

REPUBLIC OF KENYA



REPORT

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ON

**NATIONAL GOVERNMENT
CONSTITUENCIES DEVELOPMENT
FUND – EMBAKASI SOUTH
CONSTITUENCY**

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

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NATIONAL GOVERNMENT CONSTITUENCIES DEVELOPMENT FUND

EMBAKASI SOUTH NG CDF CONSTITUENCY

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE FINANCIAL YEAR ENDED
30th JUNE 2025**

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

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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
NCSA	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 Embakasi South.

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;

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- 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 Embakasi South NG CDF Constituency's day-to-day management is under the following key organs:

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

Fiduciary Management

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

No.	Designation	Name
1.	AIE holder	Job Ngwili Tuta
2.	National Sub-County Accountant	Justus Mutua
3.	Chairman NGCDFC	Dancan Nduva Mulwa
4.	Member NGCDFC	Sabina Wanjohi
5.	Member NG CDFC	Urbanus Mwikya

(c) Fiduciary Oversight Arrangements

The Audit Committee of the NGCDF Board provides overall fiduciary oversight on the activities of the NGCDF Embakasi South NG CDF 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 Embakasi South NG CDF Constituency Headquarter

P.O BOX 1253-00621
D,C,C Office-Imara Daima
Off Mombasa road
Nairobi, KENYA.

(e) NGCDF Embakasi South NG CDF Constituency Contacts

P.O. Box 1253 -00621
Telephone: (254) 721617053
E-mail: cdfembakasisouthngcdf.go.ke
Website: www.embakasisouth.go.ke

(f) NGCDF Embakasi South NG CDF Constituency Bankers

1. Equity Bank -Operations Account).
Branch: Embakasi
Account Name:132026
Account Number: 1320261985991
Address: 75104, Nairobi
2. Equity bank. (Deposit account).
Branch: Embakasi
Account Name: Embakasi South NG CDFNG CDF Deposit
Account Number:1320286393028
Address: 75104, Nairobi
3. (PMC Accounts)
Equity Bank
Branch :Embakasi
P.O. Box 75104-00200

(g) Independent Auditor



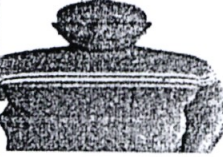


Auditor General
Office of the Auditor General
Anniversary Towers, University Way
P.O. Box 30084
GPO 00100
Nairobi, Kenya

(h) Principal Legal Adviser





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

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3. NGCDF Committee

Name	Details
 Dancan Mulwa.	Mr Dancan Mulwa is the Embakasi South NG CDFNG CDF chairman. Year of birth:1977 Education:He hold a Kenya certificate of secondary education. Occupation: Business man.
 Cellin Apondi	Madam Cellin Apondi hold a Kenya certificate of secondary education. Year of birth:1986 Occupation: Business woman.
 Urbanus mwikya	Mr Urbanus mwikya hold a Cerficate in finance. Year of birth:1985 Occupation:Business man.
 Januaries Kyalo	Mr. Januaries Kyalo Education, Kenya certificate of secondary education. Year of birth:1982 Occupation: Business man.
 Ibrahim Oriango	Mr Ibrahim Oriango Education: Kenya certificate of secondary education Year of birth:1988 Occupation. He is a Business man.

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 Sabina Wanjohi Year of birth	Madam Sabina Wanjohi- is NG CDF Embakasi South NG CDF secretary Year of birth:1989 Education: Kenya certificate of secondary education. Occupation: Business lady
 Linet Mandete	Madam Linet Mandete Education: Kenya certificate of secondary education. Year of birth:1971 Occupation:He is a Business lady
 Eric Mulevu	Mr Eric mulevu Education:..Hold Masters in international relations, Bachelors degree in Government and public administration. Occupation: District County Commissioner Embakasi South NG CDF district
 Job Tuta	Mr Job Tuta- The Fund account manager Education: hold CPA IV. Bechelors degree in Arts. Year of birth:1983

4. NG-CDFC Chairman's Report

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Dancan Mulwa-
Embakasi South NG CDFNG CDF chairman.

As the Chairperson of the Embakasi South NG CDF National Government Constituencies Development Fund (NGCDF) Committee, I am pleased to present the financial report for FY 2024/2025. This report outlines the allocation, utilization, achievements, and audit outcomes for the year under review.

As NGCDF Committee we have strived to strengthen procurement oversight, enforce stringent financial controls, and actively involve our community members at every stage from identifying projects to monitoring implementation and sustaining outcomes. Our aim is also to maximize the impact of every allocated shilling, ensuring tangible improvements in education, through bursary for post primary and secondary levels and primary school infrastructure and security infrastructure.

Embakasi South NG CDFNG-CDF 2024/2025 Financial Year's approved allocation was Ksh. 179,441,945.47 which was a decrease in FY 2023/2024 allocation of Ksh. 239,172,922. The board had approved the total allocation to the constituency the 30th June 2025. However, only Ksh. 238,166,770.00 had been received of the total receivable for the financial year under review. Additionally, all the undisbursed funds for the financial year 2023/2024 had been sent by the end of the financial year 2024/2025.

Table 1.1 Showing allocation and disbursement comparison

Financial Year	Allocation	Disbursement Within the year
2023/2024	239,172,922	192,986,228
2024/2025	179,441,945	238,166,770
Increases/Decrease	(59,730,977)	45,180,542

KEY ACHIEVEMENTS

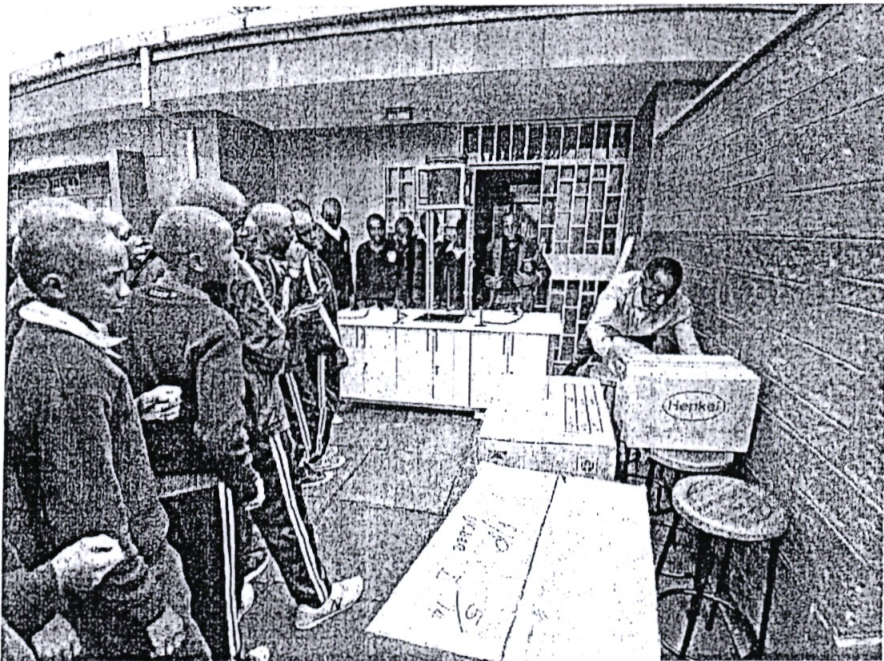
In the financial year just ended the Embakasi South NG CDFNG-CDF has made some major achievements in terms of development projects. Various notable projects are ongoing i and will be soon completed and commissioned. They include;

- Completed 6 No .classrooms Imara secondary school
- Construction of library in Reuben primary school.
- Construction of stadium in Kware primary school
- Issued JSS laboratory equipment to various school
- Purchased and supplied desks to schools across the constituency

Once complete the benefits in the respective schools will be immense giving the learners a conducive environment for learning.

MUKURU COMMUNITY CENTRE PRIMARY SCHOOL.

The school is received laboratory equipment. This has enhanced learning in the school especially in innovation and renovation.

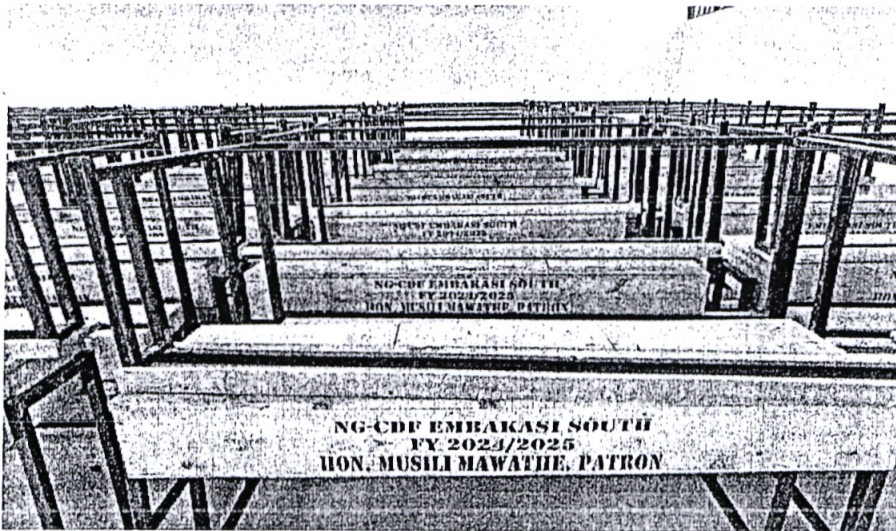


Mukuru Community Centre JSS receiving there laboratory equipment

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GATOTO PRIMARY SCHOOL.

