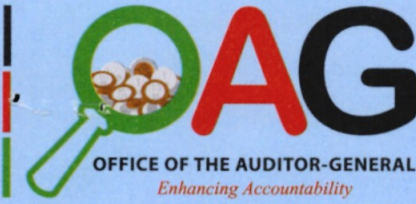


REPUBLIC OF KENYA



REPORT

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ON

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

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

DATE: 17 FEB 2026 TUESDAY

TABLED BY: DEPUTY MAJORITY LEADER
FINLAY
CLERK-AT-THE-TABLE:



NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

KIRINYAGA CENTRAL CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025

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



Table of Contents	Page
1. Acronyms and Definition of Key Terms	ii
2. Key Constituency Information and Management	iii
3. NGCDF Committee	viii
4. NG-CDFC Chairperson’s Report	x
5. Statement of Performance Against Predetermined Objectives for FY2024/25	xvi
6. Governance Statement	xix
7. Management Discussion and Analysis	xxvi
8. Environmental and Sustainability Reporting	xxix
9. Statement Of Management Responsibilities	xxxiii
10. Report Of the Independent Auditor on the NGCDF- Kirinyaga Central Constituency	xxxv
11. Statement of Financial Performance for the Year Ended 30th June 2025	1
12. Statement Of Financial Position As At 30th June, 2025	2
13. Statement of Changes in Net Assets for the year ended 30 June 2025	4
14. Statement Of Cash Flows for The Year Ended 30th June 2025	5
15. Statement of Comparison of Budget and Actual Amounts for the Year ended 30 June 2025	6
16. Budget Execution by Sectors And Projects For The Year Ended 30 th June 2025	9
17. Notes to the Financial Statements	16
18. Annexes	54

1. Acronyms and Definition of Key Terms

A. Acronyms

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

B. Definition of Key Terms

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

Comparative Year- Means the prior period.

2. Key Constituency Information and Management

(a) Background information

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

Mandate

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

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

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 KIRINYAGA CENTRAL CONSTITUENCY'S day-to-day management is under the following key organs:

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

Fiduciary Management

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

No	Designation	Name
1.	AIE holder	Kenneth Kariuki
2.	National Sub-County Accountant	Nahason N Mathagu
3.	Chairman NG-CDFC	Susan Wangu Kahuko
4.	Member NG-CDFC	Jackline Wambui Ngugi
5.	Member NG-CDFC	Martin Kinyua Wachira

(c) Fiduciary Oversight Arrangements

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

(d) NGCDF KIRINYAGA CENTRAL CONSTITUENCY Headquarters

Kirinyaga Central NG-CDF Building
Kerugoya-Kutus Road
Kerugoya, KENYA.

(e) NGCDF KIRINYAGA CENTRAL CONSTITUENCY Contacts

P.O. Box 753-10300 Kerugoya
E-mail: cdfkirinyagacentral@ngcdf.go.ke
Website: www.kirinyagacentralcdf.org

(f) NGCDF KIRINYAGA CENTRAL CONSTITUENCY Bankers

1. Family Bank
Kerugoya Branch
P.O. Box 1264-10300
Kerugoya
2. Family Bank
Kerugoya Branch
P.O. Box 1264-10300
Kerugoya
3. a. Co-operative Bank
Kerugoya Branch
P.O. Box 635-10300
Kerugoya
- b. Equity Bank
Kerugoya Branch
P.O. Box 1056-10300
Kerugoya
- c. Sidian Bank
Kerugoya Branch
P.O. Box 25363-00603
Nairobi
- d. Family Bank
Kerugoya Branch
P.O. Box 1264-10300
Kerugoya
- e. Kenya Commercial Bank
Kerugoya Branch
P.O. Box 90-10300
Kerugoya







(g) Independent Auditor

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



(h) Principal Legal Adviser

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

3. NGCDF Committee

NG-CDFC Members	Details		
Name	Date of Birth	Academic and professional Qualification	Work experience
 Susan Wangu Kahuko- Chairperson	1978	KCSE	Business Woman
 Jackline Wambui Ngugi- Secretary	1997	KCSE	Business Woman
 Martin Kinyua Wachira- Member	1984	KCSE	Business Man
 Belice Mabuti Njoka- Member	1958	O-level	Business Woman
 Purity Waithera Kinyua- Member	1978	KCSE	Business Woman
 James Macharia Wangeci- Member	1986	KCSE	Business Man

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

 Samwel Njiraini Wanjao- Member	1965	O-LEVEL	Business Man
 Josphine Nduku Mwengi- Member	1968	MASTERS	33 Years Work Experience in administration matters
 Kenneth Kariuki- Fund Account Manager	1976	MASTERS	21 years in financial management Matters

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

No.	Name	Period served
1.	Stephen Murimi Murage	2 Years – (upto 21 st May 2025)
2.	Peter Muriuki Maregwa	2 Years – (upto 21 st May 2025)
3.	Josphine Wamiru Mwai	2 Years – (upto 21 st May 2025)
4.	Lilian Wanjiku Gathomi	2 Years – (upto 21 st May 2025)

4. NG-CDFC Chairperson's Report



Dear Stakeholders;

I am pleased to present to you the annual report and financial statements for Kirinyaga central National Government Constituency Development Fund for the financial year that ended on 30th June 2025.

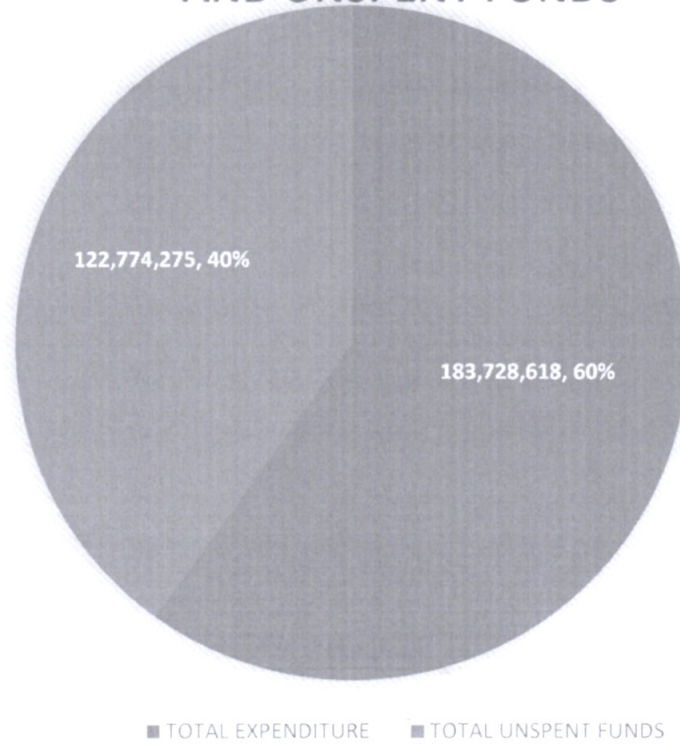
Introduction

Kirinyaga Central Constituency is one of the four constituencies of Kirinyaga County in the republic of Kenya. The other Constituencies are: Mwea, Gichugu and Ndia. The Constituency has a population of over 210,000 residents, the main economic activity being farming, in all its form, e.g. Subsistence farming, dairy farming, Horticulture, Tea, Coffee and Rice farming in swampy areas of Kanyekiini Ward. Due to the high population, the Constituency has a number of challenges which the National Government Constituency Development fund committee has to deal with. Despite the existing challenges the Kirinyaga Central NG-CDF committee has performed fairly well as indicated in the budget performance.

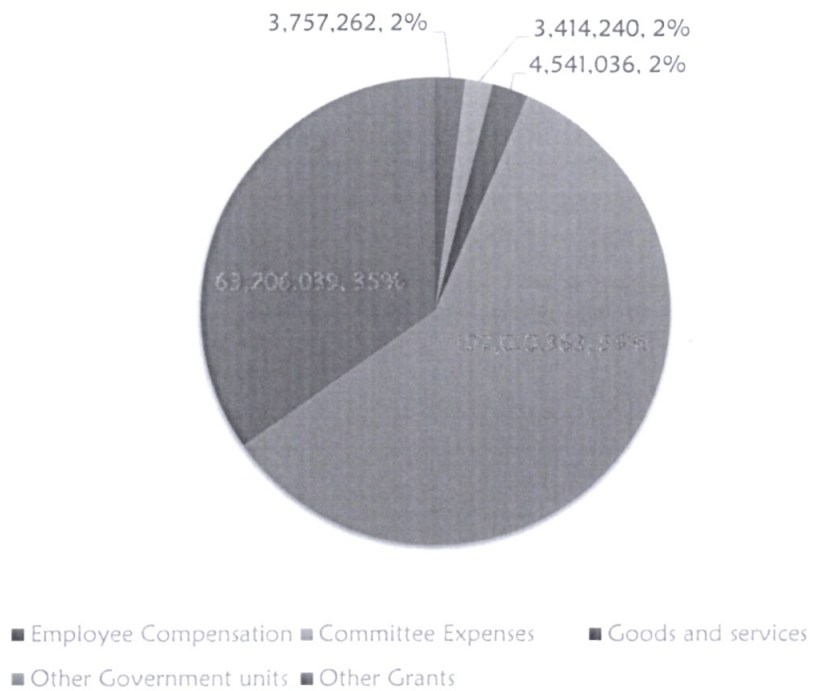
BUDGET PERFORMANCE

The Kirinyaga Central NG-CDF committee budgeted for Kshs 170,481,356.74 with an additional budget roll-over from the previous years of Kshs 43,614,353, an opening cashbook balance of Kshs 6,055,715.22 and PMC opening balances of Kshs. 86.351,433. During the year a total of Kshs 173.614,353 was disbursed from the NG-CDF board to Kirinyaga Central NG-CDF bank account giving a total fund available for use by Kirinyaga Central NG-CDF committee in the financial year as Kshs 179,153,889.12. The disbursed amount and the opening cashbook balance were spent on the development projects and other recurrent expenditures as shown in the charts below:

COMPARISON BETWEEN TOTAL EXPENDITURE AND UNSPENT FUNDS


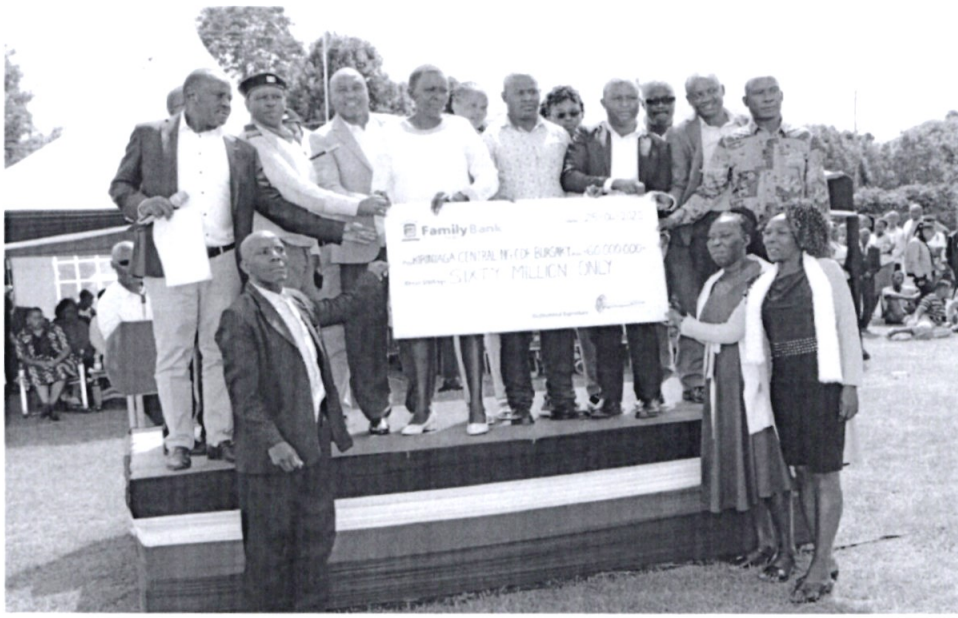




EXPENDITURE DISTRIBUTION PER SECTOR



Kirinyaga Central NG-CDF key achievements

Kirinyaga Central NG-CDF committee has made a lot of achievements through implementation of a number of education, environment, and security projects among others. A few of the implemented are as stated below:

<p>Kiamutuirea Primary School</p>		<p>Construction to completion of two classrooms at Kiamutuirea Primary school</p>
<p>Kirinyaga Central Bursaries</p>		<p>Supporting Needy Students through bursary funds. A total of Kshs 60,000,000 distributed to needy students from different institutions</p>

	<p>St. Faustina Kerugoya Girls High School</p> 	<p>Construction to completion of students ablution block at St Faustina Kerugoya Girls High school.</p>
	<p>St. Michael Primary School</p> 	<p>Renovated classrooms and offices at St. Michael Primary school.</p>

<p>St James Kiaritha Secondary School</p> 	<p>Construction of three storey classrooms Block consisting of twelve classrooms</p>
--	--

List of emerging issues related to the Kirinyaga Central NG-CDF

- Delayed disbursement of funds and the budget ceiling by the NG-CDF board to the constituencies has resulted in the delay in proposal making hence a delay in the project implementation.
- NG-CDF board delayed approval of re-allocation requests and re-submission approvals.
- Difficulties in project supervision during implementation due to different command centres: to improve the supervision of the Kirinyaga Central NG-CDF projects being implemented there need to be a common communication from the NG-CDF board to other government ministries involved in these supervisions defining their roles and entitlements, so that there be in turn an official communication from the respective ministry head-quarters to their field officers on their roles during NG-CDF projects implementation especially ministry of infrastructure and public works.

The Projects Implementation Challenges.

- Delayed preparation and approval of project documents by ministry of infrastructure, roads and public works which directly affects the project implementation timeframe and delayed benefit to community.
- Delayed disbursement of funds by NG-CDF board resulting to delayed projects implementation which in some cases result in contractors demand for project cost variation.
- High inflation levels that affects the project cost and especially the cost of the construction materials which in most cases makes some projects very expensive to implement.

- Dishonest contractors who in some cases offer poor quality services or use low standard materials.

Way Forward

- The NG-CDF committee will sustain high level of project monitoring and evaluation throughout project implementation to ensure high quality work is done.
- The NG-CDF committee will ensure prompt release of funds to the project management committees once the funds are received from the ex-chequer to ensure that the projects implementations commences without delay, this will caution the increasing inflation.

The budget utilization has been doing fairly well since we started but due to the delayed funds disbursement by the NG-CDF board to the constituencies leaving no enough time for project implementation hence low budget utilization of 60% of the total allocation..

.....*Susan*.....

Name: Susan Wangu Kahuko

Chairperson NG-CDF Committee

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

Introduction

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

The key development objectives of the *NGCDF Kirinyaga Central Constituency 2023-2027* plan are to:

- Ensure access to quality education.
- Enhance access to educational facilities.
- Improve learning environment in the constituency.
- Improved levels of hygiene in schools.
- Achieve a secure learning environment.
- Improve learning experience.
- Improve sanitation and hygiene for personnel.
- Enhance public safety.
- Increase the level of youth engagement in sports.
- Greening of the schools
- Improve in disposal of waste.
- Ensure a secure working environment.
- Strengthen governance and management capacity.
- To strengthen tracking of implementation of policies, plans and budgets.
- To improve Information and Communication Technologies for better service delivery

Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	<p><i>To have all children of school going age attending school</i></p> <ul style="list-style-type: none"> • Ensure access to quality education. 	<p><i>Increased enrolment in primary schools and improved transition to</i></p>	<p><i>number of usable physical infrastructure build in primary, secondary,</i></p>	<p><i>In FY 2024/25 we increased number of classrooms by one hundred fifty five (155) where 143 were renovated and</i></p>

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

	<ul style="list-style-type: none"> • Enhance access to educational facilities. • Improve learning environment in the constituency • Improve learning experience • Achieve a secure learning environment. 	<i>secondary schools and tertiary institutions</i>	<i>and tertiary institutions number of bursary's beneficiaries at all levels</i>	<i>twelve (12) newly constructed, one (1) hall and 24 offices were renovated. - Bursary beneficiaries at all levels were as per the attached schedules</i>
Environment	<ul style="list-style-type: none"> • Improve sanitation and hygiene for personnel • Improve in disposal of waste 	Improved environmental hygiene	Number of physical sanitation facilities built	Constructed four (4) pupils' and students septic ablution blocks.
Governance	<ul style="list-style-type: none"> • Strengthen governance and management capacity 	Improved governance	Number of trainings conducted	Trainings for ng-cdf Committee, Ng-cdf Staffs and Project management committees (PMC) conducted two times within the year.
Communication	To improve Information and Communication Technologies for better service delivery	Improved communication networks	Installation of modern communication support gadgets	Office well connected with Internet to support email, Facebook among other communication categories. Also ensuring that Kirinyaga Central NG-CDF website is frequently updated and that it portrays the current constituency status as

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

				far as development is concerned.
Climate change Mitigation	<ul style="list-style-type: none"> Greening of the schools 	Improved environmental hygiene	Number of tree seedlings planted and nurtured in a school	A total of 8,000 Hass avocado tree seedlings were planted and natured in forty schools

6. Governance Statement

Kirinyaga Central NG-CDF Committee comprises of ten members, seven recruited by a Selection Panel constituted in accordance with section 5 (1) of the NG-CDF Act Regulations 2016, one member co-opted by the NG-CDF Board in accordance with Regulations made by the Board as provided for in section 43 (2) (g) of the NG-CDF Act 2015, the national government official responsible for coordination of national government functions as provided for in section 43 (2) (a) of the NG-CDF Act 2015 and the officer of the Board seconded to the Constituency Committee by the Board who is an ex officio member without a vote as provided for in section 43 (2) (f) of the NG-CDF Act 2015.

Process of appointment of Ng- cdf Members

- I. For a Person Living with Disability, the Fund Account Manager shall write to a registered group representing persons with disabilities in the constituency requesting for nomination of one person with disability to sit in the NG-CDF committee. The nominating organization shall be required to provide specific description of the kind of disability to enable the board and NG-CDF Committee to plan for necessary support to facilitate full participation of the nominee in various activities of the fund.
- II. Invite applications from interested and Qualified members of the public for appointment to the Constituency Committee. The invitation shall be widely publicized to reach all parts of the constituency.
- III. The selection panel consider the applications and select six suitable persons taking into account age, gender, special interest groups and regional balance.
- IV. Submit the list of seven nominees (six recommended by the selection panel, one nominated by registered group representing persons with disabilities in the constituency office) to the Board within seven days of the selection process.
- V. Ensure the original report of the Selection Panel duly signed by all members of the Panel, original letter from the Constituency Office Manager forwarding two nominees to the NG-CDF Committee one being of either gender, original letter and copies of minutes of the meeting of the body nominating person with disability to NG-CDF Committee, copies of National Identity Cards of all the nominees (certified as true

copy of the original by the Fund Account Manager), the long –listing and shortlisting criteria, and three colour passport-size photographs of each of the respective nominees (stamped and signed at the back by the Fund Account Manager) are attached to the list submitted to the Board.

- VI. For avoidance of doubt, the two persons to be nominated by the Constituency Office to sit in the selection panel shall be drawn from Community and not serving public officers, Fund Account Managers are required to ensure that this is strictly adhered to.
- VII. After appointment of members of the NG-CDF Committee through publication in the Kenya Gazette the parliament, the Deputy County Commissioner (or in his/her absence) the Fund Account Manager shall convene the first meeting of the NG-CDF Committee during which the members will elect the Chairman and the Secretary.
- VIII. The Fund Account Manager will then submit to the Board the names of the elected Chairman and Secretary, attaching a certified copy of form four certificates and the academic certificate for the highest level of education attained and the minutes of the NG-CDF Committee meeting that approved the appointments.

NO	NAME	CATEGORY	WARD
1.	Samwel Njiraini Wanjao	Men (Adult)	Kanyekiini
2.	Susan Wangu Kahuko	Women (Adult)	Kerugoya
3.	Jackline Wambui Ngugi	Women (Youth)	Mutira
4.	Purity Waithera Kinyua	Female Adult	Mutira
5.	Martin Kinyua Wachira	Male Adult	Inoi
6.	Belice Mahuti Njoka	Pwd	Inoi
7.	James Macharia Wangeci	Ng-Cdf Board Co-opted Member	Kerugoya
8.	Josphine Nduku Mwenji	National Government Official Responsible For Coordination Of National Government Functions	DCC
9.	Kenneth Kariuki	Officer Of The Board	Ex-Officio Member

The duties and responsibilities of the NG-CDF Committee entail:-

- i) To consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency.

- ii) To ensure that project proposals submitted to the NGCDF Board include detailed budget proposals, procurement plans and work plans.
- iii) To rank projects proposals in order of priority while ensuring that on-going projects take precedence.
- iv) To ensure that all projects receive adequate funding and are completed within three years.
- v) To consult with relevant government departments to ensure that cost estimates for projects are realistic.
- vi) Where a project involves purchase of a parcel of land or a building, ensure that the ownership thereof is duly verified and ownership documents authenticated with relevant government agencies.
- vii) To build the capacity of project management committees and sensitize the community on the operations of National Government Constituency Development Fund.
- viii) To ensure that projects proposed for funding fulfill the requirements provided in the Act and relevant circulars issued by the Board.
- ix) To monitor implementation of projects in accordance with the monitoring and evaluation framework prescribed by the NGCDF Board.
- x) To ensure that project reports are prepared and submitted to the NGCDF Board.
- xi) To ensure formation of project management committees, opening of project accounts, project implementation and closure of projects.

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 practises
- (f) Causing disharmony within the committee
- (g) Physical or mental infirmity

The process of Removal of a Member of the Constituency Committee

The members of a Constituency Committee may remove a member in accordance with section 43 (13) and (14) of the Act upon Conflict / complain against a member. A complain against a member of a Constituency Committee shall be deposited with the National Government Constituency Office.

The complain referred to shall clearly set out the particulars of the issues complained of. The Secretary shall convene a special meeting in accordance with these Regulations to deliberate on the complain, but the member against whom the complain is raised shall not participate in such a meeting. If, at a meeting held pursuant to above paragraph, members determine that sufficient grounds exist requiring the member against whom the complain is raised to respond to the issues complained of, the secretary shall by notice, require the member to respond to the issues received in the complain within fourteen days of the date of the notice. A copy of the complain and any other grounds of removal shall be attached to the notice issued under above .The member against whom the complain is raised may be required to respond to the complain in writing. The member against whom a complain is raised may, in addition to the written response required, elect to be heard orally, and a Constituency Committee may hear such a member. The member against whom a complain is made may call witnesses. If the member against whom a complain is raised chooses not to submit a response in writing or to attend the hearings, a Constituency Committee may proceed to determine the matter. The Constituency Committee may summon the member against whom the complain is made to clarify any issue, and such member shall attend the hearing. Kenya Subsidiary Legislation, 2016 1955 If the member against whom a complain is made fails to respond to the complain as may be directed by a Constituency Committee, the Committee may proceed and make a determination based on the evidence available. A Constituency Committee shall issue its decision on the complain within seven days after the conclusion of the hearing. If a Constituency Committee resolves to remove the member against whom a complain is made, the secretary shall communicate the decision of the Constituency Committee to the Board within fourteen days of the decision. The communication to the Board under above paragraph shall include duly executed proceedings, together with all the supporting documents. The Board shall, within thirty

days after receipt of the communication, consider the matter and issue a final declaration which shall be binding on all parties.

