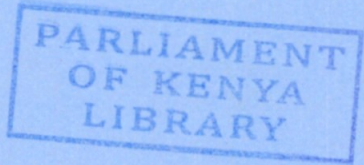


REPUBLIC OF KENYA



REPORT


OF

THE AUDITOR-GENERAL

ON

**NATIONAL GOVERNMENT CONSTITUENCIES
DEVELOPMENT FUND - EMGWEN
CONSTITUENCY**

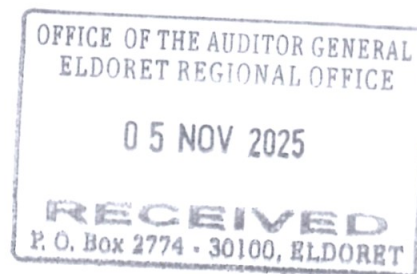
**FOR THE YEAR ENDED
30 JUNE, 2025**

 THE NATIONAL ASSEMBLY PAPERS LAID	
DATE: 17 FEB 2026	DAY: TUESDAY
TABLED BY:	DEPUTY MAJORITY LEADER
CLERK-AT-THE-TABLE:	FINLAY



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

EMGWEN CONSTITUENCY



ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

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

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

- a) Recognize the constituency as a platform for the identification, performance, and implementation of national government functions.
- b) Facilitate the performance and implementation of national government functions in all parts of the Republic pursuant to Article 6 (3) of the Constitution;
- c) Provide for the participation of the people in the determination and implementation of identified national government development projects at the constituency level pursuant to Article 10(2)(a) of the Constitution;
- d) Promote the national values of human dignity, equity, social justice, inclusiveness, equality, human rights, non-discrimination, and protection of the marginalized pursuant to Article 10(2)(b) of the Constitution;
- e) Provide for the sustainable development of all parts of the Republic pursuant to Article 10(2)(d) of the Constitution;
- f) Provide a legislative and policy framework pursuant to Article 21(2) of the Constitution for the progressive 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
7. Advocacy for Citizen Participation

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

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Ms. Ann Gichini
2.	National Sub-County Accountant	CPA Philemon K. Kitum
3.	Chairman NGCDFC	Mr. John Busieney
4.	Member NGCDFC	Mrs. Margaret Busienei
5.	Member NG CDFC	Mr. Ben Kipkorir

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Emgwen 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.

(a) NGCDF Emgwen Constituency Headquarters

NGCDF OFFICE BUILDING

P.O. Box 1215-30300

Kapsabet.

Kapsabet/Kisumu Road

NANDI, KENYA

(b) NG-CDF Emgwen Constituency Contacts

Telephone: (254) 0207865222

E-mail: cdfEmgwenconstituency@ngcdf.go.ke

Website: www.cdfEmgwenconstituency.go.ke

(c) NGCDF Emgwen Constituency Bankers

Family Bank ,A/C no,097000040185

Kapsabet Branch .

Branch

P.O. Box 74145- 00200

Nairobi.

1. Equity Bank

Kapsabet Branch

P.O. Box 75104- 00200

Nairobi

2. Family Bank

Kapsabet Branch

P.O. Box 74145- 00200

Nairobi.

National Government Constituencies Development Fund (NGCDF)
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3. National Bank Of Kenya

Kapsabet Branch
P.O Box 72866 - 00200
Nairobi.

4. Cooperative Bank

Kapsabet Branch
P.O Box 48231- 00200
Nairobi

5. KCB Bank

Kapsabet Branch
P.O Box 48400-00200
Nairobi

(d) Independent Auditor

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





(e) Principal Legal Adviser

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

3. NGCDF Committee

Name	Details
 MR. JOHN BUSIENEY(Male Adult Representative) Chairman EMGWEN NG-CDF	D.O.B- 4 th October 1963 LEVEL OF EDUCATION- Degree Experience : 38 years of teaching.
 <i>Mrs. Alfet Jillo</i> <i>Deputy county Commissioner</i>	D.O.B- 26 th June 1979 LEVEL OF EDUCATION- Masters EXPERIENCE – 22 years of service in public administration
 Mrs. Margaret Busienei Female Adult Representative	D.O.B- 21 st July 1970 LEVEL OF EDUCATION- Secondary Education EXPERIENCE – Entrepreneur
 <i>Mrs. Rodah Chebet</i>	D.O.B- 25 th September 1990 LEVEL OF EDUCATION- Degree EXPERIENCE – Teacher (2 years)

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<i>Female Youth Representative</i>	
 Mrs. Eusilah Jepngetich Pwd Representative	D.O.B- 23 rd October 1987 LEVEL OF EDUCATION- Diploma EXPERIENCE – Nurse Assistant(5 Years)
 Mrs. Winny Jeptoo Female Adult Representative	D.O.B- 14 th June 1976 LEVEL OF EDUCATION- Secondary Education EXPERIENCE – Farmer
 Mr. Samson Kosgei Male Adult representative	D.O.B- 14 th June 1989 LEVEL OF EDUCATION- Diploma EXPERIENCE – social work (2 years)
 Mr. Stephen Ndemenge Male Youth Representative	D.O.B- 19 th February 1999 LEVEL OF EDUCATION- Diploma EXPERIENCE – Plumber

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Mr. Ben Kipkorir
Co-opted Member

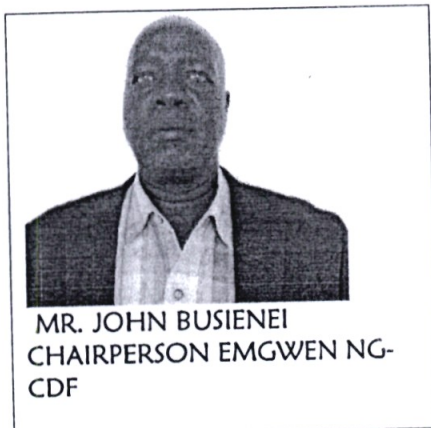
D.O.B- 1st January 1967
LEVEL OF EDUCATION- Secondary
EXPERIENCE – Farmer



Fund Account Manager
Ann Gichini

D.O.B- 12th February 1992
LEVEL OF EDUCATION- Degree
EXPERIENCE – 6 Years in public service

4. NG-CDFC Chairman's Report



On behalf of Emgwen NG-CDF Committee and staff, I am profoundly glad in presenting the FY 2024/2025 annual report and financial statements for the fund.

Emgwen NG-CDF committee continued to discharge its core mandate in prudent, transparent and accountable management of the fund, considering projects proposals as proposed by the residents of Emgwen constituency and ensure that all approved projects meet the requirements of sec 24 of the NG-CDF Act 2015, Capacity building of the project management committees (Pmc`s), monitoring and evaluation of the

funded projects. As per the provisions of the NGCDF Act 2015(as amended in 2016), this was achieved mainly through timely disbursement of received funds to the project management committees (Pmc), projects monitoring and regular ngcdf committee meetings.

Emgwen NG-CDF committee registered exemplary performance in the year under review as demonstrated by implementation of projects, programmes and activities in the sectors of Education, security and environment which fall within the mandate of the Fund established by the NGCDF ACT 2015(as amended in 2016).

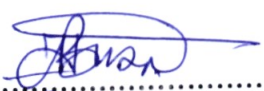
The fund augmented the national government`s infrastructure development in education sector through construction, renovation and equipping of schools.

In detail, NG-CDF Emgwen has been able to achieve the following during the financial year;

A total of 21classrooms, 2 dormitories, 4 modern laboratories, 2 administration blocks ,3 dining halls, and 10 toilet blocks were constructed and or renovated through the allocation to the fund.

The fund`s contribution towards education infrastructure across the constituency supported the 100% government transition policy. Emgwen NG-CDF committee also funded the construction of 2 security facilities amounting to ksh.3,650,000 namely, Lolmingai chiefs office and Cheboite chiefs' office in the year which have enhanced security in the constituency.

In addition, the fund supported retention of students in secondary and tertiary institutions through allocation of bursary. A total of Kes. 57,307,802 was allocated as bursary to needy students in the constituency. NG-CDF Emgwen committee has developed bursary award criteria to ensure only the needy students are awarded bursary.


.....
Name **John H. Busienei**
Chairman NGCDF Committee

5. Statement Of Performance Against Predetermined Objectives for FY 2024/25

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 objective for NG-CDF Emgwen Constituency are:

- a) Increased transition rate from primary Schools to secondary schools and from secondary school to tertiary through award of bursary to the needy and deserving cases ensuring their smooth learning as well as improved performance.
- b) Improve Learning through Construction of new classrooms and other infrastructure such as laboratories, dining hall, as well as renovation of existing classrooms in various schools to ensure good environment for learners with an aim of improving performance
- c) Improve Security in the Constituency through construction of AP Lines, Chief & Assistant Chief offices and refurbishment of existing ones. This will also ensure that there is improved service delivery to the constituents by taking the services closer to people.
- d) Improve standards of learning through construction of Dining Halls in various institutions
- e) Improve academic performance in schools through construction and equipping of laboratories in various schools
- f) Ensure smooth learning in improved environment in schools through refurbishment of dilapidated classrooms in primary schools
- g) Motivate students to perform and enhance competition through purchase of buses to the best performing schools as a learning resource

National Government Constituencies Development Fund (NGCDF)

Emgwen Constituency

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Sector	Objective	Outcome	Indicator	Performance
Education	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>In FY 2024/25 -we increased number of classrooms from 19 to 21 , 2 dormitories from 0, 4 modern laboratories from 3 and 3 dining halls from none. - Bursary beneficiaries at all levels were as per the attached schedules. During the financial year, bursary beneficiaries were as follows: Secondary – 7400 Tertiary- 1675 Pwd- 200</i>
Security	<i>To bring services closer to the people</i>	<i>Increased attendance of Chfs Barazas and conveniences in handling the local administrative cases</i>	<i>Number of Usable infrastructures build in several Assistant Chiefs/Chiefs localities</i>	<i>In FY 2024/2025 Funds were allocated for construction of 2 chiefs office and purchase of land for 1 chief's office. Funds are yet to be disbursed</i>
Climate change mitigation activities	<i>To have a well Conserved and Conducive environment, this ensures a safe and habitable planet for the current and future generations.</i>	<i>Increased tree cover and sustainable waste management and disposal practices contributing to mitigation of negative effects of climate change.</i>	<i>Number of tree seedlings planted in public land. -sustainable environmental management activities.</i>	<i>In FY2024/25 funds were allocated for tree planting in three institutions which are Chepkumia secondary school, koibem primary school, kipsugur primary school and installation of energy saving jikos in 4 institutions which includes Kipsugur secondary , kabirirsang secondary, Kipture secondary and Kamobo secondary school.</i>
Emergency	<i>To respond to emergency cases</i>	<i>Respond to emergencies within the</i>	<i>Number of emergencies supported</i>	<i>In f/y 2023/24 All emergency projects funds were reallocated to 10 projects. Some</i>

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		shortest time possible		beneficiaries for Construction of Pit Latrines includes kolong primary school, chebonge primary school, kabirirsang primary school, koibem primary school, kapkilel primary school, sinendo primary school, sasimon primary school, kiptenden primary school
Others (Specify)				

6. Governance Statement

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency.