Gatoto primary school is a new school formally a private school. Due to change to public school, it received a lot of admission and receiving desks then improved the learning condition of learners



Desks delivered in Gatoto primary school.

IMARA SECONDARY SECONDARY SCHOOL

6 No f, classrooms Imara secondary school. The school is a new school .once its complete, it will de congest other public school in the region.



Imara secondary school under construction.

C) EMERGING ISSUES


- Shortage of land to implement new projects such as ICT hub.
- High level of unemployment's leading to high dependence levels, the government should consider increasing the NG CDF kitty to gap the unemployment.
- The continuous state of campaign moods causing uncertainty.

D) IMPLEMENTATION CHALLENGES

- Some project may require along span of implementation creating difference between initial budget and the actual cost during implementation
- Limited fund against competing needs from different institutions
- High number of vulnerable populations
- Poor record keeping in the project management committees.

SOLUTION

- NG-CDF board need to be flexible in fund disbursements for the project's implementation considering project with longer lifespan
- Public participation in project implementation be conducted regularly
- Collaboration with other government institutions where possible.
- The project management committee need to be scaled up in workshops and capacity building programmes to mitigate the above challenge.



.....
Name: Dancan Mulwa
Chairman NGCDF Committee

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

Introduction

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

The key development objectives of the *NGCDF Embakasi South NG CDF Constituency 2024-2025* plan are to:

1. Improve infrastructure in all public schools in the constituency
2. Conserve the environment in Embakasi South NG CDF constituency.
3. Improve infrastructure in the security sector in the constituency
4. Ensure not a single student in the constituency misses school due to lack of fees
5. Enhance sporting activities in the constituency to support the youth
6. Improve/strengthen monitoring and evaluation of NGCDF projects, enhance public participation in NGCDF activities and leverage information and technology

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	<i>To have all children of school going age attending school</i>	<i>Increased enrolment in primary schools and improved transition to secondary schools and tertiary institutions</i>	<i>number of usable physical infrastructure build in primary, secondary, and tertiary institutions</i> <i>number of bursary's</i>	<i>In FY 2024/25 -we increased number of classrooms in Kware secondary school. Imara secondary school and kware primary school. - Bursary beneficiaries in all 5 wards was approximately 12,000 were as per the attached schedules</i>

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			<i>beneficiaries at all levels</i>	<i>Schools received laboratory equipments in Reuben secondary school and desks in Gatoto primary school.</i>
Emergency		Rapid responses to emergencies and disasters	No of emergence incidence supported	In the F/Y 2024/2025 emergency in various schools and assistnt county commissioners office
Others (Specify)				

6. Governance Statement

National Government Constituency Development Fund Committee

- (1) There is established a National Government Constituency Development Fund Committee for every constituency.
- (2) Each 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 persons 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 subsection (2)(b), (c), (d) and (e) shall be selected in such manner and shall have such qualifications as the Board may, by Regulations, prescribe.
- (4) The names of the persons selected under subsection (3) shall be submitted by the Board to the National Assembly for approval before appointment and gazettelement by the Board.
- (5) The Regulations made under subsection (3) shall be submitted to the National Assembly for approval before publication by the Board.
- (6) The first meeting of the Constituency Committee shall be convened within one hundred and twenty days of the commencement of a new term of Parliament or the date of the holding

of a by-election, by the national government official at the constituency or in his or her absence, by an officer of the Board seconded to the constituency.

(7) The quorum of the Constituency Committee shall be one half of the total membership.

(8) The term of office of the members 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.

(9) The Fund account manager seconded by the Board to the constituency shall be the custodian of all records and equipment of the constituency during the term of Parliament and during transitions occasioned by general elections or a by-election.

(10) Whenever a vacancy occurs in the Constituency Committee by reason of resignation, incapacitation or demise of a member the vacancy shall be filled from the same category of persons where the vacancy has occurred within a period of one hundred and twenty days.

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

(12) A member of the NG-CDF Committee may be removed from office on any one or more of the following grounds—

- (a) lack of integrity;
- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) Promoting unethical practices;
- (f) Causing disharmony within the committee.
- (g) Physical or mental infirmity.

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

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(14) A vacancy arising as a result of the removal of a member under subsection (13) shall be filled in the manner set out in subsection (10) and minutes of the meeting shall indicate the fact of the removal or appointment of a member.

The functions of a Constituency NG-CDF Committee shall be to –

- 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;
- k) 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;

- l) (l) ensure that projects proposed for funding fulfil the requirements provided in the Act and relevant circulars issued by the Board;
- m) Monitor the implementation of projects in accordance with the monitoring and evaluation framework prescribed by the Board;
- n) Ensure that project reports are prepared and submitted to the Board;
- o) Ensure formation of project management committees, opening of project accounts, project implementation and closure of projects;
- p) Ensure that the principles of public finance as provided for under Chapter Twelve of the Constitution and the Public Finance Management legislation are observed in the management of the Fund;
- q) Submit financial statements to the Board within sixty days of the end of the financial year to enable the Board comply with section 39(4) of the Act;
- r) Collaborate with the officer of the Board seconded to the Constituency in the management of the Fund, including the keeping of proper records and maintenance of books of account in accordance with section 38(b) of the Act;
- s) Recommend to the Board the removal of a committee member in accordance with section 43(13) and (14) of the Act;
- t) Submit to the Board the report stipulated in section 5(5) of the Act, which report shall contain-
 - i) A list of all the new projects commenced during the financial year and their completion status; and
 - ii) A list of all projects approved, funded and commenced during previous financial years, and their completion status;
- u) Enter into performance contracting with the Board on an annual basis;
- v) In exercising its discretion under section 32 of the Act, be guided by the principles of governance enshrined in Article 10 of the Constitution;
- w) Receive returns from project management committees in accordance with regulation 15;

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- x) Maintain a database of project management committees and reports from the respective committees;
- y) Ensure that the reports referred to in paragraph (x) are received before funding is released for each phase of the project being implemented;
- z) Record the names of all the signatories of the accounts of a project management committee as communicated to a Constituency Committee by the project management committee upon assumption of office;
- aa) Receive and address all complaints concerning the implementation of projects and collectively respond to audit queries concerning the Fund at the Constituency level;
- bb) Ensure that the committee does not enter into commitments for which funding has not been allocated;
- cc) Ensure projects are labelled in accordance with the guidelines issued by the Board; and
- dd) Perform any other function assigned to it by the Board.

Embakasi South NG CDFNG-CDF committee members are as follows Gazetted under the Kenya Gazette Number **Vol. CXXVII—No. 98**

S/N	Name	Category representation	Ward
1.	Duncan Mulwa	Male (Adult)	Kwa Njenga
2.	Benjamin Wafula	Male (Youth)	Kwa Njenga
3.	Linnet Mandete	Female (Adult)	pipeline
4.	Sabina Wanjohi	Female (Youth)	Imara daima
5.	Urbanus Mwikya	Male representative	Kwa Reuben
6.	Cellin Apondi	Female Representative	Kware
7.	Ibrahim Oriango	Member representing PWD	KWA REUBEN
8.	Januaris Kyalo	Male representative	Kwa njenga
9.	Eric Mulevu	DCC	
10	Job Ngwili Tuta	F.A.M	

The members went through the process electing the chairperson and the secretary of the committee. The following member were elected.

1. Chairperson position – Duncan Mulwa
2. Secretary position – Sabina Wanjohi

The board presented the names of the above selected members to the national assembly for approval. The members were approved and gazetted through gazette number 98 Vol. CXXVII—on 21ST May 2025.

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

Roles and functions of NG-CDFC

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

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

ix. Enter into performance contracting with the Board on an annual basis.

Removal of NG-CDFC Members

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

- (a) lack of integrity;
- (b) gross misconduct;
- (c) embezzlement of public funds;
- (d) bringing the committee into disrepute through unbecoming personal public conduct;
- (e) promoting unethical practises;
- (f) causing disharmony within the committee;
- (g) physical or mental infirmity.

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

Induction, and training of NG-CDFC Members

Considering the late gazettment of constituency committees, induction could not be achieved within the Financial Year under review. However, capacity building was done in July 2024 and June 2025 for the NG-CDFC staff.

Number of meetings held

According to the NGCDF Act 2015 amended in 2022, the NGCDF Committee is required to hold a maximum of 24 meetings in a year including any subcommittee meetings. The Constituency Committee shall meet at least six times in a year but the committee shall not hold more than twenty-four meetings in the same financial year, including sub-committee meetings. During the financial year 2022/2023 the NGCDFC Embakasi South NG CDF held 14 meetings and two subcommittee meetings.

