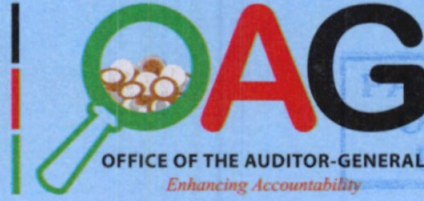



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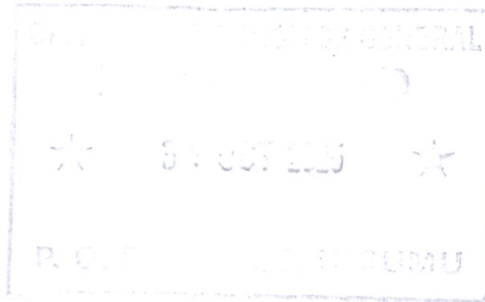
 <b>REPORT NATIONAL ASSEMBLY PAPERS LAID</b>	
DATE: 11 FEB 2026	DAY: Wednesday
TABLED BY: OF	Hon. (Dr.) Robert Pukosa on behalf of leader of Majority
CLERK-AT-THE-TABLE:	Wangari

**THE AUDITOR-GENERAL**

**ON**

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

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



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## NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

### BONDO CONSTITUENCY

### ANNUAL REPORT AND FINANCIAL STATEMENTS

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

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

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## **1. Acronyms and Definition of Key Terms**

### **A. Acronyms**

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

### **B. Definition of Key Terms**

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

**Comparative Year-** Means the prior period.

## **2. Key Constituency Information and Management**

### **(a) Background information**

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

### **Mandate**

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

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

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

#### **Fiduciary Management**

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

No	Designation	Name
1.	AIE holder	Jacinta Mitambo
2.	National Sub-County Accountant	Jorim Bolo Agola
3.	Chairman NGCDFC	Bernard Taxius Lwala
4.	Member NGCDFC	Josphine A. Achieng
5.	Member NG CDFC	Dorothy Anyango

#### **(c) Fiduciary Oversight Arrangements**

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

NGCDF Building/ Next to Jaramogi Oginga Odinga Hall  
Behind Bondo Law Court  
BONDO, KENYA.

**(e) NGCDF BONDO Constituency Contacts**

P.O. Box 21-40601  
Telephone: (254) 723991589  
E-mail: [cdfbondo@ngcdf.go.ke](mailto:cdfbondo@ngcdf.go.ke)  
Website: [www.bondo.ngcdf.go.ke](http://www.bondo.ngcdf.go.ke)

**(f) NGCDF Bondo Constituency Bankers**

1. Operations Account  
Equity Bank-  
Branch- Bondo  
P.O. Box 75104 – 00200  
Nairobi
2. Deposit account  
Equity Bank  
Branch- Bondo  
P.O. Box 75104 - 00200  
Nairobi
3. Project Management Committee  
Equity Bank  
Branch- Bondo  
P.O. Box 75104 - 00200  
Nairobi

Co-operative bank  
Branch- Bondo  
P.O. BOX 40601  
Nairobi



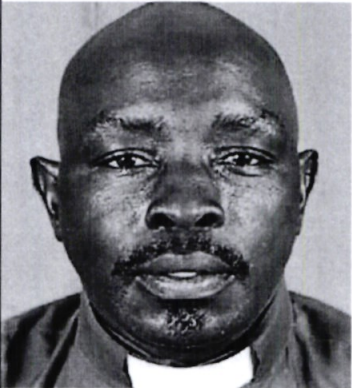
**(g) Independent Auditor**

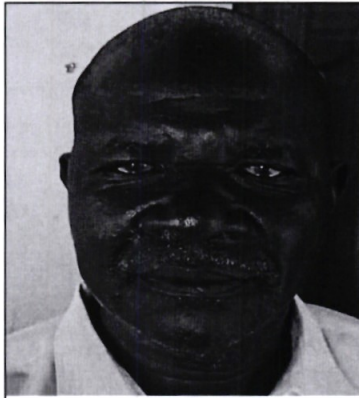
Auditor General  
Office of the Auditor General  
Anniversary Towers, University Way  
P.O. Box 30084  
GPO 00100  
Nairobi, Kenya

**(h) Principal Legal Adviser**

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

**3. NGCDF Committee**

Name	Details
 <p>Bernard Lwala Chair Bondo NG-CDF</p>	<p>He was born in 17<sup>th</sup> January 1960            Holds Diploma in Education            Worked with the TSC as a teacher            Deployed as a Headteacher for 14 years            Retired as acting Area Education Officer in Bondo sub county            Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022            Re-appointed back as the committee member in May 2025 for the second term.            He is the chairman of the committee</p>
 <p>Josephine Atieno Name: Secretary</p>	<p>She was born in 10<sup>th</sup> October, 1970            She holds the following certificates                Certificate in laundry and house keeping                Diploma in Social Work                Certificate in guidance and counselling            Worked at Kisumu Municipal council for 20 years.            Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022            Re-appointed back as the committee member in May 2025 for the second term.            She is the secretary to the committee</p>
 <p>Peter Juma Aduogo Member</p>	<p>He was born in 1978            Did Kenya Certificate of Secondary Education            Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022            Re-appointed back as the committee member in May 2025 for the second term.            He represents people living with disabilities</p>



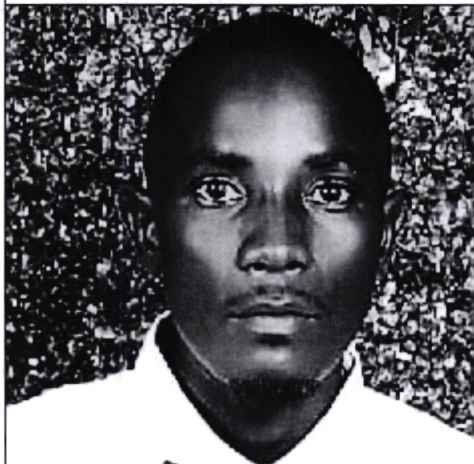
Joseph Ongech  
Member

He was born in 1958  
He was A p1 trained Teacher  
He is a retired Primary Headteacher by profession  
Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022  
Re-appointed back as the committee member in May 2025 for the second term.



Dorothy Adur  
Member

She was born in 12<sup>th</sup> August, 1993  
She is holding Diploma in Office Management  
Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022  
Re-appointed back as the committee member in May 2025 for the second term.



Kevin Juma  
Member

He was born in 1<sup>st</sup> September, 1996  
Academic Qualification is Certificate in Business Management  
Appointed as the committee member in May 2025 as a youth representative serving first term.

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



Irene Oketch  
Member

She was born in 17<sup>th</sup> April, 1996  
 Did Kenya Certificate of Secondary Education  
 Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022  
 Re-appointed back as the committee member in May 2025 for the second term.



Joseph Odiambo Ochar  
Member

He was born in 26<sup>th</sup> June, 1974.  
 Did Kenya Certificate for Secondary Education.  
 He is a driver  
 Joined NG-CDFC Bondo on 19<sup>th</sup> November, 2022  
 Re-appointed back as the committee member in May 2025 for the second term.



Jacinta K Mitambo  
Fund Account Manager

Born in 1988  
 Holds bachelors in commerce-finance option  
 CPA K Graduate  
 Registered under ICPAK member no: 15754  
 She is the current fund account manager Bondo NG-CDF

*National Government Constituencies Development Fund (NGCDF)*

*Bondo Constituency*

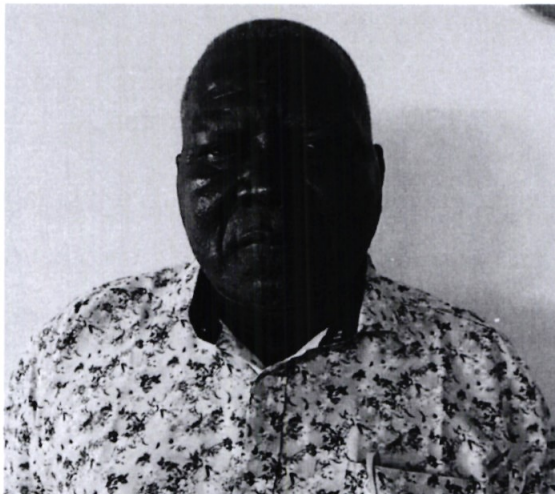
*Annual Report and Financial Statements for The Year Ended June 30, 2025*

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

1. Cyrus Maina Juma- Male Youth representative

#### **4. NG-CDFC Chairman's Report**



**Mr. Bernard T. Lwala  
Chairman, Bondo NG-CDFC**

Being the chair of the body laying policies and overseeing the expenditure of the funds received by the constituency from the board, I am pleased to present to you the annual report and financial statement for the year ended 30<sup>th</sup> June 2025. The financial statements set out below were prepared on accrual basis of accounting regulated by the international public sector accounting standards.

Bondo NG-CDFC aspires to be the best constituency in utilization of NGCDF funds in meeting the objectives of the fund that eventually leads to development in the lowest level of the nation. This is achieved by the constituency through satisfying the community needs and promoting good governance in management of the fund. The establishment of the fund was centered on channeling funds to grass root communities by enabling them to implement the projects identified through public participation.

We have had notable success in implementation of projects especially those that transform lives of our community in the constituency through areas such as Education, security, climate change mitigation and bursary awards to needy students within Bondo constituency.

#### **Budget performance**

I hereby present the constituency Annual Report and Financial Statements for 2024-2025 during which we recorded a bit lower performance mainly due to late disbursement of funds.

I once again confirm our commitment in achieving the objectives set. We however achieved a general performance of **91%** against the previous performance of 95.1%, this was low in comparison. We received a total of Kshs. **175,900,000** from the board and balance brought forward was **64,050,914** of which Kshs **4,452,830** paid compensation to employees, Kshs. **3,180,526** catered for committee allowances and expenditures, Kshs. **7,339,399** facilitated activities and operations of the fund, Kshs **81,996,227** facilitated implementation of projects in Primary and Secondary schools, Kshs. **94,921,243** facilitated implementations of Emergency, Security, Environment, Sports, NHIF and Bursary.

The performance is hereby summarised as shown below

Summary of the budget performance against actual amounts for current year classification and programme is as shown below;

a) The total revenue on actual comparable basis comprises of;

Opening balance of Ksh.64,050,914 receipt for 2023/2024 FY of Ksh. 175,900,000  
AIA of Ksh.0 and PMC closure balances of Ksh 0 totaling to Ksh. 239,950,914

- i. Transfer from CDF Board was 91%
- ii. Compensation of employees is 48%
- iii. Use of goods and services is 42% showing efficient service delivery
- iv. Transfer to other government units is 67%. Brought about by late disbursement of funds.
- v. Other Grants and Other Transfers is 54%, a total of ksh. 32,414,052 had AIE's pending.
- vi. The general budget performance is therefore at **58 %**.