Further, Section 5 (1) of the regulation states that the members of a Constituency Committee provided for Appointment of under section 43(2) (b), (c) and (d) of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a vacancy in the Constituency Committee.

The officer of the board coordinated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

Section 5 and 6 of NG CDF regulations provides for procedure for nomination of the five members of the NG CDFC as outlined in section 43 (2) paragraph (b), (c), and (d) of the principal Act through a selection panel composed of:

- i. One person nominated by national Government official in charge of Sub County or designated representative who shall chair the panel
- ii. Officer of the Board seconded to the constituency who is be the secretary of the selection panel
- iii. Two persons one of either gender nominated by the constituency office (established under regulations made pursuant to the parliamentary service act)

Further the NG CDF regulations requires that for one to serve as member of the NGCDF committee he or she must be (a) citizen of Kenya, (b) ordinarily resident voter of the constituency, (c) able to read and write and communicate in English and Kiswahili, (d) meet the chapter six of the constitution, (e) available to participate in the activities of the constituency (f) for youth nominee he or she must have attained age of 18 years but below age of 35yrs and (g) for persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

Appointment of NG-CDF Committee

The NGCDF Act 2016 on appointment of NGCDFC members states; The members of a Constituency Committee provided for Appointment of under section 43 of the Act shall be selected by a members of Constituency selection panel established under paragraph (4) upon an occurrence of a Committee vacancy in the Constituency Committee. Kenya Subsidiary Legislation, 2016 1951

(2) A vacancy shall occur in Constituency Committee upon commencement of a new parliamentary term; dissolution of a Constituency Committee; removal of a member of a Constituency committee; or the occurrence of a vacancy in a Constituency Committee.

(3) Upon the occurrence of a vacancy in a Constituency Committee, the Board shall within fourteen days, constitute a selection panel.

(4) The selection panel referred to in paragraph (1) shall consist of—

- one person nominated by the national government official in charge of the sub-county or a designated representative, who shall be the chairperson of the selection panel;
- the Officer of the Board seconded to the Constituency who shall be the secretary to the selection panel; and
- Two persons, one of either gender, nominated by the Constituency office.

(5) The officer of the Board seconded to the Constituency shall within fourteen days of the first meeting of the selection panel invite applications from persons who qualify for appointment to a Constituency Committee in accordance with guidelines issued by the Board.

(6) The selection panel shall, within fourteen days of receiving the applications under paragraph (5), consider the applications and shall select five applicants taking into account age, gender, special interest groups and regional balance in accordance with section the Act

(7) The officer of the Board seconded to the Constituency shall within seven days of the selection process referred to in paragraph (6) submit to the Board the names of the selected candidates together with the report of the selection panel.

(8) The Board shall co-opt the person referred to in the Act to ensure equitable representation in the membership of a Constituency Committee.

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(9) The Board shall, in writing, request the clerk of the National Assembly to notify the Constituency Office to nominate two persons of either gender, pursuant to section 43(2)(e) of the Act and to forward the names to the Office of the Board seconded to the Constituency.

(10) The Board shall submit the names of the seven persons selected from each Constituency in accordance with the Act to the National Assembly for Approval.

(11) The Board shall, within fourteen days after receipt of the names approved by the National Assembly, appoint the members of a Constituency Committee by notice in the Gazette.

1952 Kenya Subsidiary Legislation, 2016

Process

To facilitate this, the selection panel invited interested and qualified members of the public for appointment to the NGCDF committee. The panel invited through advertisement publicized in churches, public offices notice boards and other public areas in the constituency.

25 applications were received. The selection panel developed a shortlisting criterion, which enabled picking of the nominees. Two additional nominees were proposed from Emgwen Constituency Office as per section 43 of the NG-CDF Act, 2015.

The list of the selected and recommended members was forwarded to the NG_CDF Board and were further gazetted through a gazette notice dated 5th March ,2025.

The Emgwen NG_CDFC Members were gazetted as follows;

S/N	Name	Category	Statutory Provision Under NG-CDF Act
1.	John K. Busieney	Male Adult Representative	pursuant to Sec. 43 (2) (b)
2.	Samson Kosgei	Male Adult representative	pursuant to Sec. 43 (2) (b)
3.	Rodah Chebet	Female Youth Representative	pursuant to Sec. 43 (2) (c)
4.	Stephen Ndemenge	Male Youth Representative	pursuant to Sec. 43 (2) (b)
5.	Margaret Busienei	Female Adult Representative	pursuant to Sec. 43 (2) (c)
6.	Eusilah Jepng'etich	Representative of Persons Living with Disability	Appointment Pursuant to Section 43 (2)(d)

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7.	Winy Cheptoo	Female Adult representative	pursuant to Sec. 43 (2) (c)
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The First NG-CDFC in inaugural meeting was held on 15th June 2025. The members carried out an election for the position of a chairperson and the secretary of the committee. The following member were elected.

	NAME	POSITION	WARD
1	John K. Busieney	Chairman	Kilibwoni
2	Margaret Busienei	Secretary	Kapsabet

NG-CDF Regulations Section 7(6) & (7) requires that the first meeting, a Constituency Committee shall establish two sub-committees necessary for the proper performance of its functions in accordance with the guidelines issued by the Board and in establishing sub-committees. Under paragraph 5, constituency Committee shall ensure that there is equitable representation

Two functional Committee were constituted as follows;

1. Bursary Sub-committee

S/no	NAME	POSITION
1.	David Koech	Chairperson
2.	Ann Gichini	Secretary(FAM)
3.	Ben Kipkorir	Member
4.	Winy Cheptoo Bii	Member
5.	Stephen Ndemenge	Member
6.	Geofrey Kirui	Member
7.	Jennifer Maiyo	Sub county Director Education

2. Complaint Handling & Resolution Committee

	NAME	POSITION
1.	Allfet Jillo	Chairperson(DCC)
2.	Ann Gichini	Member
3.	Margaret Busienei	Secretary
4.	Eusilah Jepngetich	Member
5	Rodah Chebet	Member

The chairman and the secretary are members of both committees. The DCCs are members of the complaints committee, while representative from the ministry of education office is also coopted to be in the Bursary committee.

The term of office for the members of the Constituency Committee is two years and will be renewable but shall expire upon the appointment of a new Constituency Committee in the manner provided for in the Act.

Roles and functions of NG-CDFC

The functions of the National Government Constituency Development Fund Committees members as stipulated in NG-CDF Regulations 2016(11) are:

- i. Convene public meetings in every ward in the constituency to deliberate to on development matters.
- ii. Deliberate on project proposals and any other projects considers beneficial to constituency.
- iii. List of projects to be submitted in accordance with the Act to be submitted to the to the Board and ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act.
- iv. Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects build the capacity of project management committees and sensitize the Community on the operations of the Fund.
- v. Ensure that all projects receive adequate funding and are completed within three years.
- vi. Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board.
- vii. Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act.
- viii. Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act.
- ix. Enter into performance contracting with the Board on an annual basis.

Removal of NGCDFC Members

Section 43(13) of the Act provides that a member of the Constituency Committee may be removed from office on any one or more of the following grounds-

- (a) Lack of integrity;
- (b) Gross misconduct;
- (c) Embezzlement of public funds;
- (d) Bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practices;
- (f) causing disharmony within the committee;
- (g) Physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member sought to be removed shall be given a fair hearing before the resolution is made. In Manyatta the NGCDFC has not found any member to have contravened the laid down regulations and law to warrant removal.

Handing Over

The handing over of the office by the outgoing NG-CDFC Committee to the Incoming committee was carried out smoothly and successfully on 15th June 2025.

Training of NG-CDFC Members

In the financial year 2024/2025 the NGCDF Board organized training of NGCDFC members. During the training, critical areas such as public finance, project planning, procurement, complaint management, performance management were covered to equip them with the prerequisite knowledge and skills to ensure effective and efficient management of NG-CDF Emgwen

Ethics & conduct

Members of NGCDFC are required to observe the following ethical issues

- i. Confidentiality-the NGCDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NGCDFC members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflict arising in a way that protects the public interest.

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iii. Leadership- NGCDFC members should promote leadership in the constituency.

During the financial year 2024/2025 members of NGCDFC Emgwen adhered to the above ethical issue

Members Remuneration

NG-CDFC members are not entitled to payment of salary. However, the chairperson of NG-CDFC is entitled to an allowance seven thousand per meeting and all other members an allowance of five thousand per sitting. All NG-CDFC members should adhere to general ethics and code of conduct as stipulated in the NG-CDF Act.

In this financial year the NGCDFC members adhered to the cabinet secretary's circular on members sitting and field allowances.

Schedule of meetings held during the FY 2024/2025

NG-CDFC COMMITTEE MEMBERS	July (27/24,24/7/24)	August 12 th 2024	September 4 th	October 4 th 2024	December 4 th & 19 th 2024	April 2025	2 nd & 22 nd May 2025	June 6 th 2025
John Busieney - chairperson	√	√	√	√	√	√	√	√
Margaret Busienei- Secretary	√	√	√	√	√	√	√	√
Stephen Ndemenge	√	√	√	√	√	√	√	√
Rodah Chebet	√	√	√	√	√	√	√	√
Winnie cheptoo	√	√	√	√	√	√	√	√
Samson Kosgei	√	√	√	√	√	√	√	√
Eusilah Jepng'etich-PWD	√	√	√	√	√	√	√	√
Ben Kipkorir	√	√	√	√	√	√	√	√
Allfet Jillo -DCC	√	√	√	√	√	√	√	√

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2024/2025 no member of NGCDFC Emgwen contravened conflict of interest policy.