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S/N O.	NG- CDFC COMMIT TEE MEMBER s	July		August		Sept		dec		January		Feb		Mar		April		May		June		JUNE	
		3rd 2024	10th 2024	8th 2024	2nd 2024	10th 2024	3rd 2026	19th 2025	27th 2025	7th 2025	3rd 2025	14th 2025	2nd 2025	9th 2025	26th 2025								
1	Duncan Mulwa chairman	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
2	Sabina wanjohi Secretary	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
3	Ibrahim Oriango	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
4	Urbanus Mwikya	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
5	Cellin Apondi	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6	Januaris Kyalo	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
7	Benjamin Wafula	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
8	Linet Madete	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
9	Job Tuta F.A.M	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
10	Eric mulevu DCC	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Ethics & conduct

Members of NG-CDFC are required to observe the following ethical issues;

- i. Confidentiality-the NG-CDFC members have a responsibility to ensure confidentiality unless in situations required by law.
- ii. Honesty and integrity-NG-CDFC 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.
- iii. Leadership- NG-CDFC members should promote leadership in the constituency.

During the financial year 2023/2024 members of NG-CDFC Embakasi South NG CDF adhered to the above ethical issues.

Members remuneration

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

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

Disclose policy on conflict of interest

A member who has an interest in any contract, or other matter present at a meeting shall at the meeting and as soon as reasonably practicable after the commencement, disclose the fact thereof and shall not take part in the consideration or discussion of, or vote on, any questions with respect to the contract or other matter, or be counted in the quorum of the meeting during consideration of the matter. A disclosure of interest made shall be recorded in the minutes of the meeting at which it is made. In the financial year 2023/2024 no member of NG-CDFC Embakasi South NG CDF contravened conflict of interest policy.

Risk management

Risk management has been integrated in the constituency operations through the following; training of the NG-CDF staff in their respective technical areas of service to ensure they carry out their roles efficiently, training of the NG-CDFCs and the PMCs to equip them with additional knowledge to carry out their duties efficiently within their mandates and regulations, the Fund account manager avails himself with all the support and required resources to ensure that the identified risk does not hamper with the delivery of service.

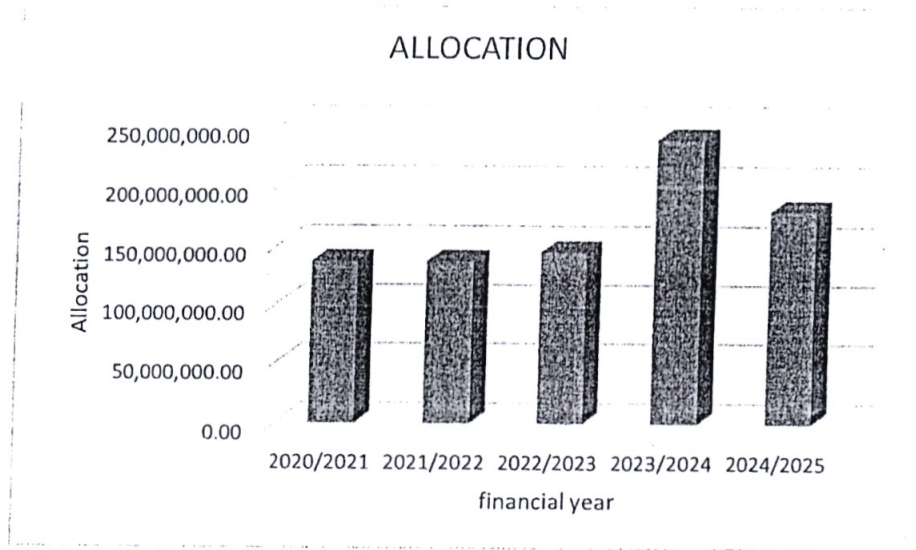
Some of the risk mitigation strategies that NG-CDFC Embakasi South NG CDF has implemented include the following: Implementing audit findings and recommendations, adherence and compliance with NG-CDF act 2015 and other laws and regulations to ensure an effective and efficient control system, ensuring that NG-CDFC members are actively engaged in the projects implementations and overall fund utilization in the constituency, ensuring that the staff responsible for statutory deductions are well aware of the due dates of remittance, allocating insurance fund in the constituency budget, preparation of procurement plan, budget and Monitoring & evaluation plan for the financial year. Conducting public participation within the prescribed time lines to ensure the constituents are involved in project identification.

7. Management Discussion and Analysis

Overview

The Embakasi South NG CDFNG-CDF has steadily enhanced access to quality education, strengthened security infrastructure and expanded critical public services over the past five years through targeted and equitable resource allocation. The total allocation over the five years (FY 2020/21-2024/25) was 774,206,625.78 KES, distributed as follows:

S/NO	FINANCIAL YEAR	ALLOCATION
1	2020/2021	137,088,879.31
2	2021/2022	137,088,879.00
3	2022/2023	145,087,603.00
4	2023/2024	239,172,921.65
5	2024/2025	179,441,954.47
TOTAL		837,880,237.43



Annual Embakasi South NG CDF 5 years allocation trend.

There has been steady growth in annual allocations with a significant increase in FY 2023/2024 where Embakasi South NG CDFNG-CDF received a supplementary budget allocation of 58,823,529.00.

Key Projects Implemented

a. Education Sector

About 75% of total funds went into the education sector for Primary and secondary schools mainly; facelifting of primary and secondary schools, improving infrastructure and enhancing security of these learning institutions with a focus on:

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- Construction of classrooms.
- Construction of school perimeter walls e.g., Reuben secondary school.
- Supply of furniture to enhance conducive learning environments.

b. Security and Administration

Over 3 million KES was spent on security-related infrastructure. Significant improvement was made to support local law enforcement and administration:

- Renovation of ACC Imara daima office.

c. Bursary Awards

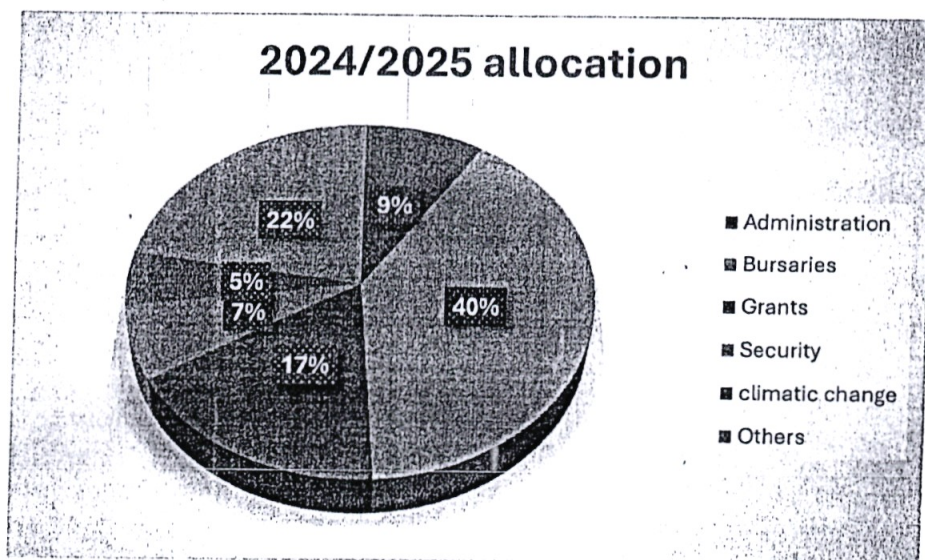
Embakasi South NG CDFNG-CDF has consistently disbursed bursaries to needy students across both secondary and tertiary levels. Bursary issuance remains a key pillar annually, supporting:

- Orphans and vulnerable students.
- Students from low-income households.
- Learners with special needs.

Financial Performance Summary

The expenditure Distribution by Sector (%) was as follows:

- Education -79%
- Security -7%
- Administration - 9%
- Others (Emergency and climatic change mitigation projects) - 5%



Statutory Compliance and Governance

The Fund remains compliant with the National Government Constituencies Development Fund Act, Public Finance Management Act, and relevant procurement laws. All projects were implemented in adherence to PPRA regulations, environmental standards, and inclusive community participation.

Embakasi South NG CDFNG-CDF has complied with all key statutory obligations, including:

- Annual audits by the Auditor General - All projects have undergone an audit by the Auditor General.
- Adherence to procurement laws and public participation – NG-CDF Embakasi South NG CDF complies with the PPRA Act and community oversight.
- Timely bursary and project disbursement reports – Adherence to the bursary policy.
- Environmental assessments where applicable (e.g., for construction projects) - Construction includes eco-friendly toilets .

Material Arrears in Obligations

No significant material arrears or statutory obligations were reported during the review period. All allocations were absorbed effectively.

Major Risks

Risk Category	Description	Mitigation
Delays in fund disbursement	Late disbursement from the National Treasury	Strategic planning and phased projects
Project cost escalation	Inflation and material cost increase	Value engineering and timely procurement
Political transition (2022)	General elections	Continuity ensured via oversight board
Natural Disasters	COVID-19	Flexible project scheduling

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Vandalism/Security Threats	Especially in boundary wall projects	Use of durable materials, police involvement
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Review of Economy and Sector

NG-CDF Embakasi South NG CDF aligned with:

- Vision 2030 (Social Pillar) – by expanding access to quality basic education.
- Presidential Big Four Agenda – through support for technical education and ICT access.