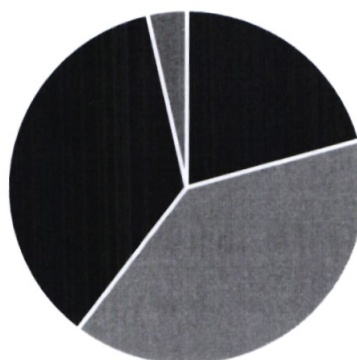
### **Graphs and charts**

#### **a. Allocations**

<b>Original Budget</b>	188,414,052
<b>Final Budget</b>	362,414,426
<b>Actual on comparable basis</b>	330,000,374
<b>Budget Utilization difference</b>	32,414,052

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

Final Budget against Expenditures



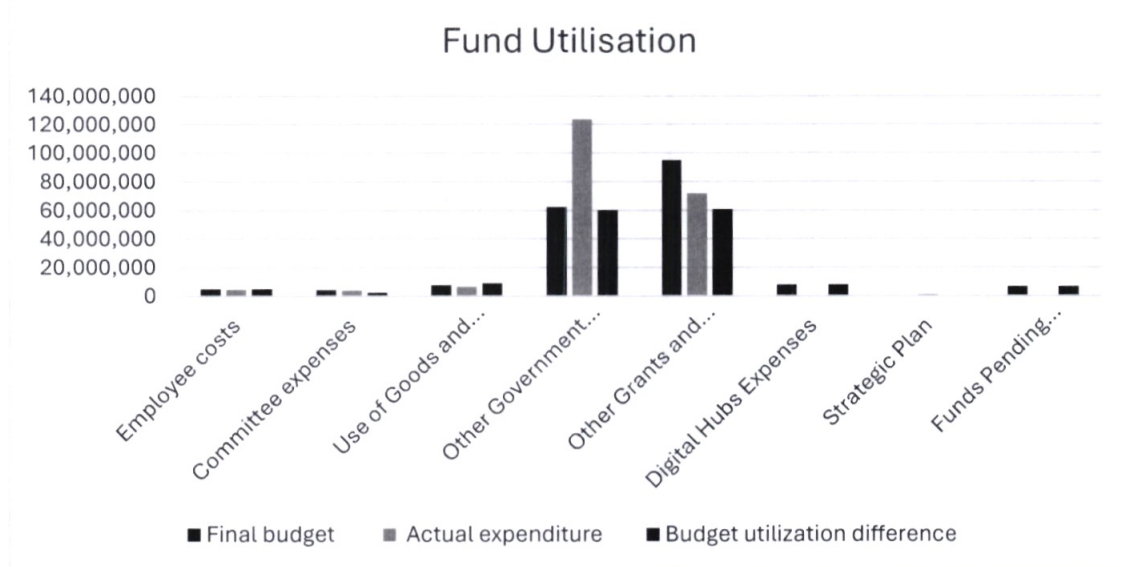
■ Original Budget ■ Final Budget ■ Actual on comparable basis ■ Budget Utilization difference

**b. Fund Utilization**

Fund utilization for Bondo NG-CDFC for the financial year 2024/2025 is as shown;

<b>Expenses</b>	<b>Final budget</b>	<b>Actual expenditure</b>	<b>Budget utilization difference</b>
Employee costs	5,039,190	4,452,830	4,894,120
Committee expenses	4,199,616	4,009,939	2,522,676
Use of Goods and Services	7,718,458	6,509,986	8,920,620
Other Government Units Certified Works	62,096,227	123,690,491	59,860,708
Other Grants and Transfers	94,921,243	71,491,751	60,569,903
Digital Hubs Expenses	7,998,800	0	7,998,800
Strategic Plan		1049107	2,977
Funds Pending Approval**	6440518	0	6,440,518

Below is the graph for the utilization



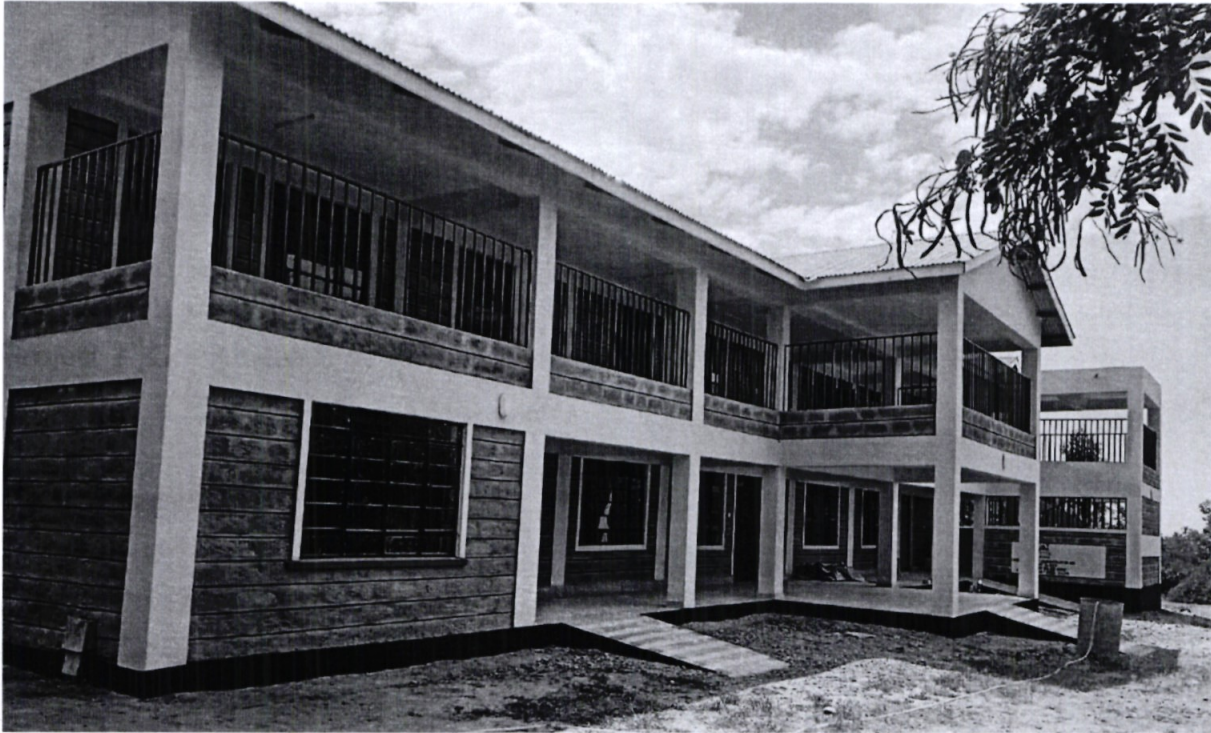
**Key Achievements**

**Project 1. Wambasa Girls secondary**



**Construction of Administration block at Wambasa Girls secondary**

**Project 2. Serawongo Secondary School**



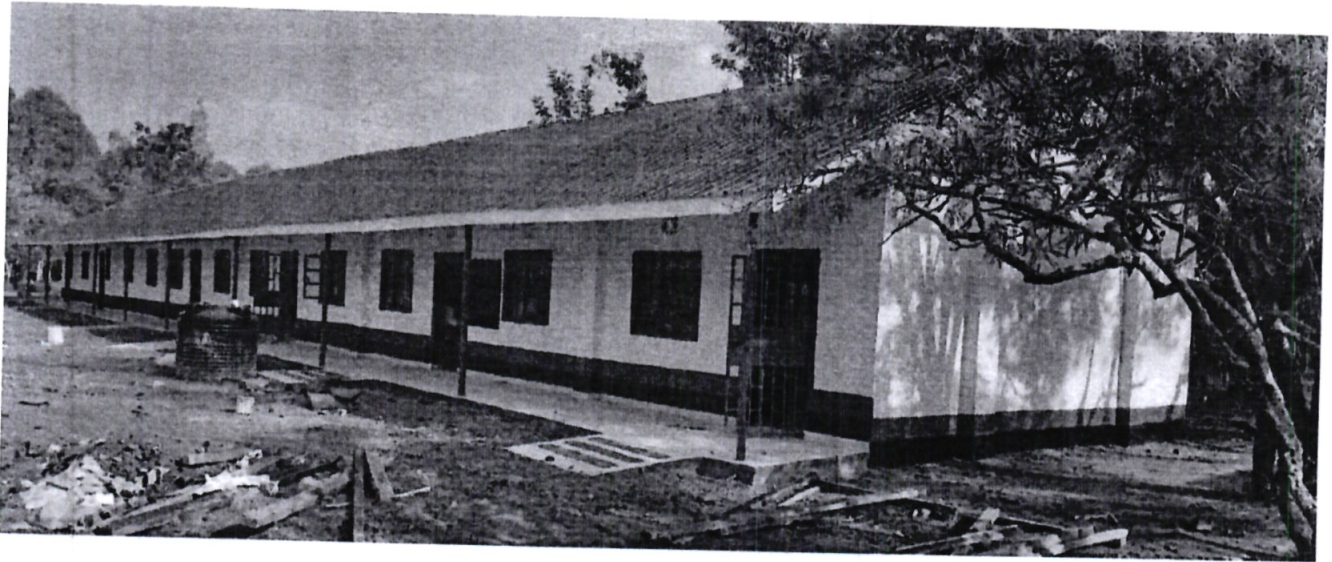
**Completion of Administration block and library**

**Project 3. Got Abiero Secondary**



## Construction of Girls 6-door washrooms at Got Abiero secondary

### Project 4. Wambasa Primary school



#### Implementation challenges


- Late disbursement of funds resulting in low absorption rate.
- Satisfaction of school bursary requirements for needy students
- Limitation of scope of project implementation limited to education and security only.
- Inadequate resources to satisfy school demand in the expansive Bondo constituency.
- Overstretched capacity of the government technical officers, causing delay on the preparation of BQ's and structural drawings and limitation of their supervisory role on projects implemented by the fund.
- But prioritization of the most need cases gradually, the constituency will eventually overcome the challenge.
- Getting Acknowledgement Receipts from the members of the Public when they are issued with bursary has been a challenge.

**Emerging Issues**

- i. Junior Secondary schools (CBC) infrastructure requirements- their needs are varied, which cannot be meet within the financial year.
- ii. Climate change and Mitigation is a new initiative that requires the NG-CDF committee to look on.
- iii. Restructuring of the education funding model (HELB) has brought a lot of pressure to the NGCDF Bursary Funds as many students are now seeking for scholarships from the constituency to enable them continue with their studies
- iv. Inflation rates where by the current economic position where the rate of exchange of Kenyan shillings to dollar continues to rise, there has been an increase in the cost of construction materials. Hence those projects that were submitted to the board before inflation may not be completed with the original budgeted cost necessitating need for variations and additional funding.

**Way forward**

Various levels of Government to establish an Intergrated approach on issues of resource allocation to avoid late disbursement of funds.

  
.....

**Name: Bernard Taxius Lwala  
Chairman NGCDF Committee**

## 5. Statement Of Performance Against Predetermined Objectives for FY2024/2025

### 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 Bondo Constituency 2023/2028* plan are to:

1. To improve infrastructure in schools
2. To increase accessibility to security services
3. To take care of environment conservation.
4. To provide aid in case of emergencies

### Progress on the attainment of Strategic development objectives

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

Sector	Objective	Outcome	Indicator	Performance
Education	To have all children of school going age attending school	Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions	number of usable physical infrastructure build in primary, secondary, and tertiary institutions number of bursary's beneficiaries at all levels	In FY 2024/20245-we build 14 classrooms in primary schools. renovated 12 classrooms in secondary school The constituency build 4 administration blocks in Four secondary schools (Serawongo, Usenge High, Got Agulu and Wambasa Girls) - Bursary beneficiaries; In secondary schools

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

				were approximately 4,620 students and In colleges and tertiary institutions awarded 500 students and Special schools the number of beneficiaries were 100 students.
Security	To enhance the number of security projects in the constituency	Increased number of security projects	Number of security projects	We increased security projects by building a new Kapiyo Police post, Usigu Sub County Residential Units for AP's.
Environment	To have clean and safe water and soil conservation	Increased accessibility of clean drinking water	Water catchment points	We intend to solarize Abidha Water project to benefit the community and the institutions around.
Emergency	Prompt mitigation process	Improved efficiency and effectiveness in attending to calamities.	Number of clean amenities	Construction of 6 door Pit latrines and washrooms at Got Abiero Primary

## **6. Governance Statement**

### **Introduction**

The National Government Constituencies Development Fund Act 2015 (Amended 2016) in section 43(1), (2), (3) and 57(1) and its regulations, provides for establishment of National Government Constituency Development Committee (NG-CDFC) for every constituency. The officer of the board facilitated the process of nomination of the NG CDFC for onward forwarding to the board for appointment through gazette notice.

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

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

Further the NG-CDF regulations require that one to serve as member of the NGCDF committee he or she must be;

- a) citizen of Kenya
- b) ordinarily resident voter of the constituency
- c) able to read and write and communicate in English and Kiswahili
- d) meet the chapter six of the constitution
- e) Available to participate in the activities of the constituency
- f) For youth nominee he or she must have attained age of 18 years but below age of 35yrs and
- g) For persons with disability nominee must be nominated by a registered group representing persons with disability within the constituency.

### **Appointment of National Government Constituency Development Fund Committee**

1. there is established a National Government Constituency Development Fund Committee for every constituency.
2. Constituency Committee Shall comprise of:
  - a) the national government official responsible for co-ordination of national government functions.
  - b) two men each nominated in accordance with subsection (3), one of whom shall be a youth at the date of appointment
  - c) two women nominated in accordance with subsection (3) one of Whom shall be a youth at the date of appointment;
  - d) one person with disability nominated by a registered group representing persons with disabilities in the constituency in accordance with subsection (3);
  - e) two persons nominated by the constituency office established under Regulations made pursuant to the Parliamentary Service Act;
  - f) the officer of the Board seconded to the Constituency Committee by the Board who shall be an ex officio member without a vote.
  - g) one member co-opted by the Board in accordance with regulations made by the Board
3. The seven persons referred to in sub-section (2) (b), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.