Risk management

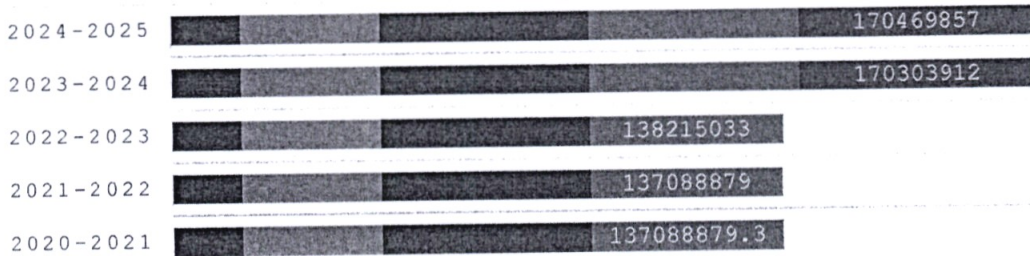
Risk management has been integrated in the constituency operations through the following: training of the NGCDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NGCDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations. Embracing the Enterprise Risk Management system and attesting to monthly, quarterly bi-annually and annually compliance and key risk indicators questions, implementing audit findings and recommendations, adherence and compliance with NGCDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NGCDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.


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7. Management Discussion and Analysis

The Fund has evolved for the past five years to become a very crucial Fund for the development of National Government development projects. It is with this view that the National Government has been increasing the allocation every year for the last five years.

S.NO	FINANCIAL YEAR	ALLOCATION
1	2024/2025	170,469,857
2	2023/2024	170,303,912
3	2022/2023	138,215,033
4	2021/2022	137,088,879
5	2020/2021	137,088,879



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Name *ANN CIGATUMI*
Fund Account Manager

8. Environmental and Sustainability Reporting

The constituency acknowledges that all its operations as an impact on the environment. Cognizant of the sustainable development goals, the Ng-cdf Emgwen has allocated part of its budget on environmental conservation through activities such as tree planting and energy Saving,. The constituency has partnered with institutions of learning to ensure sustainability of the programme.

1. Sustainability strategy and profile -

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

- a. **Education and Training:** Emgwen 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, reafforestation, grassroots sensitization, and tree seedling production.

2. Environmental performance

- NG-CDFC Emgwen conducts one sensitizations forum every year to the constituents to create awareness of the importance of planting trees to conserve the environment. The Sensitizations are done in various schools where the office donate seedlings to school and join hands with students to plant trees in schools.
- Sensitization forums are also conducted once every year on crosscutting issues where the constituents particularly the youth are enlightened on the dangers of drug & Alcohol Abuse as well as engaging in other vices.
- NG-CDF staff Have at least one day in every financial year to sensitize the local communities on proper farming methods that lead to soil conservation as well as crop and animal husbandry of NGCDF supported projects.
- Sports tournaments are organized at the ward level where the participants who are mostly the youths are sensitized on the importance of conserving the environment through tree planting, and embracing good farming practices.

3. Employee welfare

We invest in providing the best working environment for our employees. Emgwen 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 of 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 cover through a reliable insurance Scheme. Employees are encouraged and supported to continually build on their skills and knowledge. Emgwen 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 policy on safety in compliance with Occupational Safety and Health Act of 2007, (OSHA) and has ensured the work environment is conducive for everybody in terms of movement and accessibility within the office. The Constituency has also put in place disaster mitigating measures including fire extinguishers and accessible escape routes in case of emergency.

Emgwen NG-CDF Constituency is committed to fair and ethical market practises. 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 for purposes of uplifting them economically. Our ethical market practises ensure the fund get value for money on all goods and services procured.

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

4. Marketplace practices-

NG-CDF Emgwen 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-

NG-CDF Emgwen 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

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


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

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

Public Awareness

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

NG-CDF Emgwen Constituency has continually practiced public participation and public awareness during project identification and proposal collections in all the wards in the constituency.

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Name *John A. Chikwira*
Fund Account Manager.

9. Statement Of Management Responsibilities

Section 81 (1) of the Public Finance Management Act, 2012, requires that, at the end of each financial year, the accounting officer for a National Government Entity shall prepare financial statements in respect of that entity. Section 81 (3) requires the financial statements so prepared to be in a form that complies with relevant accounting standards as prescribed by the Public Sector Accounting Standards Board of Kenya from time to time.

The Accounting Officer in charge of the NG-CDF Emgwen Constituency is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on June 30, 2025. This responsibility includes: Maintaining adequate financial management arrangements and ensuring that these continue to be effective throughout the reporting period; Maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the entity; Designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements, and ensuring that they are free from material misstatements, whether due to error or fraud; Safeguarding the assets of the entity; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NG-CDF Emgwen Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer charge of the NG-CDF Emgwen 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 NG-CDF Emgwen 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

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Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya. In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NG-CDF-Emgwen Constituency financial statements were approved and signed by the Accounting Officer on 07/08/2025.

.....
Name: John K. Busiweny,
Chairman – NGCDF Committee

.....
Name: Ann Gichini
Fund Account Manager

REPUBLIC OF KENYA

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



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

REPORT OF THE AUDITOR-GENERAL ON NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND - EMGWEN 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.

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

The three parts of the report aim to address the Auditor-General's statutory roles and responsibilities as provided by Article 229 of the Constitution, the Public Finance Management Act, 2012, and the Public Audit Act, 2015. The three parts of the report when read together constitute the report of the Auditor-General.

REPORT ON THE FINANCIAL STATEMENTS

Opinion

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Emgwen Constituency set out on pages 1 to 77, which comprise of the statement of financial position as at 30 June, 2025 and the

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

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

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

Basis for Opinion

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Emgwen 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 opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects a final revenue budget of Kshs.333,277,365 and actual revenue on a comparable basis of Kshs.318,807,508 resulting in an under-realization of Kshs.14,469,857, representing 4% of the budget. Similarly, the Fund incurred total recurrent expenditure of Kshs.151,790,305 against actual receipts of Kshs.318,807,508 resulting in an under-expenditure of Kshs.167,017,203 or 52% of the actual receipts.

The underfunding and under absorption may have negatively affected implementation of the planned programmes and thus adversely affecting service delivery to the public.

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. There are no other key audit matters to communicate in my report.

Other Matter

Unresolved Prior Year Audit 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. However, the issues have remained. Refer **Appendix I**.

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN THE USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Non-Compliance to Public Procurement Capacity Building Levy Order 2023

Review of the Fund's procurement documents and payment vouchers revealed that the Fund had not paid 0.003% levy on all the signed contracts to Public Procurement Regulatory Authority (PPRA) contrary Paragraph 3(1) of Levy Order, 2023. that provides that there shall be a paid levy by the supplier and a procuring entity at a rate of zero-point

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

zero three (0.003%) percent of the value of the signed contract exclusive of the applicable taxes.

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

2. Late Disbursements of Funds from the Board

The statement of financial performance reflects transfers from National Government Constituencies Development Fund (NG-CDF) Board amount of Kshs.170,469,857 as disclosed in Note 6 to the financial statements while the statement of comparison of budget and actual amounts reflects an opening balance of Kshs. 90,349,505 bringing to total amount to be Kshs. 333,277,365. However, a total of Kshs.170,469,857 was received leaving unremitted balance Kshs.14,469,857. This was contrary to section 39(2) of the National Government Constituencies Development Fund Act, 2015 which states that the disbursement of funds to the Constituency Fund account shall be effected at the beginning of the first quarter of each financial year with an initial amount equivalent to twenty-five per centum of the allocation for the constituency and thereafter the constituency fund account shall be replenished in three equal instalments at the beginning of the second, third and fourth quarters of the financial year and section 40(1) which stipulates that the Board shall ensure that the list of projects forwarded to it by each Constituency is, upon approval, funded in accordance with the Act.

Delay in fund disbursements from the Board may results in delay in implementation of approved projects or programs and therefore denies the residents of Emgwen Constituency the services and benefits accruing from completed projects.

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

3. Projects Verification

The statement of financial performance reflects other grants and transfers amount of Kshs. 71,420,997 as disclosed in Note 14 to the financial statements. However, sampled project verification conducted on 21 October, 2025 revealed anomalies as follows;

Project	Project Description	Amount Kshs.	Auditor's observation
AIC PR. Misoi Kapsirchoi Primary	Construction to completion of one classroom at Kshs.1,350,000 and purchase of 20 lockers and chairs at Kshs.100,000	1,450,000	Project in progress Percentage completion 70 % Lockers not yet purchased Painting yet to be done. Contractor not on site.
Kiptenden Primary	Construction of 2 classrooms to completion Kshs.2,500,000 and purchase of 100 lockers	3,000,000	Project completed Door is not properly fitted as it remains hanging.

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

	and chairs at Kshs. 500,000.		
Kiptenden primary	Construction of 1 classroom to completion at Kshs.1,250,000 and purchase of 50 lockers and chairs at Kshs.250,000.	1,500,000	Project completed Door is not properly fitted as it remains hanging
Total		5,950,000	

This was contrary to Section 11 of the National Government Constituencies Development Fund Regulations 2016 which requires that the functions of the Constituency Committee are to monitor projects in accordance with monitoring and evaluation framework prescribed by the Board (n) ensure that projects reports are prepared and submitted to the Board. The objectives of the projects may not have been realized and the public may not have obtained value for money.

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

4. Long Outstanding Taxes from NGCDF Operations

Review of National Government Constituency Development Fund Board letter dated 16 September, 2025 on feedback to the Decentralized Funds Accounts Committee of the National Assembly and Kenya Revenue Authority letter dated 17 June, 2025 on enforcement of outstanding taxes owed by National Government Constituencies Development Funds revealed that Emgwen Constituency had tax arrears totaling to Kshs.66,763 made up of outstanding PAYE of Kshs.44,587; withholding VAT Kshs.5,378 and withholding income tax of Kshs.16,798. This was contrary to Section 92 of the Income Tax Act (Cap 470) which stipulates that tax charged in any assessment shall be due and payable. Failure to remit these taxes can result in penalties, with unremitted taxes being recovered from the respective Constituency accounts.

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

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

Basis for Conclusion

Weak Information Communication Technology (ICT) Controls

Audit review revealed that the Fund did not have an approved IT Continuity Plan and Disaster Recovery Plan and therefore in the event of a disaster the Fund may lose data and may not recover from the disaster. Further, the Fund did not have an IT Steering and Risk Management Committee, an approved IT Security Policy to ensure data confidentiality, integrity and availability. In addition, formal documented and tested emergency procedure had not been put in place. This was contrary to section 110 of the Public Financial Management Regulations, 2015, which requires the accounting officer to institute segregation of duties, and appropriate access controls needed to minimize breaches of information confidentiality, data integrity and loss of business continuity.