Inflationary trends in the FY 2022/23 raised project costs, but procurement optimization ensured value for money.

The education sector is undergoing transformational changes due to the CBC transition, leading to increased demand for science labs, modern kitchens, sanitary infrastructure, ICT and digital access.

The NG-CD F Embakasi South NG CDF has aligned with national priorities by investing in:

- Junior Secondary infrastructure (labs, classrooms)

Future Outlook

The Fund's 2025 targets include:

- Complete 100% of ongoing FY 2024/25 projects by the end of Q3 2025/26.
- Construct digital infrastructure (ICT hubs) to support youth employment.
- Enhance security and safety in schools through construction of boundary walls.
- Scale up bursary support, especially for students in TVET, KMTCS and universities.
- Entice youth through automatic bursary qualification.

The Fund's Long-Term Vision include:

- Every school to have at least 2 Science laboratories by 2028.
- Zero classroom deficit by 2026.
- Safe learning and living spaces for all public schools and security personnel.
- Have digital Empowerment ICT Hubs & Innovation Centers in every ward

Conclusion

The NG-CDF Embakasi South NG CDF has effectively managed resources over the past five years, delivering impactful infrastructure and community projects. While FY 2024/2025 projects are currently in progress, the planning and implementation structures are in place to ensure timely completion. Accountability and community involvement remain central to success.

NG-CDF Embakasi South NG CDF has also demonstrated strong financial stewardship and responsive development planning, significantly improving public service delivery in education and security. The Fund remains committed to community empowerment and equitable resource utilization, positioning itself as a model constituency for public investment and impact.

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Going forward, the Fund is well-positioned to scale its impact through by adhering to chapter six of the Constitution of Kenya 2010.



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JOB TUTA
Fund Account Manager

8. Environmental and Sustainability Reporting

The NG-CDF has carried out interventions in several sectors which include education (infrastructure and bursary), security and environment as guided by the Act. In order to achieve its mandate, Embakasi South NG CDFNG- CDF committee prepared a five-year strategic plan to run from 2023 to 2027 to guide the constituency's development agenda. The 2023-2027 Strategic Plan for Embakasi South NG CDF Constituency is an integrated, five-year planning framework intended to align the constituency's development interventions along National and international frameworks: Sustainable development goals (SDGs), Vision 2030 and Medium-Term Plans (MTPS- IV). The development interventions are focused on all non-devolved functions of the national government, and specifically, education, security, environment and social security.

1. Sustainability strategy and profile -

To ensure the sustainability of Embakasi South NG CDF Constituency, the committee funds the following key sectors with the following sustainable priorities.

- a. **Education and Training:** Embakasi South NG CDF 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

Embakasi South NG CDFNG-CDF aligns its environmental policy with the Sustainable development goals (SDGs), by ensuring the provision of clean water and sanitation in various schools. The Fund has facilitated the supply of water tanks in various institutions in the constituency as well as the planting of 800 indigenous trees. Additionally, Embakasi South NG CDFConstituency has constructed biodigesters in various institutions notably Reuben Secondary School and Karen C Primary Schools.

Shortcomings

- Inconsistent monitoring of tree survival rates.
- Limited funding for long-term environmental infrastructure like composting sites or water harvesting systems.
- Low waste segregation and recycling infrastructure in densely populated areas.

3. Employee welfare

We invest in providing the best working environment for our employees. Embakasi South NG CDFconstituency 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. Embakasi South NG CDFconstituency 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-

Embakasi South NG CDF 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-

Embakasi South NG CDF 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

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

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

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

Public Awareness

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

Embakasi South NG CDF 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: Job Tuta
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 Embakasi South NG CDF shall prepare financial statements in respect of that Embakasi South. 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- Embakasi South NG CDF Constituency is responsible for the preparation and presentation of the Embakasi South's financial statements, which give a true and fair view of the state of affairs of the Embakasi South NG CDF 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 Embakasi South; 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 Embakasi South; Selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Accounting Officer in charge of the NGCDF- Embakasi South NG CDF Constituency accepts responsibility for the Embakasi South'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 *Embakasi South's* transactions during the financial year ended June 30, 2025, and of the Embakasi South's financial position as at that date. The Accounting Officer in charge of the NGCDF- Embakasi South NG CDF Constituency further confirms the completeness of the accounting records maintained for the *constituency*, which have been relied upon in the preparation of the

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Embakasi South's financial statements as well as the adequacy of the systems of internal financial control.

The Accounting Officer in charge of the NGCDF Embakasi South NG CDF Constituency confirms that the *constituency* has complied fully with applicable Government Regulations and the terms of external financing covenants (where applicable), and that the Embakasi South'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- Embakasi South NG CDF Constituency financial statements were approved and signed by the Accounting Officer on 30th August 2025.



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Name: Dancun Mulwa
Chairman – NGCDF Committee



.....
Name: Job Tuta
Fund Account Manager

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

PREAMBLE

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

- A. Report on the Financial Statements that considers whether the financial statements are fairly presented in accordance with the applicable financial reporting framework, accounting standards and the relevant laws and regulations that have a direct effect on the financial statements;
- B. Report on Lawfulness and Effectiveness in Use of Public Resources which considers compliance with applicable laws, regulations, policies, gazette notices, circulars, guidelines and manuals and whether public resources are applied in a prudent, efficient, economic, transparent and accountable manner to ensure 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, the risk management environment and the 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 - Embakasi South Constituency set out

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

on pages 1 to 58, which comprise of the statement of financial position as at 30 June, 2025 and the statement of financial performance, statement of changes in net assets, statement of cash flows and statement of comparison of budget and actual amounts for the year 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 National Government Constituencies Development Fund - Embakasi South Constituency as at 30 June, 2025 and of its financial performance and its cash flows for the year then ended, in accordance with International Public Sector Accounting Standards (Accrual Basis) including the transitional provisions permitted under IPSAS 33 and comply with the National Government Constituencies Development Fund Act, 2015 (Amended 2023), 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. Misstatement in Other Grants and Transfers

The statement of financial performance reflects other grants and transfers amount of Kshs.89,450,770 as disclosed in Note 14 to the financial statements. Included in this amount is Kshs.83,184,000 in relation to bursary, constituting of Kshs.49,124,000 and Kshs.34,060,000 to secondary schools and tertiary institutions respectively. However, analysis of the ledger and examination of payment vouchers revealed that bursary to tertiary institutions was understated by an amount of Kshs.4,430,000 which was not included in the ledger.

In the circumstances, the accuracy and completeness of other grants and transfers amount of Kshs.89,450,770 could not be confirmed.

2. Unsupported Cash and Cash Equivalents

The statement of financial position and as disclosed in Note 19 to the financial statements reflects cash and cash equivalents balance of Kshs.96,981,998. However, the cash books and bank reconciliation statements for deposit account and Project Management Committee (PMC) accounts with balances of Kshs.4,519,549 and Kshs.1,911,581 respectively were not provided for audit review. Further, review of the Project Management Committee (PMC) accounts disclosed under Annex 2 to the financial statements as at 30 June, 2025 revealed that a total of Kshs.1,911,581 remained unspent across various projects.

In the circumstances, the accuracy and completeness of cash and cash equivalents balance of Kshs.96,981,998 could not be confirmed

The audit was conducted in accordance with International Standards of Supreme Audit Institutions (ISSAIs). I am independent of the National Government Constituencies Development Fund - Embakasi South Constituency Management in accordance with ISSAI 130 on Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audit 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.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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 section, I have determined that there are no other key audit matters to communicate in my report.

Emphasis of Matter

Budgetary Control and Performance

The statement of comparison of budget and actual amounts reflects final receipts budget and actual on comparable basis totalling Kshs.379,587,754 and Kshs.329,338,470 respectively, resulting to an underfunding amounting to Kshs.50,249,284 or 13% of the budget. Similarly, the statement reflects actual expenditure of Kshs.232,356,473 against actual revenue of Kshs.329,338,470 resulting to underutilization of Kshs.96,981,997 or equivalent of 29% of the total revenue.

The underfunding and underutilization affected the planned activities of the Fund and may have impacted negatively on service delivery to the public.

My opinion is not modified in respect of this matter.

Other Matter

Unresolved Prior Year Matters

In the prior year's audit report, several issues were raised under the Report on Financial Statements, Lawfulness and Effectiveness in Use of Public Resources, and Effectiveness of Internal Controls, Risk Management and Governance, respectively. Review of the status during audit of the National Government Constituencies Development Fund - Embakasi South Constituency in 2024/2025 revealed that the following matters remained unresolved.