The current NG-CDF committee was gazetted in the Kenya gazette on 21ST May 2025 and were first inducted by the funds account manager through an on-job training and were later inducted from 29th June to 4th July 2025 through a five days' workshop organised by the NG-CDF board at Mountain Breeze Hotel Embu. During the workshop it was made clear that no conflict of interest will be allowed during the committee operations. In the event that any member has any personal interest they must declare it in writing.

The committee were informed that they can conduct a maximum of twenty four (24) meetings including the sub-committee meetings and a minimum of twelve meetings, during the year the committee conducted twenty (24) meetings as follows:

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

NAME OF COMMITTEE MEMBER	MEETINGS HELD IN FINANCIAL YEAR 2024/2025																							
	8 Jul	25 Jul	12 Aug	29 Aug	10 Sep	20 Sep	9 Oct	17 Oct	11 Nov	22 Nov	11 Dec	7 Jan	17 Jan	12 Feb	10 Mar	26 Mar	9 Apr	29 Apr	13 May	27 May	03 Jun	19 Jun	24 Jun	
Stephen Murimi Murage	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	×	×	×	×	
Susan Wangu Kahuko	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	
Josphine Wamiru	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	×	×	×	×	
Peter Maregwa	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	×	×	×	×	
Lilian Wanjiku Gathomi	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	×	×	×	×	
Martin Kinyua Wachira	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	
Belice Mahuti Njoka	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	
James Macharia Wangeci	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	
DCC- Josephine Mwangi	×	×	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	
Jackline Wambui Ngugi	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	√	√	√	√	
Purity Waithera Kinyua	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	√	√	√	√	
Samwel Njiraini Wanjao	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	×	√	√	√	√	

Where their remunerations payable as meeting sitting allowance were paid at the rate of Kshs 5,000 for the ordinary members and Kshs 7,000 for the chairperson. These remunerations were subjected to taxation at the rate of 35% since they are considered as secondary employees. During their operations the members were required to conduct themselves in an ethical manner so that they could meet the constituents needs efficiently and effectively hence will meet the goals and objectives of the NG-CDF

After the induction the committee formed the following two sub-committees which they felt were very critical for their operations:

Bursary Sub-committee: Comprising of four NG-CDF committee members and twenty two community representatives. The responsibility of this sub-committee is to receive bursary applications, vet them and recommend the bursary awards to needy applicants. This sub-committee held two meetings during the vetting of the bursary applicants.

Complaint handling Sub-committee: This is a four member sub-committee, whose members are

- | | |
|---------------------------|---------------------|
| 1. PURITY WAITHERA KINYUA | NG-CDFC MEMBER |
| 2. JAMES MACHARIA WANGECI | NG-CDFC MEMBER |
| 3. MARTIN KINYUA WACHIRA | NG-CDFC MEMBER |
| 4. SUSAN WANGU KAHUKO | NG-CDFC CHAIRPERSON |

The mandate of this sub-committee is to receive and handle any arising complaint both from the public and from within the NG-CDF committee. The sub-committee held one meeting within the year.

7. Management Discussion and Analysis

1. Overview

The National Government Constituencies Development Fund (NG-CDF) for Kirinyaga Central has played a pivotal role in addressing development needs across the constituency. Between financial years 2020-2021 to 2024-2025, the fund focused on enhancing access to quality education, improving security infrastructure and supporting social welfare inventions to uplift the socio-economic well-being of the residents.

2. Financial Performance Summary

The funds allocation during this period was utilized in line with the NG-CDF Act 2015 ensuring transparency, accountability and value for money in service delivery.

Financial Year	Allocation	Amount Disbursed	Absorption Rate
2020/2021	137,088,879.31	137,088,879.31	100%
2021/2022	137,088,879.00	137,088,879.00	100%
2022/2023	138,215,033.00	138,215,033.00	100%
2023/2024	167,748,320.00	167,748,320.00	100%
2024/2025	170,481,356.74	130,000,000	76.25%

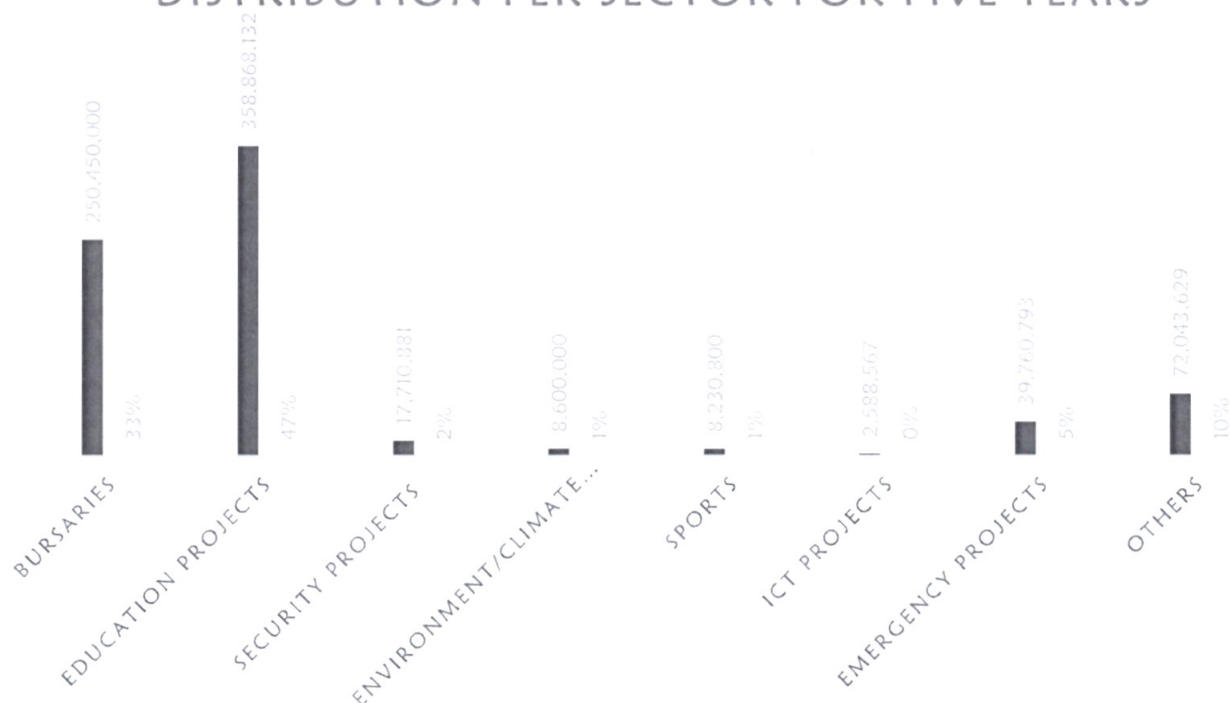
The fund maintained a high absorption rate averaging above 80% reflecting efficiency in project implementation.

Distribution of received funds within sectors

During the five years period the constituency distributed the funds to different sectors as follows:

PROJECT TYPE	FINANCIAL YEARS					Total Allocations
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	
BURSARIES	40,000,000	45,450,000	47,000,000	58,000,000	60,000,000	250,450,000
Education Projects	67,706,015	58,381,272	62,700,000	87,106,195	82,974,650	358,868,132
Security Projects	5,260,881	8,850,000	0	3,600,000	0	17,710,881
Environment/ Climate change mitigation	1,950,000	2,250,000	2,400,000	0	2,000,000	8,600,000
Sports	2,740,400	2,740,400	2,750,000	0	0	8,230,800
ICT Projects	0	0	0	1,200,067	1,388,500	2,588,567
Emergency Projects	7,192,207	7,192,207	7,636,190	8,768,091	8,972,098	39,760,793
Others	12,665,377	12,608,000	16,106,843	15,517,300	15,146,109	72,043,629
TOTAL	137,514,880	137,471,879	138,593,033	174,191,653	170,481,357	758,252,802

COMPARISON OF FUNDS RECEIVED AND DISTRIBUTION PER SECTOR FOR FIVE YEARS



1. Key Achievements

a. Education Sector

In the five financial year the following achievements have been made in both primary and secondary schools.

- A total of 650 (Six hundred and fifty) classrooms were renovated in all primary schools
- A total of 105 (One Hundred and five) offices were renovated in a all the 35 primary schools
- A total of seven (7) science laboratories have been constructed.
- A total of 6 (six) classrooms have been constructed to completion in three primary schools and 21 (twenty one) in two secondary schools.
- A total of 2 (two) storey administration blocks have been constructed to completion.
- Drilling and equipping of four boreholes to benefit different institutions of learning.

b. Bursaries

For the last five years a total Kshs 250,450,000 has been disbursed to support needy students in secondary schools, colleges and universities. Through this bursary scheme a total of 50, 325 needy students have benefitted.

c. ICT Support

There were 32 computers purchased for the ICT centre during the period to benefit the on-line workers.

d. Security Projects

To enhance security in the constituency security facilities were constructed and the existing ones were renovated. These facilities includes construction of the following:

- Drilling of a borehole at Kagumo assistant chief's office compound to benefit the security officer.
- Construction of Ablution block at Kirinyaga Central DCC's compound.
- Renovation of three police officers' residential houses.
- Renovation, electricity connection and fencing of Kaitheri assistant chief's office compound.

2. Challenges encountered

- **Delayed Disbursement:** Unpredictable release of funds from the National Treasury affected projects timelines.
- **Inflation and Raising Costs:** Cost escalation for building materials led to budget re-allocations and reduced scope for some projects.
- Weather related disruptions affecting infrastructure works.
- High number of bursary applicants compared to allocated bursary funds.

3. Strategic Outlook: 2025/2026 and beyond

- Upgrading local TVET institution and expanding enrolment
- Increasing bursary funding to reach more vulnerable students.
- Leveraging partnership with both governmental and non-governmental organizations to maximise impact.
- Strengthening disaster preparedness in project planning.

4. Conclusion

Over the past five financial years, the Kirinyaga Central NG-CDF has made significant strides in improving access to education, strengthening security and enhancing community infrastructure. Despite challenges such as delayed disbursements, rising construction costs and unforeseen project delays, the fund has consistently demonstrated prudent financial management and strong community engagement.

The lessons learned during this period have informed better planning, stricter cost controls and stronger partnership with stakeholders. As the constituency moves forward into subsequent financial years, the NG-CDF remains committed to transparency, accountability and the delivery of impactful projects that directly improve the quality of life for the residents of Kirinyaga Central.



Name: Kenneth Kariuki
Fund Account Manager

8. Environmental and Sustainability Reporting

The Kirinyaga Central NG-CDF recognizes the importance of integrating environmental stewardship and sustainability principles into all funded projects. The fund adopted a proactive approach to ensure that development activities not only meet immediate community needs but also protect natural resources for future generations.

