason was provided for failure to disclose the tax arrears.

In the circumstances, the accuracy of total liabilities balance of Kshs.9,067,960 could not be confirmed.

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

Emphasis of Matter

Budgetary Control and Performance

The summary statement of appropriation reflects final receipt budget and actual on comparable basis amounts of Kshs.254,716,814, Kshs.203,274,860 respectively resulting to an under-funding of Kshs.51,441,954 or 20% of the budget. Similarly, the Fund spent Kshs.130,739,413 against actual receipts of Kshs.203,274,860 resulting in an under-utilization of Kshs.72,535,447 or 36% of the actual receipts.

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

My opinion is not modified in respect of the above matters.

Key Audit Matters

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

Other Matter

Prior Year Matters

In the audit report of the previous year, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources and Report on Effectiveness of Internal Controls, Risk Management and Governance. The Management has addressed the recommendations from Management and oversight bodies.

Other Information

The Management is responsible for the Other Information set out on page ii to xxxii which comprise of Key Constituency Information and Management, Fund Chairman's Report, Statement of Performance Against Predetermined Objectives, Governance Statement, Sustainability, Strategy and Profile and Statement of Management Responsibilities. The Other Information does not include the financial statements and my audit report thereon.

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

As required by Article 229(6) of the Constitution, based on the audit procedures performed, except for the effect of the matters described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm

that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

Basis for Conclusion

1. Non-Compliance with the Law on Reservation of Employment for Persons with Disability

Review of the staff Bio Data established that Igembe Central NG-CDF had ten (10) employees on its payroll. However, 0 or 0% of employees are persons with disability contrary to Section 13 of the Persons with Disability Act which stipulates that the Council shall endeavour to secure the reservation of five per cent of all casual, emergency and contractual positions in employment in the public and private sectors for persons with disabilities.

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

2. Non – Compliance with the Law on Staff Ethnic Composition

Review of the staff Bio Data established that Igembe Central NG-CDF had ten (10) employees on its payroll. However, ten (10) or 100% of employees were from one dominant community contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which stipulates that no public establishment shall have more than one third of its staff from the same ethnic community.

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

3. Delayed Implementation of Approved Projects

Review of Project Implementation Status (PIS) provided for audit revealed that the Management of Igembe Central NG-CDF intended to implement a total of fifty-seven (57) projects, through various Project Management Committees, during the financial year 2024 -2025. Further analysis revealed that no project had been completed, fourteen (14) or 25% were on-going while forty-three (43) or 75% had not commenced as at the time of audit in June, 2025.

In the circumstances, the Fund did not achieve its project implementation targets during the year under review. Consequently, the Fund did not fully provide promised, planned and budgeted services to the public.

4. Failure to Insure Fixed and Moveable Assets

Review of fixed asset register provided for audit revealed that the Fund owns various categories of non-current assets. However, only motor vehicle, Land cruiser of registration GKB 813B was insured while the NG-CDF office building and other moveable assets were not insured as at the time of audit contrary to Section 36(3) of the National Government Constituencies Development Fund Act, 2023

In the circumstances, audit could not ascertain the safety of assets owned by Igembe Central NG-CDF.

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

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

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

Lack of Approved Staff Establishment

The statement of financial performance reflects compensation of employees amount of Kshs.5,836,613 as disclosed in Note 10 to the financial statements. However, the Fund did not have an approved staff establishment and a Human Resource Plan to support achievement of goals and objectives in the Strategic Plan. This is contrary to Section B.2 of the Human Resource Policies and Procedures Manual for the Public Service, 2016 that requires every Ministry/State Department to prepare human resource plans to support achievement of goals and objectives in their strategic plans. The plans shall be based on comprehensive job analysis and shall be reviewed every year to address emerging issues

and needs. On the basis of these Human Resource Plans, Ministries/State Departments/government agencies shall be required to develop annual recruitment plans.

In the circumstances, Management may not hire and remunerate the optimal staff level required for effective delivery of the Fund's objectives.

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

Responsibilities of the Management and the National Government Constituencies Development Fund Committee

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

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

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

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

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


FCPA Nancy Gathungu, CBS
AUDITOR – GENERAL

Nairobi

28 November, 2025

*National Government Constituencies Development Fund (NGCDF)
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10. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	Period ended June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,954
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		179,441,954
Expenses		
Employee costs	10	5,836,613
Committee expenses	11	6,350,000
Use of Goods and Services	12	5,684,192
Other Government Units Actual expenditure	13	44,788,917
Other Grants and Transfers Actual expenditure	14	63,901,823
Depreciation and amortization expense	15	-
Digital Hubs Actual expenditure	16	6,426,264
Total expenses		132,987,808
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		46,454,147

The Constituency financial statements were approved by the NGCDFC on 20th August 2025 and signed by:

Chairman NG-CDF
Committee
Name: Reuben Kaberia

National Sub-County
Accountant
Name: Faith Magiri
ICPAK M/No:17990

Fund Account Manager
Name: Danson Njogu Njiru.

(Paragraph 79 of IPSAS33 allows for the election by an MDA to present one statement of financial performance, one statement of cash flow, one statement of net assets and the

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

statement of financial position, and an opening statement of financial position at the time of adoption of the accrual basis of accounting. In preparing this financial reporting template, this election has been made; therefore, there are no comparatives in the first year of transition.)

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




11. Statement of Financial Position as At 30th June, 2025.

	Not e	<i>Period as at June 2025</i>	<i>Opening Statement 1st July 2024</i>
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	72,535,445	12,843,966
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	51,441,954	62,430,893
Prepayments	22	99,309	-
Total Current Assets		124,076,708	75,274,859
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		124,076,708	75,274,859
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	6,332,284	5,961,450
Lease Liabilities	28	-	-
Gratuity provision	29	2,735,676	758,806
Total Current Liabilities		9,067,960	6,720,256
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		9,067,960	6,720,256
Net Assets (A-B)		115,008,748	68,554,603
Represented by:			


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

Accumulated surplus		115,008,750	68,554,603
Total Net Assets		115,008,750	68,554,603


The Constituency financial statements set out on pages 1 to 22 approved by NG CDFC on 20th August 2025 and signed by:



Chairman NG-CDF
Committee
Name: Reuben Kaberia



National Sub-County
Accountant
Name: Faith Magiri
ICPAK M/No: 17990



Fund Account Manager
Name: Danson Njogu

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

Description	Accumulated surplus/Deficit	Reserves	Total
	Kshs	Kshs	Kshs
As at 30 th June 2024 (cash basis)	2,292,580	-	2,292,580
Adjustments: (to recognize assets and liabilities)			
Add Assets	72,982,279		72,982,279
Less Liabilities	6,720,256		6,720,256
As at July 1, 2024	68,554,603		68,554,603
Surplus/(Deficit) For the Period	46,454,147		46,454,147
Revaluation Gain/Loss	-	-	-
As at 30 th June 2025	115,008,750	-	115,008,750

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

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

	Notes	<i>Period ended June</i>
		Kshs
Cashflowsfromoperatingactivities		
Receipts		
Transfers from the NGCDF Board		190,430,893
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		190,430,893
Payments		
Employee costs		3,859,743
Committee expenses		6,350,000
Use of Goods and Services		5,783,501
Other Government Units Certified Works		44,418,083
Other Grants and Transfers		63,901,823
Digital Hubs Expenses		6,426,264
Total Payments		130,739,413
Net Cash Flows from/ (used in) Operating Activities	30	59,691,480
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Increase in payables		
Net Cash Flows from Investing Activities		-
Netincrease/(decrease)incash& Cash equivalents		59,691,480
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		59,691,480
Cash and cash equivalents at Period Start	19	12,843,966

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Cash and cash equivalents at Period End	19	72,535,446
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(PSASB has prescribed the direct method of cash flow preparation/ presentation for all entities under the IPSAS accrual basis of accounting.)

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14. 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>2024/2025 FY</i>	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	<i>2024/2025</i>	<i>2024/2025</i>		
Revenue							
Transfers From the NGCDF Board	179,441,954	12,843,967	62,430,893	254,716,814	203,274,860	51,441,954	80%
Grants/donations from other	-	-	-	-	-	-	0%

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entities							
Finance income	-	-	-	-		-	0%
Miscellaneous income	-	-	-	-		-	0%
Totals	179,441,954	12,843,967	62,430,893	254,716,814	203,274,860	51,441,954	80%
Expenses							
Employee costs	4,635,848	1,000,000	-	5,635,848	3,859,743	1,776,105	68%
Committee expenses	5,140,000	1,000,000	-	6,140,000	6,350,000	(210,000)	103%
Use of Goods and Services	6,373,928	292,581	(465,628)	6,200,881	5,783,501	417,380	93%
Other Government Units Certified Works	71,889,525	7,440,111	52,122,732	131,452,368	44,418,083	87,034,285	34%
Other Grants and Transfers	84,063,507	3,111,275	5,512,935	92,687,717	63,901,823	28,785,894	69%
Digital Hubs	2,339,146	-	5,260,854	7,600,000	6,426,264	1,173,737	85%

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Expenses							
Funds Pending Approval**	5,000,000	-	-	5,000,000	-	5,000,000	0%
Total Expenditure	179,441,954	12,843,967	62,430,893	254,716,814	130,739,413	123,977,401	51%
Surplus for the period	-	-	-	-	72,535,447	(72,535,447)	

**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.

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Explanatory Notes.