	Financial Year	Audit Issue
1	2023/2024	Inaccuracies in the Financial Statements
2	2023/2024	Unsupported Bursary Disbursements
3	2023/2024	Unsupported and Unutilized Project Management Committee (PMC) Account Balances

	Financial Year	Audit Issue
4	2023/2024	Budgetary Control and Performance
5	2023/2024	Non-Compliance with Public Sector Accounting Standards Board (PSASB) Reporting Frame Work
6	2023/2024	Lack of Approved List of Prequalified Suppliers
7	2023/2024	Failure to Maintain Imprest Register and Memorandum Cashbook
8	2023/2024	Lack of Segregation of Duties

Other Information

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

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

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

REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES

Conclusion

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

Basis for Conclusion

1. Irregular Engagement of Staff

The statement of financial performance reflects employee costs of Kshs.12,048,390 as disclosed in Note 10 to the financial statements. Review of staff records revealed that

Embakasi South NGCDF had a total of twenty-one (21) staff members, employed on a contractual basis. This number exceeded the recommended number of five (5) employees by seventeen (17) of the recommended staff establishment. Further, the advertisement stating the position, qualifications, roles and responsibilities, application timelines, application letter by the selected candidate and Committee minutes of shortlisting and reports on selection of the awarded candidates were not provided. Staff appraisal forms, reviewed by Management and staff members and leave application and approval records were also not provided.

In the circumstances, the validity of the staff engagement and staff records could not be confirmed.

2. Failure to Establish a Bursary Committee

The statement of financial performance reflects other grants and transfers amount of Kshs.89,450,770 as disclosed in Note 14 to the financial statements. Included in this amount is Kshs.83,184,000 in relation to bursary, consisting of Kshs.49,124,000 and Kshs.34,060,000 to secondary schools and tertiary institutions respectively. However, evidence of formation of the Education bursary, Mock examinations and Continuous assessment tests Committee whose core mandate is vetting of applicants, was not provided.

Further, review of a sample of the application forms revealed that all the forms had no evidence of vetting by Education bursary, Mock examinations and Continuous assessment tests Committee and the Chairman or the Secretary of the Education bursary, Mock examinations and Continuous assessment tests committee did not sign the application form as proof of approval or rejection of the applications. In addition, minutes of the Education bursary, Mock examinations and Continuous assessment tests committee and the details of the successful applicants was not provided for audit review.

In the circumstances, the criteria used to identify the genuinely needy students could not be confirmed.

3. Anomalies in Bursary Allocation Lists

The statement of financial performance reflects other grants and transfers amount of Kshs.89,450,770 as disclosed in Note 14 to the financial statements. Included in this amount is Kshs.83,184,000 in relation to bursary. However, review of the list of bursary beneficiaries and supporting documents revealed that names of tertiary institution beneficiaries, paid a total of Kshs.820,000 as bursary allocation appeared twice or more times with different cheque numbers. In addition, analysis of the bursary lists submitted for review revealed that secondary school students who were awarded bursary totalling Kshs.320,000 had no admission numbers.

In the circumstances, the credibility of the vetting process applied could not be confirmed.

4. Delay in Implementation of Projects

The Projects Implementation Status (PIS) report for NG-CDF Embakasi South Constituency was not provided for audit review, it was therefore not possible to establish which projects Management had planned to implement, the level of funding of the Projects and implementation status during the year under review.

In the circumstances, it was not possible to establish whether the constituents of Embakasi South got value for money from respective projects.

5. Irregularities in Procurement and Implementation of Projects

5.1 Construction of Four Class Rooms and Administration Block at Kware Secondary School

Audit review of procurement and implementation records for tender No. EMBA/282/2630210/004/2024-2025 for the construction of four (4) classrooms and an administration block to completion at Kware Secondary School revealed the following:

- i. The evaluation report indicated that the tender was advertised on the NG-CDF website, however, the advertisement could not be traced upon a search. Further, the tender was not published on the Public Procurement Information Portal (PPIP) as required, casting doubt on whether the process was openly and competitively advertised.
- ii. The evaluation report was dated 25 September, 2025; however, individual evaluators' score sheets and letters appointing the tender evaluation and tender opening committees were not provided for audit review.
- iii. A contingency provision of Kshs.500,000 included in the contract was not accounted for.
- iv. Although the project was completed, it had not been put to the intended use as at the time of the audit.

Failure to openly advertise the tender and to maintain proper procurement documentation undermines the principles of transparency, accountability, and fairness in public procurement.

5.2 Construction to Completion of 4no Classrooms and Administration Block at Imara Secondary School

Review of procurement and implementation records for tender No. EMBA/282/2630210/004/2024-2025 for the construction of classrooms and administration block at Kware Secondary School revealed that the contract was awarded at a contract price of Kshs.14,431,500. Payments were made via certificate No. 1 dated 03 December, 2024 of Kshs.10,045,604 and certificate No. 2 dated 12 February, 2025 of Kshs.3,627,081.

However, the following anomalies were noted:

- i. Although the evaluation report indicated that the tender was advertised on the NG-CDF website, the advertisement could not be traced. The tender was also not found on the Public Procurement Information Portal (PIIP). therefore, the tender may not have been openly advertised, contrary to the principles of transparency and competitiveness under the Procurement Act, 2015.
- ii. A contingency provision of Kshs.500,000 in the contract was not accounted for.
- iii. The engineer's estimate for the works was not provided.
- iv. Performance security was not required from the bidders, contrary to Section 142(1) of the Act.

Failure to openly advertise the tender limits competition and transparency, increasing the risk of unfair contract awards and potential loss of value for money.

5.3 Construction of a School Football Stadium at Kware Secondary School

Audit verification of procurement and implementation records for tender No. EMBA/282/2630210/001/2022-2023-2024 for the construction of a school football stadium at Kware Secondary School revealed the following:

- i. The tender was advertised in the Star Newspaper on 16 January, 2024, bids were opened and evaluated in accordance with the Procurement Act, 2015, and the contract was awarded at a contract sum of Kshs.42,711,954 on 28 February, 2024 for a duration of 180 days (six months). Accordingly, the project was to be completed by September, 2024.
- ii. Physical verification carried out on 16 September, 2025 revealed that the project was only 65% complete, one year after the expected completion date. No request for extension of the contract period or approval was provided for audit review.
- iii. Payments made to the contractor totalled Kshs.36,652,519 as analysed below:

Certificate No	Date	Amount (Kshs)
01	18 April, 2024	11,742,969
02	13 May, 2024	6,936,529
03	15 July, 2024	13,757,273
04	25 July, 2024	4,215,748
	Total	36,652,519

- However, review of the Project Management Committee (PMC) bank account No. 13202802271240 revealed that the account recorded payments to three (3) contractors without specifying which payments related to which projects. Further, the bank statements did not indicate the specific projects that received disbursements contrary to NG-CDF financial management guidelines that require a separate bank account for each project.
- iv. The NG-CDF Office did not provide an internal project implementation status report for audit review.
 - v. Other anomalies noted included:
 - a) Individual evaluators' score sheets were not provided.
 - b) A contingency provision of Kshs.700,000 in the contract was not accounted for.

- c) The Engineer's estimate was not provided.
- d) Tender performance security was not required from bidders.

Failure to ensure project completion within the stipulated period and contract extension approvals indicates weak contract management and may lead to cost escalation and delayed project benefits.

In the circumstances, value for money may not be derived from the expenditure incurred on the projects and Management was in breach of the law.

6. Irregular Payment of Committee Meeting Allowances

The statement of financial performance reflects an amount of Kshs.3,068,000 on committee of expenses as disclosed in Note 11 to the financial statements. This includes Kshs.2,028,000 paid as sitting allowances. Review of documents submitted for audit revealed that the committee held a total of thirty-nine (39) meetings during the year under review, contrary to Section 43(11) of the National Government Constituencies Development Fund Act, 2016 which states that the Constituency Committee shall meet at least six (6) times in a year but the committee shall not hold more than twenty-four (24) meetings in the same financial year, including sub-committee meetings.

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

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

REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE

Conclusion

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

Basis for Conclusion

1. Inadequate Safeguarding of Constituency Assets

The summary of fixed assets register reflects assets valued at Kshs.6,745,298 under office equipment, furniture and fittings as shown in Annex 1 to the financial statements. It was noted that the Fund maintained an asset register which reflect the historical cost of

all the assets and their specific office location as at 30 June, 2025. However, although the assets were well maintained and tagged, they were not insured against fire, theft or any other risk.

In the circumstances, the Fund is exposed to loss in case of a disaster.

2. Lack of Approved ICT Policy and IT Strategic Committee

Review of the Fund's ICT structure and its strategies revealed that the Fund did not have in place an approved ICT Policy, an ICT Strategic Committee, a Data Security Management Policy or an approved Back Up Policy although there existed physical desktops in which data is backed up externally. Further, review of the Fund's staff files revealed that there was no officer in charge of ICT.

In the circumstances, the confidentiality, integrity and availability of data security may be compromised.