The names of the persons selected under sub-section (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the board.

The current NGCDFC members were first gazetted in 29<sup>th</sup> November, 2022 and re-appointed in May 2025, and the first meeting was held in 20<sup>th</sup> June, 2025

The persons appointed are drawn from different groupings as follows:

- Male Adult-Bernard Lwala-Chairman
- Male youth –Kevin Juma
- Female adult—Josephine Atieno-Secretary
- Female youth—Irene Oketch - Member
- PWD REP—Peter Juma Aduogo -Member
- Co-opted Member—Joseph Ong’ech - Member

- Nominee of constituency Office—Joseph Odhiambo Ochar - Member
- Nominee of constituency Office—Dorothy Anyango Adur – Member

The Gazetted Committee members are as follows

NO.	Name	Category	Statutory Provision Under NG-CDF Act
1.	Bernard Taxious Lwala	Male Adult Representative	Appointment, pursuant to sec 43(2) (b)
2.	Joseph Odhiambo Ochar	Male Adult Representative	Appointment, pursuant to sec 43(2) (b)
3.	Kevin Onyango Juma	Male Youth Representative	Appointment, pursuant to sec 43(2) (b)
4.	Josephine Atieno Achieng	Female Adult Representative	Appointment, pursuant to sec 43(2) (c)
5.	Dorothy Anyango Adur	Female Adult Representative	Appointment, pursuant to sec 43(2) (c)
6.	Irene Awino Oketch	Female Youth Representative	Appointment, pursuant to sec 43(2) (c)
7.	Peter Juma Aduogo	Representative of Persons Living With Disability	Appointment, pursuant to sec 43(2) (d)
8.	Joseph Ong'ech - Member	Co-opted Member	Approval by NG-CDF Board

#### **a. NG-CDFC Tenure**

The NG-CDFC Committee Tenure shall be as illustrated in the NG-CDF Act sec 43 (8), the term of office of the constituency Committee shall be two years and shall be renewable but shall expire upon the appointment of a new constituency committee in the manner provided for in the act or as may be approved by the Board. Bondo NG-CDFC Committee was appointed in 19<sup>th</sup> November, 2022 for a period of two years which expired on May 2025.

7 members of the committee were re-appointed and their term will run for a period two years. The committee whose term was not renewed was; Cyrus Main Male youth representative.

**b. The Roles and Function of the Committee**

- a) Build the capacity of project management committees and Committee and sensitize the Community on the operations of the Fund;
- b) Consider all project proposals from all wards in the Constituency and any other projects which a Constituency Committee considers beneficial to the Constituency;
- c) Ensure that all proposed projects that are approved for funding meet the requirements of section 24 of the Act;
- d) Ensure that project proposals submitted to the Board include detailed budget proposals, procurement plans and work plans;
- e) In approving a project and before submitting the project to the Board for consideration, satisfy itself and make a declaration to the effect that such project (works and services) fall within the functions of the National Government under the Constitution;
- f) Consult with relevant government departments to ensure that cost estimates for projects are realistic;
- g) In considering joint projects, ensure that the participating constituencies enter into negotiations for effective implementation of such projects;
- h) Subject to the provisions of the Act and these Regulations, enter into a memorandum of understanding with collaborating partners, detailing all aspects of funding and implementation, before respective constituencies approve such a project for joint funding;
- i) Rank projects proposals in order of priority while ensuring that on-going projects take precedence;
- j) Ensure that all projects receive adequate funding and are completed within three years;
  - a. 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;

**d. Removal of a member**

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

- (i) lack of integrity;
- (ii) gross misconduct;
- (iii) embezzlement of public funds;
- (iv) bringing the committee into disrepute through unbecoming personal public conduct;
- (v) promoting unethical practices
- (vi) causing disharmony within the committee;
- (vii) Physical or mental infirmity.

A decision to remove a member under subsection (13) is made through a resolution of at least five members of the Committee and the member ought to be removed shall be given a fair hearing before the resolution is made.

In Bondo NG-CDF there was no removal of committee members during the period.

**NG-CDFC Induction and training**

In the financial year 2024/2025 the NGCDF Board organized training of NGCDFC members. During the training, critical areas were handled. This enabled the committee to acquire knowledge and skills to ensure effective and efficient management of NG-CDF Bondo. Trained issues were as stated below:

- Strategic Planning & Performance Contracting
- Rationale for Strategic Planning & PC at NG-CDF
- Complaints handling mechanism
- Conduct of meetings and minute writing
- Minutes filing
- Effective Communication and ICT Solutions
- Brand Management
- Project Cycle Management in NG-CDF operations
- Technical aspects of Project Planning and Management
- Architectural plan

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- Bill of Quantities description, interpretation and utilization in Project
- Technical aspects of Project Planning and Management
- Monitoring and Evaluation of NG-CDF Projects
- Taxation in NG-CDF operations
- Public Finance Management in NG-CDF Operations
- Role of the committee in financial management.

**e. Number of meetings:**

NG-CDF Act Section stipulates that NG-CDFC shall have a maximum of twenty-four meetings per year and not less than twelve including sub-committee meetings.

In Bondo Constituency, the NG-CDF Committee conducted 14 meetings.

N O	NG-CDFC COMMITTEE MEMBERS	18th July 2024	8th August 2024	14th Sept 2024	2nd Oct 2024	22 nd Nov 2024	17th Dec 2024	24th Jan 2025	4th Feb 2025	20th Feb 2025	28th March 2025	25 <sup>th</sup> April 2025	23rd May 2025	13t June 2025	30th June 2025
		1	Bernard Lwala	√	√	√	√	√	√	√	√	√	√	√	√
2	Josephine Atieno	√	√	√	√	√	√	√	√	√	√	√	√	√	√
3	Joseph Ochar	√	√	√	√	√	√	√	√	√	√	√	√	√	√
4	Dorothy Adur	√	√	√	√	√	√	√	√	√	√	√	√	√	√
6	Cyrus Maina	√	√	√	√	√	√	√	√	√	√	√	√	√	x
8	Joseph Ongech	√	√	√	√	√	√	√	√	√	√	√	√	√	√
9	Peter Juma Aduogo	√	√	√	√	√	√	√	√	√	√	√	√	√	√
10	Irene Oketch	√	√	√	√	√	√	√	√	√	√	√	√	√	x
11	Kevin Juma	x	x	x	x	x	x	x	x	x	x	x	x	x	√

**Ethics & Conduct**

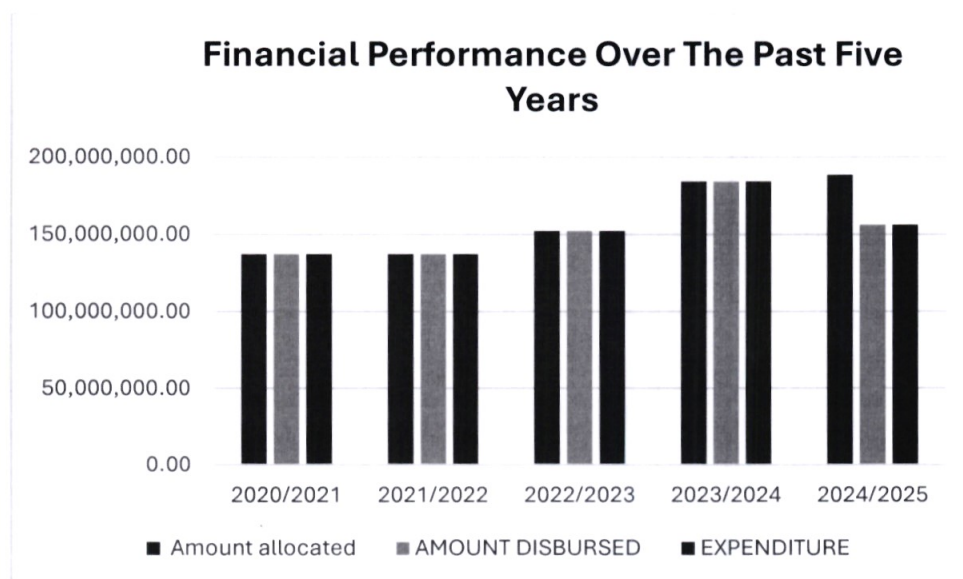
Members of NGCDFC are required to observe the following ethical issues

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

## 7. Management Discussion and Analysis

The National Government Constituency Development Fund has been instrumental in Kenya’s development. As it has allocated billions of shillings to various constituencies since its inception. Here’s an overview of Bondo NG-CDFC Operational and financial performance over the past five years as shown in the table below.

Financial Year	Amount allocated	AMOUNT DISBURSED	EXPENDITURE
2020/2021	137,088,879	137,088,879	137,088,879
2021/2022	137,088,879	137,088,879	137,088,879
2022/2023	151,960,174	151,960,174	151,960,174
2023/2024	<b>184,129,901</b>	<b>184,129,901</b>	<b>184,129,901</b>
2024/2025	<b>188,414,052</b>	156,000,000	156,000,000



### Bondo NG-CDF Financial Performance

#### Operational Performance:

Bondo NG-CDF has implemented various projects across the constituency, focusing on education, security, and infrastructure development.

The fund has been instrumental in

- a. Education: Funding schools, classrooms and bursaries

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- b. Security: Constructing National Government Administration offices, chief's/assistant chief's offices and police offices.
- c. Infrastructure Development: Supporting various infrastructural projects.
- d. Climate Change Mitigation: Enhancing conservation and restoration of forests in the constituency.

**Key projects implemented or On-going.**

**1.USIGU SUB COUNTY HEADQUARTERS**

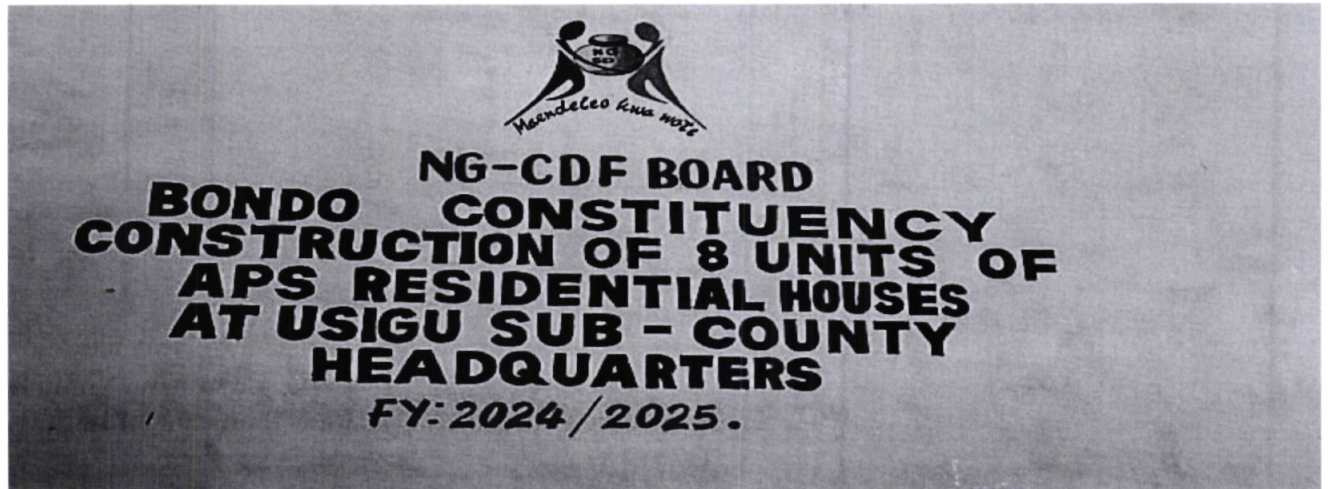
**a. AP Residence**

Bondo NG-CDF has done a total of 10 residential houses for both Aps and senior AP officers and 6 doors pit latrines for the financial year ended 2024-2025.