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

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

Responsibilities of the Management and Those Charged with Governance

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

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

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

In addition to the responsibility for the preparation and presentation of the financial statements described above, Management is also responsible for ensuring that the activities, financial transactions and information reflected in the financial statements

comply with the authorities which govern them and that public resources are applied in an effective way.

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The ISSAIs requires 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

02 December, 2025

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

Appendix I: Unresolved Prior Year Audit Matters: 2023-2024




No	Unresolved Prior Year Issues
	Report on the Financial Statements
1.	Outstanding Stale Cheques
2.	Unsupported Project Management Committee (PMC) Bank Balances
3.	Inaccuracies in Financial Statements
4.	Budgetary Control and Performance
	Report on Lawfulness and Effectiveness in the Use of Public Resources
5.	Project Verification Status
6.	Irregular Funding of Other Government Entities Function
	Report On Effectiveness Of Internal Controls, Risk Management And Governance
7.	Weak Information and Communication Technology

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

	Note	2024/2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,469,857
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		170,469,857
Expenses		
Employee costs	10	2,797,354
Committee expenses	11	3,786,800
Use of Goods and Services	12	8,443,304
Other Government Units Actual expenditure	13	64,771,309
Other Grants and Transfers Actual expenditure	14	71,420,997
Depreciation and amortization expense	15	747,165
Digital Hubs Actual expenditure	16	-
Total expenses		151,966,929
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		18,502,928

The Constituency financial statements were approved by the NGCDFC on 07/08/2025 and signed by:

		
Chairman NG-CDF Committee	National Sub-County Accountant	Fund Account Manager
Name: JOHN K. BURIENY.	Name: PHILEMENA KIYOM ICPAK M/No: 17617	Name: ANNE G. GITHANI

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

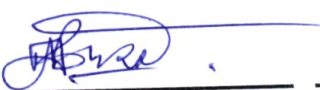
12. Statement Of Financial Position As At 30th June, 2025

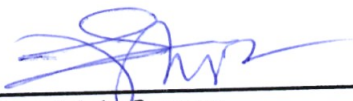
	Note	2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	167,017,203	90,349,505
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	14,469,857	72,458,003
Prepayments	22	-	-
Total Current Assets		181,487,060	162,807,508
Non-Current Assets			
Property, Plant and Equipment	23	2,577,037	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		2,577,037	-
Total Assets (A)		184,064,097	162,807,508
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	3,938,392	1,530,388
Lease Liabilities	28	-	-
Gratuity provision	29	940,554	594,897
Total Current Liabilities		4,878,946	2,125,285
Non-Current Liabilities			
Lease Liabilities	28	-	-

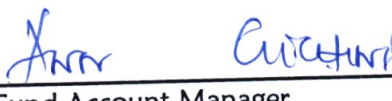
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	Note	2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
Total Liabilities (B)		4,878,946	2,125,285
Net Assets (A-B)		179,185,151	160,682,223
Represented by:			
Revaluation Reserves		179,185,151	160,682,223
Accumulated Surplus			
Total Net Assets		179,185,151	160,682,223

The Constituency financial statements set out on pages 3 to 6 approved by NG CDFC on 07/08 2025 and signed by:


 Chairman NG-CDF Committee
 Name: JOHN K. BWIENEY


 National Sub-County Accountant
 Name: Pthabron Kizom
 ICPAK M/No: 17617


 Fund Account Manager
 Name: Amor Cwathura

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

Description	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30 th June 2024 (cash basis)	25,285,611		25,285,611
Adjustments: (to recognize assets and liabilities)			
Add Assets	137,521,897		137,521,897
Less Liabilities	2,125,285		2,125,285
As at July 1, 2024	160,682,223		160,682,223
Surplus/(Deficit) For the Period	18,502,928		18,502,928
Revaluation Gain/Loss	-	-	-
As at 30 th June (current year)	179,185,151	-	179,185,151

Note:

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

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

	Notes	2024/2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		228,458,003
Grants/donations from other entities		-
Finance income		-
Miscellaneous income		-
Total Receipts		228,458,003
Payments		
Employee costs		2,451,697
Committee expenses		3,786,800
Use of Goods and Services		8,443,304
Other Government Units Certified Works		62,544,364
Other Grants and Transfers		71,239,938
Digital Hubs Expenses		-
Total Payments		148,466,103
Net Cash Flows from/ (used in) Operating Activities	28	79,991,900
Cash flows From Investing Activities		
Purchase of PPE		3,324,202
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		3,324,202
Net increase/(decrease) in cash & Cash equivalents		76,667,698
Cash Flows from Financing Activities		
Lease payment		
Net Cash Flows from Financing Activities		76,667,698
Cash and cash equivalents at Period Start	17	90,349,505
Cash and cash equivalents at Period End	17	167,017,203

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

	Original Budget			Final Budget	Actual on	Budget utilization	% of Utilization
	Kshs	Adjustments			comparable basis	difference	
		a	b				
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements				
Revenue							
Transfers From the NGCDF Board	170,469,857	90,349,505	72,458,003	333,277,365	318,807,508	14,469,857	96%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	170,469,857	90,349,505	72,458,003	333,277,365	318,807,508	14,469,857	96%

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	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
Expenses							
Employee costs	3,711,387	876,474	3,097,957	7,685,818	2,451,697	5,234,121	32%
Committee expenses	2,952,000	311,800	-	3,263,800	3,786,800	(523,000)	116%
Use of Goods and Services	8,678,898	2,641,225	709,024	12,029,147	8,443,304	3,585,843	70%
Other Government Units Certified Works	74,621,977	62,656,309	43,364,283	180,642,569	62,544,364	118,098,205	35%
Other Grants and Transfers	72,029,900	18,817,844	2,558,226	93,405,970	71,239,938	22,166,032	76%
Digital Hubs Expenses	5,200,000	-	9,000,000	14,200,000	-	14,200,000	0%
Acquisition of assets	3,275,695	3,026,000	13,720,286	20,021,981	3,324,202	16,697,779	17%
Others	-	2,019,852	8,227	2,028,079		2,028,079	0%

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	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
Funds Pending Approval**		-	-	-		-	
Total Expenditure	170,469,857	90,349,505	72,458,003	333,277,364	151,790,305	181,487,059	46%
Surplus for the period	0	0	0	1	167,017,203		1

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

Explanatory Notes.

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The underutilization is due to the late disbursement of funds.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	181,487,059
Less undisbursed funds receivable from the Board as at 30 th June 2025	14,469,857
Cash and Cash Equivalents at the end of the 30 th June 2025	167,017,202

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 07/08/2025 and signed by:


Fund Account Manager

Name: Ann Otieta


National Sub-County Accountant

Name: Philemon Kitim
ICPAK M/No: 17 617


Chairman NG-CDF Committee

Name: John K. Busieney

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
1.0 Administration and Recurrent						
1.1 Compensation of employees	3,711,387	876,474	3,097,957	7,685,818	2,451,697	5,234,121
1.2 Committee allowances	1,728,000	311,800		2,039,800	1,229,100	810,700
1.3 Use of goods and services	4,788,803	199,958		4,988,761	2,593,958	2,394,803
Sub-total	10,228,190	1,388,232	3,097,957	14,714,379	6,274,755	8,439,624
2.0 Monitoring and evaluation						
2.1 Capacity building	2,690,095	1,700,000	25,000	4,415,095	3,861,100	553,995
2.2 Committee allowances	1,224,000	-		1,224,000	958,400	265,600
2.3 Use of goods and services	1,200,000	741,267	684,024	2,625,291	1,607,546	1,017,745
Sub-total	5,114,095	2,441,267	709,024	8,264,386	6,427,046	1,837,340
4.0 Emergency						
4.0 Emergency	8,972,098		58,226	9,030,324		9,030,324

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
kiptenden primary		750,000		750,000		750,000
SASIMON ADC PRIMARY SCHOOL		1,318,091		1,318,091		1,318,091
Kapkilel Primary School		533,466		533,466	30,000	503,466
SINENDO PRIMARY SCHOOL		500,000		500,000		500,000
CHEBONGE PRIMARY SCHOOL		700,000		700,000		700,000
		140,000		140,000		140,000
Sub-total	8,972,098	3,941,557	58,226	12,971,881	30,000	12,941,881
5.0 Bursary and Social Security						
5.1 Primary Schools	-			-		-
5.2 Secondary Schools	42,807,802	3,029,045		45,836,847	44,919,547	917,300
5.3 Tertiary Institutions	12,500,000	3,516,124	2,500,000	18,516,124	19,088,554	(572,430)
5.4 special needs	2,000,000	1807000		3,807,000	2,850,985	956,015
5.5 Education Support Programmes	-			-		-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
5.6 Social Security	-			-		
Sub-total	57,307,802	8,352,169	2,500,000	68,159,971	66,859,086	1,300,885
CLIMATE MITIGATION PROJECTS						
7.0 Environment						
AC TEGAT PRIMARY SCHOOL		253,361		253,361	242,005	11,356
NGEREK PRIMARY SCHOOL		250,000		250,000		250,000
SINENDO PRIMARY SCHOOL		251,760		251,760	248,270	3,490
KIMNYOASIS PRIMARY SCHOOL		102,220		102,220	120	102,100
TIRYO PRIMARY SCHOOL		250,358		250,358	-	250,358
AIC KAPCHEMOIYWO GIRLS SECONDARY SCHOOL		123,501		123,501	86,482	37,019
KABIRIRSANG SECONDARY SCHOOL	450,000	11,792		461,792	120	461,672
ACK KIPSUGUR PRIMARY SCHOOL	100,000	-		100,000		100,000
ACK KIPSUGUR SECONDARY	450,000	-		450,000		450,000
CHEPKUMIA SECONDARY SCHOOL	100,000			100,000		100,000
KOIBEM PRIMARY SCHOOL	100,000	-		100,000		100,000

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAMOBO SECONDARY SCHOOL	450,000	-		450,000		450,000
Kipture Secondary School	450,000	21,047		471,047		471,047
KIBORGOK HIGH SCHOOL		101,006		101,006	95,500	5,506
BARNGETUNY SECONDARY SCHOOL		450,100		450,100	425,408	24,692
HOLY ROSARY GIRLS HIGH SCHOOL		103,044		103,044	100,000	3,044
kipkeibon primary school		500,000		500,000		500,000
Tulon primary school		502,690		502,690	464,268	38,422
Kilibwoni Secondary School,		100,000		100,000		100,000
Sub-total	2,100,000	3,020,879		5,120,879	1,662,173	3,458,706
8.0 Primary Schools Projects						
SENETWO PRIMARY SCHOOL		1,453,306	1,450,000.00	2,903,306	2,007,471	895,835
CHEPLASGEI PRIMARY SCHOOL	2,900,000	1,000		2,901,000	725	2,900,275
NGOMWO PRIMARY SCHOOL		854,109		854,109	818,454	35,655
SONGOLIET SECONDARY SCHOOL		244,205		244,205	-	244,205
ST. PAULS ARWOS PRIMARY SCHOOL	1,450,000	32,010		1,482,010	120	1,481,890