1. Sustainability strategy and profile -

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

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

2. Environmental performance

- Kirinyaga Central constituency is located in partly sloppy areas this has forced the committee to engage in projects geared towards reduction of run-off water through increased water harvesting hence installation of water gutters in all development projects constructed.
- Kirinyaga Central NG-CDF in the past one year has involved the students to plant hass avocado trees in their respective schools to help in environmental conservation, reduce soil erosion and also improve the economic condition of the said schools.
- Kirinyaga Central has constructed several police stations to cab the spread of the drug abuse among the youths. Occasionally sensitization meetings are conducted where the youth/ community are invited and trained on the impact of drugs abuse.

3. Employee welfare

We invest in providing the best working environment for our employees. Kirinyaga Central Constituency recruitment is guided by Employment Act, NGCDF Act, and other regulations as issued from time to time. In line with the law and regulations, the Constituency offers equal opportunity to all while adhering to the one-third gender rule and special groups. We also Recognize and appreciate our employees for exemplary performance. The reward and sanctions system is based on performance appraisal.

The constituency promotes a healthy lifestyle and provides all employees with health insurance coverage through a reliable insurance Scheme. Employees are encouraged and supported to build on their skills and knowledge continually. Kirinyaga Central Constituency invests in capacity-building programs for employees. These include courses on technical competencies relevant to each employee and continuous sensitization on cross-cutting issues.

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

4. Marketplace practices-

Kirinyaga Central Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

5. Community Engagements-

Kirinyaga Central Constituency has endeavored to sustain community engagement through CSR as well as appreciating our existence through engaging local contractors and suppliers when necessary. We have also engaged the community through community projects.

Public Participation in Project Identification, Implementation, and Monitoring

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

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

The 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.

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


Name: Kenneth Karuki
Fund Account Manager.



9. Statement Of Management Responsibilities

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

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

The Accounting Officer in charge of the NGCDF-Kirinyaga Central Constituency accepts responsibility for the entity's financial statements, which have been prepared on the Accrual Basis Method of Financial Reporting, using appropriate accounting policies in accordance with International Public Sector Accounting Standards (IPSAS). The Accounting Officer is of the opinion that the *constituency's* financial statements give a true and fair view of the state of *entity's* transactions during the financial year ended June 30, 2025, and of the entity's financial position as at that date. The Accounting Officer charge of the NGCDF- Kirinyaga Central Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Kirinyaga Central Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the entity's funds received during the year under audit were used for the eligible purposes for which they were intended and were properly accounted for. Further, the Accounting Officer confirms that the *constituency's* financial statements have been prepared in a form that complies with relevant accounting standards prescribed by the Public Sector Accounting Standards Board of Kenya.

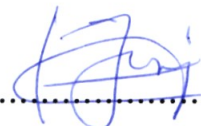
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The NGCDF- Kirinyaga Central Constituency financial statements were approved and signed by the Accounting Officer on 17/8/2025 2025.

.....
S. W.

Name: Susan Wangu Kahuko
Chairperson – NG-CDF Committee

.....


Name: Kenneth Kariuki
Fund Account Manager



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

PREAMBLE

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

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

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

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

REPORT ON THE FINANCIAL STATEMENTS

Qualified Opinion

I have audited the accompanying financial statements of National Government Constituencies Development Fund-Kirinyaga Central Constituency set out on pages 1 to 62, which comprise of the statement of financial position as at 30 June, 2025 and the

statement of financial performance, statement of 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 financial statements present fairly, in all material respects, the financial position of National Government Constituencies Development Fund-Kirinyaga Central Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards Accrual Basis and comply with the National Government Constituencies Development Fund Act, 2015, The National Treasury and Economic Planning Circular No.3 of 14 April, 2025 and the Public Finance Management Act, 2012.

Basis for Qualified Opinion

1.0 Irrecoverable Losses Arising from Vandalism of Property and Absence of Insurance Cover

The financial statements, reflects buildings and structures valued at Kshs.42,857,615 and ICT equipment and other assets valued at Kshs.2,338,301 as at the 30 June. 2025 as disclosed in Annex 18, summary of assets register. However, following the demonstrations that occurred on 7 July, 2025, the Fund's properties were vandalized, resulting in extensive damage and loss of assets. The losses to buildings and structures, office equipment, furniture, ICT equipment, and other assets were at estimated Kshs.15,901,823. Audit review further established that the Fund had not insured its assets, and therefore, the losses could not be indemnified or recovered from any insurance provider and the quoted losses are likely to remain unrecoverable.

In the circumstances, failure by the Fund to obtain insurance cover for its assets was contrary to prudent public asset management practices and relevant government guidelines on safeguarding public property. As a result, the Fund suffered significant irrecoverable loss of public resources.

2.0 Unsupported Project Management Committee Account Balances

The statement of financial position and as reflects Kshs.82,355,531 in respect of cash and cash equivalents as disclosed in Note 19. Included in this balance is Kshs.53,406,212 in respect to PMCs accounts balances. However, cashbooks and bank reconciliation statements in support of the balances were not provided for audit review.

In the circumstances, the accuracy and completeness of PMC bank accounts balances of Kshs.53,406,212 could not be confirmed.

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

ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of financial statements in Kenya. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts for the year ended 30 June, 2025 reflects final receipts budget of Kshs.306,815,344 against actual disbursements of Kshs.266,333,987 resulting into an under funding of Kshs.40,481,357 or 13%. Similarly, the Fund spent Kshs.183,978,456 out of the total receipts of Kshs.266,333,987 resulting into underutilization of Kshs.82,355,531 or 30%.

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

My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, are of most significance in the audit of the financial statements. Except for the effect(s) of the matter(s) described in the Basis for Qualified Opinion/Material Uncertainty Related to Going Concern section, I have determined that there are no other key audit matters to communicate in my report.

Other Matter

1.0 Unresolved Prior Year Matters

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

	Financial Year	Audit issue
1	2023/2024	Project Management Committee Accounts Balances
2	2023/2024	Budgetary control and performance
3	2023/2024	Lack of ownership documents and tagging of the fixed assets
4	2023/2024	Non-compliance with minimum requirements on employee Ethnic composition
5	2023/2024	Incomplete Projects

Other Information

The Management is responsible for the Other Information set out on page iii to xxxiv which comprise of Key Entity Information and Management, NGCF Committee, Management

Team, Chairman's Statement, Governance Statement, Management Discussion and Analysis, Environmental and Sustainability Reporting, Report of the Directors, Statement of management Responsibilities, Statement of Performance Against Predetermined Objectives. 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

1.0 Failure to Deduct Capacity Building Levy

Review of 5 contracts worth Kshs.21,860,415 awarded and executed in various institutions within Kirinyaga central constituency during audit of the financial ended 30 June, 2025 revealed no deduction of the Capacity Building Levy equivalent to 0.03% of the value of the signed contract contrary to Section 3(1) and (2) of the Public Procurement Capacity Building Levy Order, 2023 which states that there shall be paid a Levy by a supplier on all procurement contracts signed between the supplier and a procuring entity, at the rate of zero point zero three per centum (0.03%) of the value of the signed contract, exclusive of applicable taxes.

In the circumstances, Management was in breach of law.

2.0 Non-Compliance to the Law on Staff Ethnic Diversity

Review of Constituencies Development Fund Committee employees' records revealed that all the six (6) members of staff were drawn from the same ethnic community, representing 100% of the workforce from a dominant community. This is contrary to the requirements of Section 7(2) of the National Cohesion and Integration Act, 2008 which states that, no public establishment shall have more than one third of its staff from the same ethnic community.

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

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

3.0 Project verification

The statement of financial performance reflects other government units' actual expenditure of Kshs.107,010,362 and other grants and transfers actual expenditure of Kshs.63,206,039. The following unsatisfactory observations were made during projects verification carried out in the Month of November, 2025 on 3 projects budgeted for and implemented during the year under review.

Beneficiary/ Payee	Detail	Cost (Kshs.)	Observation/Remarks
Kianderi Secondary School	Proposed Dinning Hall Renovation at Kianderi Secondary School	2,670,240	Outside verandas next to Kitchen main entrance were worn out (poorly done) The drainage next to the Main kitchen entrance was not working (water stagnation was observed) Gutters were leaking causing damage to the veranda next to dinning entrance Kitchen Exhaust Hood was not properly done (there was evidence on the walls that smoke was not escaping from the kitchen properly) The ventilations in the kitchen were not enough. Release of retention refund approved on 16 June, 2025.
Kirinyaga Central Deputy Commissioner (DCC) Office	Proposed Construction to Completion of 8. No Unit Public Septic Ablution Block at Kirinyaga Central Deputy Commissioner (DCC) Office.	2,540,710	Completed on 7 October, 2024 Not in use. Retention refund approved for payment
Kianderi Primary Lab JSS		1,299,999	The existence of laboratory equipment could not be confirmed. KIV The floor was not well done, it is not yet in operation but cracks could be seen on the floor.
	Total	6,510,949	

In the circumstances, the public may not realise value for money on the Kshs.6,510,949 spent on the 3 projects.

4.0 Non-Compliance with the Reporting Template

The financial statements presented for audit did not comply with the reporting template in the following areas.

- i. The cover page of the financial statements indicated that the financial statements were Transitional IPSAS financial statements / prepared in accordance with the accrual basis of accounting method under the International Public Sector Accounting Standards (IPSAS) instead of indicating one option that was adopted.
- ii. Note 2 to the financial statements under the statement of compliance and basis of preparation of financial statements did not indicate that these were transitional financial statements.
- iii. The statement of management responsibilities did not indicate that these are transitional financial statements.

In the circumstances, the financial statements did not comply with the reporting template as prescribed by the Public Sector Accounting Standards Board.

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

Basis for Conclusion

Lack of an Information and Communication Technology (ICT) Policy

Review of information technology systems in use revealed that Fund had not established an IT Strategy Committee and did not have an approved IT strategic plan which should provide governance on information technology matters, IT strategic plan and IT security policy to ensure data confidentiality, integrity and availability. Further, there was no approved disaster policy, back up and retention plan, secure offsite storage facility to

enable organization recover from disaster, program for training and transfer of skills and list of active users on the system for accountability purpose.