[Provide below a commentary on significant underutilization (below 90% of utilization) and any overutilization (above 100%)]

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	123,977,401
Less undisbursed funds receivable from the Board as at 30th, June 2025	51,441,954
	72,535,447

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



 Fund Account Manager

Name: Danson Njogu



 National Sub-County Accountant

Name: Faith Magiri
 ICPAK M/No: 17990



 Chairman NG-CDF Committee

Name: Reuben Kaberia

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15. Budget Execution by Sectors and Projects for The Year Ended 30th June 2025.

Program/Sub-program	Original Budget	Adjustments		Final Budget	Actual on	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements		comparable basis	
					Kshs	
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,635,848	1,000,000	-	5,635,848	3,859,743	1,776,105
1.2 Committee allowances	2,448,000	1,000,000	-	3,448,000	3,368,890	79,110
1.3 Use of goods and services	3,682,669	292,581	(465,628)	3,509,622	3,407,022	102,600
Sub-total	10,766,517	2,292,581	(465,628)	12,593,470	10,635,655	1,957,815
2.0 Monitoring and evaluation						
2.1 Capacity building	1,100,000	-	-	1,100,000	1,100,000	-
2.2 Committee allowances	2,692,000		-	2,692,000	2,780,345	(88,345)
2.3 Use of goods and services	1,591,259		-	1,591,259	1,487,615	103,644
Sub-total	5,383,259	-	-	5,383,259	5,367,960	15,299
4.0 Emergency						
unutilized	9,444,313	-	-	9,444,313		9,444,313
Thitha primary school	-	-	(166,634)	(166,634)	-	(166,634)
SDA Kiutine secondary school	-	-	(431)	(431)	-	(431)
Kaurine Chief's camp	-	-	(150,000)	(150,000)	-	(150,000)
AntuabetweNjoune Sub-chief's office	-	-	(150,000)	(150,000)	-	(150,000)

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Machungulu chief's camp	-	-	-	-	949,240	(949,240)
Akuune primary school	-	-	-	-	1,200,000	(1,200,000)
Ntuene primary school	-	-	-	-	1,199,300	(1,199,300)
Kiengu sub-county office	-	-	-	-	804,000	(804,000)
Mwomwere primary school	-	-	-	-	1,549,500	(1,549,500)
Mpinda primary school	-	-	-	-	1,549,500	(1,549,500)
Sub-total	9,444,313	-	(467,065)	8,977,248	7,251,540	1,725,708
5.0 Bursary and Social Security						
5.1 Primary Schools	-	-	-	-	-	-
5.2 Secondary Schools	30,000,000	-	(3,608,364)	26,391,636	33,376,875	(6,985,239)
5.3 Tertiary Institutions	25,000,000	-	3,608,364	28,608,364	14,760,838	13,847,526
5.4 special needs	-	-	-	-	-	-
5.5 Education Support Programmes	-	-	-	-	-	-
5.6 Social Security	-	-	-	-	-	-
Sub-total	55,000,000	-	-	55,000,000	48,137,713	6,862,287
7.0 Environment						
Karamaantuamuo primary school	523,846	-	-	523,846	-	523,846
Thimbili primary school	523,846	-	-	523,846	-	523,846
Mwerongai primary school	523,846	-	-	523,846	-	523,846
Kithane primary school	523,846	-	-	523,846	-	523,846
Kathelwa primary school	523,846	-	-	523,846	-	523,846
Mbumbune primary school	523,846	-	-	523,846	-	523,846
Miori primary school	523,846	-	-	523,846	-	523,846
Thuuru primary school	523,846	-	-	523,846	-	523,846
Kieiga primary school	523,846	-	-	523,846	-	523,846
Ntuti primary school	523,846	-	-	523,846	-	523,846
Mporoko primary school	523,846	-	-	523,846	-	523,846
Kimutubua primary school	523,846	-	-	523,846	-	523,846
Mpinda primary school	523,846	-	-	523,846	-	523,846
Thamare primary school	523,846	-	-	523,846	-	523,846

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Kalui primary school	523,846	-	-	523,846	-	523,846
Kawiru primary school	523,846	-	-	523,846	-	523,846
IGEMBE CENTRAL ENVIRONMENT PROJECTS	-	-	-	-	-	-
Karamaantuamuo primary school	-	-	120,000	120,000	120,000	-
Muringene primary school	-	-	120,000	120,000	120,000	-
Limbuku primary school	-	-	120,000	120,000	120,000	-
KK Nanga primary school	-	-	120,000	120,000	120,000	-
Mwerene primary school	-	-	120,000	120,000	120,000	-
Kamiruru primary school	-	-	120,000	120,000	120,000	-
Thimbili primary school	-	-	120,000	120,000	120,000	-
Akuune primary school	-	-	120,000	120,000	120,000	-
Kabukuro primary school	-	-	120,000	120,000	120,000	-
Murera primary school	-	-	120,000	120,000	120,000	-
Kawiru primary school	-	-	120,000	120,000	120,000	-
Njia primary school	-	-	120,000	120,000	120,000	-
Nkinyan`ga primary school	-	-	120,000	120,000	120,000	-
Ntuti primary school	-	-	120,000	120,000	120,000	-
Kianikiraja primary school	-	-	120,000	120,000	120,000	-
Churui primary school	-	-	120,000	120,000	120,000	-
Rikiau primary school	-	-	120,000	120,000	120,000	-
Kathathene primary school	-	-	120,000	120,000	120,000	-
Kabuitu primary school	-	-	120,000	120,000	120,000	-
Ntuene primary school	-	-	120,000	120,000	120,000	-
Nthare primary school	-	-	120,000	120,000	120,000	-
Mpinda primary school	-	-	120,000	120,000	120,000	-
Thumbereria primary school	-	-	120,000	120,000	120,000	-
Kkmauu primary school	-	-	120,000	120,000	120,000	-
Thuuru primary school	-	-	120,000	120,000	120,000	-
Limoro primary school	-	-	120,000	120,000	120,000	-

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Kaumone primary school	-	-	120,000	120,000	120,000	-
Ntui primary school	-	-	120,000	120,000	120,000	-
Matirine primary school	-	-	120,000	120,000	120,000	-
Sub-total	8,381,541	-	3,480,000	11,861,541	3,480,000	8,381,541
8.0 Primary Schools Projects						
Kathathene primary school	1,500,000	-	-	1,500,000	1,499,684	316
Limbuku primary school	1,400,000	-	-	1,400,000	-	1,400,000
Mwerongai primary school	1,400,000	-	-	1,400,000	-	1,400,000
Kithare primary school	1,500,000	-	-	1,500,000	-	1,500,000
Thuuru primary school	1,500,000	-	-	1,500,000	-	1,500,000
NKinyang'a primary school	1,400,000	-	-	1,400,000	-	1,400,000
Churui primary school	4,000,000	-	-	4,000,000	-	4,000,000
Ncunguru primary school	1,400,000	-	-	1,400,000	-	1,400,000
Kathithi primary school	1,400,000	-	-	1,400,000	-	1,400,000
Mwomwere primary school	1,400,000	-	-	1,400,000	-	1,400,000
Machunguru primary school	3,500,000	-	-	3,500,000	-	3,500,000
Kamiruru primary school	1,400,000	-	-	1,400,000	1,331,262	68,738
Nkoe primary school	1,400,000	-	-	1,400,000	-	1,400,000
LiburuNkong'une primary school	1,400,000	-	-	1,400,000	-	1,400,000
Kalankware primary school	1,400,000	-	-	1,400,000	-	1,400,000
Miori primary school	1,400,000	-	-	1,400,000	-	1,400,000
Rikiau primary school	900,000	-	-	900,000	-	900,000
Thamare primary school	600,000	-	-	600,000	-	600,000
Mwerene primary school	5,000,000	-	-	5,000,000	-	5,000,000
ATHIRU RUUJINE PRIMARY SCHOOL	-	9,637	-	9,637	-	9,637
GITUENE PRIMARY SCHOOL	-	1,360	-	1,360	-	1,360
KALANKWARE PRIMARYSCHOOL	-	-	-	-	-	-
KATHELWA PRIMARY SCHOOL	-	42,995	-	42,995	-	42,995
KAURINE PRIMARY SCHOOL	-	1,331	-	1,331	-	1,331