The project is situated in East Yimbo ward  
 illustration table below

Financial Year	Amount Disbursed	Contract Sum (Kshs)	Project Start Date	Project Status
2024/2025	4,800,000	4,800,000	March 2025	Complete
2024/2025	4,750,000	4,750,000	March 2025	Complete
2024/2025				





**Construction of 8 units houses for the AP's**

**Anticipated Project Impact**

1. Increased security of East Yimbo ward within constituency
2. Improved economic Performance of within locality of the project

**2. On-going Projects**

**a. Got Agulu Secondary School**



**On-going Construction to completion of a one storey Administration block**

**Major Risks facing the Fund**

Despite its successes, NG-CDF faces challenges such as:

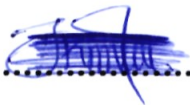
1. Delayed Disbursement of funds- NG-CDF has faced challenges with delayed disbursement of funds from National Treasury, which affects project implementation and service delivery

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2. Inadequate Budget Allocation- The funds allocation is based on the percentage of the national revenue, which may not be sufficient to meet the development needs of constituencies.
3. Fiscal pressure- The country's fiscal pressure such as debt repayment can impact availability of funds for NG-CDF

Institutional Challenges- NG-CDF faces institutional challenges that hinder effective utilization of funds, including inadequate monitoring and evaluation



.....  
**Name: Jacinta Mitambo  
Fund Account Manager**

## **8. Environmental and Sustainability Reporting**

Bondo Constituency exists to transform lives of her constituents. This is our purpose, the driving force behind everything is to have a better future. It is what guides us to deliver our strategy, which is founded on social sector, namely, education and training, security sector support, environment and sports

The recent amendment of NGCDF Act 2015 to increase the allocation to climate change mitigation activities from 2% to 5% has ensured this objective is achieved through climate mitigation activities such as planting trees to increase forest cover. Bondo NG-CDF intends to 5000 seedlings every year to help in forest cover.

### **1. Sustainability strategy and profile -**

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

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

NG-CDF has allocated part of its budget to climate change mitigation activities such as afforestation, reafforestation, grassroots sensitization, and tree seedling production.

## **2. Environmental performance**

Environmental matters relate to mitigation of the climate change effects that has been put forward as a government agenda. The recent amendment of NGCDF Act 2015 to increase the allocation to climate change mitigation activities from 2% to 5% has ensured this objective is achieved through the NGCDF Fund Bondo NG-CDF in its 2024-2025 planted 800 seedlings in selected areas within the constituency.

## **3. Employee welfare**

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

Bondo Constituency is committed to fair and ethical market practices.

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

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

NGCDF has put in efforts to ensure:

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

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

Bondo 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**

Bondo 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.

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



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**Name: Jacinta Mitambo  
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-Bondo 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-Bondo 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- Bondo 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.

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The Accounting Officer in charge of the NGCDF Bondo 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.

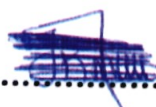
In preparing the financial statements, the Committee has assessed the Fund's ability to continue as a going concern and disclosed as applicable. Nothing has come to the attention of the Committee that the Fund will not remain a going concern for at least the next twelve months from the date of this statement.

**Approval of the financial statements**

The NGCDF- Bondo Constituency financial statements were approved and signed by the Accounting Officer on 12/08/ 2025.



.....  
Name: Bernard Taxiws Lwala  
Chairman – NGCDF Committee



.....  
Name: Jacinta Mitambo  
Fund Account Manager

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

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### **PREAMBLE**

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

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

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

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

### **REPORT ON THE FINANCIAL STATEMENTS**

#### **Qualified Opinion**

I have audited the accompanying transitional IPSAS financial statements of National Government Constituencies Development Fund - Bondo Constituency set out on pages 1 to 75, which comprise of the statement of financial position as at 30 June, 2025, and the statement of financial performance, statement of changes in

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

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

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

### **Basis for Qualified Opinion**

#### **1. Unsupported Cash and Cash Equivalents**

The statement of financial position reflects a balance of Kshs.118,796,270 in respect of cash and cash equivalents comprising of fund balances of Kshs.61,041,846 and project management committee account balances of Kshs.57,754,424. However, the balances for the PMC bank accounts were not supported with cash books, bank reconciliation statements, certificate of bank balances, bank statements and board of survey report.

In the circumstances the accuracy and completeness of the cash and cash equivalent balance of Kshs.118,796,270 could not be confirmed.

#### **2. Non-Disclosure of Property, Plant and Equipment**

The statement of financial position reflects a Nil balance on property, plant and equipment as at 30 June, 2025. However, the fixed assets register provided for audit revealed that the Fund had assets amounting to Kshs.15,190,392 comprising of transport equipment of Kshs.8,203,500, buildings and other assets of Kshs.5,800,000, Computer and ICT accessories of Kshs.423,385 and furniture and fittings Kshs.763,507 that were not reported in the financial statements.

In the circumstances, the accuracy and completeness of fixed assets register could not be ascertained due to non-disclosure of the amounts in the financial statements.

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

### Late Disbursement of Funds

The statement of financial performance and as disclosed in Note 6 to the financial statements reflects an amount of Kshs.188,414,052 in respect of transfers from National Government Constituency Development Fund Board. Out of the budgeted amount, the Committee received an amount of Kshs.175,900,000, out of which an amount of Kshs.96,000,000 (55%) was received in the fourth quarter and an amount of Kshs.12,514,052 equivalent to 7% of the budget was yet to be received by close of the financial year. As a result, the Fund could not implement planned activities in accordance with the approved program thereby denying residents of Constituency the much-needed services due to late remittance of funds from the board.

In the circumstances, the Fund Committee could not be able to achieve their objectives as per the approved budget.

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 of the matters described in the Basis for Qualified Opinion, I have determined that there are no other key audit matters to communicate in my report.

### Other Matter

### Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Report on Lawfulness and Effectiveness in Use of Public Resources, and Report on Effectiveness of Internal Controls, Risk Management and Governance. Review of the status during audit of the Fund in 2024/2025 revealed that the following eight (8) issues remained unresolved:

	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the financial statements
2	2023/2024	Unsupported environmental projects
3	2023/2024	Unsupported cash and cash equivalents
4	2023/2024	Budget Control and Performance
5	2023/2024	Unresolved prior year matters
6	2023/2024	Lack of bank reconciliation statements for PMC bank balances.
7	2023/2024	Unutilized project funds
8	2023/2024	<b>Incomplete projects;</b> i)Pending completion of construction of an administration block at Got Agulu Secondary School. ii)Incomplete Library and laboratory block at Ulowa Girls Secondary School

	<b>Financial Year</b>	<b>Audit Issue</b>
		iii) Incomplete library and administration block at Sewagongo Secondary School iv) Incomplete construction of 400-students capacity dining hall in Jusa secondary

**Other Information**

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

In connection with my audit on the Constituencies’ Development Fund 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 effects of the matter described in the Basis for Conclusion on Lawfulness and Effectiveness in Use of Public Resources section of my report, I confirm that, nothing else has come to my attention to cause me to believe that public resources have not been applied lawfully and in an effective way.

**Basis for Conclusion**

**Delay in Completion of Classrooms at Bondo Township Primary School**

The Management entered into a three (3) months contract with a firm for the second phase construction of a block of 18 classrooms at Bondo Township Primary School on 17 July, 2025 at a contract sum of Kshs.11,950,099.60 with an expected completion date of 31 October, 2025. The second phase was for completion of first floor walling, windows and doors installation, roofing, plastering, floor tiling, staircase handrails, electrical works and painting works.

By 26 September, 2025, the contractor had raised (2) certificates amounting to Kshs.6,754,789 and which had been fully paid. Project inspection carried out on

16 October, 2025 revealed that the contractor was behind schedule since the contract period had about two weeks to lapse and installation of staircase handrails, electrical works, floor screeding, tiling and general painting works had not been done.

No explanation was provided for the incomplete works and no evidence was provided for to confirm whether the contractor had sought for extension of contract period.

In the circumstances, the slow pace of implementation may affect project quality, completion and hence value for money may not be obtained.

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

### **Basis for Conclusion**

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 control, 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 Management and those Charged with Governance**

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 control 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 control, risk management and overall 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 financial statements are in compliance with the authorities which govern them, and that public resources are applied in an effective way.

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

### **Auditor-General's Responsibilities for the Audit**

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

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

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

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

  
FCPA Nancy Gathungu, CBS  
**AUDITOR-GENERAL**

**Nairobi**

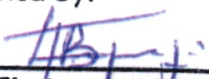
**02 December, 2025**


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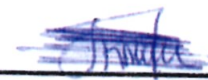
**11. Statement of Financial Performance for the Year Ended 30th June 2025**

	Note	2024/2025
		Kshs
<b>Revenue from non-exchange transactions</b>		
Transfers from the NGCDF Board	6	188,414,052
Transfers from domestic and foreign partners	7	-
<b>Revenue from exchange transactions</b>		
Finance income	8	-
Miscellaneous income	9	-
<b>Total revenue</b>		188,414,052
<b>Expenses</b>		
Employee costs	10	4,062,080
Committee expenses	11	3,180,526
Use of Goods and Services	12	8,388,506
Other Government Units Actual expenditure	13	124,067,382
Other Grants and Transfers Actual expenditure	14	74,100,555
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	-
<b>Total expenses</b>		213,799,049
<b>Other gains/(losses)</b>		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
<b>Surplus/(Deficit) for the year</b>		(25,384,997)

The Constituency financial statements were approved by the NGCDFC on 12/08/2025 and signed by:

  
 Chairman NG-CDF  
 Committee  
 Name: Bernard Taxius Lwala

  
 National Sub-County  
 Accountant  
 Name: Jorim Bolo Agola  
 ICPAK M/No:

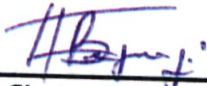
  
 Fund Account Manager  
 Name: Jacinta Mitambo

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

	Note	2024/2025	Opening Statement 1st July 2024
		Kshs	Kshs
<b>Assets</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	19	118,796,270	154,100,374
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	32,414,052	19,900,000
Prepayments	22	-	-
<b>Total Current Assets</b>		<b>151,210,322</b>	<b>174,000,374</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
<b>Total Non- Current Assets</b>		<b>-</b>	<b>-</b>
<b>Total Assets (A)</b>		<b>151,210,322</b>	<b>174,000,374</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	26	-	-
Third Party Deposits	27	2,985,695	-
Lease Liabilities	28	-	-
Gratuity Provision	29	1,137,518	1,528,268
<b>Total Current Liabilities</b>		<b>4,123,213</b>	<b>1,528,268</b>
<b>Non-Current Liabilities</b>			
Lease Liabilities	28	-	-
<b>Total Liabilities (B)</b>		<b>4,123,213</b>	<b>1,528,268</b>
<b>Net Assets (A-B)</b>		<b>147,087,109</b>	<b>172,472,106</b>
<b>Represented by:</b>			
Revaluation Reserves		147,087,109	172,472,106
Accumulated Surplus			
<b>Total Net Assets</b>		<b>147,087,109</b>	<b>172,472,106</b>

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

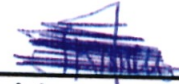
The Constituency financial statements set out on pages 1 to 122 approved by NG CDFC on 12/08/ 2025 and signed by:



Chairman NG-CDF  
Committee  
Name: Bernard Taxius Lwala



National Sub-County  
Accountant  
Name: Jorim Bolo Agola  
ICPAK M/No:



Fund Account Manager  
Name: Jacinta Mitambo

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

Description	Revaluation Reserves	Accumulated surplus/Deficit	Total
		Kshs	Kshs
<b>Fund Balance as at 30<sup>th</sup> June 2024</b>	63,341,014		63,341,014
<b>Adjustments</b>			
Recognition of Assets	109,801,460		109,801,460
Recognition of Liabilities	670,368		670,368
<b>As at July 1, 2024</b>	172,472,106		172,472,106
Surplus/(Deficit) For the Period	(25,384,997)		(25,384,997)
Revaluation Gain/Loss	-	-	-
<b>As at June 30, 2025 (current year)</b>	147,087,109	-	147,087,109

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)*  
*Bondo Constituency*  
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**14. Statement Of Cash Flows for The Year Ended 30th June 2025**