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		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
ST. GEORGES KABIRIRSANG PRIMARY SCHOOL	2,950,000	43,340	1,450,000.00	4,443,340	1,288,956	3,154,384
ACK KOLONG PRIMARY SCHOOL		807,076	1,450,000.00	2,257,076	2,175,312	81,764
ST. PATRICK CHEPSONOI PRIMARY SCHOOL	1,312,977	252,855		1,565,832	252,855	1,312,977
ST. ROBERTS ARWOS PRIMARY		50,478		50,478		50,478
ST ANDREWS CHEPKOIYO	1,450,000.00	2,932	-	1,452,932	-	1,452,932
ACK KIPSUGUR PRIMARY SCHOOL		964,805		964,805	819,286	145,519
KAMOBO PRIMARY SCHOOL		3,599,719		3,599,719	3,253,473	346,246
KABWARENG PRIMARY SCHOOL		41,596		41,596	-	41,596
KABIRIRSANG PRIMARY SCHOOL		801,001		801,001	759,095	41,906
CHEBONGE PRIMARY SCHOOL		966,732		966,732	1,471,553	(504,821)
IPA KAIMOSI PRIMARY SCHOOL		5,795	2,900,000.00	2,905,795	1,017,305	1,888,490
CHEPKOIYO PRIMARY SCHOOL		1,625,793		1,625,793	1,559,449	66,344
AIC OLANGATA PRIMARY SCHOOL	1,450,000	3,300,260		4,750,260	3,115,930	1,634,330
KAPKANGANI PRIMARY SCHOOL	2,000,000	8,755		2,008,755	-	2,008,755

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
ACK KAIBEIYO PRIMARY SCHOOL	1,450,000	60,979		1,510,979	56,558	1,454,421
KAPCHEPSIR PRIMARY SCHOOL	2,000,000	100,318		2,100,318	95,115	2,005,203
KAPKESENGIN PRIMARY		1,623,166		1,623,166	1,492,096	131,070
KAPSABET SCHOOL FOR THE DEAF		1,153,899		1,153,899	1,064,212	89,687
NDUBENETI PRIMARY SCHOOL		55,137		55,137	-	55,137
SASIMON ADC PRIMARY SCHOOL		2,805,548	2,900,000.00	5,705,548	3,442,157	2,263,391
SDA TENDWET PRIMARY SCHOOL		1,468,657	1,450,000.00	2,918,657	2,488,788	429,869
ST. JOSEPHS KIPTAREI SECONDARY SCHOOL		934,424	800,000.00	1,734,424	975,464	758,960
Kiptenden Primary School		73,708	1,500,000.00	1,573,708	1,719,577	(145,869)
Kipsotoi Primary School	1,400,000	1,163		1,401,163	-	1,401,163
AIC Pr Misoi Primary School	1,450,000.00	420,925		1,870,925	-	1,870,925
AIC Cheribisi Academy		27,967	3,000,000	3,027,967	2,846,802	181,165
AIC Cheliliat Academy		587,241	1,500,000.00	2,087,241	431,940	1,655,301
EMDIN PRIMARY SCHOOL		13,310		13,310	345	12,965

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		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
MESWO PRIMARY		1,160		1,160	345	815
TEBESONIK PRIMARY SCHOOL		9,477		9,477	345	9,132
KAPTENDON PRIMARY SCHOOL		187		187		187
AIC KABOEN PRIMARY SCHOOL		2,286		2,286		2,286
KAMENON PRIMARY SCHOOL		83		83		83
KAPKAGAON PRIMARY SCHOOL		6,711		6,711		6,711
KAPLONYO PRIMARY SCHOOL		12,470		12,470		12,470
KAPSUMBEIYWO PRIMARY SCHOOL		21,441		21,441		21,441
KATANIN PRIMARY SCHOOL	3,500,000.00	1,770		3,501,770		3,501,770
KIPKEIBON PRIMARY SCHOOL		780		780		780
MOKWO PRIMARY		2,036		2,036		2,036
ST MARKS KIPTAMUK PRIMARY SCHOOL		2,268		2,268		2,268
ST. MARYS SUGUT PRIMARY SCHOOL		2,875		2,875		2,875
TERIGE PRIMARY SCHOOL		741		741		741

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
BURENDE HILLS PRIMARY		1,791		1,791		1,791
CHEBARUS BORDER PRIMARY	500,000	6,223		506,223		506,223
KABORE PRIMARY SCHOOL		1,620		1,620		1,620
KAPNYEBERAI PRIMARY SCHOOL		4,860		4,860		4,860
KIBORGOK HILL PRIMARY SCHOOL		16,203		16,203		16,203
KIMINDA PRIMARY SCHOOL		1,414		1,414		1,414
KIPILOK PRIMARY		10,301		10,301		10,301
MOMBOR PRIMARY SCHOOL		14,822		14,822		14,822
MUGUNYA PRIMARY SCHOOL		766		766		766
SIMTERET PRIMARY SCHOOL		208		208		208
ST. PHILIPS KAMATARGUI PRIMARY		1,174		1,174		1,174
KABONGWA ORIMARY		11,318		11,318		11,318
KIPTILALON PRIMARY SCHOOL		20,328		20,328		20,328
MBERIA TOLELTANY	2,000,000	1,360		2,001,360		2,001,360

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAPSABET TOWNSHIP		403		403		403
KABASGEI PRIMARY SCHOOL		1,401,594		1,401,594	995,520	406,074
KIPTENDEN PRIMARY SCHOOL		-	2,200,000.00	2,200,000		2,200,000
AIC KAPKOIBAI PRIMARY SCHOOL			1,450,000.00	1,450,000	-	1,450,000
AIC KAPKOIBAI PRIMARY SCHOOL		451,533	1,450,000.00	1,901,533	407,244	1,494,289
CHESUWE PRIMARY SCHOOL		5,388		5,388		5,388
KOIBEM PRIMARY SCHOOL		800,592		800,592	726,879	73,714
KABIRER PRIMARY SCHOOL		3,958		3,958		3,958
KALYET PRIMARY SCHOOL		2,385		2,385		2,385
KILIBWONI PRIMARY SCHOOL		20,549		20,549		20,549
IRIMIS PRIMARY SCHOOL		2,538		2,538		2,538
KIPTARAGON PRIMARY SCHOOL		401		401		401
ACK KAIBEIYO PRIMARY SCHOOL		1,789		1,789		1,789
KIPSIGAK PRIMARY SCHOOL		5,915		5,915		5,915

National Government Constituencies Development Fund (NGCDF)

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
KAPKATOI PRIMARY SCHOOL	750,000.00			750,000		750,000
KAPKATOI PRIMARY SCHOOL	750,000.00	1,940	2,000,000.00	2,751,940		2,751,940
SIRWA YALA PRIMARY SCHOOL	480,000.00			480,000		480,000
SIRWA YALA PRIMARY SCHOOL	679,000.00			679,000		679,000
kapchumba primary school		2,665,550	2,614,283.00	5,279,833	2,517,886	2,761,947
kiropket		1,001,175		1,001,175	-	1,001,175
KIPTILALON PRIMARY SCHOOL	1,450,000.00	1,000,000		2,450,000	-	2,450,000
sinendo primary	2,000,000			2,000,000	-	2,000,000
KAPCHEMOIYWO ORIMARY SCHOOL		52,776		52,776	-	52,776
Sub-total	31,921,977	31,957,363	28,114,283	91,993,623	37,801,257	54,192,366
9.0 Secondary Schools Projects (List all the Projects)						
KIPKEIBON SECONDARY SCHOOL	1,500,000.00	5,096,000	7,000,000.00	13,596,000	1,450	13,594,550
KABWARENG SECONDARY SCHOOL		3,410	450,000.00	453,410	450,000	3,410
FR. KHUN SECONDARY SCHOOL		24,052		24,052	58	23,994

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
CHESUWE HIGH SCHOOL		32,961		32,961	32,915	46
BARNGETUNY SECONDARY SCHOOL	2,500,000.00	3,002,757		5,502,757	1,476,752	4,026,005
KAPSABET GIRLS HIGH SCHOOL		1,396,650		1,396,650	1,229,398	167,252
KIMNYOASIS SECONDARY SCHOOL		2,920		2,920	-	2,920
Our Lady Of Victory Girls Kapnyeberai		254,517		254,517	198,905	55,612
ACK ST marks kiminda secondary school	10,000,000.00			10,000,000		10,000,000
ACK St. Thomas Kapchumba Secondary	2,500,000.00	4,402,735		6,902,735	3,417,523	3,485,212
TULON HIGH SCHOOL			4,500,000	4,500,000	960,833	3,539,167
ST. MARKS KIMINDA SECONDARY SCHOOL		22,608		22,608	342	22,266
Kabore Polytechnic Digital Hub		3,544		3,544	345	3,199
ST. BARNABAS TEGAT SEC SCHOOL	3,000,000.00	3,518		3,003,518	-	3,003,518
SONGOLIET SECONDARY SCHOOL	2,000,000.00			2,000,000	-	2,000,000
TERIGE HIGH SCHOOL	5,000,000.00	26,550		5,026,550	-	5,026,550
AIC KIBORGOK GIRLS HIGH SCHOOL	700,000.00	3,021		703,021	-	703,021

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
HOLY ROSARY SECONDARY SCHOOL	3,500,000.00			3,500,000	-	3,500,000
KIPSIGAK HIGH SCHOOL		1,003,242		1,003,242	951,359	51,884
KIMNYOASIS SECONDARY SCHOOL	10,000,000			10,000,000	-	10,000,000
NDUBENETI SECONDARY SCHOOL		29,642	400,000.00	429,642	376,112	53,530
ALL4RUNNING SHOE4AFRICA SEC		5,500,100		5,500,100	3,178,870	2,321,230
SIRWA YALA SECONDARY SCHOOL		8,916		8,916		8,916
KAPKAGAON SECONDARY SCHOOL	2,000,000.00			2,000,000		2,000,000
KILIBWONI SECONDARY SCHOOL		455		455		455
ST. MARYS KAPCHORWA SECONDARY SCHOOL		10,851		10,851		10,851
CHEPKUMIA SECONDARY SCHOOL		8,038,446		8,038,446	7,469,996	568,450
TIRYO SECONDARY SCHOOL		447	2,900,000.00	2,900,447	2,781,229	119,219
ST. ROBERTS ARWOS SECONDARY SCHOOL		22,067		22,067	15,283	6,785
MOSOBECHO SECONDARY SCHOOL		3,226		3,226	-	3,226
					-	