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KILIMAUNGU PRIMARY SCHOOL	-	-	-	-	-	-
NGUTHUKI PRIMARY SCHOOL	-	520	-	520	-	520
K.K. NANGA PRIMARY SCHOOL	-	41,200	-	41,200	-	41,200
KABUITU PRIMARY SCHOOL	-	1,240	-	1,240	-	1,240
KALANKWARE PRIMARY SCHOOL	-	-	-	-	-	-
KANI KA RUI PRIMARY SCHOOL	-	-	-	-	-	-
KARAMA ANTUAMUO PRIMARY SCHOOL	-	17,728	-	17,728	-	17,728
KIMUTUBUA PRIMARY SCHOOL	-	260	-	260	-	260
K.K MAUU PRIMARY SCHOOL	-	-	-	-	-	-
NGUJUJU PRIMARY SCHOOL	-	1,221	-	1,221	-	1,221
MPINDA PRIMARY SCHOOL	-	-	-	-	-	-
AKUUNE PRIMARY SCHOOL	-	290	-	290	-	290
NTUENE PRIMARY SCHOOL	-	32,574	-	32,574	-	32,574
THAMARE PRIMARY SCHOOL	-	504,250	-	504,250	-	504,250
NG-CDF: MACHUNGULU PRIMARY SCHOOL	-	3,121	-	3,121	-	3,121
NG-CDF: MIORI PRIMARY SCHOOL	-	100	-	100	-	100
NG-CDF: THUURU PRIMARY SCHOOL	-	693	-	693	-	693
NG-CDF: KAONGO KAMAU PRIMARY SCHOOL	-	4,524	-	4,524	-	4,524
NG-CDF: MWOMWERE PRIMARY SCHOOL	-	3,530	-	3,530	-	3,530
NG-CDF: MUKULULU PRIMARY SCHOOL	-	2,780	-	2,780	-	2,780
NG-CDF: MURERA PRIMARY SCHOOL	-	174,051	-	174,051	-	174,051
NG-CDF: KK. MUUTI PRIMARY SCHOOL	-	4,320	-	4,320	-	4,320
NG-CDF: KALIMIKUU PRIMARY SCHOOL	-	3,360	-	3,360	-	3,360
NG-CDF: KANGETA PRIMARY SCHOOL	-	30,956	-	30,956	-	30,956
NG-CDF: MALAENE PRIMARY SCHOOL	-	1,200	-	1,200	-	1,200
NG-CDF: KATHATHENE PRIMARY SCHOOL	-	960	-	960	-	960
NG-CDF: CHURUI PRIMARY SCHOOL	-	5,250	-	5,250	-	5,250
NG-CDF: LIMBUKU PRIMARY SCHOOL	-	4,252	-	4,252	-	4,252
NG-CDF: KIANI KIRAJA PRIMARY SCHOOL.	-	141,258	-	141,258	-	141,258

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NG-CDF: THUMBERERIA PRIMARY SCHOOL.	-	9,494	-	9,494	-	9,494
NG-CDF: RIKIAU PRIMARY SCHOOL.	-	2,482	-	2,482	-	2,482
NG-CDF: KAUMONE PRIMARY SCHOOL	-	1,360	-	1,360	-	1,360
NG-CDF: NTUI PRIMARY SCHOOL	-	52,911	-	52,911	-	52,911
NG-CDF: KIUJULINE PRIMARY SCHOOL	-	360	-	360	-	360
NG-CDF: NJIA PRIMARY SCHOOL	-	10,297	-	10,297	-	10,297
NG-CDF: MUTUATINE PRIMARY SCHOOL	-	1,762	-	1,762	-	1,762
NG-CDF: NKINYANGA PRIMARY SCHOOL	-	3,482	-	3,482	-	3,482
NG-CDF: NTUTI PRIMARY SCHOOL	-	28,882	-	28,882	-	28,882
NG-CDF: ST. MARKS NDOLELI PRIMARY SCHOOL	-	1,351	-	1,351	-	1,351
NG-CDF: KITHARE PRIMARY SCHOOL	-	7,640	-	7,640	-	7,640
NG-CDF:MATIANDUI PRIMARY SCHOOL	-	1,204	-	1,204	-	1,204
NG-CDF: MWERONGAI PRIMARY SCHOOL	-	1,341	-	1,341	-	1,341
NG-CDF: KK AARU PRIMARY SCHOOL	-	465,720	-	465,720	-	465,720
NG-CDF KATHITHINE PRIMARY SCHOOL	-	1,318	-	1,318	-	1,318
NG-CDF KALULU PRIMARY SCHOOL	-	76,233	-	76,233	-	76,233
NG-CDF KAMIRURU PRIMARY SCHOOL	-	11,169	-	11,169	-	11,169
NG-CDF KALIMBALA AIPCA PRIMARY SCHOOL	-	238	-	238	-	238
NG-CDF: NKOE PRIMARY SCHOOL	-	43,893	-	43,893	-	43,893
NG-CDF: KANAATHU PRIMARY SCHOOL.	-	520	-	520	-	520
NG-CDF: MWERENE PRIMARY SCHOOL	-	24,806	-	24,806	-	24,806
NG-CDF: TUURU PRIMARY SCHOOL	-	4,545	-	4,545	-	4,545
NG-CDF: KIEIYA PRIMARY SCHOOL	-	1,000	-	1,000	-	1,000
NG-CDF: NTHARE PRIMARY SCHOOL	-	1,250	-	1,250	-	1,250
NG-CDF: LIMORO PRIMARY SCHOOL	-	23,238	-	23,238	-	23,238
NG-CDF: NKANGA PRIMARY SCHOOL	-	19,441	-	19,441	-	19,441
NG-CDF: KAWIRU PRIMARY SCHOOL	-	42,276	-	42,276	-	42,276
NG-CDF:THIMBILI PRIMARY SCHOOL	-	8,702	-	8,702	-	8,702
NG-CDF AIPCA NYUMBA YA ITWI PRIMARY SCHOOL	-	2,410	-	2,410	-	2,410

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NG-CDF: MPOROKO PRIMARY SCHOOL	-	39,390	-	39,390	-	39,390
NGCDF BAIBARIU PRIMARY SCHOOL	-	66,556	-	66,556	-	66,556
NG-CDF-MAKUTANO PRIMARY SCHOOL IGEMBE CENTRAL	-	707	-	707	-	707
NG CDF MATIRINE PRIMARY SCHOOL	-	138,153	-	138,153	-	138,153
NG-CDF:CHURUI PRIMARY SCHOOL	-	5,250	-	5,250	-	5,250
NGCDF BAIBARIU PRIMARY SCHOOL	-	1,358,362	-	1,358,362	-	1,358,362
NG CDF IGEMBE CENTRAL KARIRU PRIMARY SCHOOL	-	482,004	-	482,004	-	482,004
NG CDF IGEMBE CENTRAL KALUI PRIMARY SCHOOL	-	20,638	-	20,638	-	20,638
NG CDF IGEMBE CENTRAL KAONGO KA MWERE PRIMARY SCHOOL	-	717,004	-	717,004	-	717,004
NG CDF MBUBUNE PRIMARY SCHOOL	-	182,155	-	182,155	-	182,155
NG CDF MBUBUNE PRIMARY SCHOOL	-	182,155	-	182,155	-	182,155
NG-CDF-MAKUTANO PRIMARY SCHOOL IGEMBE CENTRAL	-	707	-	707	-	707
NG CDF MATIRINE PRIMARY SCHOOL	-	1,689,885	-	1,689,885	-	1,689,885
Thamare primary school	-	-	1,000,000	1,000,000	1,452,789	(452,789)
Kaumoneprimare school	-	-	-	-	-	-
Gituene primary school	-	-	219,200	219,200	217,317	1,883
Nguthuki primary school	-	-	219,200	219,200	217,317	1,883
Kathelwa primary school	-	-	219,200	219,200	217,317	1,883
Kilimamungu primary school	-	-	219,200	219,200	5,400	213,800
AthiruRuujine primary school	-	-	219,200	219,200	217,200	2,000
Kalankware primary school	-	-	219,200	219,200	217,317	1,883
Muringene day secondary school	-	-	219,200	219,200	-	219,200
Kaurine primary school	-	-	219,218	219,218	217,212	2,006
Ncunguru primary school	-	-	31	31	-	31
Kabuitu primary school	-	-	1,551,763	1,551,763	1,551,379	385
Mpinda primary school	-	-	1,551,732	1,551,732	1,479,223	72,509
Nguyuyu primary school	-	-	1,551,732	1,551,732	1,509,973	41,759
Ntui primary school	-	-	1,551,732	1,551,732	1,579,308	(27,576)
Kanikarui primary school	-	-	1,551,732	1,551,732	1,526,787	24,945