In the circumstances, the existence and effectiveness of the information technology system 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 Constituency Development Fund Committee

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

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

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

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

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

Auditor-General's Responsibilities for the Audit

My responsibility is to conduct an audit of the financial statements in accordance with Article 229(4) of the Constitution, Section 35 of the Public Audit Act, 2015 and the International Standards of Supreme Audit Institutions (ISSAIs). The standards require that, in conducting the audit, I obtain reasonable assurance about whether the financial

statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes my opinion in accordance with Section 48 of the Public Audit Act, 2015. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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


FCPA Nancy Gathungu, SBS
AUDITOR-GENERAL

Nairobi


03 December, 2025

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

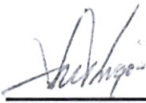
11. Statement of Financial Performance for the Year Ended 30th June 2025

	Note	Period ended 30TH June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	170,481,356
Grants/donations from other entities	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	4,000
Total revenue		170,485,356
Expenses		
Employee costs	10	3,757,262
Committee expenses	11	3,414,240
Use of Goods and Services	12	4,541,036
Other Government Units Actual expenditure	13	107,010,362
Other Grants and Transfers Actual expenditure	14	63,206,039
Depreciation and amortization expense	15	
Digital Hubs Actual expenditure	16	
Total expenses		181,928,938
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(11,443,582)

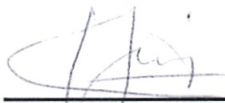
The Constituency financial statements were approved by the NGCDFC on 17/8/ 2025 and signed by:


 Chairperson NG-CDF
 Committee

Name: Susan Wangu Kahuko


 National Sub-County
 Accountant
 Name :Nahason N. Mathagu
 ICPAK M/No: 20475

THE NATIONAL SUB-COUNTY ACCOUNTANT
 KIRINYAGA CENTRAL
 P. O. Box 110309,
 KERUGOYA


 Fund Account Manager

Name: Kenneth Kariuki

FUND ACCOUNT MANAGER
 NG-CDF KIRINYAGA CENTRAL
 17 AUG 2025
 P. O. Box 110309,
 KERUGOYA



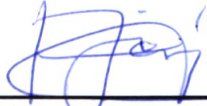
National Government Constituencies Development Fund (NGCDF)
Kirinyaga Central Constituency
Annual Report and Financial Statements for The Year Ended June 30, 2025

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

	Note	Period as at 30th June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	82,355,531	92,407,184
Receivables from Exchange Transactions	20	0	0
Receivables from Non-Exchange Transactions	21	40,481,356	43,614,353
Prepayments	22	0	0
Total Current Assets		122,836,887	136,021,537
Non-Current Assets			
Property, Plant and Equipment	23	0	0
Intangible Assets	24	0	0
Right-of-use assets	25	0	0
Total Non- Current Assets		0	0
Total Assets (A)		122,836,887	136,021,537
Liabilities			
Current Liabilities			
Trade and Other Payables	26	0	0
Third-Party Deposits	27	4,817,429	6,615,589
Lease Liabilities	28	0	0
Gratuity provision	29	573,307	516,215
Total Current Liabilities		5,390,736	7,131,805
Non-Current Liabilities			
Lease Liabilities	28	0	0
Total Liabilities (B)		5,390,736	7,131,805
Net Assets (A-B)		117,446,152	128,889,733
Represented by:			
Revaluation Reserves		117,446,151	128,889,733
Accumulated Surplus			0
Total Net Assets		117,446,151	128,889,733

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

The Constituency financial statements set out on pages 2 to 5 approved by NG CDFC on 17/8 2025 and signed by:

 _____ Chairperson NG-CDF Committee Name: Susan Wangu Kahuko	 _____ National Sub-County Accountant Name :Nahason N. Mathagu ICPAK M/No: 20475	 _____ Fund Account Manager Name: Kenneth Kariuki
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THE NATIONAL SUB-COUNTY ACCOUNTANT
KIRINYAGA CENTRAL
P. O. Box 836 - 10300,
KERUGOYA

FUND ACCOUNT MANAGER
NG - CDF KIRINYAGA CENTRAL
17 AUG 2025
P. O. Box 1035 - 10300,
KERUGOYA.

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

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

Description	Reserves	Accumulated surplus/Deficit	Total
	Kshs	Kshs	Kshs
As at 30 th June 2024 (cash basis)	5,539,536		5,539,536
Adjustments: (to recognize assets and liabilities)			
Add Assets	129,965,786		129,965,786
Less Liabilities	6,615,589		6,615,589
As at July 1, 2024	128,889,733		128,889,733
Surplus/(Deficit) For the Period	(11,443,582)		(11,443,582)
Revaluation Gain/Loss	-	-	-
As at 30th June (2025)	117,446,151	-	117,446,151

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.

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

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

	Notes	Period ended 30th June 2025
		Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		173,614,353
Grants/donations from other entities		-
Finance income		
Miscellaneous income		4,000
Total Receipts		173,618,353
Payments		
Employee costs		3,700,169
Committee expenses		3,414,240
Use of Goods and Services		4,541,036
Other Government Units Certified Works		108,808,523
Other Grants and Transfers		63,206,039
Digital Hubs Expenses		-
Total Payments		183,670,006
Net Cash Flows from/ (used in) Operating Activities	30	(10,051,653)
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		(10,051,653)
Cash Flows from Financing Activities		
Lease payment		-
Net Cash Flows from Financing Activities		(10,051,653)
Cash and cash equivalents at Period Start	19	92,407,184
Cash and cash equivalents at Period End	19	82,355,531

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

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

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
		Kshs	Kshs				
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024-2025	Opening Balance (operational, deposit and PMCs C/Bk) and AIA	Previous Years' Outstanding disbursements	2024-2025	2024-2025		
Revenue							
Transfers From the NGCDF Board	170,481,357	92,407,184	43,614,353	306,502,894	266,021,537	40,481,357	87%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	312,450	-	312,450	312,450		
Totals	170,481,357	92,719,634	43,614,353	306,815,344	266,333,987	40,481,357	87%
Expenses							
Employee costs	4,410,024	1,690,451	2,815,433	8,915,908	3,700,169	5,215,739	42%
Committee expenses	6,172,000	133,953	2,389,100	8,695,053	3,414,240	5,280,813	39%

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

Use of Goods and Services	4,552,586	1,068,045	3,375,465	8,996,096	4,541,036	4,455,061	50%
Other Government Units Certified Works	82,969,988	84,875,279	33,834,288	201,679,555	109,043,355	92,636,200	54%
Other Grants and Transfers	70,972,098	3,672,657	-	74,644,754	63,279,657	11,365,098	85%
Digital Hubs Expenses	1,393,161	-	1,200,067	2,593,228	-	2,593,228	0%
NG-CDF office	11,500	966,800	-	978,300	-	978,300	0%
Funds Pending Approval**	-	312,450	-	312,450	-	312,450	0%
Total Expenditure	170,481,357	92,719,634	43,614,353	306,815,344	183,978,456	122,836,888	60%
Surplus for the period	0	0	-		82,355,531	(82,355,531)	

***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.

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

(a) The AIA awaiting approval of Kshs 4,000 was collected from tender sales.

b) i) The utilization of funds below 90% of the allocation in all the areas of expenditure were mainly caused by the delay by the ex-chequer to disburse funds into the constituency account. The funds were disbursed as follows:

DISBURSEMENT DATE	AIE NUMBER	AMOUNT IN-Kshs
24/07/2024	AIE NO. B228675	12,000,000
15/10/2024	AIE NO. B234520	20,000,000

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

5/12/2024	AIE NO. B234832	11,614,353
13/01/2025	AIE NO. B229750	23,000,000
17/03/2025	AIE NO. B230785	23,000,000
05/05/2025	AIE NO. B278660	20,000,000
19/05/2025	AIE NO. B329320	20,000,000
03/06/2025	AIE NO. B278884	22,000,000
27/06/2025	AIE NO. B327655	22,000,000
	TOTAL	173,614,353

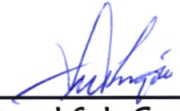
c) The changes in the original budget occurred as a result of budget roll-over from the previous years balance amounting to Kshs 136,021,537 (where Kshs 92407184 was the cashbook opening balance and Kshs 43,614,353 was funds not yet released by the ex-chequer to the constituency account as at the close of the year).


Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	122,836,888
Less undisbursed funds receivable from the Board as at period 30th June, 2025	40,481,357
Cash and Cash Equivalents at the end of the 30 th June 2025	82,355,531

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 17/8/25 2025 and signed by:


Fund Account Manager
FUND ACCOUNT MANAGER
NG-CDF KIRINYAGA CENTRAL
17 AUG 2025
P. O. Box 103 - 10300,
KERUGOYA.


National Sub-County Accountant
Name: Nahason N Mathagu
ICPAK M/No: 20475
THE NATIONAL SUB-COUNTY ACCOUNTANT
KIRINYAGA CENTRAL
P. O. Box 836 - 10300,
KERUGOYA


Chairperson NG-CDF Committee
Name: Susan Wangu Kahuko

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

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

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference
		Opening Balance (operational, deposit and PMCs C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	4,410,024	1,690,451	2,815,433	8,915,908	3,700,169	5,215,739
1.2 Committee allowances	2,428,000	58,793	1,269,600	3,756,393	2,233,340	1,523,053
1.3 Use of goods and services	3,196,586	658,945	3,375,465	7,230,996	2,885,536	4,345,461
Sub-total	10,034,610	2,408,189	7,460,498	19,903,297	8,819,045	11,084,252
2.0 Monitoring and evaluation						
2.1 Capacity building	1,248,000	40,100	648,000	1,936,100	821,000	1,115,100
2.2 Committee allowances	2,496,000	35,060	471,500	3,002,560	1,180,900	1,821,660
2.3 Use of goods and services	1,356,000	409,100	-	1,765,100	834,500	930,600
Sub-total	5,100,000	484,260	1,119,500	6,703,760	2,836,400	3,867,360
4.0 Emergency						
Emergency Reserve	8,972,098	-	-	8,972,098	-	8,972,098
Sub-total	8,972,098	-	-	8,972,098	-	8,972,098
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	40,700,000.00	-	-	40,700,000	40,307,000	393,000
5.3 Tertiary Institutions	19,000,000.00	-	-	19,000,000	19,000,000	-
5.4 special needs	300,000.00	0	-	300,000	300,000	-

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

5.5 Education Support Programmes				-		-
5.6 Social Security				-		-
Sub-total	60,000,000	-	-	60,000,000	59,607,000	393,000
7.0 Environment						-
6.1 Karia Secondary School	50,000	-	0	50,000	-	50,000
6.2 Karaini Secondary School	50,000	-	0	50,000	-	50,000
6.3 Kiabarikiri Secondary School	50,000	-	0	50,000	-	50,000
6.4 Kirimunge Secondary School	50,000	-	0	50,000	-	50,000
6.5 St John Thaita Secondary School	50,000	-	0	50,000	-	50,000
6.6 Kagumo Girls Secondary School	50,000	-	0	50,000	-	50,000
6.7 Kamuiru Boys High School	50,000	-		50,000	-	50,000
6.8 Mutuma Primary School	50,000	-	0	50,000	-	50,000
6.9 Thaita Primary School	50,000	-	0	50,000	-	50,000
6.10 Kangaita Primary School	50,000	-	0	50,000	-	50,000
6.11 Karaini Primary School	50,000	-	0	50,000	-	50,000
6.12 Mugwandi Primary School	50,000	-	0	50,000	-	50,000
6.13 Kiranja Primary School	50,000	-	0	50,000	-	50,000
6.14 Kiamuruga Primary School	50,000	-	0	50,000	-	50,000
6.15 Kaitheri Primary School	50,000	-	0	50,000	-	50,000
6.16 Waigiri Primary School	50,000	-	0	50,000	-	50,000
6.17 Kiandieri Primary School	50,000	-	0	50,000	-	50,000
6.18 ST. Joseph Primary School	50,000	-	0	50,000	-	50,000
6.19 Kiaritha Primary School	50,000	-	0	50,000	-	50,000
6.20 Kiabarikiri Primary School	50,000	-	0	50,000	-	50,000
6.21 Gakoigo Primary School	50,000	-	0	50,000	-	50,000
6.22 Kirigo Primary School	50,000	-	0	50,000	-	50,000
6.23 Gathuthuma Primary School	50,000	-	0	50,000	-	50,000