	<b>Notes</b>	<i>Insert Current FY</i>
		<b>Kshs</b>
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from the NGCDF Board		175,900,000
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
<b>Total Receipts</b>		175,900,000
<b>Payments</b>		
Employee costs		4,452,830
Committee expenses		3,180,526
Use of Goods and Services		8,388,506
Other Government Units Certified Works		121,213,073
Other Grants and Transfers		73,969,169
Digital Hubs Expenses		-
<b>Total Payments</b>		211,204,104
<b>Net Cash Flows from/ (used in) Operating Activities</b>	30	(35,304,104)
<b>Cash flows From Investing Activities</b>		-
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
<b>Net Cash Flows from Investing Activities</b>		(35,304,104)
<b>Net increase/(decrease) in cash &amp; Cash equivalents</b>		
<b>Cash Flows from Financing Activities</b>		
Lease Payment		-
<b>Net Cash Flows from Financing Activities</b>		(35,304,104)
Cash and cash equivalents at 1 July	19	154,100,374
<b>Cash and cash equivalents at 30 June</b>	19	118,796,270

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

	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
<b>Revenue</b>							
Transfers From the NGCDF Board	188,414,052	154,100,374	19,900,000	362,414,426	330,000,374	32,414,052	
Transfers from domestic and foreign partners	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
<b>Totals</b>	188,414,052	154,100,374	19,900,000	362,414,426	330,000,374	32,414,052	91%
<b>Expenses</b>							
Employee costs	5,039,190	4,307,760	-	9,346,950	4,452,830	4,894,120	48%
Committee expenses	4,199,616	2,332,999	-	6,532,615	4,009,939	2,522,676	61%
Use of Goods and Services	7,718,458	7,712,148	-	15,430,606	6,509,986	8,920,620	42%
Other Government Units Certified Works	62,096,227	101,554,972	19,900,000	183,551,199	123,690,491	59,860,708	67%
Other Grants and Transfers	94,921,243	37,140,411	-	132,061,654	71,491,751	60,569,903	54%
Digital Hubs Expenses	7,998,800	-	-	7,998,800	-	7,998,800	0%
		1,052,084	-	1,052,084	1,049,107	2,977	100%

*National Government Constituencies Development Fund (NGCDF)  
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	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference	% of Utilization
	Kshs	Kshs		Kshs	Kshs	Kshs	
	a	b		C=(a+b)	d	e=(c-d)	f=d/c*100
	2024/2025	Opening Balance (C/Bk) and AIA	Previous Years' Outstanding disbursements	2024/2025	2024/2025		
Funds Pending Approval**	6,440,518	-	-	6,440,518	-	6,440,518	0%
<b>Total Expenditure</b>	<b>188,414,052</b>	<b>154,100,374</b>	<b>19,900,000</b>	<b>362,414,426</b>	<b>211,204,104</b>	<b>151,210,322</b>	<b>58%</b>
Surplus for the period					118,796,270	(118,796,270)	

*Explanatory Notes.*

S/NO.	ITEM	Percentage (%)	Reason
1.	Employee costs	48%	Late disbursement
2.	Committee expenses	61%	Late disbursement
3.	Use of Goods and Services	42%	Late disbursement
4.	Other Government Units Certified Works	67%	Late disbursement
5.	Other Grants and Transfers	54%	Late disbursement
6.	Digital Hubs Expenses	0%	Late disbursement
7.	Funds Pending Approval**	100%	Pending approval


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

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilization difference totals	151,210,322
Less undisbursed funds receivable from the Board as at period 30 <sup>th</sup> June, 2025	32,414,052
	118,796,270

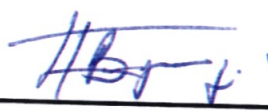
The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The Constituency financial statements were approved by NG CDFC on 12/08/ 2025 and signed by:

  
 \_\_\_\_\_  
 Fund Account Manager

Name: Jacinta Mitambo

  
 \_\_\_\_\_  
 National Sub-County Accountant

Name: Jorim Bolo Agola  
 ICPAK M/No:

  
 \_\_\_\_\_  
 Chairman NG-CDF Committee

Name: Bernard Taxius Lwala

*National Government Constituencies Development Fund (NGCDF)*

*Bondo Constituency*

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

**16. Budget Execution by Sectors And Projects For The Year Ended 30<sup>th</sup> June 2025**

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
<b>1.0 Administration and Recurrent</b>						
1.1 Compensation of employees	5,039,190	4,455,760		<b>9,494,950</b>	4,452,830	5,042,120
1.2 Committee allowances	1,248,000	632,048		<b>1,880,048</b>	834,657	1,045,391
1.3 Use of goods and services	5,017,653	3,907,734		<b>8,925,387</b>	3,944,423	4,980,964
1.1 Compensation of employees	5,039,190	4,455,760		<b>9,494,950</b>	4,452,830	5,042,120
<b>Sub-total</b>	<b>11,304,843</b>	<b>8,995,542</b>	-	<b>20,300,385</b>	<b>9,231,910</b>	<b>11,068,475</b>
<b>2.0 Monitoring and evaluation</b>						
2.1 Capacity building	1,140,000	456,000		<b>1,596,000</b>	829,413	766,587
2.2 Committee allowances	1,811,616	1,700,951		<b>3,512,567</b>	2,345,869	1,166,698
2.3 Use of goods and services	2,700,805	3,348,414		<b>6,049,219</b>	2,565,563	3,483,656
<b>Sub-total</b>	<b>5,652,421</b>	<b>5,505,365</b>	-	<b>11,157,786</b>	<b>5,740,845</b>	<b>5,416,941</b>
<b>3.0 Emergency</b>						
Unutilized	805,853		<b>8,109,946</b>	-	8,109,946	7,304,093

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
3.1 Primary Schools						
3.2 Secondary schools	GOT ABIERO	2,612,436	496	-	2,612,932	2,477,418
3.3 Tertiary institutions						
3.4 Security projects						
<b>Sub-total</b>						
<b>4.0 Bursary and Social Security</b>						
4.1 Primary Schools	69,000,000	22,184,122		91,184,122	46,533,105	44,651,017
4.2 Secondary Schools	4,000,000	3,953,000		7,953,000	7,045,400	907,600
4.3 Tertiary Institutions	2,000,000	1,000,000		3,000,000	844,524	2,155,476
4.4 Universities				-		-
4.5 Social Security		2,250,220		2,250,220		2,250,220
<b>Sub-total</b>	75,000,000	29,387,342	-	104,387,342	54,423,029	49,964,313
<b>5.0 Climate Change Mitigation</b>						
5.1						
5.2						
<b>Sub-total</b>						

National Government Constituencies Development Fund (NGCDF)  
Bondo Constituency

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

Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
<b>6.0 Primary Schools Projects (List all the Projects)</b>						
OKOLA PRIMARY		3,000,000	-	3,000,000	2,999,707	293
KAMNARA PRIMARY		1,500,000	1,500,000	3,000,000	2,989,379	10,621
WARINGA PRIMARY		1,500,000	1,500,000	3,000,000	2,999,312	688
KAPIYO PRIMARY		1,500,000	1,500,000	3,000,000	2,999,099	901
USIRE PRIMARY		1,500,000	1,500,000	3,000,000	2,849,994	150,006
AGWARA PRIMARY		1,500,000	1,500,000	3,000,000	2,997,175	2,825
GOT KACHIENG PRIMARY		1,500,000	1,500,000	3,000,000	2,998,720	1,280
CHAMAGAHA PRIMARY		3,000,000	-	3,000,000	2,996,797	3,203
ULANDA PRIMARY		1,500,000	1,500,000	3,000,000	2,999,779	221
UHENDO PRIMARY	1,050,000	820,650		1,870,650	1,814,030	56,620
SIAGE PRIMARY		1,500,000	1,500,000	3,000,000	2,999,348	652
BUR-YIRO PRIMARY		3,000,000	-	3,000,000	2,989,260	10,740

**National Government Constituencies Development Fund (NGCDF)**

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Programme/Sub-programme	Original Budget Kshs	Adjustments		Final Budget Kshs	Actual on comparable basis Kshs	Budget utilization difference Kshs
		Opening Balance (C/Bk) and AIA Kshs	Previous Years' Outstanding Disbursements Kshs			
RAGAK PRIMARY	1,020,000	870,650	-	1,890,650	810,225	1,080,425
ALARA PRIMARY		1,500,000	1,500,000	3,000,000	2,977,511	22,489
SANGWE PRIMARY		1,500,000	1,193,233	2,693,233	2,599,191	94,042
GOT RAMOGI PRIMARY	1,183,791	1,120,718	-	2,304,509	1,077,613	1,226,896
RAPOGI PRIMARY SCHOOL		1,500,209	1,500,000	3,000,209	2,771,653	228,556
JUSA PRIMARY		3,600,000	-	3,600,000	3,460,744	139,256
MAGO PRIMARY	1,030,000	5,470,649	-	6,500,649	5,213,449	1,287,200
GOT MATAR PRIMARY		1,500,000	1,500,000	3,000,000	2,997,739	2,261
MAJENGO PRIMARY		520	-	520	-	520
ST PAULS OGOYA PRIMARY		97,999	-	97,999	-	97,999
MAHANGA PRIMARY		469	-	469	-	469
ULOWA PRIMARY		1	-	1	-	1
MIGIRO PRIMARY		741	-	741	-	741

*National Government Constituencies Development Fund (NGCDF)*  
*Bondo Constituency*  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
KEYO KODINDO PRIMARY		4,140	-	4,140	-	4,140
OBEDI PRIMARY		663	-	663	-	663
DUNYA PRIMARY		1,588	-	1,588	-	1,588
NYAKASUMBI PRIMARY		351	-	351	-	351
GOMBE PRIMARY		239,670	-	239,670	238,560	1,110
GUNDA SIGOMRE PRIMARY		549	-	549	-	549
MAGOMBE PRIMARY		309	-	309	-	309
NDIWO PRIMARY		29	-	29	-	29
BARKOWINO PRIMARY		992	-	992	-	992
BAR AWENDO PRIMARY	1,200,000	1,271	-	1,201,271	-	1,201,271
MAGETA PRIMARY		469	-	469	-	469
ODAO PRIMARY		830	-	830	-	830
MAGAK PRIMARY		830	-	830	-	830

*National Government Constituencies Development Fund (NGCDF)*  
*Bondo Constituency*  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
NGERA PRIMARY		296	-	296	-	296
KAMBAJO PRIMARY		723	-	723	-	723
ATILILI PRIMARY		698	-	698	-	698
SINAPANGA PRIMARY	1,000,000	(49)		999,951	948,935	51,016
GOBEI PRIMARY		130	-	130	-	130
NYAWITA PRIMARY		778	-	778	-	778
SINYANYA PRIMARY		70,572	-	70,572	-	70,572
OIKO PRIMARY		796	-	796	-	796
<b>Sub-total</b>	<b>30,483,791</b>	<b>54,163,219</b>	<b>17,693,233</b>	<b>102,340,243</b>	<b>75,271,248</b>	<b>27,068,996</b>
<b>7.0 Secondary Schools Projects (List all the Projects)</b>						
KANYIBOK SECONDARY SCHOOL		4,350,500	-	4,350,500	4,300,674	49,826

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
USIRE SECONDARY SCHOOL		4,000,000	-	4,000,000	3,997,994	2,006
SERAWONGO SEC SCHOOL		7,650,031	-	7,650,031	7,297,012	353,019
WAMBASA GIRLS SEC SCHOOL		8,793,233	2,206,767	11,000,000	10,445,115	554,885
MITIRO SECONDARY SCHOOL		4,500,000		4,500,000	4,498,998	1,002
JUSA MIXED SECONDARY	8,500,000	315,293	-	8,815,293	314,000	8,501,293
GOT MATAR SECONDARY		1,155		1,155	-	1,155
NYAWITA SECONDARY		363		363	-	363
USENGE HIGH	6,500,000	164,655	-	6,664,655	100,000	6,564,655
GOT ABIERO SECONDARY	2,612,436	496	-	2,612,932	2,477,418	135,514
MARANYONA SECONDARY		1,315		1,315	-	1,315
KAPIYO SECONDARY		16		16	-	16
MAJENGO MIXED SEC		520		520	-	520
BARKANYANGO SECONDARY		3,301		3,301	-	3,301