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Kimutubua primary school	-	-	1,551,732	1,551,732	1,551,854	(122)
Matiandui primary school	-	-	1,551,732	1,551,732	1,489,354	62,378
Karamaantuamuo primary school	-	-	1,551,732	1,551,732	1,521,758	29,974
KK Nanga primary school	-	-	1,551,732	1,551,732	1,551,879	(147)
Kalankware primary school	-	-	1,551,732	1,551,732	1,548,371	3,361
KK Mauu primary school	-	-	1,551,732	1,551,732	1,181,020	370,712
Ntukai primary school	-	-	-	-	2,400,223	(2,400,223)
ATHIRU RUUJINE PRIMARY SCHOOL	-	-	-	-	-	-
GITUENE PRIMARY SCHOOL	-	-	-	-	-	-
KALANKWARE PRIMARY SCHOOL	-	-	-	-	-	-
KATHELWA PRIMARY SCHOOL	-	-	-	-	1,548,342	(1,548,342)
Sub-total	33,900,000	6,767,251	19,822,732	60,489,983	26,032,283	34,457,700
9.0 Secondary Schools Projects	(List all the Projects)					
Kamiruru Secondary school	1,500,000	-	-	1,500,000	-	1,500,000
Nthambiro secondary school	5,200,000	-	-	5,200,000	-	5,200,000
Kathelwa secondary school	10,697,000	-	-	10,697,000	-	10,697,000
Kathathene secondary school	2,000,000	-	-	2,000,000	-	2,000,000
Akuune secondary school	2,000,000	-	-	2,000,000	-	2,000,000
Ntuti secondary school	2,000,000	-	-	2,000,000	1,725,644	274,357
Njia boys secondary school	4,292,800	-	-	4,292,800	-	4,292,800
MURINGENE DAY SEC. SCHOOL	-	1,118	-	1,118	-	1,118
NG-CDF: KAWIRU SECONDARY SCHOOL	-	2,323	-	2,323	-	2,323
NG-CDF: KARAMA ANTUAMUO SECONDARY SCHOOL	-	1,200	-	1,200	-	1,200
NG-CDF: KANDUBAI MIXED DAY SECONDARY SCHOOL	-	5,000	-	5,000	-	5,000
NG-CDF: NJIA BOYS SECONDARY SCHOOL	-	258	-	258	-	258
NG-CDF: KANGETA GIRLS SECONDARY SCHOOL	-	52	-	52	-	52
NG-CDF: KAMIRURU SECONDARY SCHOOL	-	6,565	-	6,565	-	6,565
NG-CDF: KATHELWA SECONDARY SCHOOL	-	91,222	-	91,222	-	91,222
NG-CDF: KILIMAMUNGU SECONDARY SCHOOL	-	600	-	600	-	600

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NG-CDF: MATIANDUI DAY SECONDARY SCHOOL	-	6,971	-	6,971	-	6,971
NG-CDF: NTHARE SECONDARY SCHOOL	-	20,000	-	20,000	-	20,000
NG-CDF: KANGETA MIXED DAY SECONDARY SCHOOL	-	1,580	-	1,580	-	1,580
NG-CDF: MACHUNGULU DAY SECONDARY SCHOOL	-	386	-	386	-	386
NG-CDF: KABUKURO SECONDARY SCHOOL	-	60,193	-	60,193	-	60,193
NG-CDF: ST. JAMES SECONDARY SCHOOL	-	3,000	-	3,000	-	3,000
NG-CDF: NTUTI DAY SECONDARY SCHOOL	-	600	-	600	-	600
NG-CDF: KIANI KIA AARU DAY SECONDARY SCHOOL	-	5,778	-	5,778	-	5,778
NG-CDF: MUKULULU DAY SECONDARY SCHOOL	-	38,864	-	38,864	-	38,864
NG-CDF: MIORI MIXED DAY SECONDARY SCHOOL	-	19,512	-	19,512	-	19,512
NG-CDF: TUURU DAY SECONDARY SCHOOL	-	1,360	-	1,360	-	1,360
NG-CDF: KAURINE DAY SECONDARY SCHOOL	-	121	-	121	-	121
NG-CDF: NTHAMBIRO PRIMARY SCHOOL	-	1,312	-	1,312	-	1,312
NG-CDF: MURERA DAY SECONDARY SCHOOL	-	860	-	860	-	860
NG-CDF: KANJOO DAY SECONDARY SCHOOL	-	19,236	-	19,236	-	19,236
NG-CDF: MATIRINE SECONDARY SCHOOL	-	46,939	-	46,939	-	46,939
KANGETA GIRLS SECONDARY SCHOOL	-	52	-	52	-	52
NG-CDF: KANAATHU MIXED DAY SECONDARY SCHOOL	-	1,331	-	1,331	-	1,331
NG-CDF NTUENE SECONDARY SCHOOL	-	157,562	-	157,562	-	157,562
NG-CDF: KITHARE DAY SECONDARY SCHOOL	-	1,120	-	1,120	-	1,120
NG-CDF: AKUUNE DAY SECONDARY SCHOOL	-	11,331	-	11,331	-	11,331
NG CDF IGEMBE CENRAL-KONGO KA MAU DAY SECONDARY SCHOOL	-	107,704	-	107,704	-	107,704
NG-CDF: THITHA SECONDARY SCHOOL	-	7,173	-	7,173	-	7,173
MURINGENE DAY SEC. SCHOOL	-	-	-	-	-	-
Burieruri boys secondary school	-	-	6,000,000	6,000,000	-	6,000,000
Njia boys secondary school	-	-	3,000,000	3,000,000	-	3,000,000
Sub-total	27,689,800	621,322	9,000,000	37,311,122	1,725,644	35,585,478
10.0 Tertiary institutions Projects (List all the Projects)						
Kenya medical training college-Igembe central	1,699,725	-	-	1,699,725	-	1,699,725

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Kenya medical training college-Igembe central	-	-	23,300,000	23,300,000	16,649,785	6,650,215
Chuka University-Igembe campus	8,600,000	-	-	8,600,000	-	8,600,000
NG-CDF: KMTCC IGEMBE CENTRAL	-	6,542	-	6,542	-	6,542
NG CDF IGEMBE CENTRAL KIENGU EDUCATION OFFICE	-	44,996	-	44,996	-	44,996
Sub-total	10,299,725	51,538	23,300,000	33,651,263	16,649,785	17,001,479
11.0 Security Projects						
Kangeta police station	5,000,000	-	-	5,000,000	-	5,000,000
Antubeiga chief office	587,653	-	-	587,653		587,653
Antubeiga police post	1,000,000	-	-	1,000,000	1,161,346	(161,346)
Mashariki chief's office	500,000	-	-	500,000	436,507	63,494
Kiengu chief's office	500,000	-	-	500,000	514,594	(14,594)
Kathelwa chief's office	250,000	-	-	250,000	-	250,000
Kautine chief's office	900,000	-	-	900,000	-	900,000
Kiengu sub-county commissioner's office	-	-	1,000,000	1,000,000	984,146	15,854
Kiengu sub-county office	2,500,000	-	-	2,500,000		2,500,000
Kiutine chief's camp	-	-	1,500,000	1,500,000	1,935,979	(435,979)
NG-CDF: IGEMBE CENTRAL RETENTION	-	228,391	-	228,391	-	228,391
NG-CDF KATHELWA ASSISTANT CHIEFS OFFICE	-	291	-	291	-	291
NGCDF IGEMBE CENTRAL DCC OFFICE	-	28,361	-	28,361	-	28,361
NGCDF IGEMBE CENTRAL ANTUBEIGA POLICE POST	-	498,360	-	498,360	-	498,360
NGCDF IGEMBE CENTRAL KATHELWA POLICE POST	-	8,673	-	8,673	-	8,673
MASHARIKI CHIEFS OFFICEACCOUNT NGCDF IGEMBE CENTRAL	-	17,621	-	17,621	-	17,621
MASHARIKI CHIEFS OFFICEACCOUNT NGCDF IGEMBE CENTRAL	-	17,621	-	17,621	-	17,621
NGCDF IGEMBE CENTRAL DCC OFFICE	-	1,228,361	-	1,228,361	-	1,228,361
NG CDF KIENGU CHIEFS OFFICE	-	111,762	-	111,762	-	111,762
NGCDF NJIA CHIEFS OFFICE	-	2,769	-	2,769	-	2,769
NG CDF ANTUBEIGA CHIEFS OFFICE	-	960,392	-	960,392	-	960,392
NGCDF IGEMBE CENTRAL KATHELWA POLICE POST	-	8,673	-	8,673	-	8,673
Sub-total	11,237,653	3,111,275	2,500,000	16,848,928	5,032,570	11,816,358