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

6.24 Gatwe Primary School	50,000	-	0	50,000	-	50,000
6.25 Kagumo CCM Primary School	50,000	-	0	50,000	-	50,000
6.26 Kiamaina Primary School	50,000	-	0	50,000	-	50,000
6.27 Mutira Primary School	50,000	-	0	50,000	-	50,000
6.28 Kiarugu Primary School	50,000	-	0	50,000	-	50,000
6.29 Kamuiru Primary School	50,000	-	0	50,000	-	50,000
6.30 Kiamutuiru Primary School	50,000	-	0	50,000	-	50,000
6.31 Mukinduri Primary School	50,000	-	0	50,000	-	50,000
6.32 Kianjege East Primary School	50,000	-	0	50,000	-	50,000
6.33 Mutitu Primary School	50,000	-	0	50,000	-	50,000
6.34 Kirimunge Primary School	50,000	-	0	50,000	-	50,000
6.35 Kiaga Primary School	50,000	-	0	50,000	-	50,000
6.36 Njega Primary	50,000	-	0	50,000	-	50,000
6.37 Gatuto Primary School	50,000	-	0	50,000	-	50,000
6.38 Gitwe Primary School	50,000	-	0	50,000	-	50,000
6.39 Ngaru Primary School	50,000	-	0	50,000	-	50,000
6.40 Kiangungu Primary School	50,000	-	0	50,000	-	50,000
Sub-total	2,000,000	-	-	2,000,000	-	2,000,000
8.0 Primary Schools Projects						-
Gakoigo Primary School	-	791,658.80	-	791,659	782,716	8,943
Kiamuruga Primary School	3,200,000	947,841	-	4,147,841	947,160	3,200,681
Kiandieri Primary School	-	5,335,248	368,091	5,703,339	5,490,374	212,965
Njega Primary School	-	3,230,605	-	3,230,605	3,224,420	6,185
Kirigo Primary School	-	2,825,633	-	2,825,633	2,802,760	22,873
Kiarugu Primary School	-	3,862,436	-	3,862,436	3,837,850	24,586
Karaini Primary School	-	547,577	-	547,577	546,945	632
Kiamaina Primary School	-	2,557,935	-	2,557,935	2,523,353	34,583
Kaitheri Primary School	-	360,834	-	360,834	360,572	262

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

Mutira Primary School	3,700,000	265	3,510,317	7,210,582	3,508,750	3,701,833
Kirima Primary School	-	134,762	-	134,762	134,762	-
Kiamutuirea Primary School	-	755	2,800,000	2,800,755	2,191,628	609,127
St. Joseph Primary School	-	4,305,017	-	4,305,017	4,306,678	1,661
Mutuma Primary School	-	2,785,542	-	2,785,542	2,778,400	7,142
Kiaga Primary School	2,770,000	38	-	2,770,038	-	2,770,038
Kirimunge Primary School	-	1,192	-	1,192	240	952
Ngaru Primary School	-	103,537	-	103,537	840	102,697
Mukinduri Primary School	-	4,191,670	-	4,191,670	4,152,230	39,440
Gatwe Primary School	-	3,584,323	-	3,584,323	3,572,661	11,662
Mutitu Primary School	-	4,315,977	-	4,315,977	4,315,263	714
Kagumo CCM Primary School	2,800,000	806	-	2,800,806	120	2,800,686
Gatuto Primary School	2,770,000	45,484	-	2,815,484	1,080	2,814,404
Kiabarikiri Primary School	6,000,000	615	-	6,000,615	1,265	5,999,350
Kianjege East Primary School	500,000	44,704	3,510,317	4,055,021	3,557,022	497,999
Kamuiru Primary School	-	369,580	2,900,000	3,269,580	356,076	2,913,504
Thaita Primary School	500,000	81	3,510,317	4,010,398	3,367,897	642,501
Gitwe Primary School	-	3,122,346	-	3,122,346	2,768,159	354,187
Kiaritha Primary School	-	14,056	-	14,056	840	13,216
Kiranja Primary School	-	4,549,860	-	4,549,860	4,278,969	270,891
Kiangungu Primary School	-	3,121,520	-	3,121,520	3,121,263	257
Gathuthuma Primary School	-	3,743,787	-	3,743,787	3,403,422	340,365
Waigiri Primary School	3,700,000	2,448	3,510,317	7,212,765	3,504,519	3,708,246
Mugwandi Primary School	-	2,794,426	-	2,794,426	2,791,920	2,506
Kangaita Primary School	-	685	-	685	-	685
St Michaels Girls Primary School	2,400,000.00	-	-	2,400,000	1,640	2,398,360
Kangaita Primary School	2,800,000.00	-	-	2,800,000	1,640	2,798,360
Sub-total	31,140,000	57,693,235	20,109,359	108,942,594	72,633,432	36,309,162
9.0 Secondary Schools Projects						-

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

Kiamutaira Secondary School		1,143,703.50		1,143,704	1,143,704	-
Gatuto Secondary School		185,874.00		185,874	185,874	-
St. Joseph Secondary School		204,824.50		204,825	204,825	-
Kiaga Secondary School		73,872.50		73,873	73,115	758
Karaini Secondary School		2,782,089.00		2,782,089	2,773,708	8,381
Kirigo Secondary School		180,737.00		180,737	180,737	-
Kiamuruga Secondary School		3,834,925.75	3,524,929	7,359,855	3,410,555	3,949,300
Ngaru Girls Secondary School	3,000,000	620,045.00		3,620,045	196,000	3,424,045
Mutuma Trinity Secondary School		180,000.00		180,000	180,000	-
Kiabarikiri Secondary School		202,844.85		202,845	180,805	22,040
Mukinduri Secondary School		180,000.00		180,000	180,000	-
St Francis Waigiri Secondary School		1,200,600.00		1,200,600	348,741	851,859
Kirimunge Mixed Secondary School	11,734,650.00	3,685,353.00		15,420,003	2,669,137	12,750,866
Mutitu Secondary School		181,577.00		181,577	179,960	1,617
Gathuthuma Secondary School		180,488.75		180,489	180,489	-
Gitwe mixed Day Secondary School		1,268,158.00		1,268,158	1,268,158	-
Kiandieri Secondary School		209,496.00	2,700,000	2,909,496	2,909,496	-
St Johns Thaita Secondary School		191,066.00		191,066	190,960	106
Kagumo Girls Secondary School		2,401,000.00		2,401,000	2,156,451	244,549
Njega Boys Secondary School		2,605,965.00		2,605,965	2,605,965	-
Gakoigo Day Secondary School		180,000.00		180,000	180,000	-
Canon Njumbi Mutira Secondary School		184,209.50		184,210	184,210	-
Mugwandi Secondary School		181,465.00		181,465	181,465	-
Gatwe Secondary School		180,000.00		180,000	180,000	-
Kiarugu Secondary School		180,000.00		180,000	180,000	-
St James Kiaritha Secondary School	8,395,338	3,136,349	7,500,000	19,031,687	10,322,765	8,708,922
Sacred Heart Kangaita Secondary School		180,000.00		180,000	180,000	-
Kiranja Secondary School		31,130.00		31,130	-	31,130

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

St Agatha Kanyekiini Girls Secondary School	2,800,000.00			2,980,000	2,543,869	436,131
Kiamaina Secondary School		180,000.00		180,000	180,000	-
Karia Boys Sec Schhol		180,000.00		180,000	179,385	615
St Agnes Girls Sec School Kiranja		180,000.00		180,000	180,000	-
Kamuiru Boys High School	5,000,000.00	0.00		5,000,000	1,640	4,998,360
Kerugoya Girls High School	2,800,000.00	0.00		2,800,000	1,640	2,798,360
Mutira Girls High School	2,800,000.00	0.00		2,800,000	-	2,800,000
Sub-total	36,529,988	26,485,773	13,724,929	76,740,690	35,713,652	41,027,038
10.0 Tertiary institutions Projects						-
Kirinyaga Central TVC	-	696,271		696,271	696,271	-
KMTC-Kerugoya	15,300,000			15,300,000		15,300,000
Sub-total	15,300,000	696,271	-	15,996,271	696,271	15,300,000
11.0 Security Projects						-
Kagumo Assistant Chief Office		885		885	885	-
Kianjege Assistant Chief Office		60		60	60	-
Kirinyaga Central DCC Office		2,601,000		2,601,000	2,601,000	-
Kerugoya Chief's Office		356		356	356	-
Kaguyu Assistant Chiefs Office		46,531		46,531	46,531	0
Mutitu ACC office PMC		506		506	506	0
Kaitheri Assistant Chief office PMC		17,236		17,236	17,236	-
Ndimi Kibingo Assistant Chief Office		4,122		4,122	4,122	0
Kerugoya Police Station		1,000,000		1,000,000	1,000,000	-
Ngomongo AP/Chief Camp PMC		1,961		1,961	1,961	-
Sub-total	-	3,672,657	-	3,672,657	3,672,657	0
12.0 Acquisition of assets						-
12.1 Motor Vehicles (including motorbikes)			-	-		-
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office	11,500	966,800.00		978,300		978,300

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

Sub-total	11,500	966,800	-	978,300	-	978,300
13.0 Others						-
Kirinyaga Central Constituency Digital Hubs	1,393,160.80	-	1,200,067	2,593,228		2,593,228
Sub-total	1,393,161	-	1,200,067	2,593,228	-	2,593,228
Funds pending approval**				-		-
unapproved projects				-		-
AiA		4,000		4,000		4,000
PMC Savings		308,450		308,450		308,450
Sub-total	-	312,450	-	312,450	-	312,450
Total	170,481,357	92,719,634	43,614,353	306,815,344	183,978,456	122,836,888

(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 KIRINYAGA CENTRAL CONSTITUENCY principal activity is foster development within the constituency.

2. Statement of Compliance and Basis of Preparation

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

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

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

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

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

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

3. Adoption of New and Revised Standards

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

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

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

Standard	Effective date and impact:
IPSAS 43: Leases	<i>Applicable 1st January 2025</i> The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an Entity. The new standard requires entities to recognize, 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

and Equipment	assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognized as assets if they meet the criteria in the standard. IPSAS 45 has 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><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> 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><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles 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>

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

<p>IPSAS 48: Transfer Expenses</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.</p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><i>Applicable 1st January 2026</i></p> <p>The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.</p>
<p>IPSAS 50: Exploration For & Evaluation of Mineral Resources</p>	<p><i>Applicable 1st January 2027</i></p> <p>The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires:</p> <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 2025 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.*

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 amortized 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 18*

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 recognizes a social benefit as an expense for the social benefit scheme at the same time that it recognizes a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the entity will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

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

k) Contingent assets

The Entity does not recognize a contingent asset but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Entity in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately

reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

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

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

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

Estimates and assumptions.