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-total	42,700,000	28,892,633	15,250,000	86,842,633	22,541,367	64,301,266
10.0 Tertiary institutions Projects (List all the Projects)						
EMGWEN TECHNICAL VOCATION CENTRE		1,806,314		1,806,314	1,707,472	98,842
Sub-total		1,806,314		1,806,314	1,707,472	98,842
11.0 Security Projects						
KAMOBO LOCATION CHIEFS OFFICE		3,501,950		3,501,950	3,182,947	319,004
KABIRIRSANG CHIEFS OFFICE		1,289		1,289		1,289
Cheboite Chief's Office	2,300,000.00			2,300,000		2,300,000
Cheboite Chief's Office.	700,000.00			700,000		700,000
Lolminingai Chief's office	650,000			650,000		650,000
Sub-total	3,650,000	3,503,239		7,153,239	3,182,947	3,970,293
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)		584,000		584,000	579,946	4,054
12.2 Purchase of furniture and fittings		2,442,000		2,442,000	2,442,000	

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
12.2 Construction of CDF office	3,275,695.00		720,286	3,995,981	302,256	3,693,725
PURCHASE OF OFFICE EQUIPMENT			13,000,000	13,000,000		13,000,000
Sub-total	3,275,695	3,026,000	13,720,286	20,021,981	3,324,202	16,697,779
Digital Hub						
Kabore Polytechnic Digital Hub	5,200,000			5,200,000		5,200,000
AIC Kapsabet Vocational Training Center			5,200,000.00	5,200,000		5,200,000
Koibem Vocational Training Centre			3,800,000	3,800,000		3,800,000
Total	5,200,000.00		9,000,000.00	14,200,000.00		14,200,000.00
13.0 Others						
EMGWEN BURSARY SOFTWARE		2,000,000.00		2,000,000	1,980,000	20,000
Strategic plan		10,000.00		10,000		10,000
sports		9,852	8,227	18,079		18,079
Sub-total		2,019,852	8,227	2,028,079	1,980,000	48,079
Funds pending approval**						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
unapproved projects	-					
Banking to NG-CDFC		48,376				
AiA						
Sub-total	170,469,857	90,349,505	72,458,003	333,277,364	151,790,305	181,487,059

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

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Emgwen Constituency principal activity undertake development of National government functions at the constituency.

2. Statement of Compliance and Basis of Preparation

- The financial statements have been prepared in accordance with the Public Finance Management (PFM) Act and the International Public Sector Accounting Standards (IPSAS). The NG-CDF Emgwen has taken advantage of the transitional provisions under IPSAS 33 and adopted a phased approach. Accordingly, this is the first transitional financial statement.
- The NG-CDF Emgwen has recognized all financial assets, including cash and cash equivalents held in the operational account, deposit account, and PMC bank accounts; receivables (amounts due from the Board and other parties); prepayments; property, plant, and equipment (PPE); and intangible assets acquired during the financial year 2023/2024 up to the reporting date.
- Liabilities recognized include trade and other payables, third-party deposits, and gratuity provisions.
- The recognition of all other non-financial assets acquired prior to the 2023/2024 financial year will be undertaken in the third year of the transition period, after the necessary identification and valuation processes have been completed.

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<i>Applicable 1st January 2025</i> The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
IPSAS 45: Property Plant	<i>Applicable 1st January 2025</i> The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and

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

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	nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: <ul style="list-style-type: none"> i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.

iii. Early adoption of standards

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

4. Summary of Significant Accounting Policies

a) Revenue recognition

i) Revenue from non-exchange transactions

Transfers from other government entities

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

ii) Revenue from exchange transactions

Sale of goods

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

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Entity*. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The *Entity* also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition. Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit. An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the *Entity* will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

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

e) Intangible assets

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

f) Financial instruments

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

a) Financial assets

Classification of financial assets

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

Subsequent measurement

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

Amortized cost

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

Fair value through net assets/ equity

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

Trade and other receivables

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

Fair value through surplus or deficit

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

Impairment

The entity assesses, on a forward-looking basis, the expected credit loss ('ECL') associated with its financial assets carried at amortized cost and fair value through net assets/equity. The entity recognizes a loss allowance for such losses at each reporting date. 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 the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis to all participating employers. The contributions and lump sum payments reduce the post-employment benefit obligation.

m) Foreign currency transactions

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

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n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

(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	Period ended June 2025
NGCDFB Transfers (Allocation for the FY)	170,469,857
TOTAL	170,469,857

7. Transfers from domestic and foreign partners

Description	Period ended June 2025
	Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

	Period ended June 2025

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

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10. Employees cost

Description	Period ended June 2025
	Kshs
NG-CDFC Basic staff salaries	2,193,606
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	458,048
Employer Contributions Compulsory national social security schemes	114,988
Employer Contributions Compulsory Housing levy	28,613
Employer contributions to National Industrial Training Authority	2,100
Other Specify	-
Total	2,797,354

11. Committee Expenses

	Period ended June 2025
	Kshs
Sitting allowance	1,229,100
Other Committee expenses	2,557,700
Total	3,786,800

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12. Use of Goods and services

Description	<i>Period ended June 2025</i>
	Kshs
Utilities, supplies and services	1,202,808
Communication, supplies and services	741,150
Domestic travel and subsistence	1,028,000
Printing, advertising and information supplies & services	-
Office Rent	650,000
Training expenses	275,400
Hospitality supplies and services	-
Insurance costs	-
Specialized materials and services	1,980,000
Office and general supplies and services	898,400
Fuel, oil & lubricants	901,010
Bank Charges	60,000
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	156,296
Strategic plan expenses	-
Other operating expenses	550,240
Total	8,443,304

13. Other Government Units Actual expenditure

Description	<i>Period ended June 2025</i>
	Kshs
Primary Schools Actual expenditure	39,785,655
Secondary Schools Actual Expenditure	23,189,009
Tertiary Institutions Actual Expenditure	1,796,645
Total	64,771,309

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14. Other Grants and transfers Actual expenditure

Description	Period ended June 2025
	Kshs
Bursary – secondary schools	44,919,547
Bursary – tertiary institutions	19,088,554
Bursary – special schools	2,850,985
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual Expenditure	3,342,756
Climate change mitigation projects	1,219,155
Emergency projects Actual Expenditure	-
Roads projects	-
Others specify	-
Total	71,420,997

15. Depreciation and Amortization Expenses

Description	Period ended June 2025
	Kshs
Property Plant and Equipment	747,165
Intangible Assets	-
Total	747,165

16. Digital Hubs Expenses

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

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17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	Period ended June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>FAMILY Bank, A/C No:097000040185 (Operations account)</i>	81,590,996	25,285,610.90
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>EQUITY Bank, A/C NO:0490285643372(Deposit account)</i>	940,554	-
<i>Name of Bank, account No. (PMC's account)</i>	84,485,653	65,063,894.11
Total	167,017,203	90,349,505
Cash Balances		
Location 1	-	-

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Location 2	-	-
Other Locations (<i>Specify</i>)	-	-
Total	-	-
<i>[Provide Cash Count Certificates for Each]</i>		

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

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20. Receivables from Exchange Transactions

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

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

i. Ageing Analysis for Receivables

Description	Period ended June 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
	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	Period ended June 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	14,469,857		72,458,003	
Outstanding imprest	-		-	
Total	14,469,857		72,458,003	
Ageing Analysis- Receivables from non-exchange transactions	Insert Current FY	% of the total	Opening Balance	% of the total
	14,469,857	100%	72,458,003	100%
	-	%	-	%
	-	%	-	%
	-	%	-	%

22. Prepayments

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

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23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Infrastructure assets	Furniture and fittings	Computers & ICT Equipment	Work in progress	Service concession assets	Total
Depreciation Rate		10%	25%	20%	12.50%	30.00%			
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1st July 2024	-	-					-	-	-
Additions	-	-	579,946.00	-	1,263,420	1,480,836	-	-	3,324,202
Disposals	-	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-	-
As At xx Sep/Dec/Mar/Jun 2024	-	-	579,946.00	-	1,263,420	1,480,836	-	-	3,324,202
Depreciation And Impairment									
Opening bal accumulated depreciation 1st July 2024	-	-	-	-	-	-	-	-	-
Depreciation	-	-	144,986.50	-	157,928	444,251	-	-	747,165
Disposals	-	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-	-
As At xx Sep/Dec/Mar/Jun 2025	-	-	144,987	-	157,928	444,251	-	-	747,165
Net Book Values									
Opening Bal as at 1st July 2025	-	-	-	-	-	-	-	-	-
As At 30th June, 2025	-	-	434,959.50	-	1,105,493	1,036,585	-	-	2,577,037

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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).

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

25. Right-of use assets

Description	Buildings	Plant	Equipment	Total
	Kshs	Kshs	Kshs	Kshs
Cost				
As At 1 July 2023 (Comparative period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2024(Comparative Period)	-	-	-	-
Additions	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
	-			
Accumulated Depreciation				
As At 1 July 2023 (Comparative period)	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2024 (Comparative period))	-	-	-	-
Charge for the period	-	-	-	-
As At 30 June 2025 (Current FY)	-	-	-	-
Carrying Amount				

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

26. Trade and Other Payables

Description	Period ended June 2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Trade payables	-	-	-	-
Employee payables	-	-	-	-
Other payables	-	-	-	-
Total trade and other payables	-	-	-	-
Aging analysis: (Trade and other payables)	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)	1,530,388	
Retention held during the period (B)	5,278,375	1,530,388
Retention paid during the period (C)	2,870,371	-
Closing Retention as at period xx, D= A+B-C	3,938,392	1,530,388

Retentions aging analysis.