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12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
12.2 Purchase of furniture and fittings	-	-	-	-	-	-
12.2 Construction of CDF office	-	-	-	-	-	-
Sub-total	-	-	-	-	-	-
13.0 Others-Digital hubs						
Igembe east ward Digital Hubs	1,169,573	-	-	1,169,573	-	1,169,573
Akirang'ondu ward Digital Hubs	1,169,573	-	-	1,169,573	-	1,169,573
Akirang'ondu ward ICT Hub	-	-	2,630,427	2,630,427	3,816,558	(1,186,131)
Igembe ward ICT Hub	-	-	2,630,427	2,630,427	2,609,707	20,721
Sub-total	2,339,146	-	5,260,854	7,600,000	6,426,264	1,173,736
Funds pending approval**				-		-
KMTC						
KMTC-Igembe central	5,000,000	-	-	5,000,000	-	5,000,000
Sub-total	5,000,000	-	-	5,000,000	-	5,000,000
Total	179,441,954	12,843,967	62,430,893	254,716,814	130,739,413	123,977,401

(NB: This statement is a disclosure statement indicating the utilization in the same format as the entity's budgets which are program-based. This statement totals should tie to the totals of the Statement of Comparison of Budget and Actual Amounts)

16. 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 Igembe central Constituency principal activity is 2024/2025.

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) or the entity has taken advantage of the transitional provisions under IPSAS 33 and therefore this is the 1st transitional financial statements. The NGCDF Igembe Central has recognised all financial assets, including Cash and cash equivalent held in the operational account, deposit account and PMC Bank Account, Receivables and Prepayments, property plant and equipment PPE and Intangible assets acquired during the financial year 2024/2025 up to the reporting date

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

3. Adoption of New and Revised Standards

(When an IPSAS becomes effective on 1st January 2024, it is applicable in Kenya from 1st July 2025)

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<p>Applicable 1st January 2025</p> <p>The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity.</p> <p>The new standard requires entities to recognize, measure and present information on right of use assets and lease liabilities.</p> <p>This IPSAS is not applicable at the constituency</p>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<p>Applicable 1st January 2025</p> <p>The Standard requires,</p> <p>Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and:</p> <p>Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> <p>This IPSAS is not applicable at the constituency</p>
IPSAS 45: Property Plant and Equipment	<p>Applicable 1st January 2025</p> <p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has 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>This IPSAS is applicable effective 1st July 2025</p>
IPSAS 46: Measurement	<p>Applicable 1st January 2025</p> <p>The objective of this standard was to improve measurement guidance across</p>

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	<p>IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p>This IPSAS is applicable effective 1st July 2025</p>
IPSAS 47: Revenue	<p>Applicable 1st January 2026</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 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>This IPSAS is applicable effective 1st July 2026</p>
IPSAS 48: Transfer Expenses	<p>Applicable 1st January 2026</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>This IPSAS is not applicable at the constituency</p>
IPSAS 49: Retirement Benefit Plans	<p>Applicable 1st January 2026</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>This IPSAS is not applicable at the constituency</p>
IPSAS 50: Exploration For & Evaluation of	<p>Applicable 1st January 2027</p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration

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<p>Mineral Resources</p>	<p>and evaluation expenditures.</p> <p>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.</p> <p>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</p> <p>This IPSAS is not applicable at the constituency</p>
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iii. Early adoption of standards

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

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

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

The financial statements are prepared on an accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by presentation to be on the same basis as the approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. In addition to the Basis difference, adjustments to amounts in the financial statements are also made for differences in the formats and classification schemes adopted for the presentation of the financial statements and the approved budget. A statement to reconcile the actual amounts on a comparable basis included in the statement of comparison of budget and actual amounts and the actual 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 the entire risks and benefits incidental to ownership of the leased item to the Entity. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The Entity also recognizes the associated lease liability at the inception of the lease. The liability

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

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in Note xx

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

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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. (the entity to retain information relating to defined benefits or contributions, where both schemes are managed full policy applies)

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 Equivalentents

Cash and cash equivalentents 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.

(include provisions applicable for your organisation e.g. provision for bad debts, provisions of obsolete stocks and how management estimates these provisions).

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6. Transfers from the NGCDF Board

Description	<i>Period ended June 2025</i>
NGCDFB Transfers (Allocation for the FY)	179,441,954
TOTAL	179,441,954

7. Transfers from domestic and foreign partners

Description	2024/2025 FY
	Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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10. Employees cost

Description	<i>Period ended June 2025</i>
	Kshs
NG-CDFC Basic staff salaries	3,336,769
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	1,976,870
Employer Contributions Compulsory national social security schemes	420,064
Employer Contributions Compulsory Housing levy	96,910
Employer contributions to National Industrial Training Authority	6,000
Other Specify	-
Total	5,836,613

11. Committee Expenses

Description	<i>Period ended June 2025</i>
	Kshs
Sitting allowance	1,554,000
Other Committee expenses	4,796,000
Total	6,350,000

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12. Use of Goods and services

Description	<i>Period ended June 2025</i>
	Kshs
Utilities, supplies and services	5,800
Communication, supplies and services	372,250
Domestic travel and subsistence	-
Printing, advertising and information supplies & services	611,625
Office Rent	
Training expenses	-
Hospitality supplies and services	281,090
Insurance costs	49,859
Specialized materials and services	-
Office and general supplies and services	761,000
Fuel, oil & lubricants	2,447,907
Bank Charges	31,115
Routine maintenance – vehicles and other transport equipment	1,055,545
Routine maintenance – other assets	68,001
Strategic plan expenses	-
Other operating expenses	-
Total	5,684,192

13. Other Government Units Actual expenditure

Description	<i>Period ended June 2025</i>
	Kshs
Primary Schools Actual expenditure	26,413,489
Secondary Schools Actual Expenditure	1,725,644
Tertiary Institutions Actual Expenditure	16,649,785
Total	44,788,917

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14. Other Grants and transfers Actual expenditure

Description	<i>Period ended June 2025</i>
	Kshs
Bursary – secondary schools	33,376,875
Bursary – tertiary institutions	14,760,838
Bursary – special schools	
Bursary - Education Support programmes	
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	5,836,570
Climate change mitigation projects	3,480,000
Emergency projects Actual Expenditure	6,447,540
Roads projects	-
Others specify	-
Total	63,901,823

15. Depreciation and Amortization Expenses

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

16. Digital Hubs Expenses

Description	<i>Period ended June 2025</i>
	Kshs
Construction/ renovation/Actual Expenditure	6,426,264
Digital Hub utility costs Water, Electricity,	-
Maintenance of ICT equipment	-
Maintenance of building	-
Others (<i>specify</i>)	-

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Total	6,426,264
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17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Name Of Bank, Account No. (Operations account)</i>	29,562,150	2,292,580
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Family Bank, 086000024732. (Deposit account)</i>	1,976,870	-
<i>Name of Bank, account No. (PMC's account)</i>	40,996,425	10,551,386
Total	72,535,445	12,843,966
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-

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

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20. Receivables from Exchange Transactions

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

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

i. Ageing Analysis for Receivables

Description	30 th July, 2025 FY		Opening Statement 1 st 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	<i>Period ended 30th June 2025</i>		<i>Opening Statement 1st July 2024</i>	
	Kshs		Kshs	
Transfers from NGCDFB	51,441,954		62,430,893	
Outstanding imprest	-		-	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025 FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1-2 years	1,551,732.00	%	-	%
Over 3 years	-	%	-	%
Total	1,551,732.00	%	-	%

22. Prepayments

Description	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Prepaid Rent	-	-
Prepaid Insurance	99,309	-
Prepaid Electricity Costs	-	-
Other Prepayments (<i>Specify</i>)	-	-
Total	99,309	-

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	(-)	(-)	-	-	-	(-)	(-)	(-)
Transfer/Adjustments	(-)	(-)	-	-	(-)	(-)	-	(-)
As At 30 th June 2024	-	-	-	-	-	-	-	-
Depreciation And Impairment								
Opening Depreciation		-	-	-	-	-		-
Depreciation	-	(-)	(-)	(-)	(-)	(-)	-	(-)
Disposals	-	-	-	-	-	-	-	-
Impairment	-	(-)	(-)	-	-	(-)	-	(-)
Transfer/Adjustment	-	-	(-)	(-)	-	(-)	(-)	-
As At 30 th June 2024		-	-	-	-	-	-	-
Net Book Values								
Opening Bal as at 1 st July 2024	-	-	-	-	-	-	-	x-
As At 30 th June 2024	-	-	-	-	-	xxx	xxx	xxx

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Valuation

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

22 b) Property, Plant and Equipment at Cost

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

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

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

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

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24. Intangible Assets

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

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024 (Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (2024/2025 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 2024 (2024/2025 FY)	-	-	-	-
Carrying Amount				
As At 30 June 2024 (2024/2025 FY)	-	-	-	-

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As At 30 June 2025. (Comparative Period)	-	-	-	-
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26. Trade and Other Payables

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

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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	5,961,450	-
Retention held during the period (B)	370,834	5,961,450
Retention paid during the period (C)		-
Closing Retention as at period xx, D= A+B-C	6,332,284	5,961,450

Retentions aging analysis.