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

Responsibilities of the Management and those Charged with Governance

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

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

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


03 December, 2025


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

	Note	Period ended June 2025
		Kshs
Revenue from non-exchange transactions		
Transfers from the NGCDF Board	6	179,441,954
Transfers from domestic and foreign partners	7	-
Revenue from exchange transactions		
Finance income	8	-
Miscellaneous income	9	-
Total revenue		179,441,954
Expenses		
Employee costs	10	12,048,390
Committee expenses	11	3,068,000
Use of Goods and Services	12	5,903,235
Other Government Units Actual expenditure	13	126,405,627
Other Grants and Transfers Actual expenditure	14	89,450,770
Depreciation and amortization expense	15	-
Digital Hubs Expenses Actual expenditure	16	-
Total expenses		236,876,022
Other gains/(losses)		
Gain/Loss on Sale of Assets	17	-
Impairment loss	18	-
Surplus/(Deficit) for the year		(57,434,067)

The Constituency financial statements were approved by the NGCDFC on 30th August 2025 and signed by:


Chairman NG-CDF
Committee
Name: Dancan Mulwa


National Sub-County
Accountant
Name :Justus Mutua
ICPAK M/No:12228


Fund Account Manager
Name: Job Tuta

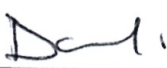
*National Government Constituencies Development Fund (NGCDF)
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12. Statement Of Financial Position As At 30th June, 2025


	Not e	Period as at June 2025	Opening Statement 1st July 2024
		Kshs	Kshs
Assets			
Current Assets			
Cash And Cash Equivalents	19	96,981,998	91,171,699
Receivables from Exchange Transactions	20	-	-
Receivables from Non-Exchange Transactions	21	50,249,285	108,974,101
Prepayments	22	-	-
Total Current Assets		147,231,283	200,145,800
Non-Current Assets			
Property, Plant and Equipment	23	-	-
Intangible Assets	24	-	-
Right-of-use assets	25	-	-
Total Non- Current Assets		-	-
Total Assets (A)		147,231,283	200,145,800
Liabilities			
Current Liabilities			
Trade and Other Payables	26	-	-
Third-Party Deposits	27	-	-
Lease Liabilities	28	-	-
Gratuity provision	29	4,519,549	-
Total Current Liabilities		4,519,549	-
Non-Current Liabilities			
Lease Liabilities	28	-	-
Total Liabilities (B)		4,519,549	-
Net Assets (A-B)		142,711,734	200,145,800
Represented by:			
Accumulated Surplus		142,711,733	200,145,800
Revaluation Reserves			
Total Net Assets		142,711,733	200,145,800

*National Government Constituencies Development Fund (NGCDF)
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The Constituency financial statements set out on pages 1 to 53 approved by NG CDFC on 30th August 2025 and signed by:



Chairman NG-CDF
Committee
Name: Dancan Mulwa



National Sub-County
Accountant
Name: Justus Mutua
ICPAK M/No: 12228



Fund Account Manager
Name: Job Tuta

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

Description	Revaluation Reserve	Accumulated surplus/Deficit	Total
		Kshs	Kshs
Fund Balance as at 30 th June 2024	-	89,946,561	89,946,561
Adjustments			
Recognition of Assets		110,199,239	110,199,239
Recognition of Liabilities		-	-
As at July 1, 2025	-	200,145,800	200,145,800
Surplus/(Deficit) For the Period		(57,434,067)	(57,434,067)
Revaluation Gain/Loss	-	-	-
As at June 30, 2025	-	142,711,733	142,711,733

Note:Note:

1. For items that are not common in the financial statements, the Embakasi South NG CDF 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)
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14. Statement Of Cash Flows for The Year Ended 30th June 2025

	Notes	Period ended June 2025 Kshs
Cash flows from operating activities		
Receipts		
Transfers from the NGCDF Board		238,166,770
Transfers from domestic and foreign partners		-
Finance income		-
Miscellaneous income		-
Total Receipts		238,166,770
Payments		
Employee costs		7,528,841
Committee expenses		3,068,000
Use of Goods and Services		5,903,235
Other Government Units Certified Works		126,405,627
Other Grants and Transfers		89,450,770
Digital Hubs Expenses		-
Total Payments		232,356,473
Net Cash Flows from/ (used in) Operating Activities	31	5,810,297
Cash flows From Investing Activities		
Purchase of PPE		-
Purchase of Intangible assets		-
Proceeds From Sale of PPE		-
Net Cash Flows from Investing Activities		-
Net increase/(decrease) in cash & Cash equivalents		5,810,297
Cash Flows from Financing Activities		
Lease Payment		-
Net Cash Flows from Financing Activities		5,810,297
Cash and cash equivalents at 1 July	19	91,171,699
Cash and cash equivalents at 30 June	19	96,981,996

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

*National Government Constituencies Development Fund (NGCDF)
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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		
Revenue							
Transfers From the NGCDF Board	179,441,954	91,171,700	108,974,100	379,587,754	329,338,470	50,249,284	87%
Grants/donations from other entities	-	-	-	-	-	-	
Finance income	-	-	-	-	-	-	
Miscellaneous income	-	-	-	-	-	-	
Totals	179,441,954	91,171,700	108,974,100	379,587,754	329,338,470	50,249,284	87%
Expenses							
Employee costs	9,480,944	280,319	-	9,761,263	7,528,841	2,232,422	77%
Committee expenses	2,751,605	2,384,960	-	5,136,565	3,068,000	2,068,565	60%
Use of Goods and Services	3,917,226	3,057,174	-	6,974,400	5,903,235	1,071,165	85%
Other Government Units Certified Works	21,493,000	62,160,156	78,323,529	161,976,685	126,405,627	35,571,058	78%

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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		
Other Grants and Transfers	102,033,041	23,239,092	30,650,571	155,922,704	89,450,770	66,471,934	57%
Digital Hubs Expenses		-	-	-	-	-	
OTHERS		50,000					
Funds Pending Approval**	39,766,138			39,766,138		39,766,138	0%
Total Expenditure	179,441,954	91,171,700	108,974,100	379,587,754	232,356,473	147,181,282	61%
Surplus for the period					96,981,997	(96,931,997)	

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




*National Government Constituencies Development Fund (NGCDF)
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Explanatory Notes.

Underutilization was due to late funds disbursement and some projects where still in procurement stage.

Reconciliation of Summary Statement of Appropriation to Statement of Assets and Liabilities	
Description	Amount
Budget utilisation difference totals	147,231,282
Less undisbursed funds receivable from the Board as at 30 th June 2024	50,249,284
Cash and Cash Equivalents at the end of the 30 th June 2025	96,981,997

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 3rd August 2025 and signed by:

		
_____ Fund Account Manager	_____ National Sub-County Accountant	_____ Chairman NG-CDF Committee
Name: JOB TUTA	Name: JUSTUS MUTUA ICPAK M/No: 12228	Name: DANCUN MULWA

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

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

Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years' Outstanding Disbursements			
		Kshs	Kshs			
1.0 Administration and Recurrent						
1.1 Compensation of employees	9,480,944	280,319		9,761,263	7,528,841	2,232,422
1.2 Committee allowances	745,605	884,960		1,630,565	1,490,000	140,565
1.3 Use of goods and services	539,968	1,784,832		2,324,800	2,113,756	733,044
Sub-total	10,766,517	2,950,111	-	13,716,628	11,132,597	2,584,031
2.0 Monitoring and evaluation						
3.0 Constituency oversight committee (itemised as per budget)						
3.0.1 Capacity building	2,102,404	222,396		2,324,800	1,267,479	1,057,321
2.2 Committee allowances	2,006,000	1,000,000		3,006,000	1,578,000	384,000
2.3 Use of goods and services	1,274,854	1,049,946		2,324,800	2,000,000	324,800
Sub-total	5,383,258	2,272,342	-	7,655,600	5,367,479	2,288,121
committee		400,000		400,000		400,000
hire of transport		100,000		100,000		100,000
Sub total		500,000	-	500,000	-	500,000
4.0 Emergency unutilized	9,444,313		1,500,000	10,944,313	6,266,770	4,677,543

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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years Outstanding Disbursements			
		Kshs	Kshs			
Sub-total	9,444,313	-	1,500,000	10,944,313	6,266,770	4,677,543
5.0 Bursary and Social Security						
5.1 Primary Schools				-		-
5.2 Secondary Schools	28,070,680	15,515,079	19,090,583	62,676,342	49,124,000	13,552,342
5.3 Tertiary Institutions	43,206,102	6,099,246	10,059,988	59,365,336	34,060,000	25,305,336
5.4 special needs	500,000	500,000		1,000,000		1,000,000
5.5 Education Support Programmes		500,000		500,000		500,000
5.6 Social Security				-		-
Sub-total	71,776,782	22,614,325	29,150,571	123,541,678	83,184,000	40,357,678
6.0 Sports		19,208		19,208		19,208
Sub total		19,208		19,208		19,208
7.0 Environment						
KWA NJENGA PRIMARY SCHOOL	8,983,148			8,983,148		8,983,148
KWARE PRIMARY SCHOOL				-		-
KWARE PRIMARY SCHOOL		192,000		192,000		192,000
MCC PRIMARY SCHOOL		192,261		192,261		192,261
Environment PMC		144,091		144,091		144,091