	<i>Period ended June 2025</i>	<i>% of the total</i>	<i>Period ended June 2024</i>	<i>% of the total</i>
Less than 1 year	3,938,392	100%	1,300,792	100%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

28. Lease Liabilities

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

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Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement
	Kshs	1st July 2024 Kshs
Gratuity at the beginning of the period (A)	594,897	
Gratuity held during the period (B)	458,048	594,897
Gratuity paid during the period (C)	112,391	-
Total Gratuity provision as at period xx D=(A+B-C)	940,554	594,897

30. Cash Generated from Operations

	<i>Period ended June 2025</i>
	Kshs
Surplus for the period before tax	18,502,928
Adjusted for:	
Depreciation	747,165
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	(57,988,146)
Changes in deferred income	-
Changes in Third party deposits	(2,408,004)
Changes in gratuity provision	(345,657)
Changes in payments received in advance	-

(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 2025				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	14,469,857	14,469,857	-	-
Bank balances	167,017,203	167,017,203	-	-
Total	181,541,060	181,541,060	-	-
As at 30 June 2024				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	-	-	-	-
Bank balances	-	-	-	-
Total	-	-	xxx	xxx

(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 the board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current poportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	940,554	940,554
Total	-	-	940,554	940,554
As at 30th June 2024	-	-	940,554	
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	940,554	940,554
Total	-	-	940,554	940,554

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.

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.

b) Interest rate risk

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

Entity to cash flow interest rate risk. The interest rate risk exposure arises mainly from interest rate movements on the Entity's deposits.

Management of interest rate risk

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

Sensitivity analysis

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

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.

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iv) Capital Risk Management

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

Description	Period ended June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	179,185,151	160,682,223
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	179,185,151	160,682,223
Total Borrowings	-	-
Less: Cash and Bank Balances	167,017,203	90,349,505
Net Debt/(Excess Cash And Cash Equivalents)	12,167,948	70,332,718
Gearing	-	-

32. Related Party Disclosures

	Period ended June 2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	1,229,100	1,010,850
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	228,458,003	170,303,912
Total	229,687,003	171,314,762

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	Period ended June 2025	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)		
Total		

(Give details)

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Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Entity

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

38. Currency

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

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18. Annexes

Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	4,000,000	-	-	4,000,000
Buildings and structures	14,735,000	-	-	14,735,000
Transport equipment	3,750,000	579,976	-	4,329,976
Office equipment, furniture, and fittings	1,600,000	1,263,420	-	2,863,420
ICT Equipment and Other ICT Assets	-	1,480,836	-	1,480,836
Other Machinery and Equipment	306,800	-	-	306,800
Intangible assets	-	-	-	-
Total	24,391,800	-	-	27,716,032

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

PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
AC TEGAT PRIMARY SCHOOL	CO-OPERATIVE	1139326637800	11,356	253,361
ACK KAIBEIYO PRIMARY SCHOOL	EQUITY	490284334302	4,421	60,979
ACK KAIBEIYO PRIMARY SCHOOL	CO-OPERATIVE	1139328231800	1,450,000	1,789
ACK KIPSUGUR PRIMARY SCHOOL	EQUITY	490266678087	245,519	964,805
ACK KOLONG PRIMARY SCHOOL	NATIONAL	1024055687402	0	807,076
ACK KIPSUGUR SECONDARY SCHOOL	EQUITY		450,000	-
ACK St. Thomas Kapchumba Secondary	KCB	1266192778	3,485,212	4,402,735
AIC Cheliliat Academy	CO-OPERATIVE	1139325518100	1,655,301	587,241
AIC KAPCHEMOIYWO GIRLS SECONDARY SCHOOL	NATIONAL	1021055504402	37,019	123,501
AIC KAPKOIBAI PRIMARY SCHOOL	CO-OPERATIVE	1139325556100	1494289	451,533
AIC KIBORGOK GIRLS HIGH SCHOOL	EQUITY	490262346563	3021	3,021
AIC OLANGATA PRIMARY SCHOOL	EQUITY	490280019314	1634330	3,300,260
AIC PASTOR MISOI KAPSIRCHOI	CO-OPERATIVE	1139325548200	1870925	20,925
ALL4RUNNING SHOE4AFRICA SECONDARY SCHOOL	FAMILY	97000041910	2321230	5,500,100
BARNGETUNY SECONDARY SCHOOL	EQUITY	490279095881	4026005	3,002,757
BARNGETUNY SECONDARY SCHOOL	FAMILY	97000041924	24691.6	450,100
BURENDE HILLS PRIMARY	EQUITY	490263912769	1791	1,791

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PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
CHEBARUS BORDER PRIMARY CHEBONGE PRIMARY SCHOOL	EQUITY	490299767793	6223	6.223
CHEPKOIYO PRIMARY SCHOOL	NATIONAL	1024062651001	195179	966,732
CHEPKUMIA SECONDARY SCHOOL CHEPLASGEI PRIMARY SCHOOL	EQUITY	490280307027	99418	1,625,793
	EQUITY	490299954639	701524	8,038,446
	NATIONAL	7718297047	2900275	1,000
CHERIBISI ACADEMY	CO-OPERATIVE	1139325548200	181165	27,967
CHESUWE PRIMARY SCHOOL	EQUITY	490276207951	45.5	5,388
CHESUWE SECONDARY SCHOOL	EQUITY	490297519331	5388	32,961
EMDIN PRIMARY SCHOOL	CO-OPERATIVE	1139325182101	0.37	13,310
EMGWEN TECHNICAL VOCATION CENTRE	KCB	1290412057	98,842	1,306,314
FR. KHUN SECONDARY SCHOOL	EQUITY	490299444611	23,994	24,052
HOLY ROSARY GIRLS HIGH SCHOOL IPA KAIMOSI SECONDARY SCHOOL	KCB	1133181236	3,044	3,044
	EQUITY	490276871631	1,888,490	5,795
IRIMIS PRIMARY SCHOOL	CO-OPERATIVE	1139326750300	2,538	2,538
KABASGEI PRIMARY SCHOOL	EQUITY	490277714072	406,074	1,401,594
KABIRER PRIMARY SCHOOL	NATIONAL	1024056557801	3,958	3,958
Kabirirsang chief office	EQUITY	490284614044	1,289	1,289
KABIRIRSANG PRIMARY SCHOOL	EQUITY	490271876693	41,906	801,001
KABIRIRSANG SECONDARY SCHOOL	NATIONAL	102155987401	461,672	11,792

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PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
KABOEN PRIMARY SCHOOL	NATIONAL	1024055713701	2285.55	2,286
KABONGWA ORIMARY	EQUITY	490297438314	11,318	11,318
KABORE PRIMARY SCHOOL	EQUITY	49284350558	1,620	1,620
KABWARENG PRIMARY SCHOOL	EQUITY	490262795941	41,596	41,596
KABWARENG SECONDARY SCHOOL	EQUITY	490299894529	3,410	3,410
KALYET PRIMARY SCHOOL	NATIONAL	1024055750401	2,385	2,385
KAMENON PRIMARY SCHOOL	NATIONAL	1139325182101	83	83
KAMOBO LOCATION CHIEFS OFFICE	EQUITY	490266900745	319,004	3,501,950
KAMOBO PRIMARY SCHOOL	EQUITY	490261445225	346,246	3,599,719
KAMOBO SECONDARY			450,000	
Kapchemoiywo primary school	NATIONAL	1024055520201	52,776	52,776
KAPCHEPSIR PRIMARY SCHOOL	EQUITY	490299575951	2,005,203	100,318
kapchumba primary school	KCB	1266192778	2,761,947	2,665,550
KAPKAGAON PRIMARY SCHOOL	NATIONAL	102456790900	6,711	6,711
KAPKAGAON SECONDARY SCHOOL	NATIONAL	1025056790400		6,405
KAPKANGANI PRIMARY SCHOOL	EQUITY	490278647514	8,755	8,755
KAPKATOI PRIMARY SCHOOL	CO-OPERATIVE	1100098612001	2,001,940	1,940
KAPKESENGIN PRIMARY	EQUITY	490298493031	131,070	1,623,166
Kapkilel primary school	CO-OPERATIVE	1139326720900	503,466	33,466

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PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
KAPLONYO PRIMARY SCHOOL	NATIONAL	1024055585401	12,470	12,470
KAPNYEBERAI PRIMARY SCHOOL	EQUITY	490261514670	4,860	4,860
KAPSABET GIRLS HIGH SCHOOL	EQUITY	490267133291	167,252	1,396,650
KAPSABET SCHOOL FOR THE DEAF			89,687	1,153,899
KAPSABET TOWNSHIP PRIMARY SCHOOL	EQUITY	490261568081	403	403
KAPSUMBEIYWO PRIMARY SCHOOL	NATIONAL	1024055745401	21,441	21,441
KAPTENDON PRIMARY SCHOOL	KCB	1168485584	187	187
KATANIN PRIMARY SCHOOL	NATIONAL	1024055579801	1,770	1,770
KIBORGOK HIGH SCHOOL	EQUITY	490291614358	5,506	101,006
KIBORGOK HILL PRIMARY SCHOOL	EQUITY	490266876487	16,203	16,203
KILIBWONI PRIMARY SCHOOL	NATIONAL	1024067104600	20,549	20,549
KILIBWONI SECONDARY SCHOOL	EQUITY	490299596338	100,455	455
KIMINDA PRIMARY SCHOOL	EQUITY	490261562899	1,414	1,414
KIMNYOASIS PRIMARY SCHOOL	NATIONAL	1024055689401	102,100	102,220
KIMNYOASIS SECONDARY SCHOOL	EQUITY	490262459504	10,002,920	2,920
KIPKEIBON_PRIMARY SCHOOL	NATIONAL	1024055527701	780	780
KIPKEIBON SECONDARY SCHOOL	NATIONAL	1022255777200	13,594,550	5,039,022
Kiplolok primary school	EQUITY	490298596031	10,301	10,301
KIPSIGAK HIGH SCHOOL	EQUITY	490297468224	51,884	1,003,242