*National Government Constituencies Development Fund (NGCDF)*  
*Bondo Constituency*  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
NYABENGE SECONDARY		299,576		299,576	299,000	576
ORENGO SECONDARY		608		608	-	608
NYAWITA SECONDARY		14		14	-	14
ULOWA GIRLS SECONDARY		494,380		494,380	-	494,380
JOAKIM OWANG MAGETA SEC	8,000,000	953	-	8,000,953	-	8,000,953
ST. LUKES WAMBARRA SECONDARY		651,708		651,708	-	651,708
BAR CHANDO GIRLS		789,047		789,047	-	789,047
UYAWI SECONDARY		4,156		4,156	-	4,156
USENGE HIGH		85,656		85,656	-	85,656
BAR KOWINO SEC SCHOOL		581		581	-	581
JOAKIM OWANG MAGETA SEC		347		347	-	347
WAMBASA GIRLS SEC SCHOOL		662		662	-	662
BARKANYANGO SECONDARY		227,349		227,349	-	227,349

*National Government Constituencies Development Fund (NGCDF)*  
*Bondo Constituency*  
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
NYANGOMA SEC SCHOOL		5,016		5,016	-	5,016
GOT AGULU SEC SCHOOL	6,000,000	50,344	-	6,050,344	-	6,050,344
				-		-
<b>Sub-total</b>	<b>31,612,436</b>	<b>32,391,275</b>	<b>2,206,767</b>	<b>66,210,478</b>	<b>33,730,211</b>	<b>32,480,266</b>
<b>8.0 Tertiary institutions Projects (List all the Projects)</b>						
8.1 BONDO TTC	-	15,000,478		<b>15,000,478</b>	14,689,032	311,446
8.2						
<b>Sub-total</b>	<b>-</b>	<b>15,000,478</b>	<b>-</b>	<b>15,000,478</b>	<b>14,689,032</b>	<b>311,446</b>
<b>9.0 Security Projects</b>						
OUYA ASSISTANT CHIEF		1,500,000		1,500,000	1,498,277	1,723
BONDO DCIO		1,350,000		1,350,000	1,348,935	1,065
BONDO OCS		1,350,000		1,350,000	1,349,785	215
NANGO POLICE STATION		784,821		784,821	783,575	1,246

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
CENTRAL YIMBO CHIEF CAMP		524		524	-	524
USIGU DIV HQ		518		518	-	518
USENGE POLICE STATION		458		458	-	458
BONDO DCC		618		618	-	618
BONDO POLICE STATION		1,791		1,791	-	1,791
WAMBASA LAW COURTS		356,580		356,580	-	356,580
NDIRA AP POST		1,178		1,178	-	1,178
KAPIYO POLICE POST	1,701,200	1,500,000	-	3,201,200	2,839,932	361,268
USIGU DIVISIONAL HQ AP PMC	10,915,950	-	-	10,915,950	9,248,218	1,667,732
<b>Sub-total</b>	<b>12,617,150</b>	<b>6,846,488</b>	<b>-</b>	<b>19,463,638</b>	<b>17,068,722</b>	<b>2,394,916</b>
<b>10.0 Acquisition of assets</b>						
10.1 Motor Vehicles (including motorbikes)	-	-	-	-	-	-
10.2 Construction of CDF office	-	-	-	-	-	-

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
10.3 Purchase of furniture and equipment	-	-	-	-	-	-
10.4 Purchase of computers	-	-	-	-	-	-
10.5 Purchase of land	-	-	-	-	-	-
<b>Sub-total</b>	-	-	-	-	-	-
<b>11.0 Digital Hubs</b>						
USIGU DEPUTY COUNTY COMMISSIONER DIGITAL HUB	2,500,000	-	-	<b>2,500,000</b>	-	2,500,000
KAMBAJO DIGITAL HUB	5,498,800	-	-	<b>5,498,800</b>	-	5,498,800
<b>Sub total</b>	<b>7,998,800</b>	-	-	<b>7,998,800</b>	-	<b>7,998,800</b>
<b>12.0 Others</b>						
Bondo NG-CDF Strategic Plan	-	1,052,084	-	<b>1,052,084</b>	1,049,107	2,977
<b>Sports- Regional sports</b>		100,728		100,728	-	100,728
<b>Sub total</b>	-	<b>1,152,812</b>	-	<b>1,152,812</b>	<b>1,049,107</b>	<b>103,705</b>
<b>13.0 Funds pending approval**</b>						
13.1 Unapproved projects						

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
13.2 Abidha Primary school	3,600,000			3,600,000		3,600,000
13.3 Usigu Sub county headquarters	340,518			340,518		340,518
13.4 Nyangoma Secondary	2,500,000			2,500,000		2,500,000
13.2 AIA						
13.3						
<b>Sub-total</b>	<b>6,440,518</b>	-	-	<b>6,440,518</b>	-	<b>6,440,518</b>
<b>Total</b>	<b>188,414,052</b>	<b>154,100,374</b>	<b>19,900,000</b>	<b>362,414,426</b>	<b>211,204,104</b>	<b>151,210,322</b>

## **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 Bondo Constituency principal activity is Development.

### **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 Bondo 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 Bondo 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.

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

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

**3. Adoption of New and Revised Standards**

- 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.**

<b>Standard</b>	<b>Effective date and impact:</b>
IPSAS 43: Leases	<b><i>Applicable 1<sup>st</sup> January 2025</i></b>  The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity.  The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities.  <b>Not applicable.</b>
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	<b>Applicable 1<sup>st</sup> January 2025</b>  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.  <b>Not applicable.</b>
IPSAS 45: Property Plant	<b>Applicable 1<sup>st</sup> January 2025</b>

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and Equipment	<p>The standard supersedes IPSAS 17 on Property, Plant and Equipment. IPSAS 45 has additional guidance/ new guidance for heritage assets, infrastructure assets and measurement. Heritage assets were previously excluded from the scope of IPSAS 17 in IPSAS 45, heritage assets that satisfy the definition of PPE shall be recognised as assets if they meet the criteria in the standard. IPSAS 45 has an additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.</p> <p><b>Not applicable.</b></p>
IPSAS 46: Measurement	<p><b>Applicable 1<sup>st</sup> January 2025</b></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> <li>i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used.</li> <li>ii. Clarifying transaction costs guidance to enhance consistency across IPSAS.</li> <li>iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures.</li> </ul> <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p> <p><b>Not applicable.</b></p>
IPSAS 47: Revenue	<p><b>Applicable 1<sup>st</sup> January 2026</b></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles</p>

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	<p>that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p> <p><b>Not applicable.</b></p>
<p>IPSAS 48: Transfer Expenses</p>	<p><b>Applicable 1<sup>st</sup> January 2026</b></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><b>Not applicable.</b></p>
<p>IPSAS 49: Retirement Benefit Plans</p>	<p><b>Applicable 1<sup>st</sup> January 2026</b></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><b>Not applicable.</b></p>
<p>IPSAS 50: Exploration For &amp; Evaluation of Mineral Resources</p>	<p><b>Applicable 1<sup>st</sup> January 2027</b></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"> <li>i. Limited improvements to existing accounting practices for exploration and evaluation expenditures.</li> <li>ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26.</li> <li>iii. Disclosures that identify and explain the amounts in the entity's financial statements arising from the exploration for and evaluation of mineral resources and help users of those financial statements understand the amount, timing and certainty of future cash flows from any exploration and evaluation assets recognized.</li> </ul> <p><b>Not Applicable</b></p>

**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.

### **Budget information**

The original budget was approved by Parliament on 10 June 2024 for the period 1<sup>st</sup> July 2024 to 30<sup>th</sup> June 2025 as required by law. Included in the adjustments are Cash book opening balance, AIA generated during the year and constituency allocations not yet disbursed at the beginning of the financial year.

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

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

### **b) 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.

**c) 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.

**d) 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.

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Intangible assets with an indefinite useful life are assessed for impairment at each reporting date.

**e) Financial instruments**

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

**a) Financial assets**

**Classification of financial assets**

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

### **Subsequent measurement**

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

### **Amortized cost**

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

### **Fair value through net assets/ equity**

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

### **Trade and other receivables**

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

### **Fair value through surplus or deficit**

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

### **Impairment**

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

## **b) Financial liabilities**

### **Classification**

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

### **f) 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*.

**g) 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

**h) 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.

**i) 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.

**j) 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.

#### **k) 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.

#### **l) 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.

**m) 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.

**n) 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.

**o) Comparative figures**

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

**p) 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

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**6. Transfers from the NGCDF Board**

Description	2024/2025
	Kshs
NGCDFB Transfers (Allocation for the FY)	188,414,052
<b>Total</b>	<b>188,414,052</b>

**7. Transfers from domestic and foreign partners**

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

**8. Finance income**

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

**9. Miscellaneous income**

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

**10. Employees cost**

	<b>2024/2025</b>
	<b>Kshs</b>
NG-CDFC Basic staff salaries	2,911,360
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	915,900
Employer Contributions Compulsory national social security schemes	198,780
Employer Contributions Compulsory Housing levy	34,290
Employer contributions to National Industrial Training Authority	1,750
Other Specify	-
<b>Total</b>	<b>4,062,080</b>

**11. Committee Expenses**

	<b>2024/2025</b>
	<b>Kshs</b>
Sitting allowance	718,000
Other Committee expenses	2,462,526
<b>Total</b>	<b>3,180,526</b>

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**12. Use of Goods and services**

	<b>2024/2025</b>
	<b>Kshs</b>
Utilities, supplies and services	72,980
Communication, supplies and services	108,865
Domestic travel and subsistence	1,761,040
Printing, advertising and information supplies & services	18,900
Office Rent	-
Training expenses	-
Hospitality supplies and services	633,344
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	1,957,590
Fuel, oil & lubricants	959,530
Bank charges	8,125
Routine maintenance – vehicles and other transport equipment	818,820
Routine maintenance – other assets	-
Strategic plan expenses	1,049,107
Other operating expenses	1,000,205
<b>Total</b>	<b>8,388,506</b>

**13. Other Government Units Actual expenditure**

<b>Description</b>	<b>2024/2025</b>
	<b>Kshs</b>
Primary Schools Actual expenditure	77,227,936
Secondary Schools Actual expenditure	32,150,414
Tertiary Institutions Actual expenditure	14,689,032
<b>Total</b>	<b>124,067,382</b>

**14. Other Grants and transfers Actual expenditure**

	<b>2024/2025</b>
	<b>Kshs</b>
Bursary – secondary schools	46,533,105
Bursary – tertiary institutions	7,045,400
Bursary – special schools	844,524
Bursary - Education Support programmes	-
Social Security programmes (SHIF)	-
Security projects Actual expenditure	17,069,685
Climate change mitigation projects	-
Emergency projects Actual expenditure	2,607,841
Roads projects Actual expenditure	-
Others specify	-
<b>Total</b>	<b>74,100,555</b>

**15. Depreciation and Amortization Expenses**

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

**16. Digital Hubs Expenses**

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

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17. Gain/loss on Sale of Assets

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

18. Impairment Loss

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

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024/2025	Opening Statement 1 <sup>st</sup> July 2024
	Kshs	Kshs
<b>Bank Accounts (Cash Book Bank Balance)</b>		
<i>Equity Bank Bondo, A/C0750292613226. (Operations account)</i>	59,904,328	64,050,914
<i>Operations account pending closure (Indicate name &amp; account no.)</i>	-	-
<i>Equity Bank Bondo, A/C 0750292613226. (Deposit account)</i>	1,137,518	148,000
<i>Equity Bank Bondo, Co-operative bank Bondo (PMC accounts)</i>	57,754,424	89,901,460
<b>Total</b>	<b>118,796,270</b>	<b>154,100,374</b>
<b>Cash Balances</b>		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
<b>Total</b>	-	-

## 20. Receivables from Exchange Transactions

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

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

### i. Ageing Analysis for Receivables

Description	2024/2025		Opening Statement 1 <sup>st</sup> 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	-	%	-	%
<b>Total (a+b)</b>	-		-	%

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**21. Receivables from Non-Exchange Transactions**