	Insert 2024/2025 FY	% of the total	2024/2025 FY	% of the total
Less than 1 year	-	%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

28. Lease Liabilities

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

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	xxx

29. Gratuity Provision

Description	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Gratuity at the beginning of the period (A)	758,806	-
Gratuity held during the period (B)	1,976,870	758,806
Gratuity paid during the period (C)		-
Total Gratuity provision as at period xxD=(A+B-C)	2,735,676	758,806

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30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	46,454,147
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	10,889,630
Changes in deferred income	-
Changes in payables	2,347,704
Changes in payments received in advance	-
Net cash flow from operating activities	59,691,481

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

31. Financial Risk Management

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

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i) Credit risk

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

Financial Risk Management

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (2024/2025 FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-
As at 30 June (2023/2024 FY)				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	-	-

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

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
Total	-	-	-	-
As at 30th June (Previous FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

iii) Market risk

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

a) Foreign currency risk

The Entity has transactional currency exposures. Such exposure arises through purchases of goods and services that are done in currencies other than the local currency. Invoices denominated in foreign currencies are paid after 30 days from the date of the invoice and conversion at the time of payment is done using the prevailing exchange rate. The Entity manages foreign exchange risk from future commercial transactions and recognised assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the Entity's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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2024/2025 FY

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

Foreign currency sensitivity analysis

2024/2025 FY

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

Financial Risk Management

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
2024/2025 FY			
Euro	10%	-	-
USD	10%	-	-
2023/2024 FY			
Euro	10%	-	-
USD	10%	-	-

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The Entity analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs xxx (Current FY: Kshs xxx). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs xxx (Current FY – Kshs xxx)

Fair value of financial assets and liabilities

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a) Financial instruments measured at fair value.

Determination of fair value and fair values hierarchy

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

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

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

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

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

iv) Capital Risk Management

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

Description	Insert Current FY	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(-)	(-)
Net Debt/(Excess Cash And Cash Equivalentents)	-	-
Gearing	-%	-%

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32. Related Party Disclosures

	2024/2025 FY	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,554,000.00	-
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	190,430,893.00	-
Total	191,984,893.00	-

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

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Total	-	-
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(Give details)

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Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

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

38. Currency

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

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17. Annexes
 Annex 1: Summary of Asset Register

Asset class	Historical Cost balance brought forward (Kshs)	Additions during the period (Kshs)	Disposals during the period (Kshs)	Historical Cost (Kshs) At Year/period End
Land	-			-
Buildings and structures	52,839,786	-	-	52,839,786.00
Transport equipment	6,600,500			6,600,500.00
Office equipment, furniture, and fittings	400,900			400,900.00
ICT Equipment and Other ICT Assets	219,500			219,500.00
Other Machinery and Equipment	-			-
Intangible assets	-			-
Total	60,060,686			60,060,686.00

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

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

PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Burieruri boys secondary school	Family bank	086000025055	6,000,000	-
Gituene primary school	Familybank	086000012527	3,253	-
Igembe central Deposit Account	Family bank	086000024732	2,450,304	-
Igembe central NG-CDF Office	Family bank	086000025605	0	-
Igembe east Digital hub	Family bank	086000025149	1,664,840.80	-
Kabuitu primary school	Family bank	086000012056	1,593.50	-
Kalankware primary school	Family bank	086000024547	5,244	-
Kamiruru primary school	Family bank	086000019909	1,400,797.40	-
Kanikarui primary school	Family bank	086000024912	24,945	-
Kangeta primary school	Family bank	086000010812	30,956	-
Karamaantuamuo primary school	Family bank	086000010716	47,752	-
Kathathene secondary school	Family bank	086000025149	2,000,000	-
Kathelwa primary school	Family bank	086000012610	4,354	-
Kaurine primary school	Family bank	086000013838	517.10	-
Kautine chief's camp	Family bank	086000024575	193,194.50	-
Kiani Kia Nanga primary school	Family bank	086000010825	41,053.50	-
Kiengu chief's office	Family bank	086000022551	148,015.50	-

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
KienguSubcounty commissioner S office	Family bank	086000025025	816,107	-
Kimutubua primary school	Family bank	086000012134	188.50	-
Kithare primary school	Family bank	086000013741	79,886.60	-
KMTC-Igembe central	Family bank	086000013987	6,595,754.40	-
Limbuku primary school	Family bank	086000011971	1,404,252	-
Mashariki chief's office	Family bank	086000022494	81,114.50	-
Matiandui primary school	Family bank	086000013764	63,611.80	-
Mpinda primary school	Family bank	086000024885	72,509	-
Muringene day secondary school	Family bank	086000011475	1,118	-
Mwerongai primary school	Family bank	086000013770	1,415,625	-
Mwomwere primary school	Family bank	086000010758	3530	-
Nguthuki primary school	Family bank	086000024518	219,200	-
Ngujuju primary school	Family bank	086000013806	43,029.40	-
Njia Secondary school	Family bank	086000010730	3,000,258	-
Nthambiro secondary school	Family bank	086000025541	5,200,000	-
Kathathenene primary school	Family bank	086000010899	772	-
Ntui primary school	Family bank	086000012107	1,819.5	-
Ntuti day secondary school	Family bank	086000010885	275,513.50	-
Thamare primary school	Family bank	086000010832	551,561	-

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Akirang' ondu digital hub	Family bank	086000025043	457,990.30	-
Antubeiga police post	Family bank	086000022995	137,014.50	-
Athiru Ruujune primary school	Family bank	086000011999	772	-
Athiru ruujine primary school	Family bank	86000010695	2,000.00	-
Gituene primary school	Family bank	86000010698	3,243.00	-
Kalankware primaryschool	Family bank	86000010707	1,883.00	-
Kathelwa primary school	Family bank	86000010716	1,883.00	-
Kaurine primary school	Family bank	86000010716	2,006.40	-
Kilimaungu primary school	Family bank	86000010718	213,800.00	-
Nguthuki primary school	Family bank	86000010724	1,883.00	-
Kabuitu primary school	Family bank	86000010737	1,593.00	-
K.k. nanga primary school	Family bank	86000010740	41,053.50	-
Kalankware primary school	Family bank	86000010754	5,244.00	-
Kani ka rui primary school	Family bank	86000010757	24,945.00	-
Karama antuamuo primary school	Family bank	86000010758	47,702.00	-
Kimutubua primary school	Family bank	86000010759	138.50	-

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
K.k mauu primary school	Family bank	86000010766	370,987.00	-
Nguyuyu primary school	Family bank	86000010769	42,979.40	-
Mpinda primary school	Family bank	86000010771	72,509.00	-
Thamare primary school	Family bank	86000010773	551,461.50	-
Ntukai primary school	Family bank	86000010774	(222.50)	-
Matiandui primary school	Family bank	86000010775	63,611.80	-
Ntui primary school	Family bank	86000010785	1,819.50	-
Kathelwa primary school	Family bank	86000010786	4,354.00	-
Kathathene primary school	Family bank	860000108000	772.00	-
Kamiruru primary school pmc	Family bank	86000010807	69,535.79	-
Mwerongai primary school pmc	Family bank	86000010811	1,415,625.60	-
Ng-cdf: machungulu primary school	Family bank	86000010812	1,404,252.00	-
Ng-cdf: miori primary school	Family bank	86000010825	3,121.00	-
Ng-cdf: thuuru primary school	Family bank	86000010826	100.00	-
Ng-cdf: kaongo kamau primary school	Family bank	86000010832	693.00	-
Ng-cdf: mwomwere primary school	Family bank	86000010845	4,524.00	-