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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
Sub-total	8,983,148	528,352	-	-	-	-
8.0 Primary Schools Projects				9,511,500	-	9,511,500
GATOTO PRIMARY SCHOOL	3,900,000			3,900,000	3,892,575	7,425
KWA NJENGA PRIMARY SCHOOL	3,900,000			3,900,000	3,892,575	7,425
KWARE PRIMARY SCHOOL	3,900,000			3,900,000		3,900,000
GATOTO PRIMARY SCHOOL	9,793,000			9,793,000		9,793,000
njenga primary school		11,000,000	12,089,395	23,089,395	23,086,744	2,651
Kware Primary JSS		2,350,000		2,350,000	2,316,895	33,105
mcc junior school		4,053,043		4,053,043	3,520,575	532,468
kware primary school		3,620,042		3,620,042	3,620,000	42
Kwa njenga primar		2,000,000		2,000,000	2,000,000	-
kware primary school			14,705,882	14,705,882	14,531,682	174,200
mcc junior school			1,843,885	1,843,885		1,843,885
kware primary school			3,366,720	3,366,720	3,366,720	-
pipeline primary school			14,705,882	14,705,882		14,705,882
PMC BALANCES						

*National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years Outstanding Disbursements			
		Kshs	Kshs			
MCC PRIMARY SCHOOL				-		-
KWA NJENGA PRI SCH LIBRARY		150,985		150,985		150,985
AEF REUBEN PRIMARY		46,990		46,990		46,990
Sub-total	21,493,000	23,221,060	46,711,764	91,425,824	60,227,766	31,198,058
9.0 Secondary Schools Projects (List all the Projects)						
KWARE SECONDARY SCHOOL		24,868,152		24,868,152	24,837,094	31,059
KWARE SECONDARY SCHOOL		3,500,000.00	14,705,882	18,205,882	18,196,000	9,882
KWARE SECONDARY SCHOOL		2,000,000.00		2,000,000	1,995,000	5,000
IMARA SECONDARY SCHOOL		3,500,000.00	14,705,883	18,205,883	13,962,685	4,243,198
REUBEN SECONDARY SCHOOL		18,221	2,200,000	2,218,221	2,199,500	18,721
KWARE SECONDARY SCHOOL		4,987,583		4,987,583	4,987,583	
PMC BALANCES						
EMBAKASI GIRLS		65,140		65,140		65,140
				-		-

*National Government Constituencies Development Fund (NGCDF)
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Programme/Sub-programme	Original Budget	Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
		Opening Balance (C/Bk) and AIA	Previous Years Outstanding Disbursements			
	Kshs	Kshs	Kshs	Kshs	Kshs	Kshs
Sub-total	-	38,939,096	31,611,765	70,550,861	66,177,861	4,372,999
10.0 Tertiary institutions Projects (List all the Projects)						
				-		-
Sub-total	-	-	-	-	-	-
11.0 Security Projects						
REUBEN POLICE POST	11,828,798			11,828,798		11,828,798
PMC BALANCES						
ACC Imara Daima		77,207		77,207		77,207
Sub-total	11,828,798	77,207	-	11,906,005	-	11,906,005
12.0 Acquisition of assets						
12.1 Motor Vehicles (including motorbikes)				-		-
12.2 Purchase of furniture and fittings				-		-
12.2 Construction of CDF office				-		-
Sub-total	-	-	-	-	-	-
13.0 Others						

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Programme/Sub-Programme	Original Budget		Adjustments		Final Budget	Actual on comparable basis	Budget utilization difference
	Kshs	Opening Balance (C/Bk) and AIA	Kshs	Previous Years Outstanding Disbursements			
Embakasi South NG CDFNG-CDF Strategic Plan		50,000.00		-	50,000		50,000
Sub-total		50,000		-	50,000		50,000
Funds pending approval**							
unapproved projects	39,766,138				39,766,138		39,766,138
AiA							
Sub-total	39,766,138				39,766,138		39,766,138
Total	179,441,954	91,171,700	108,974,100		379,587,754	232,356,473	147,231,282

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

17. Notes to the Financial Statements

1. General information

The National Government Constituencies Development Fund (NG-CDF) formerly Constituencies Development Fund (CDF), is established by and derives its authority and accountability from the NG-CDF Act 2015 (amended 2023). The NG-CDF is wholly owned by the Government of Kenya and is domiciled in Kenya. The NG-CDF Embakasi Constituency principal activity is activity is to fund and support community-based development projects that fall under national government functions especially in the areas of education, security, environment, climate mitigation activities and ICT innovation hubs.

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 Embakasi South NG CDF 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 Embakasi South NG CDF 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

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

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

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

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	additional application guidance for infrastructure assets, implementation guidance and illustrative examples. The standard has clarified existing principles e.g. valuation of land over or under the infrastructure assets, under-maintenance of assets and distinguishing significant parts of infrastructure assets.
IPSAS 46: Measurement	<p><i>Applicable 1st January 2025</i></p> <p>The objective of this standard was to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> i. Providing further detailed guidance on the implementation of commonly used measurement bases and the circumstances under which they should be used. ii. Clarifying transaction costs guidance to enhance consistency across IPSAS. iii. Amending where appropriate guidance across IPSAS related to measurement at recognition, subsequent measurement and measurement related disclosures. <p>The standard also introduces a public sector specific measurement bases called the current operational value.</p>
IPSAS 47: Revenue	<p><i>Applicable 1st January 2026</i></p> <p>This standard supersedes IPSAS 9- Revenue from exchange transactions, IPSAS 11 Construction contracts and IPSAS 23 Revenue from non- exchange transactions. This standard brings all the guidance of accounting for revenue under one standard. The objective of the standard is to establish the principles that an Embakasi South NG CDF shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flow arising from revenue transactions.</p>
IPSAS 48: Transfer Expenses	<p><i>Applicable 1st January 2026</i></p> <p>The objective of the standard is to establish the principles that a transfer provider shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and</p>

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	cash flow arising from transfer expense transactions. This is a new standard for public sector entities geared to provide guidance to entities that provide transfers on accounting for such transfers.
IPSAS 49: Retirement Benefit Plans	<i>Applicable 1st January 2026</i> The objective is to prescribe the accounting and reporting requirements for the public sector retirement benefit plans which provide retirement to public sector employees and other eligible participants. The standard sets the financial statements that should be presented by a retirement benefit plan.
IPSAS 50: Exploration For & Evaluation of Mineral Resources	<i>Applicable 1st January 2027</i> The objective of this Standard is to specify the financial reporting for the exploration for and evaluation of mineral resources. The Standard requires: i. Limited improvements to existing accounting practices for exploration and evaluation expenditures. ii. Entities that recognize exploration and evaluation assets to assess such assets for impairment in accordance with this Standard and measure any impairment in accordance with IPSAS 26. iii. Disclosures that identify and explain the amounts in the Embakasi South'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.

ii. Early adoption of standards

The Embakasi South NG CDF 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 *Embakasi South*.

Interest income

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

Rental income

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

b) Budget information

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

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

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

c) Property, plant and equipment

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

d) Leases

Finance leases are leases that transfer substantially all of the risks and benefits incidental to ownership of the leased item to the *Embakasi South*. Assets held under a finance lease are

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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 *Embakasi South NG CDF* 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 *Embakasi South NG CDF* 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 *Embakasi South*. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

e) Intangible assets

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

f) Financial instruments

IPSAS 41 addresses the classification, measurement and de-recognition of financial assets and financial liabilities, introduces new rules for hedge accounting and a new impairment model

for financial assets. *The Embakasi South NG CDF 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 Embakasi South NG CDF and a financial liability or equity instrument of another Embakasi South. At initial recognition, the Embakasi South NG CDF 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 Embakasi South NG CDF 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 Embakasi South'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 Embakasi South NG CDF 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 Embakasi South NG CDF 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 Embakasi South NG CDF 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 Embakasi South NG CDF 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 Embakasi South NG CDF recognizes a loss allowance for such losses at each reporting date. Critical estimates and significant judgments made by management in determining the expected credit loss (ECL) are set out in *Note 18*

b) Financial liabilities

Classification

The Embakasi South NG CDF classifies its liabilities as subsequently measured at amortized cost except for financial liabilities measured through profit or loss.

g) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition. Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- i) Raw materials: purchase cost using the weighted average cost method.
- ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost. Net realizable value is the estimated selling price in the ordinary course of

operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the *Embakasi South*.

h) Provisions

Provisions are recognized when the *Embakasi South NG CDF* 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 *Embakasi South NG CDF* expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement

i) Social Benefits

Social benefits are cash transfers provided to i) specific individuals and / or households that meet the eligibility criteria, ii) mitigate the effects of social risks and iii) Address the need of society as a whole. The *Embakasi South NG CDF* recognises a social benefit as an expense for the social benefit scheme at the same time that it recognises a liability. The liability for the social benefit scheme is measured at the best estimate of the cost (the social benefit payments) that the *Embakasi South NG CDF* will incur in fulfilling the present obligations represented by the liability.

j) Contingent liabilities

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

k) Contingent assets

The Embakasi South NG CDF 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 Embakasi South NG CDF in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

l) Employee benefits

Retirement benefit plans

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

m) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the

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reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

n) Related parties

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

o) Cash and Cash Equivalents

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

p) Comparative figures

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

q) Subsequent events

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

5. Significant Judgments and Sources of Estimation Uncertainty

The preparation of the *Embakasi South'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 Embakasi South NG CDF 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 Embakasi South. 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 Embakasi South.
- b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- c) The nature of the processes in which the asset is deployed.
- d) Availability of funding to replace the asset.
- e) Changes in the market in relation to the asset