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PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
KIPSIGAK PRIMARY SCHOOL	CO-OPERATIVE	1139325550500	5,915	5,915
Kipsotoi Primary School	CO-OPERATIVE	1139326488000	1,401,163	1,163
KIPSOTOI SECONDARY SCHOOL	CO-OPERATIVE	1139325568002	-	3,544
KIPTARAGON PRIMARY SCHOOL	CO-OPERATIVE	1139326691300	401	401
Kiptenden primary school	CO-OPERATIVE	1139325997302	3,604,131	73,708
KIPTILALON PRIMARY SCHOOL	EQUITY	4902647119093	1,470,328	20,323
Kipture Secondary School	EQUITY		471,047	21,047
KIROPKET PRIMARY SCHOOL			1,001,175	1,175
KOIBEM PRIMARY SCHOOL	EQUITY	490272136520	173,714	800,592
MBERIA TOLELTANY PRIMARY SCHOOL	EQUITY	490298456763	1,360	1,360
Meswo primary school	CO-OPERATIVE	1107222990003	-	1,160
Mokwo primary school	NATIONAL	1022260557300	2,036	2,036
MOMBOR PRIMARY SCHOOL	EQUITY	490299076539	14,822	14,822
MOSOBECHEO SECONDARY SCHOOL	EQUITY	490299467580	3,226	3,226
MUGUNYA PRIMARY SCHOOL	EQUITY	490294129127	766	766
NDUBENETI PRIMARY SCHOOL	EQUITY	490284101428	55,137	55,137
NDUBENETI SECONDARY SCHOOL	NATIONAL	1025056841900	53,530	29,642
NGEREK PRIMARY SCHOOL			250,000	250,000
NGOMWO PRIMARY SCHOOL	NATIONAL	1024055690701	35,655	854,109

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PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
Our Lady Of Victory Girls Kapnyeberai	KCB	1317736931	55,612	254,517
SASIMON ADC PRIMARY SCHOOL	EQUITY	490299564123	3,581,482	2,805,548
SDA TENDWET PRIMARY SCHOOL	EQUITY	490266539769	429,869	1,468,657
SENETWO PRIMARY SCHOOL	NATIONAL	102456758800	895,835	1,453,306
SIMTERET PRIMARY SCHOOL	EQUITY	490299871003	208	208
SINENDO PRIMARY SCHOOL	NATIONAL	1024028202301	503,490	251,760
SIRWA YALA SECONDARY SCHOOL	EQUITY	490262407851	8,916	8,916
SONGOLIET SECONDARY SCHOOL	NATIONAL	10250670444300	244,205	244,205
ST .MARKS KIPTAMUK PRIMARY SCHOOL	NATIONAL	10240557302101	2268	2,268
ST ANDREWS CHEPKOIYO PRIMARY SCHOOL	EQUITY	490299872872	1452932	2,932
St Roberts Arwos primary	EQUITY	490268242543	50478	50,478
ST. BARNABAS TEGAT SEC SCHOOL	NATIONAL	1025055982703	3518	3,518
ST. GEORGES KABIRIRSANG PRIMARY SCHOOL	NATIONAL	1021055987401	3154384	43,340
ST. JOSEPHS KIPTAREI SECONDARY SCHOOL	EQUITY	490298503261	158960.3	1,134,424
ST. MARKS KIMINDA SECONDARY SCHOOL	CO-OPERATIVE	1139326083300	0.31	22,608
ST. MARYS KAPCHORWA SECONDARY SCHOOL	EQUITY	490285223503	10851	10,851
ST. MARYS SUGUT PRIMARY SCHOOL	NATIONAL	1022239878400	2875	2,875
ST. PATRICK CHEPSONOI PRIMARY SCHOOL	EQUITY	490263909229	1312977	2,855
ST. PAULS ARWOS PRIMARY SCHOOL	NATIONAL	1024056771900	1481890	32,010

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PMC	Bank	Account number	Bank Balance Period ended June 2025	Bank Balance Period ended June 2024
ST. PHILIPS KAMATARGUI PRIMARY SCHOOL	EQUITY	490263907856	1173.6	1,174
ST. ROBERTS ARWOS PRIMARY			50478	50,478
ST. ROBERTS ARWOS SECONDARY SCHOOL	EQUITY	490291894485	6784.5	22,067
TEBESONIK PRIMARY SCHOOL	CO-OPERATIVE	1139328814700	0	9,477
TERIGE HIGH SCHOOL	NATIONAL	1022244879400	26550	26,550
TERIGE PRIMARY SCHOOL	NATIONAL	1022262875600	741	741
TIRYO PRIMARY SCHOOL	EQUITY	490291818835	250,358	250,358
TIRYO SECONDARY SCHOOL	EQUITY	490268405445	119,219	546
TULON PRIMARY SCHOOL	NATIONAL	1022239105100	38,422	2,690
TULON HIGH SCHOOL			3539167	0
Total			84,485,653	65,063,894

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/ERO/EMGWEN/2023-2024-1-01-029-0155-09/(12)	<p>Bank Balances</p> <p>The statement of assets and liabilities and Note 11A to the financial statements reflects bank balances of Kshs.25,285,611. However,review of bank reconciliation statements revealed that stale bursary cheques amounting to Kshs.342,900 which had not been presented to the bank for payments as at 30 June 2024 had not been cancelled,reversed or replaced with new ones as at the time of audit. In the circumstances, the management and disbursement of Bursary Cheques could not be confirmed.</p>	<p>The stale cheques amounting to Kshs. 342,900 which had remained in the list of unrepresented at closure of financial year have since been cancelled and reversed in the cash book.</p>	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/ERO/EMGWEN/2023-2024-1-01-029-0155-09/(12)	<p>Project Management Committee (PMC) Bank Balances Note 19.4 to the financial statements reflects Project Management Committee bank balances of Kshs.25,628,400 in respect of ninety-six (96) project bank accounts.</p> <p>Although, Management provided copies of certificate of bank balances. The cashbooks and bank reconciliation statements in support of the balances were not provided for audit review.</p> <p>In the circumstance, the accuracy and completeness of Project Management Committee bank balance of Kshs.25,628,400 could not be confirmed.</p>	<p>NG CDF Emgwen ensures that Projects are implemented by project management committee and upon completion of projects they submit the project returns to the CDF office for accountability</p>	Resolved	
OAG/ERO/EMGWEN/2023-2024-1-01-029-0155-09/(12)	<p>Inaccuracies in Financial Statements</p> <p>Statement of receipts and payment and Note 8 to the financial statements reflects other grants and transfer of Kshs.78,051,817. However, the</p>	<p>The correct figure is in the summary statement of appropriation reflects Kshs.77,801,817, therefore an error in the note 8</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>actual amount spent on other grants and transfer reflected in summary statement of appropriation reflects Kshs.77,801,817 resulting to a variance of Kshs.250,000 that has not been reconciled and explained.</p> <p>In the circumstances, the accuracy of financial statements could not be confirmed. The audit was conducted in accordance with International Standards for Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund-Emgwen Constituency Management in accordance with ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and</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)
	appropriate to provide a basis for my qualified opinion.			
OAG/ERO/EMGWEN/2023-2024-1-01-029-0155-09/(12)	<p>Budgetary Control and Performance</p> <p>The summary statement of appropriation reflects final receipts budget and actual on comparable basis totaling to Kshs.287,559,807 and Kshs.215,101,804 respectively,resulting to an underfunding of Kshs.72,458,003 or 25% of the budget. Similarly, the Fund spent Kshs.189,816,193 against actual receipts of Kshs.215,101,804 resulting to an under expenditure of Kshs.25,285,611 or 12% actual receipts.</p> <p>The receipts shortfall and under expenditure impact negatively on the delivery of services to the residents of National Government Constituencies Development Fund-Emgwen Constituency.</p>	Underutilization of funds is due to late disbursement	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/ERO/EMGWEN/2023-2024-1-01-029-0155-09/(12)	<p>Project Verification Status</p> <p>The Statement of receipts and payment and as disclosed in Note 7 reflects Transfer to Other Government Units of Kshs.90,482,407. However, sampled physical project verification conducted on 7 November 2024 revealed several anomalies as analysed below:</p> <p>ADC Sasimon- Construction of classrooms @ 1,450,000 - The contractor was not on site and the project seemed abandoned. Additionally, statement of account showing certified amounts, engineers estimate, bank statement and bill of quantities were not provided for audit review</p> <p>Kapkesengin Primary school- Construction of administration block; The project seemed stalled and abandoned. The expenditure was not supported by inspection and acceptance reports, certificat</p>	<p>ADC Sasimon- The project is an ongoing project and the contractor is still within the contract period, he was waiting for delivery of roof and has now resumed to work.</p> <p>Kapkesengin primary school was an ongoing project during audit but the project is complete and in use now.</p> <p>AIC Olangata primary school- school was an ongoing project during audit but the project is complete and in use now.</p>		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: <i>(Resolved / Not Resolved)</i>	Timeframe: <i>(Put a date when you expect the issue to be resolved)</i>
	<p>es of practical completion and engineers estimates</p> <p>AIC Olangata Primary School I- construction of two classrooms @ 2,900,000</p> <p>During project verification visit it was noted that construction works had stopped and the contractor was not on site.</p>			
OAG/ERO/EMGWEN/2023-2024-1-01-029-0155-09/(12)	<p>Irregular Funding of Other Government Entities Functions</p> <p>The statement of receipts and payments and as disclosed in note 10 reflects other payments REREC markets of Ksh s.5,000,000 which was transferred to Rural Electrification & Renewable Energy Corporation (REREC) as partners funding for the supply and installation of transformers to various locations within the constituency. However, the project of installation of transformers do not fall under the</p>	<p>The National Government Constituencies Development Fund (NG-CDF) Act does not explicitly address electricity projects directly, but it allows constituencies to use their allocated funds for development projects identified by the community, which could include initiatives related to electricity infrastructure like</p>	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>National Government-Constituency Development Fund (NG-CDF) functions as per the enabling legislation.</p> <p>Further, there was no memorandum of understanding or financing agreement between the two government entities detailing how the projects were to be undertaken. Similarly, there were no confirmations from REREC that they received the funds and utilized them for the intended purpose.</p> <p>This is in contravention of fiscal responsibility by the Accounting Officer as stipulated under section 43(1) of the Public Finance Management Act, 2012 which states that a national government entity has limited power to reallocate appropriated funds from the authorized use but may not reallocate funds where-(a) the funds are appropriated for transfer to another government entity or person.</p>	<p>installing streetlights or providing power to underserved areas if deemed a priority by the local community and approved by the NG-CDF board.</p> <p>Through public participation the residents from emgwen constituency prioritized issues of electrification as main concern to the community and submitted the request to the ng-cdf board for consideration. the board approved the project as attached codelist</p> <p>NGCDF Emgwen partnered with Rerec and allocated ksh 5 million toward this course of rural electrification. The transformers were installed and are in use.</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)
		<p>However, the by the time of audit the memorandum of understanding or financing agreement was not availed but the management has eventually retrieved and availed for auditor to review. Management also confirm that the fund was channelled to Rerec as per bank deposit slip and cashbook extract and bank statement.</p>		

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Name *Ana Githinji*
 Fund Account Manager.