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: mukululu primary school	Family bank	86000010860	3,530.00	-
Ng-cdf: murera primary school	Family bank	86000010878	2,780.00	-
Ng-cdf: kk. Muuti primary school	Family bank	86000010884	174,051.00	-
Ng-cdf: kalimikuu primary school	Family bank	86000010885	4,320.00	-
Ng-cdf: kangeta primary school	Family bank	86000010897	3,360.00	-
Ng-cdf: malaene primary school	Family bank	86000010899	30,956.00	-
Ng-cdf: kathathene primary school	Family bank	86000010951	1,200.00	-
Ng-cdf: churui primary school	Family bank	86000011885	960.00	-
Ng-cdf: limbuku primary school	Family bank	86000011946	5,250.00	-
Ng-cdf: kiani kiraja primary school.	Family bank	86000011948	4,252.00	-
Ng-cdf: thumbereria primary school.	Family bank	86000011970	141,258.00	-
Ng-cdf: rikiau primary school.	Family bank	86000011971	9,494.00	-
Ng-cdf: kaumone primary school	Family bank	86000011975	2,482.00	-
Ng-cdf: ntui primary school	Family bank	86000011985	1,360.00	-
Ng-cdf: kiujuline primary school	Family bank	86000011991	52,911.00	-
Ng-cdf: njia primary school	Family bank	86000011999	360.00	-

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: mutuatine primary school	Family bank	86000012006	10,297.00	-
Ng-cdf: nkinyanga primary school	Family bank	86000012021	1,762.00	-
Ng-cdf: ntuti primary school	Family bank	86000012024	382.00	-
Ng-cdf: st. Marks ndoleli primary school	Family bank	86000012025	28,882.00	-
Ng-cdf: kithare primary school	Family bank	86000012035	1,350.80	-
Ng-cdf:matiandui primary school	Family bank	86000012056	7,639.60	-
Ng-cdf: mwerongai primary school	Family bank	86000012087	1,204.20	-
Ng-cdf kathithine primary school	Family bank	86000012107	1,340.80	-
Ng-cdf kalimbala aipca primary school	Family bank	86000012116	1,317.00	-
Ng-cdf: kanaathu primary school.	Family bank	86000012117	237.80	-
Ng-cdf: mwerene primary school	Family bank	86000012118	520.00	-
Ng-cdf: tuuru primary school	Family bank	86000012120	24,806.00	-
Ng-cdf: kieiya primary school	Family bank	86000012121	4,545.00	-
Ng-cdf: nthare primary school	Family bank	86000012122	1,000.00	-
Ng-cdf: limoro primary school	Family bank	86000012127	1,250.00	-
Ng-cdf: nkanga primary school	Family bank	86000012132	23,238.00	-

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: kawiru primary school	Family bank	86000012134	19,441.00	-
Ng-cdf:thimbili primary school	Family bank	86000012527	42,276.00	-
Ng-cdf aipca nyumba ya itwi primary school	Family bank	86000012609	8,701.60	-
Ng-cdf: mporoko primary school	Family bank	86000012610	2,409.80	-
Ngcdf baibariu primary school	Family bank	86000012617	39,390.20	-
Ng-cdf-makutano primary school igembe central	Family bank	86000010725	41,493.71	-
Ng cdf matirine primary school	Family bank	86000010726	707.00	-
Ng-cdf:churui primary school	Family bank	86000010730	138,153.00	-
Ngcdf baibariu primary school	Family bank	86000010745	5,250.00	-
Ng-cdf: kawiru secondary school	Family bank	86000010695	-	2,323.00
Ng-cdf: karamaantuamuo secondary school	Family bank	86000010698	-	1,200.00
Ng-cdf: kandubai mixed day secondary school	Family bank	86000010710	-	5,000.00
Ng-cdf: karamaantuamuo primary school	Family bank	86000010716	-	17,728.00
Ng-cdf: machungulu primary school	Family bank	86000010718	-	3,121.00
Ng-cdf: kamiruru secondary school	Family bank	86000010724	-	6,565.00
Ng-cdf: miori primary school	Family bank	86000010725	-	100
Ng-cdf: njia boys secondary school	Family bank	86000010730	-	258

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: kangeta girls secondary school	Family bank	86000010745	-	51.5
Ng-cdf: thuuru primary school	Family bank	86000010754	-	693
Ng-cdf: kaongokamau primary school	Family bank	86000010757	-	4,524.00
Ng-cdf: mwomwere primary school	Family bank	86000010758	-	3,530.00
Ng-cdf: kathelwa secondary school	Family bank	86000010766	-	91,222.00
Ng-cdf: mukululu primary school	Family bank	86000010771	-	2,780.00
Ng-cdf: kilimamungu secondary school	Family bank	86000010773	-	600
Ng-cdf: murera primary school	Family bank	86000010774	-	174,051.00
Ng-cdf: kk. Muuti primary school	Family bank	86000010775	-	4,320.00
Ng-cdf: kalimikuu primary school	Family bank	86000010785	-	3,360.00
Ng-cdf: matiandui day secondary school	Family bank	86000010786	-	6,971.00
Ng-cdf: nthare secondary school	Family bank	86000010807	-	20,000.00
Ng-cdf: kangeta mixed day secondary school	Family bank	86000010811	-	1,580.00
Ng-cdf: kangeta primary school	Family bank	86000010812	-	30,956.00
Ng-cdf: kianikiananga primary school	Family bank	86000010825	-	41,200.00
Ng-cdf: thamare primary school	Family bank	86000010832	-	504,250.00
Ng-cdf: matirine secondary school	Family bank	86000010845	-	46,939.00
Ng-cdf: malaene primary school	Family bank	86000010860	-	1,200.00
Ng-cdf: machungulu day secondary school	Family bank	86000010873	-	386

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: kabukuro secondary school	Family bank	86000010878	-	60,193.00
Ng-cdf: st. James secondary school	Family bank	86000010884	-	3,000.00
Ng-cdf: ntuti day secondary school	Family bank	86000010885	-	600
Ng-cdf: kathathene primary school	Family bank	86000010899	-	960
Ng-cdf: kianikiaaaru day secondary school	Family bank	86000010951	-	5,778.00
Ng-cdf: muringene day secondary school	Family bank	86000011475	-	1,118.00
Ng-cdf: mukululu day secondary school	Family bank	86000011885	-	38,864.00
Ng-cdf: miori mixed day secondary school	Family bank	86000011946	-	19,512.00
Ng-cdf: kaurine day secondary school	Family bank	86000011948	-	121
Ng-cdf: churui primary school	Family bank	86000011970	-	5,250.00
Ng-cdf: limbuku primary school	Family bank	86000011971	-	4,252.00
Ng-cdf: kianikiraja primary school.	Family bank	86000011975	-	141,258.00
Ng-cdf: thumbereria primary school.	Family bank	86000011991	-	9,494.00
Ng-cdf: athiruruujine primary school.	Family bank	86000011999	-	9,637.00
Ng-cdf: rikiau primary school.	Family bank	86000012006	-	2,482.00
Ng-cdf: kaumone primary school	Family bank	86000012021	-	1,360.00
Ng-cdf: tuuru day secondary school	Family bank	86000012024	-	1,360.00
Ng-cdf: nthambiro primary school	Family bank	86000012025	-	1,312.00
Ng-cdf: murera day secondary school	Family bank	86000012035	-	860

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: kabuitu primary school	Family bank	86000012056	-	1,240.00
Ng -cdf: nguthukii primary school	Family bank	86000012087	-	520
Ng-cdf: ntui primary school	Family bank	86000012107	-	52,911.00
Ng-cdf: kanjoo day secondary school	Family bank	86000012116	-	19,236.00
Ng-cdf: kiujuline primary school	Family bank	86000012117	-	360
Ng-cdf: njia primary school	Family bank	86000012118	-	10,297.00
Ng-cdf: kabukuro primary school	Family bank	86000012120	-	-5,480.00
Ng-cdf: mutuatine primary school	Family bank	86000012121	-	1,762.00
Ng-cdf: nkinyanga primary school	Family bank	86000012127	-	3,482.00
Ng-cdf: kimutubua primary school	Family bank	86000012134	-	260
Ng-cdf:gituene primary school	Family bank	86000012527	-	1,360.00
Ng-cdf: ntuti primary school	Family bank	86000012617	-	28,882.00
Ng-cdf: st. Marks ndoleli primary school	Family bank	86000013664	-	1,350.80
Ng-cdf: kithare primary school	Family bank	86000013741	-	7,639.60
Ng-cdf:matiandui primary school	Family bank	86000013764	-	1,204.20
Ng-cdf: mwerongai primary school	Family bank	86000013770	-	1,340.80
Ng-cdf: kanaathu mixed day secondary school	Family bank	86000013805	-	1,331.20
Ng-cdf: ngujuju primary school	Family bank	86000013806	-	1,220.80
Ng-cdf: kkaaruu primary school	Family bank	86000013808	-	465,720.20