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

Useful lives and residual value

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

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

Provisions

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

6. Transfers from the NGCDF Board

Description	2024-2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	170,481,356
Total	170,481,356

7. Transfers from domestic and foreign partners

Description	2024-2025
	Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

	2024-2025
	Kshs
Rental Income	-
Income from sale of tenders	4,000
Hire of plant/equipment/facilities	-
Other Income Not Classified Elsewhere <i>(specify)</i>	-
Total	4,000

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

10. Employees cost

	<i>2024-2025</i>
	Kshs
NG-CDFC Basic staff salaries	2,272,483
Personal allowances paid as part of salary	-
House Allowance	288,645
Transport Allowance	281,110
Leave allowance	28,000
Gratuity to contractual employees	706,475
Employer Contributions Compulsory national social security schemes	135,639
Employer Contributions Compulsory Housing levy	40,310
Employer contributions to National Industrial Training Authority	4,600
Other Specify	-
Total	3,757,262

11. Committee Expenses

	<i>2024-2025</i>
	Kshs
Sitting allowance	2,636,000
Other Committee expenses	778,240
Total	3,414,240

12. Use of Goods and services

	<i>2024-2025</i>
	Kshs
Utilities, supplies and services	443,199
Communication, supplies and services	-
Domestic travel and subsistence	834,500
Printing, advertising and information supplies & services	1,600,000
Office Rent	-
Training expenses	821,000
Hospitality supplies and services	-
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	394,447
Fuel, oil & lubricants	-
Bank Charges	42,440
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	-
Security Operations	396,000
Other operating expenses (Postage)	9,450
Total	4,541,036

13. Other Government Units Actual expenditure

Description	<i>2024-2025</i>
	Kshs
Primary Schools Actual expenditure	71,915,085
Secondary Schools Actual expenditure	35,062,587
Tertiary Institutions Actual expenditure	32,690
Total	107,010,362

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

14. Other Grants and transfers Actual expenditure

	<i>2024-2025</i>
	Kshs
Bursary – secondary schools	40,307,000
Bursary – tertiary institutions	19,000,000
Bursary – special schools	300,000
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	3,599,039
Climate change mitigation projects	-
Emergency projects Actual expenditure	-
Roads projects Actual expenditure	-
Others specify	-
Total	63,206,039

15. Depreciation and Amortization Expenses

Description	<i>2024-2025</i>
	Kshs
Property Plant and Equipment	-
Intangible Assets	-
Total	-

16. Digital Hubs Expenses

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

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

17. Gain/loss on Sale of Assets

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

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Family Bank, 05700042375. (Operations account)</i>	28,376,012	5,516,536
<i>Operations account pending closure (Co-operative Bank & 01120034956700.)</i>	-	23,000
<i>Family Bank, 057000043490. (Deposit account)</i>	573,307	516,215
<i>Several banks (PMC's accounts)</i>	53,406,212	86,351,433
Total	82,355,531	92,407,184
Cash Balances		
Location 1	-	-
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)

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

20. Receivables from Exchange Transactions

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

i. Ageing Analysis for Receivables

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

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

21. Receivables from Non-Exchange Transactions

Description	2024-2025		Opening Statement 1 st July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	40,481,356		43,614,353	
Outstanding imprest	-		-	
Total	40,481,356		43,614,353	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-	%	-	%

22. Prepayments

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

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

23. Property, Plant and Equipment

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 st July 2025	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-
Depreciation And Impairment								
Opening Depreciation		-	-	-	-	-		-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
As At 30 th June 2025		-	-	-	-	-	-	-
Net Book Values								
Opening Bal as at 1 st July 2025	-	-	-	-	-	-	-	-
As At 30 th June 2025	-	-	-	-	-	-	-	-

Valuation

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

22 b) Property, Plant and Equipment at Cost

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

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

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

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

24. Intangible Assets

Description	2024-2025
	Kshs
Cost	
Opening balance at 1 st July 2025	-
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 2025	-
NBV at June 30 th 2025	

25. Right-of use assets

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

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

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

26. Trade and Other Payables

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

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

27. Third-Party deposits

	<i>2024-2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	6,615,589	
Retention held during the period (B)	9,033,848	6,615,589
Retention paid during the period (C)	10,832,009	
Closing Retention, D= A+B-C	4,817,429	6,615,589

Retentions aging analysis.

	2024-2025	% of the total	2023-2024	% of the total
Less than 1 year		%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

28. Lease Liabilities

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

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	<i>Period ended 30th June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Gratuity at the beginning of the period (A)	516,215	
Gratuity held during the period (B)	706,475	516,215
Gratuity paid during the period (C)	649,383	-
Total Gratuity provision as at 30th June 2025 D=(A+B-C)	573,307	516,215

30. Cash Generated from Operations

	2024-2025
	Kshs
Surplus for the period before tax	(11,443,582)
Adjusted for:	
Depreciation	-
Non-cash grants received	-
Contributed assets	-
Impairment	-
Gains and losses on disposal of assets	-
Contribution to provisions	-
Contribution to impairment allowance	-
Working capital adjustments	
Changes in inventory	-
Changes in receivables	(3,132,997)
Changes in deferred income	-
Changes in Third party deposits	1,798,161
Changes in gratuity provision	(57,092)
Changes in payments received in advance	-
Net cash flow from operating activities	(10,051,653)

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 minimize the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The Entity does not hedge any risks and has in place policies to ensure that credit is only extended to customers with an established credit history. The Entity's financial risk management objectives and policies are detailed below:

i) Credit risk

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

Financial Risk Management

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

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

Financial Risk Management

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

ii) Liquidity risk management

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June 2025				
Trade payables	-	-	-	-
Current proportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
Total	-	-	-	-
As at 30th June 2024	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

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

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

iii) Market risk

The *Entity* has put in place an internal audit function to assist it in assessing the risk faced by the *Entity* on an ongoing basis, evaluate and test the design and effectiveness of its internal accounting and operational controls. Market risk is the risk arising from changes in market prices, such as interest rate, equity prices and foreign exchange rates which will affect the *Entity's* income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing 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 recognized assets and liabilities by projecting for expected sales proceeds and matching the same with expected payments. The carrying amount of the *Entity's* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

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

2024-2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Foreign currency sensitivity analysis

2024-2025

Description	In Kshs	Other currencies	Total
	Kshs	Kshs	Kshs
As at 30 th June 2025			
Financial Assets	-	-	-
Investments	-	-	-
Cash	-	-	-
Debtors	-	-	-
Total Financial Assets	-	-	-
Financial Liabilities	-	-	-
Trade And Other Payables	-	-	-
Borrowings	-	-	-
Total Financial Liabilities	-	-	-
Net Foreign Currency Asset/(Liability)	-	-	-

Financial Risk Management

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

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

b) Interest rate risk

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

Management of interest rate risk

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

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

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

obtained from independent sources; unobservable inputs reflect the *Entity's* market assumptions. These two types of inputs have created the following fair value hierarchy:

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

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

Description	Level 1	Level 2	Level 3	Total
	Kshs	Kshs	Kshs	Kshs
As at 30 June 2025				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets	-	-	-	-
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-
As at 30th June 2024				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets	-	-	-	-
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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

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

iv) Capital Risk Management

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

Description	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Revaluation Reserve	-	-
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	(-)	(-)
Net Debt/(Excess Cash And Cash Equivalentents)	-	-
Gearing	-%	-%

32. Related Party Disclosures

	2024-2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,636,000	605,453
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	173,614,353	6,055,751
Total	176,250,353	6,661,204

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

Description	2024-2025	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)

Contingent Liabilities

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

35. Capital Commitments

Capital Commitments	2024-2025	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Authorized for	-	-
Authorized 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 authorized 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 Kirinyaga Central Constituency is a Fund under The National Treasury and Planning & managed by NG-CDFB at the National level, and the NG-CDFC at the constituency level. Its ultimate parent is the Government of Kenya.

38. Currency

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

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

18. Annexes
 Annex 1: Summary of Asset Register

Asset class	Historical Cost/valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land	-	-	-	-
Buildings and structures	42,857,615	-	-	42,857,615
Transport equipment	-	-	-	-
Office equipment, furniture, and fittings	9,163,595	-	-	9,163,595
ICT Equipment and Other ICT Assets	2,338,301	-	-	2,338,301
Other Machinery and Equipment	135,880	-	-	135,880
Intangible assets	-	-	-	-
Total	54,495,391	-	-	54,495,391

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

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

PMC	Bank	Account number	Bank Balance 30th June 2025	Opening Statement 1 st July 2024
Gakoigo Primary School	Equity Bank	100262481718	58,943.30	791,658.80
Kiamutaira Secondary School	Equity Bank	100262592544	0.00	1,143,703.50
Gatuto Secondary School	Equity Bank	100292771881	0.00	185,874.00
Kiamuruga Primary School	Equity Bank	100262470791	3,250,680.85	947,840.85
Kiandieri Primary School	Equity Bank	100297778709	265,964.80	4,326,846.00
Njega Primary School	Equity Bank	100262469182	59,184.50	3,230,604.50
Kirigo Primary School	Equity Bank	100267066810	72,872.50	2,825,632.50
Kiarugu Primary School	Equity Bank	100297732409	74,585.50	3,862,435.50
Karaini Primary School	Equity Bank	100299381136	50,631.70	547,576.70
Kiamaina Primary School	Equity Bank	100262468204	84,582.50	2,557,935.00
Kaitheri Primary School	Equity Bank	100262468439	50,261.50	360,833.50
Mutira Primary School	Equity Bank	100262480475	3,752,832.50	265.00
Kirima Primary School	Equity Bank	100262470637	0.00	134,762.00
Kiamutaira Primary School	Equity Bank	100262592437	661,127.00	755.00
St.Joseph Primary School	Equity Bank	100262217751	51,339.00	4,305,016.50
Mutuma Primary School	Equity Bank	100294353205	57,142.50	2,785,542.00
St. Joseph Secondary School	Equity Bank	100267033162	0.00	204,824.50
Kiaga Secondary School	Equity Bank	100264500638	757.50	73,872.50
Karaini Secondary School	Equity Bank	100282012968	58,381.00	2,782,089.00
Kagumo Assistant Chief Office	Equity Bank	100282462366	0.00	885.00
Kirigo Secondary School	Equity Bank	100292572045	0.00	180,737.00
Kianjege Assistant Chief Office	Equity Bank	100264325520	0.00	60.00
Kiamuruga Secondary School	Equity Bank	100292737683	3,949,300.25	3,834,925.75
Ngaru Girls Secondary School	Equity Bank	100284452384	424,045.00	620,045.00
Mutuma Trinity Secondary School	Equity Bank	100285405572	0.00	180,000.00
Kiabarikiri Secondary School	Equity Bank	100192667845	72,039.85	202,844.85

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

St Francis Waigiri Secondary School	Equity Bank	100285361575	851,861.00	1,200,600.00
Kirinyaga Central DCC Office	Equity Bank	100285402605	0.00	2,601,000.00
Kerugoya Police Station	Equity Bank	100285402646	0.00	1,000,000.00
Kirimunge Mixed Secondary School	Cooperative Bank	1139273758402	1,066,216.00	3,685,353.00
Kiaga Primary School	Cooperative Bank	1139034842802	2,820,038.00	38.00
Kirimunge Primary School	Cooperative Bank	1139034847002	50,952.00	1,192.00
Ngaru Primary School	Cooperative Bank	1139567549600	152,697.00	103,537.00
Mukinduri Primary School	Cooperative Bank	1139034848601	91,439.50	4,191,669.50
Gatwe Primary School	Cooperative Bank	1139034846400	61,662.50	3,584,322.50
Mutitu Primary School	Cooperative Bank	1139034843501	50,713.50	4,315,976.50
Kagumo CCM Primary School	Cooperative Bank	1139034609101	2,850,685.50	805.50
Gatuto Primary School	Cooperative Bank	1139034840903	2,864,403.50	45,483.50
Kiabarikiri Primary School	Cooperative Bank	1139034843401	6,050,449.50	614.50
Kianjege East Primary School	Cooperative Bank	1139034840103	550,998.50	44,703.50
Kamuiru Primary School	Cooperative Bank	1139034002503	2,966,503.75	369,579.75
Thaita Primary School	Cooperative Bank	1139034841502	695,500.50	80.50
Mutitu Secondary School	Cooperative Bank	1139035077502	2,617.00	181,577.00
Gathuthuma Secondary School	Cooperative Bank	1139273900602	0.00	180,488.75
Gitwe Primary School	Cooperative Bank	1139034841903	409,707.00	3,122,346.00
Kerugoya Chief's Office	Cooperative Bank	1134568469900	0.00	356.00
Kiaritha Primary School	Cooperative Bank	1139034848701	63,215.50	14,055.50
Kiranja Primary School Roof	Cooperative Bank	1139273777401	322,891.00	4,549,860.00
Kiangungu Primary School	Cooperative Bank	1139034843302	50,256.50	3,121,519.50
Gathuthuma Primary School Ablution	Cooperative Bank	1139034845600	393,364.50	3,743,786.50
Waigiri Primary School	Cooperative Bank	1139567186500	3,760,245.75	2,447.75
Gitwe mixed Day Secondary School	Cooperative Bank	1139035189403	0.00	1,268,158.00
Kaguyu Assistant Chiefs Office	Cooperative Bank	1134567308300	0.00	46,531.15
Kiandieri Secondary School	Cooperative Bank	1139034396502	0.00	209,496.00
St Johns Thaita Secondary School	Cooperative Bank	1139568799100	50,106.00	191,066.00