Description	Insert Current FY		Opening Statement 1 <sup>st</sup> July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	32,414,052		19,900,000	
Outstanding imprest	-		-	
<b>Total</b>	<b>32,414,052</b>		<b>19,900,000</b>	
<b>Ageing Analysis- Receivables from non-exchange transactions</b>	<b>2024/2025</b>	<b>% of the total</b>	<b>Opening Balance</b>	<b>% of the total</b>
Less than 1 year	32,414,052	100%	19,900,000	100%
Between 1- 2 years		0%	-	0%
Between 2-3 years	-	0%	-	0%
Over 3 years	-	0%	-	0%
<b>Total (a+b)</b>	<b>32,414,052</b>	<b>100%</b>	<b>19,900,000</b>	<b>100%</b>

**22. Prepayments**

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

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**23. Property, Plant and Equipment**

	Land	Buildings	Motor vehicles	Furniture and fittings	Computers & ICT Equipment	Other Assets (specify)	Capital Work in progress	Total
Depreciation Rate(specify)		2%	25%	12.5%	30%	x%		
Cost	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Opening Bal as 1 <sup>st</sup> July 2024	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transfer/Adjustments	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-	-	-
<b>Depreciation And Impairment</b>								
Opening Depreciation		-	-	-	-	-		-
Depreciation	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Impairment	-	-	-	-	-	-	-	-
Transfer/Adjustment	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>		-	-	-	-	-	-	-
<b>Net Book Values</b>								
Opening Bal as at 1 <sup>st</sup> July 2024	-	-	-	-	-	-	-	-
<b>As At 30<sup>th</sup> June 2025</b>	-	-	-	-	-	-	-	-

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**Valuation**

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

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

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

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

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

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

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**24. Intangible Assets**

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

**25. Right-of use assets**

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

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**26. Trade and Other Payables**

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

**27. Third-Party deposits**

	2024/2025	2023/2024
	KShs	KShs
Retention as at 1 <sup>st</sup> July (A)	-	-
Retention held during the year (B)	13,614,128	-
Retention paid during the Year (C)	10,628,433	-
<b>Closing Retention as at 30<sup>th</sup> June D= A+B-C</b>	<b>2,985,695</b>	<b>-</b>

**Retentions aging analysis.**

	2024/2024	% of the total	2023/2024	% of the total
Less than 1 year	<b>2,985,695</b>	100%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
<b>Total</b>	<b>2,985,695</b>		<b>-</b>	

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

**28. Lease Liabilities**

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

**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	2024/2025	2023/2024
	Kshs	Kshs
Gratuity at the beginning of the year 1 <sup>st</sup> of July	1,528,268	857,900
Gratuity held during the year	915,900	670,368
Gratuity paid during the year	1,306,650	-
<b>Total Gratuity Provision 30th June (A+B-C)</b>	<b>1,137,518.</b>	<b>1,528,268</b>

### 30. Cash Generated from Operations

	<b>2024/2025</b>
	<b>Kshs</b>
<b>Surplus/Deficit for the year</b>	Kshs
<b>Adjusted for:</b>	<b>(25,384,997)</b>
Depreciation	
Impairment	-
Gains and losses on disposal of assets	-
	-
<b>Working capital adjustments</b>	-
Increase/decrease in receivables	12,514,052
	-
Increase/decrease in payables	(2,985,695)
<b>Net cash flow from operating activities</b>	<b>(35,304,104)</b>

### 31. Financial Risk Management

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

**i) Credit risk**

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

**Financial Risk Management**

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

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	32,414,052	32,414,052	-	-
Bank balances	59,904,328	59,904,328	-	-
<b>Total</b>	<b>92,318,380</b>	<b>92,318,380</b>	-	-
<b>As at 30 June 2024</b>				
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	19,900,000	19,900,000	-	-
Bank balances	64,050,914	64,050,914	-	-
<b>Total</b>	<b>83,950,914</b>	<b>83,950,914</b>	-	-

## **Financial Risk Management**

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Entity has recognised in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Entity has significant concentration of credit risk on amounts due from 0. The board of directors sets the Entity's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

### **ii) Liquidity risk management**

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

Description	Less than 1 month	Between 1-3 months	Over 5 months	Total
	Kshs	Kshs	Kshs	Kshs
<b>As at 30<sup>th</sup> June 2025</b>				
Trade payables	-	-	-	-
Current poportion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	-	-
<b>Total</b>	-	-	-	-
<b>As at 30<sup>th</sup> June 2025</b>				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-

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

**iii) Market risk**

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

**a) Foreign currency risk**

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

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**2024/2025**

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

**Foreign currency sensitivity analysis**

**2024/2025**

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

## **Financial Risk Management**

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

Description	Change in currency rate	Effect on Profit before tax	Effect on Equity/Net assets
	Kshs	Kshs	Kshs
<b>2024/2025</b>			
Euro	NA	-	-
USD	NA	-	-
<b>Previous FY</b>	NA		
Euro	NA	-	-
USD	NA	-	-

### **b) Interest rate risk**

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

#### **Management of interest rate risk**

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

#### **Sensitivity analysis**

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

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percentage point as a decrease/increase of Kshs 0 (Current FY: Kshs 0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 0 (2024/2025 – Kshs 0)

**Fair value of financial assets and liabilities**

**a) Financial instruments measured at fair value.**

**Determination of fair value and fair values hierarchy**

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

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

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
<b>As at 30 June (2025)</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	-	-	-	-
<b>Non- Financial Assets</b>				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
<b>Total</b>	-	-	-	-

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<b>As at 30<sup>th</sup> June (2024)</b>				
<b>Financial Assets</b>				
Quoted Equity Investments	-	-	-	-
<b>Non- Financial Assets</b>				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
<b>Total</b>	-	-	-	-

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	Opening Statement 1 <sup>st</sup> July 2025
	Kshs	Kshs
Revaluation Reserve	147,087,109	172,472,106
Retained Earnings	-	-
Capital Reserve	-	-
<b>Total Funds</b>	-	-
Total Borrowings	-	-
Less: Cash and Bank Balances	118,796,270	154,100,374
Net Debt/(Excess Cash And Cash Equivalents)	-	-
<b>Gearing</b>	-	-

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### 32. Related Party Disclosures

	<i>2024/2025</i>	<i>Opening Statement 1<sup>st</sup> July 2024</i>
	<b>Kshs</b>	<b>Kshs</b>
<b>Committee Members Remuneration</b>		
Sitting allowance of committee Members during the year	718,000	471,500
<b>Transaction with the NGCDF Board</b>		
Transfers from the NGCDF Board during the year	175,900,000	236,883,308
<b>Total</b>	<b>175,900,000</b>	<b>236,883,308</b>

### 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

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

**Contingent Liabilities**

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

**35. Capital Commitments**

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

**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 Bondo 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.

18. Annexes

**Annex 1: Summary of Asset Register**

<b>Asset class</b>	<b>Historical Cost/valuation cost balance brought forward (Kshs)</b>	<b>Additions during the year (Kshs)</b>	<b>Disposals during the year (Kshs)</b>	<b>Historical Cost (Kshs) At Year End</b>
Land	-	-	-	-
Buildings and structures	5,800,000	-	-	5,800,000
Transport equipment	8,203,500	-	-	8,203,500
Office equipment, furniture, and fittings	763,507	-	-	763,507
ICT Equipment and Other ICT Assets	423,385	-	-	423,385
Other Machinery and Equipment	-	-	-	-
Intangible assets	-	-	-	-
<b>Total</b>	<b>15,190,392</b>	<b>-</b>	<b>-</b>	<b>15,190,392</b>

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**Annex 2 –PMC Bank Balances As At 30<sup>th</sup> June 2025**

<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
OKOLA PRIMARY	Equity	750285403319	293	3,000,000
KAMNARA PRIMARY	Equity	750285403463	10,621	1,500,000
WARINGA PRIMARY	Equity	750285406602	688	1,500,000
KAPIYO PRIMARY	Equity	750285406632	901	1,500,000
USIRE PRIMARY	Equity	750285407998	150,006	1,500,000
AGWARA PRIMARY	Equity	750285408241	2,825	1,500,000
GOT KACHIENG PRIMARY	Equity	750285417638	1,280	1,500,000
CHAMAGAHA PRIMARY	Equity	750285423122	3,203	3,000,000
ULANDA PRIMARY	Equity	750285428051	221	1,500,000
UHENDO PRIMARY	Equity	750285436521	56,620	820,650
SIAGE PRIMARY	Equity	750285463607	652	1,500,000
BUR-YIRO PRIMARY	Equity	750285493743	10,740	3,000,000
RAGAK PRIMARY	Equity	750285499578	1,080,425	870,650
ALARA PRIMARY	Equity	750285521985	22,489	1,500,000

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
SANGWE PRIMARY	Equity	750285522311	94,042	1,500,000
GOT RAMOGI PRIMARY	Equity	750262193570	1,226,896	1,120,718
RAPOGI PRIMARY SCHOOL	Equity	750277911646	228,556	1,500,209
JUSA PRIMARY	Equity	750292958453	139,256	3,600,000
MAGO PRIMARY	Equity	750299930570	1,287,200	5,470,649
GOT MATAR PRIMARY	Equity	750292814739	2,261	1,500,000
MAJENGO PRIMARY	Equity	750293212232	520	520
ST PAULS OGOYA PRIMARY	Equity	750284406592	97,999	97,999
MAHANGA PRIMARY	Equity	750295264140	469	469
ULOWA PRIMARY	Equity	750297986678	1	1
MIGIRO PRIMARY	Equity	750298079738	741	741
KEYO KODINDO PRIMARY	Equity	750299761670	4,140	4,140
OBEDI PRIMARY	Equity	750299776518	663	663
DUNYA PRIMARY	Equity	750292728954	1,588	1,588
NYAKASUMBI PRIMARY	Equity	750292745022	351	351
GOMBE PRIMARY	Equity	750292759522	1,110	239,670

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
GUNDA SIGOMRE PRIMARY	Equity	750282028391	549	549
MAGOMBE PRIMARY	Equity	750281210044	309	309
NDIWO PRIMARY	Equity	750281056629	29	29
BARKOWINO PRIMARY	Equity	750280942322	992	992
BAR AWENDO PRIMARY	Equity	750280807053	1,201,271	1,271
MAGETA PRIMARY	Equity	750280807062	469	469
ODAO PRIMARY	Equity	750280807084	830	830
MAGAK PRIMARY	Equity	750280807097	830	830
NGERA PRIMARY	Equity	750280819839	296	296
KAMBAJO PRIMARY	Equity	750280819844	723	723
ATILILI PRIMARY	Equity	750280197434	698	698
SINAPANGA PRIMARY	Equity	750280204265	51,016	(49)
GOBEI PRIMARY	Equity	750279666274	130	130
NYAWITA PRIMARY	Equity	750278718023	778	778
SINYANYA PRIMARY	Equity	750277981060	70,572	70,572
OIKO PRIMARY	Equity	750262211438	796	796

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
OYAMO ISILAND PRIMARY	Equity	750262259530	64	64
KANYIBOK PRIMARY SCHOOL	Equity	750261494655	44,004	144,004
MITUNDU PRIMARY SCHOOL	Equity	750261784937	592	592
BONDO TOWNSHIP PRIMARY	Equity	750279281397	13,634,638	200,994
ULOWA PRIMARY	Equity	750297986678	279,178	4,500,001
ST. THOMAS AQUINAS BAR MUOFU PRIMAR	Equity	750286460097	1,000,000	-
NYANGOMA MIXED PRIMARY	Equity	750286500236	1,716,751	-
ABOM PRIMARY SCHOOL	Equity	750286488914	3,000,000	-
WAMBASA PRIMARY	Equity		1,429,003	-
USENGE PRIMARY	Equity		147,329	-
ORENGO PRIMARY	Equity		51,069	-
BAR AWENDO PRIMARY	Co-op		1,000	1,000
CHUNGA PRIMARY	Co-op		676	676
ODAO PRIMARY	Co-op		535	535
MIGIRO PRIMARY	Co-op		7,115	7,115
KANYIBOK SECONDARY SCHOOL	Equity	750280839101	49,826	4,350,500