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: kmtcigembe central	Family bank	86000013987	-	6,011.00
Ng-cdfntuene secondary school	Family bank	86000014041	-	157,562.20
Ng-cdfkathithine primary school	Family bank	86000014131	-	1,317.60
Ng-cdfkalulu primary school	Family bank	86000019894	-	76,232.80
Ng-cdfkamiruru primary school	Family bank	86000019909	-	11,169.00
Ng-cdfkalimbalaaipca primary school	Family bank	86000019930	-	237.8
Ng-cdf: igembe central retention	Family bank	86000020374	-	228,391.00
Ng-cdf: kithare day secondary school	Family bank	86000010800	-	1,120.00
Ng-cdf: nkoe primary school	Family bank	86000018646	-	43,893.40
Ng-cdfkathelwa assistant chiefs office	Family bank	86000019892	-	291.2
Ng-cdf: kaurine primary school	Family bank	86000013838	-	1,331.20
Ng-cdf: akuune primary school	Family bank	86000012132	-	290
Ng-cdf: kanaathu primary school.	Family bank	86000011985	-	520
Ng-cdf: thitha secondary school	Family bank	86000010897	-	7,173.00
Ng-cdf: mwerene primary school	Family bank	86000010707	-	24,806.00
Ng-cdf: tuuru primary school	Family bank	86000010726	-	4,545.00
Ng-cdf: kieiya primary school	Family bank	86000010737	-	1,000.00
Ng-cdf: akuune day secondary school	Family bank	86000010740	-	11,331.00
Ng-cdf: nthare primary school	Family bank	86000010759	-	1,250.00

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ng-cdf: limoro primary school	Family bank	86000010769	-	23,238.00
Ng-cdf: nkanga primary school	Family bank	86000012122	-	19,441.00
Ng-cdf: kawiru primary school	Family bank	86000012609	-	42,276.00
Ng-cdf: kathelwa primary school	Family bank	86000012610	-	42,995.00
Ng-cdf:thimbili primary school	Family bank	86000014599	-	8,701.60
Ng-cdfaipcanyumbayaitwi primary school	Family bank	86000019911	-	2,409.80
Ng-cdf: mporoko primary school	Family bank	86000013817	-	39,390.20
Ng-cdf: ntuene primary school	Family bank	86000010826	-	32,574.00
Ngcdfbaibariu primary school	Family bank	86000022504	-	66,556.00
Ng-cdf-makutano primary school	Family bank	86000022506	-	707
Ng cdf matirine primary school	Family bank	86000022556	-	138,153.00
Ng cdfmbubune primary school	Family bank	86000022912	-	182,155.00
Ngcdfigembe central dcc office	Family bank	86000022501	-	28,361.00
Ngcdf igembe central antubeiga police post	Family bank	86000022995	-	498,360.00
Ngcdfigembe central kathelwa police post	Family bank	86000023244	-	8,673.00
Mashariki chiefs officeaccountngcdfigembe central	Family bank	86000022494	-	17,621.00
Ng-cdf:kmtcigembe central	Family bank	86000013987	-	6,011.00
Ng-cdf:churui primary school	Family bank	86000011970	-	5,250.00
Kangeta girls secondary school	Family bank	86000010745	-	51.5

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PMC	Bank	Account number	Bank Balance 2024/2025 FY	Bank Balance 2023/2024 FY
Ngcdfbaibariu primary school	Family bank	86000022504	-	1,358,362.00
Mashariki chiefs officeaccountngcdfigembe central	Family bank	86000022494	-	17,621.00
Ng-cdf-makutano primary school igembe central	Family bank	86000022506	-	707.00
Ngcdfigembe central dcc office	Family bank	86000022501	-	1,228,361.00
Ng cdf matirine primary school	Family bank	86000022556	-	1,689,885.00
Ng cdf kiengu chiefs office	Family bank	86000022551	-	111,762.00
Ngcdfnjia chiefs office	Family bank	86000022516	-	2,769.00
Ng cdfantubeiga chiefs office	Family bank	86000022544	-	960,392.00
Ng cdfigembe central kariru primary school	Family bank	86000022687	-	482,004.00
Ng cdfigembe central kalui primary school	Family bank	86000022656	-	20,638.00
Ng cdfigembe central kaongokamwere primary school	Family bank	86000022775	-	717,004.00
Ng cdfmbubune primary school	Family bank	86000022912	-	182,155.00
Ngcdfigembe central kathelwa police post	Family bank	86000023244	-	8,673.00
Ng cdfigembecenral-kongokamau day secondary school	Family bank	86000024036	-	107,703.50
Ng cdfigembe central kiengu education office	Family bank	86000023949	-	44,996.00
Total			40,996,425.00	10,551,385.90

Annex 3: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/ER/NGCDF/IGEMBE CENTRAL/2023-2024/(11)	<p><u>1. INACCURACY OF THE SUMMARY OF FIXED ASSET REGISTER.</u> Annex 4 to the financial statement- summary of fixed asset register reflects assets historical cost balance of ksh.60,060,686.However the fixed assetsregister provided for audit reflects a balance of ksh.60,308,323 resulting in an unexplained and unrecoconciled variance of ksh.247,637. In the circumstances ,the accuracy and completeness of the fixed assets balance of ksh.60,060,686 could not be confirmed</p>	We agree with the audit findings.	Resolved	Issue Resolved

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/ER/NGCDF/IGEMBE CENTRAL/2023-2024/(11)	<p><u>2.BUDGETARY CONTROL AND PERFORMANCE</u></p> <p>The summary statement of appropriation reflects final budget and actual on comparable basis amounts of ksh.251,081,016 kshs.188,650,123 respectively resulting to an under-funding of ksh.62,430,893 of 25% of the budget. Similarly, the fund spent kshs.186,357,543 against actual receipts of kshs.188,650,123 resulting in an under – utilization of ksh.2,292,580 of the actual receipts. The under-funding and under-utilization affected</p>	We agree with the audit findings.	Not resolved	The issue to be resolved by 30 th june.2026.

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	the planned activities and may have impacted negatively on service delivery to the public.			
OAG/ER/NGCDF/IGEMBE CENTRAL/2023-2024/(11)	<p><u>3.PROJECT IMPLEMENTATION STATUS.</u> Review of projects implementation status report revealed that out of the earmarked one hundred and seventeen (117) projects, only eighteen (18) projects worth ksh.48,874,638 were completed ,six (6) projects worth ksh.4,657,600 were ongoing while ninety three (93) projects worth ksh.77,441,427 which had not started as at the time of audit.</p>	We agree with the audit findings.	Resolved	All projects were implemented by 30 th june.2025.

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
OAG/ER/NGCDF/IGEMBE CENTRAL/2023-2024/(11)	<p>4. STAFF ETHNIC COMPOSITION. Analysis of the ethnic composition of the fund in the year under review revealed that all the staff were from the dominant ethnic community contrary to section 7(2) of the National cohesion and integration act, 2008 which states that no public establishment shall have more than one third of its staff from the same ethnic community. In the circumstances, management was in breach of the law.</p>	We agree with the audit findings.	Not resolved	The issue will be resolved in 30 th September,2027
OAG/ER/NGCDF/IGEMBE CENTRAL/2023-2024/(11)	<p><u>5.FAILURE TO INSURE FIXED AND MOVEABLE ASSETS</u> The financial statements and as disclosed in Annex</p>	We agree with the audit findings.	Not resolved – waiting for guidelines from the NG-CDF board.	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>4 to the financial statements reflects non-current assets valued at historical cost of ksh.60,060,686. However assets valued at ksh.53,935,686 were not insured as at the time of audit contrary to section 36(3) of the National government constituencies development fund act, 2023 which states that all fixed and movable assets including equipment bought under this act for use by the constituency committee shall be the property of the board and shall be insured in the name of the board.</p> <p>In the circumstanced,</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	management was in breach of the law.			
OAG/ER/NGCDF/IGEMBE CENTRAL/2023-2024/(11)	<p>6.PROJECT MANAGEMENT COMMITTEE(PMC) BANK BALANCES. Annx 5 to the financial statements disclosed project management committee (pmc) account balances totaling kshs.10,551,386 .However the management did not provide, cashbooks and bank reconciliation statements to confirm the figures reflected under annex 5 contrary to Regulation 90(1) of the public finance management (national government) regulations ,2015 which states that</p>	We agree with the audit findings.	Resolved	The issue will be resolved by 30 th December, 2025.

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>accounting officers shall ensure bank accounts reconciliations are completed for each bank account held by that accounting officer, every month and submit a bank reconciliation statement not later than date 10 of the subsequent month to the National treasury with a copy to the Auditor general..</p> <p>In the circumstances management was in breach of the law.</p>			



Name: Danson Njogu Njiru.