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

Kagumo Girls Secondary School	Cooperative Bank	1100352286002	294,549.00	2,401,000.00
Njega Boys Secondary School	Cooperative Bank	1139035227802	0.00	2,605,965.00
Gakoigo Day Secondary School	Cooperative Bank	1100350178002	0.00	180,000.00
Canon Njumbi Mutira Secondary School	Cooperative Bank	1139272384802	0.00	184,209.50
Mugwandi Secondary School	Cooperative Bank	1139034753202	0.00	181,465.00
Gatwe Secondary School	Cooperative Bank	1100352272001	0.00	180,000.00
Kiarugu Secondary School	Cooperative Bank	1100352282001	0.00	180,000.00
Mugwandi Primary School	Sidian Bank	1013030000084	52,506.00	2,794,426.00
Mutitu ACC office PMC	Sidian Bank	1013030000094	0.00	505.55
Ngomongo AP/Chief Camp PMC	Sidian Bank	1013030000104	0.00	1,961.00
Kaitheri Assistant Chief office PMC	Sidian Bank	1013030000074	0.00	17,236.00
Kirinyaga Central TVC Borehole	Sidian Bank	1013710000570	0.00	696,271.00
Ndimi Kibingo Assistant Chief Office	Family Bank	57000034751	0.00	4,121.82
St James Kiaritha Secondary School	Family Bank	57000043410	313,583.20	1,948,248.60
Sacred Heart Kangaita Secondary School	Family Bank	57000043775	0.00	180,000.00
Kangaita Primary School	KBC	1155029054	685.00	685.00
Kiranja Secondary School	KCB	1104034182	31,130.00	31,130.00
Mukinduri Secondary School	Equity Bank	100285470548	0.00	180,000.00
St Agatha Kanyekini Girls Sec	Cooperative Bank	1100348288001	436,131.00	180,000.00
Kiamaina Secondary School	Equity Bank	100285411585	0.00	180,000.00
Karia Boys Sec School	Cooperative Bank	1100352252002	50,615.00	180,000.00
St Agnes Girls Sec School Kiranja	Cooperative Bank	1100352258001	0.00	180,000.00
St Michael Girls Primary School	Family Bank	57000047375	2,398,360.00	0.00
Kangaita Primary School	Family Bank	57000047402	2,848,360.00	0.00
Kamuiru Boys High School	Family Bank	57000047127	5,048,360.00	0.00
St Faustina Kerugoya Girls High School	Family Bank	57000047033	2,798,360.00	0.00
Total			53,443,834.95	86,351,433.32

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

Annex 3: Progress On Follow Up of Auditor Recommendations

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

Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>Project Management Committee Accounts Balances The financial statements reflect Kshs. 82,668,421 as Project Management Committee (PMC) accounts balances and with seventy three (73) bank accounts as disclosed in Note 19.4 and detailed at Annex 5. However, bank accounts for twelve (12) complete projects had not been closed and still held total bank balances totaling to Kshs. 25,096,324. This is contrary to section 12 (8) of the National Government Constituencies Development Funds Act, 2015 which states that, all unutilized funds of the Project Management Committees shall be returned to the constituency account. In the circumstances the accuracy and completeness of the Kshs. 82,668,421 amount of Project Management Committee (PMC) account balances could not be confirmed.</p>	<p>At the close of the financial year (30th June 2024) ten (10) Out of the stated eleven (11) projects were on-going hence the big balances in the project management committees' bank accounts as the funds had just been disbursed to the project management committees' accounts on 21st June 2024. Most of these projects have since been completed and the contractors paid for leaving behind the project 10% retention money and committees' allowances. After project implementation the balances reduced from Kshs 25,096,323.75 to Kshs 2,684,285.75 which is mainly 10% contractors' retention money and a small portion of project management committee (PMC) allowances to facilitate during project inspection before preparation of project certificate of making good defects and finally retention payment to contractors. The account balance for Kiandieri Primary shows high balance at Kshs 1,491,915.80 which includes a new deposit of Kshs 1,008,401.80 (deposited on 5/11/2024) for the</p>	<p align="center">Not Resolved</p>	

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

		<p>renovation of JSS laboratory in addition to the retention of Kshs 483,514. Find the attached project management committees' current bank balances, completion certificates and funds deposit documents for the above eleven bank accounts for your review.</p>																										
<p>Non-Compliance with minimum Requirements on Employee Ethnic Composition A review of employee records for the Fund revealed that all seven (7) staff members belong to the same ethnic community, representing 100% of the workforce from a single ethnic community. This was contrary to the requirements of Section 7(2) of the National Cohesion and Integration Act, 2008 which states no public establishment shall have more than one third of its staff from the same ethnic community. In circumstance, Management was in breach of the law.</p>	<p>The principal of National government development fund is to eradicate poverty at the constituency level, in this regard all opportunities are first availed to the locals. Kirinyaga central being a rural constituency is mainly domiciled by one community hence it is difficult to get qualified resident employees from the constituency from a different community rather than the domicile one. This is evidenced by the attached short listings done from advertisement of vacant positions at the NG-CDF office, where only applicants from one community (domicile community) applied</p>	<p align="center">Not Resolved</p>																										
<p>Project Implementation Status The statement of receipts and payments reflects transfer to other government units of Kshs.119, 891 and other grants and transfers of Kshs.68, 728,208 as disclosed under Notes 7 and 8 to the financial statements. The amounts are meant for project implementation purposes. The projects implementation status report as of 30 June 2024 indicated that fifty four (54) projects with an allocation of Kshs 162,174,286 were at different implementation staged as detailed below.</p> <table border="1" data-bbox="1193 1272 1394 1957"> <thead> <tr> <th>Project Status</th> <th>Count</th> <th>Amount (Kshs)</th> </tr> </thead> <tbody> <tr> <td>Complete and in use</td> <td align="center">48</td> <td align="right">125,402,000</td> </tr> <tr> <td>Ongoing</td> <td align="center">7</td> <td align="right">28,004,195</td> </tr> <tr> <td>Projects not started (Emergency fund)</td> <td align="center">0</td> <td align="right">8,768,091</td> </tr> <tr> <td>Total</td> <td align="center">54</td> <td align="right">162,174,286</td> </tr> </tbody> </table> <p>i. Incomplete Projects</p>	Project Status	Count	Amount (Kshs)	Complete and in use	48	125,402,000	Ongoing	7	28,004,195	Projects not started (Emergency fund)	0	8,768,091	Total	54	162,174,286	<table border="1" data-bbox="836 613 1471 1223"> <thead> <tr> <th>Beneficiary</th> <th>Observations</th> <th>Management Response</th> </tr> </thead> <tbody> <tr> <td rowspan="3">Kiamutuira secondary School</td> <td>i. The contractor did not install seat covers to the toilets.</td> <td>The covers have since been installed.</td> </tr> <tr> <td>ii. The toilet soak pit ,toilet urinal ,Kitchen Soak pit and Man hole are all leaking</td> <td>The Soak-pits and leaking pipes have since been rectified.</td> </tr> <tr> <td>iii. Two toilets for the person living disabilities ramp and a 120-student capacity</td> <td>The toilets for persons living with disability (PWD) is on the ground floor and there is a ramp at the</td> </tr> </tbody> </table> <p align="center">Not Resolved</p>	Beneficiary	Observations	Management Response	Kiamutuira secondary School	i. The contractor did not install seat covers to the toilets.	The covers have since been installed.	ii. The toilet soak pit ,toilet urinal ,Kitchen Soak pit and Man hole are all leaking	The Soak-pits and leaking pipes have since been rectified.	iii. Two toilets for the person living disabilities ramp and a 120-student capacity	The toilets for persons living with disability (PWD) is on the ground floor and there is a ramp at the		
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**National Government Constituencies Development Fund (NGCDF)
Kirinyaga Central Constituency**

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

Seven (7) projects with a total cost of Kshs.28,004,195 were incomplete due to the slow tendering processes and delays in receipt of funds from the National Government Constituencies Development Fund Board. In the circumstances, the public did not get value for money from the incomplete and the projects that were not started.

ii. Verification of Projects Results

Fifteen (15) projects with total allocation of Kshs.58, 957,019 were verified during the month of December 2024. However, two (2) projects with an allocation of Kshs. 6,999,119 were noted to have the following anomalies.

No	Beneficiary	Details	Cost (Kshs)	Observations
1.	Kiamutuir Secondary School	Construction to completion of an Administration first floor with a suspended slab consisting of two offices Four units Toilets with two chambers for persons living with disabilities ramp and a 120-student capacity multipurpose hall.	5,236,190	<p>i. The contractor did not install seat covers to the toilets</p> <p>ii. The toilet soak pit, toilet urinal, Kitchen Soak pit and man hole are all leaking.</p> <p>iii. Two toilets for the persons living with disabilities ramp and a 120-student capacity multipurpose hall were</p>
				<p>building entrance and no more ramp is needed to enter the toilets. The ramp to the multipurpose hall will be done later and will be factored in the 2024/2025 budget.</p> <p>iv. The project have since been handed over to the school management by the contractor.</p> <p>The contractor was out of site awaiting the floor to cure ready for tiles installation. The floor have since cured and the tiles installed.</p>
				<p>multi-purpose hall were not Constructed</p> <p>iv. The Constructed a Storey Building has not been handed over.</p> <p>Contractor not on site Tiling in the classrooms has not been done</p>
				<p>Kirimunge secondary School</p>

**National Government Constituencies Development Fund (NGCDF)
Kirinyaga Central Constituency**

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

2.	Kirimunge Secondary School	Completion of three ground floor classrooms to the first slab as phase one three storey classroom block comprising of three classrooms in each floor giving a total of nine classrooms installation of doors and windows, plastering, painting and tile works.	not constructed. iv. The Constructed storey building has not been handed over.	Contractor not on site. Tiling in the classrooms has not been done.		
Total						
In the circumstances, value for money on the Kshs.6, 999,119 for the two (2) projects could not be confirmed.						

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

	<p>Lack of Ownership Document and Tagging of the Fixed Assets The financial statements reflects Kshs. 54,495,391 in respect of the summarized the fixed asset register as disclosed in Annex 4, out of which Kshs.1,594,067 is for additions of buildings and structures. However, evaluation of assets records revealed that most ICT equipment, furniture and fittings were neither tagged nor coded for identification. Further ownership documents were not provided making it difficult to confirm that the assets belonged to the Fund. In the circumstances, in the effectiveness of the asset management system in place could not be confirmed.</p>	<p>All the assets are tagged except a few whose tags have been removed by the users especially those used by the public, and the management is in the process of replacing them.</p> <p>The land under which the Kirinyaga Central NG-CDF office is constructed belongs to survey of Kenya, which is a government entity and the Kirinyaga central NG-CDF committee has a land allotment letter from the office of the deputy county commissioner who is the custodian of the government properties at the constituency level.</p>	<p>Not Resolved</p>	
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Name **Kenneth Karubi**
 Fund Account Manager.

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