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
USIRE SECONDARY SCHOOL	Equity	750285478547	2,006	4,000,000
SERAWONGO SEC SCHOOL	Equity	750262197539	353,019	650,031
WAMBASA GIRLS SEC SCHOOL	Equity	750285512795	554,885	8,793,233
MITIRO SECONDARY SCHOOL	Equity	750285406772	1,002	4,500,000
JUSA MIXED SECONDARY	Equity	750293923829	8,501,293	315,293
GOT MATAR SECONDARY	Equity	750294369441	1,155	1,155
NYAWITA SECONDARY	Equity	750299784053	363	363
USENGE HIGH	Equity	750285099636	64,655	164,655
MARANYONA SECONDARY	Equity	750285232512	1,315	1,315
KAPIYO SECONDARY	Equity	750282520011	16	16
MAJENGO MIXED SEC	Equity	750280206246	520	520
BARKANYANGO SECONDARY	Equity	750278848049	3,301	3,301
NYABENGE SECONDARY	Equity	750278922587	576	299,576
ORENGO SECONDARY	Equity	750278948993	608	608
NYAWITA SECONDARY	Equity	750278963033	14	14
ULOWA GIRLS SECONDARY	Equity	750279293353	494,380	494,380

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
JOAKIM OWANG MAGETA SEC	Equity	750277985019	8,000,953	953
ST. LUKEA WAMBARRA SECONDARY	Co-op	750278546690	651,708	651,708
BAR CHANDO GIRLS	Co-op		789,047	789,047
UYAWI SECONDARY	Co-op		4,156	4,156
USENGE HIGH	Equity		85,656	85,656
BAR KOWINO SEC SCHOOL	Equity		581	581
JOAKIM OWANG MAGETA SEC	Co-op		347	347
WAMBASA GIRLS SEC SCHOOL	Equity		662	662
BARKANYANGO SECONDARY	Co-op		227,349	227,349
NYANGOMA SEC SCHOOL	Co-op		5,016	5,016
GOT AGULU SEC SCHOOL	Co-op		50,344	50,344
BONDO TTC	Equity		311,446	15,000,478
OUYA ASSISTANT CHIEF	Equity		1,723	1,500,000
BONDO DCIO	Equity	0750285407914	1,065	1,350,000
BONDO OCS	Equity	750285532500	215	1,350,000
NANGO POLICE STATION	Equity	750285533675	1,246	784,821

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<b>PMC</b>	<b>Bank</b>	<b>Account number</b>	<b>Bank Balance 2024/2025</b>	<b>Bank Balance 2023/2024</b>
CENTRAL YIMBO CHIEF CAMP	Equity	750283055386	524	524
USIGU DIV HQ	Equity	750281078010	518	518
USENGE POLICE STATION	Equity	750281210038	458	458
BONDO DCC	Equity	750280940834	618	618
BONDO POLICE STATION	Equity	750280183705	1,791	1,791
WAMBASA LAW COURTS	Equity	750280183712	356,580	356,580
NDIRA AP POST	Equity	750280942566	1,178	1,178
KAPIYO POLICE POST	Equity	750281054216	361,268	
USIGU DIVSIONAL HQ AP PMC	Equity	750285419143	1,667,732	
GOT ABIERO SECONDARY	Equity	750286501067	135,514	496
USIGU DEPUTY COUNTY COMMISSIONER DIGITAL HUB	Equity	O750286500349	2,500,000	
KAMBAJO DIGITAL HUB		750286488923	5,498,800	
<b>Total</b>			<b>57,754,424</b>	<b>89,901,460</b>

**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)																
1.	<p><b>Inaccuracies in the financial Statements</b> The statement of receipts and payments reflects an amount of Kshs. 4,282,746 in respect of compensation of employees as disclosed in Note 4 to the financial statements. However, the expenditure amounts reflected in the financial statements differed from their respective supporting schedule as tabulated below:</p> <table border="1" data-bbox="293 948 1055 1337"> <thead> <tr> <th></th> <th>Financial statement kshs</th> <th>Ledger Kshs</th> <th>Variance Kshs</th> </tr> </thead> <tbody> <tr> <td>NG-CDFC Basic Staff Salaries</td> <td>3,419,771</td> <td>3,287,206</td> <td>132,565</td> </tr> <tr> <td>Gratuity contractual employees</td> <td>709,900</td> <td>857,900</td> <td>148,000</td> </tr> <tr> <td>Employer contributions compulsory housing levy</td> <td>17,835</td> <td>2400</td> <td>15,435</td> </tr> </tbody> </table> <p>The variances have not been explained or reconciled contrary to the National Treasury circular on guidelines</p>		Financial statement kshs	Ledger Kshs	Variance Kshs	NG-CDFC Basic Staff Salaries	3,419,771	3,287,206	132,565	Gratuity contractual employees	709,900	857,900	148,000	Employer contributions compulsory housing levy	17,835	2400	15,435	The management has taken note the concern of the audit team and hereby attaché the amended financial statement. See the attached.	Not resolved	
	Financial statement kshs	Ledger Kshs	Variance Kshs																	
NG-CDFC Basic Staff Salaries	3,419,771	3,287,206	132,565																	
Gratuity contractual employees	709,900	857,900	148,000																	
Employer contributions compulsory housing levy	17,835	2400	15,435																	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>on the year end closing procedures for financial year 2023/2024. In the circumstances, the accuracy of compensation of employees disclosed could not be confirmed.</p> <p>In the circumstances, the completeness and accuracy of the reported balances could not be confirmed.</p>			
2.	<p><b>Unsupported Environment Projects</b></p> <p>The statement of receipts and payments reflects an amount of kshs.63,749,750 relating to other grants and transfers as disclosed in Note 8 to the financial statements. Included in this amount is Kshs.3,439,203 in respect of environment projects. This amount further includes Kshs.3,100,000 disbursed to educational institutions. However, the payments were not supported with ledgers, payment vouchers, and requisite documents contrary to regulation 104(1) of the PFM (National Government) Regulation 2015 which provides that all receipts and payments vouchers of public moneys shall be properly supported by pre-numbered receipt and payment vouchers and shall be supported by appropriate authority and documentation.</p>	<p>The management wishes to say that all available and can be available anytime for audit verification.</p>	<p>Not resolved</p>	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	In the circumstances, the accuracy and regularity of expenditure amounting to Kshs. 3,100,000 could not be confirmed.			
3.	<p><b>Inaccurate Cash and Cash Equivalents</b></p> <p>The statement of assets and liabilities reflects a balance of kshs. 64,198,914 in respect of cash and cash equivalents. However, review of the bank reconciliation for the month of June, 2024 revealed payments in cash book not in bank amounting to Kshs.90,000 whose details on the dates when the payments were subsequently cleared in the bank were however, not provided. The stale cheques had not been reversed or replaced hence understanding the bank balance. In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs. 64,198.914 could not be confirmed.</p> <p>The audit was conducted in accordance with the ISSAIs. I am indepted of the National Government Constituencies Development Fund- Bondo Constituency Management in accordance with ISSAIs 130 on the code of ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical responsibilities applicable to performing audits of</p>	<p>The management has noted the concern of the audit team and hereby respond to the audit issue raised. Kindly refer to the financial statement page</p>	Not resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	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			
	<p><b>Budgetary Control and Performance</b> The statement of appropriation reflects final receipts budget of kshs.306,043,649 against actual receipts of Kshs. 286,143,649 resulting to an under funding of Kshs.19.900,000 or 17% of the budget. Similarly, the fund spent Kshs. 222,804,306 out of the approved budget of kshs 396,043,649 resulting to an under expenditure of Kshs, 83,239,343 or 27% of the approved budget. The under -expenditure may impact negatively on delivery of services to the intended recipients.</p> <p><b>Key audit Matters</b> 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 the matters described in the basis for qualified opinion sec, I have determined that there are no ther key audit matters to communicate n my report.</p>	The management has noted the concern of the audit team and already respond to the audit issue raised by the audit team		

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
1.	<p>1.Lack of Bank Reconciliation Statements for PMC Bank Balances</p> <p>Other important disclosures in note 19.4 to the financial statement reflects Project Management Committee (PMC) accounts balances amounting to kshs. 65,642,849 as disclosed and detailed in Annex 5 to the financial statements. However, bank reconciliation statements and other supporting documents such as cashbooks, bank statements and certificate of confirmation of bank balances were not provided for audit review contrary to regulation 90(1) of the Public Financial Management (National Government) Regulations, 2015 which requires that Accounting Officers to ensure bank accounts reconciliations are complete for each bank account held by thar Accounting Officer, every month.</p> <p>Further, returns from the the PMCs to the Constituency Committee were not provided for audit review hence , it was not confirmed whether the PMCs accounted for funds transferred to the respective accounts. This is contrary to Section 10 of the National Government Constituencies Development Fund Act, 2015 which requires projects management committees to keep proper books of accounts and make returns to the Constituency Committee on how the sum has been used.</p> <p>In the circumstances. Management was in breach of the law.</p>		Not resolved	
	<b>2.Unutilized Project Funds</b>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>The statement of receipts and payments reflects other grants and transfers amounting to Kshs. 63,749,750 and as disclosed in Note 8 to the financial statements. Review of ledgers, bank statements and payment vouchers revealed that the Fund transferred Kshs. 4,100,000 to various entities in respective projects. However, as at the time of the audit in November, 2024, the project activities had not started casting doubt on the ability of the Management to complete the pending activities.</p> <p>The under-absorption affected the planned activities of the constituency and may have impacted negatively on the service delivery to the public</p> <p><b>3 Incomplete Projects</b></p> <p>The statement of receipts and payments note 7 to the financial statement reflects transfers to Other Government units of Kshs. 143,583,175 which relate to constructions in primary and secondary schools. The following observations were made:</p> <p style="padding-left: 40px;"><b>i. Pending Completion of Construction of an Administration block at Got Agulu Secondary School</b></p> <p>The Management transferred Kshs. 3,500,000 for completion of phase one administration block at Got Agulu Secondary School as per the approved code list. The works as per the bill of quantities include roofing, tiling, portioning, doors and windows plumbing works. The project was awarded on 30<sup>th</sup> July, 2023 at contract sum of Kshs. 3,500,000 for a contract period of three (3) months. However, physical verification of</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p>the project in November 2024, revealed that handrail installation and internal plumbing works were pending.. Further, it was noted that the measuring bill of quantities was at variance with the actual measured works as per the final project report of 8 July, 2024 from the public works. In the circumstances, value for money on the transfers of Kshs.3,500,000 on the project could not be confirmed.</p> <p style="text-align: center;"><b>ii. Incomplete Library and Laboratory Block at Ulowa Girls Secondary School.</b></p> <p>The Management entered into a contract with a construction company at a contract sum of Kshs.3,000,000 for a period of three (3) months starting 19 July,2023. The works included construction to completion of laboratory for construction, worktops, installation of handrails, floor tilling, fixing of gutters, plumbing works, gas installation system line, electrical works and general painting works, Although the contractor had been fully paid, physical verification in November,2024 revealed that project remained incomplete with pending works including tilling of work tops, floor screeding and tilling, fixing internal doors, windows and doors grazing, electrical works, plumbing fittings and general painting. Further, final payments of 700,000 and Kshs. 600,000 were not supported with a certificate of payments from the Public works and not subjected to retention, withholding tax and VAT. In the circumstances, value for money on the expenditure incurred on the project could not be confirmed.</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	<p style="text-align: center;"><b>iii. Incomplete Library and Administration Block at Serawongo Secondary School</b></p> <p>Management transferred Kshs. 9,000,000 to Serawongo Secondary school for the completion of phase II of the administration block. The project was at a contract cost of Kshs. 6,995,960 effective 12 November 2023. The Physical verification of the project in November, 2024 revealed that the contractor was not on site and construction works had stalled. No explanation was provided for failure to adhere to the contract agreement.</p> <p>In the circumstances, the delayed completion of the project denied the public the benefits derived from the complete project.</p> <p style="text-align: center;"><b>iv. Incomplete Construction of 400-students capacity Dining Hall in Jusa Secondary</b></p> <p>Similarly, the management transferred Kshs. 9,000,000 to Jusa Secondary school for Construction of 400-students capacity dining hall, kitchen and four door pit latrine to completion. The project awarded to a firm on 7 September, 2023 at a cost of Kshs. 9,000,000. The physical inspection of the works in the month of November, 2024. However, revealed that the contractor had abandoned the site, while the construction dining hall was incomplete. Further, examination of payment records revealed that the management committee minutes and interim certificates issued by Public Works indicating value of work.</p>			

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	In the circumstances, stakeholders may not obtain value for money for the resources already spent on the project and objectives of the Project may not be achieved.			

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Name: Jacinta Mitambo  
Fund Account Manager.