Provisions

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

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6. Transfers from the NGCDF Board

Description	2024/2025 Kshs
NGCDFB Transfers (Allocation for the FY)	179,441,954
Total	179,441,954

7. Transfers from domestic and foreign partners

Description	2024/2025 Kshs
Grants	-
Total	-

8. Finance income

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

(Provide a brief explanation for this revenue)

9. Miscellaneous income

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

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10. Employees cost

	<i>2024/2025</i>
	Kshs
NG-CDFC Basic staff salaries	6,714,272
Personal allowances paid as part of salary	-
House Allowance	-
Transport Allowance	-
Leave allowance	-
Gratuity to contractual employees	4,817,995
Employer Contributions Compulsory national social security schemes	402,807
Employer Contributions Compulsory Housing levy	100,716
Employer contributions to National Industrial Training Authority	12,600
Other Specify	-
Total	12,048,390

11. Committee Expenses

	<i>2024/2025</i>
	Kshs
Sitting allowance	2,028,000
Other Committee expenses	1,040,000
Total	3,068,000

12. Use of Goods and services

	<i>2024/2025</i>
	Kshs
Utilities, supplies and services	81,175
Communication, supplies and services	-
Domestic travel and subsistence	-

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Printing, advertising and information supplies & services	2,000,000
Office Rent	-
Training expenses	1,267,479
Hospitality supplies and services	450,000
Insurance costs	-
Specialized materials and services	-
Office and general supplies and services	2,100,000
Fuel, oil & lubricants	-
Bank charges	4,581
Routine maintenance – vehicles and other transport equipment	-
Routine maintenance – other assets	-
Strategic plan expenses	-
Other operating expenses	-
Total	5,903,235

13. Other Government Units Actual expenditure

Description	2024/2025 Kshs
Primary Schools Actual expenditure	60,227,766
Secondary Schools Actual expenditure	66,177,861
Tertiary Institutions Actual expenditure	-
Total	126,405,627

14. Other Grants and transfers Actual expenditure

	2024/2025 Kshs
Bursary – secondary schools	49,124,000
Bursary – tertiary institutions	34,060,000
Bursary – special schools	-
Bursary - Education Support programmes	-

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Social Security programmes (SHIF)	-
Security projects Actual expenditure	-
Climate change mitigation projects	-
Emergency projects Actual expenditure	6,266,770
Roads projects Actual expenditure	-
Others specify	-
Total	89,450,770

15. Depreciation and Amortization Expenses

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

16. Digital Hubs Expenses

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

17. Gain/loss on Sale of Assets

Description	2024/2025
	Kshs
Property, Plant and Equipment	-

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Intangible Assets	-
Total Gain/loss on Sale of Assets	-

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

18. Impairment Loss

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

(Provide brief explanation on assets impairment loss)

19. Cash and Cash Equivalents

Name Of Bank and Account No.	2024/2025	Opening statement 1st July 2025
	Kshs	Kshs
Bank Accounts (Cash Book Bank Balance)		
<i>Embakasi South NG CDFngcdf a/c, Account No.1320262985991 (Operations account)</i>	90,550,868	89,946,561
<i>Operations account pending closure (Indicate name & account no.)</i>	-	-
<i>Embakasi South NG CDFNG CDF deposit, account No. 1320286393028</i>	4,519,549	-
<i>Equity bank limited-PMC Accounts</i>	1,911,581	1,225,138
Total	96,981,998	91,171,699
Cash Balances		
Location 1	-	-
Location 2	-	-
Other Locations <i>(Specify)</i>	-	-
Total	-	-

[Provide Cash Count Certificates for Each]

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

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20. Receivables from Exchange Transactions

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

(Embakasi South NG CDF to state the expected credit loss rates for various categories of its receivables. The Embakasi South NG CDF 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: July 2025	
	Current FY	% of the total	Opening Balance	% of the total
Less than 1 year	-	%	-	%
Between 1- 2 years	-	%	-	%
Between 2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total (a+b)	-	%	-	%

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21. Receivables from Non-Exchange Transactions

Description	2024/2025		Opening Statement 1 July 2024	
	Kshs		Kshs	
Transfers from NGCDFB	50,249,285		108,974,101.00	
Outstanding imprest	-		-	
Total	50,249,285		108,974,101	
Ageing Analysis- Receivables from non-exchange transactions	2024/2025	% of the total	Opening Balance	% of the total
Less than 1 year	50,249,285	100%	108,974,101	100%
Between 1-2 years	-	%	-	%
Over 3 years	-	%	-	%
Total	50,249,285		108,974,101	

22. Prepayments

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

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23. Property, Plant and Equipment

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

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Valuation

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

22 b) Property, Plant and Equipment at Cost

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

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

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

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

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24. Intangible Assets

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

25. Right-of use assets

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

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

26. Trade and Other Payables

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

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27. Third-Party deposits

	<i>Period ended June 2025</i>	<i>Opening Statement 1st July 2024</i>
	Kshs	Kshs
Retention as at start of the period (A)	-	-
Retention held during the period (B)	7,982,983	-
Retention paid during the period (C)	7,982,983	-
Closing Retention as at period xx, D= A+B-C	-	-

Retentions aging analysis.

	<i>Period ended June 2025</i>	<i>% of the total</i>	<i>Opening Statement 1st July 2024</i>	<i>% of the total</i>
Less than 1 year	0.00	0%	-	%
1-2 years	-	%	-	%
2-3 years	-	%	-	%
Over 3 years	-	%	-	%
Total	-		-	

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

28. Lease Liabilities

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

Maturity Analysis

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

Analysed as:

Description	Amount
Current	-
Non- Current	-
Total	-

29. Gratuity Provision

Description	Period ended June 2025	Opening Statement 15 July 2024
	Kshs	Kshs
Gratuity at the beginning of the period (A)	-	-
Gratuity held during the period (B)	4,519,549	-
Gratuity paid during the period (C)	-	-
Total Gratuity provision D=(A+B-C)	4,519,549.00	-

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30. Cash Generated from Operations

	2024/2025
	Kshs -
Surplus/Deficit for the year	(57,434,067)
Adjusted for:	
Depreciation	-
Impairment	-
Gains and losses on disposal of assets	-
	-
Working capital adjustments	-
Increase/decrease in receivables	(58,724,816)
	-
Increase/decrease in payables	4,519,549)
	-
Net cash flow from operating activities	5,810,297

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

31. Financial Risk Management

The Embakasi South's activities expose it to a variety of financial risks including credit and liquidity risks and effects of changes in foreign currency. The Embakasi South'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 Embakasi South NG CDF 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 Embakasi South's financial risk management objectives and policies are detailed below:

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i) Credit risk

The Embakasi South NG CDF 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 Embakasi South'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 Embakasi South's maximum exposure to credit risk without taking account the value of any collateral obtained is made up as follows:

Description	Total amount	Fully performing	Past due	Impaired
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Receivables from exchange transactions			-	-
Receivables from non-exchange transactions	50,249,285	50,249,285	-	-
Bank balances	96,981,996	96,981,996	-	-
Total	147,231,281	147,231,281	-	-
As at 30 June (Previous FY)	-	-	-	-
Receivables from exchange transactions	-	-	-	-
Receivables from non-exchange transactions	108,974,101	108,974,101	-	-
Bank balances	89,946,562	89,946,562	-	-
Total	198,920.663	198,920.663	-	-

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

Financial Risk Management

The customers under the fully performing category are paying their debts as they continue trading. The credit risk associated with these receivables is minimal and the allowance for uncollectible amounts that the Embakasi South NG CDF has recognized

Z in the financial statements is considered adequate to cover any potentially irrecoverable amounts. The Embakasi South NG CDF has significant concentration of credit risk on amounts due from Embakasi south. The board of directors sets the Embakasi South's credit policies and objectives and lays down parameters within which the various aspects of credit risk management are operated.

i) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Embakasi South's directors, who have built an appropriate liquidity risk management framework for the management of the Embakasi South's short, medium and long-term funding and liquidity management requirements. The Embakasi South NG CDF manages liquidity risk through continuous monitoring of forecasts and actual cash flows. The table below represents cash flows payable by the Embakasi South NG CDF 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.

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Description	Less than 1 month	Between 1-3 months	Over 3 months	Total
	Kshs	Kshs	Kshs	Kshs
As at 30th June (Current FY)				
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Gratuity Provision	-	-	4,519,549	4,519,549
Total	-	-	4,519,549	4,519,549
As at 30th June (Previous FY)	-	-	-	-
Trade payables	-	-	-	-
Current portion of borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred income	-	-	-	-
Employee benefit obligation	-	-	-	-
Total	-	-	-	-

iii) Market risk

The Embakasi South NG CDF has put in place an internal audit function to assist it in assessing the risk faced by the Embakasi South NG CDF 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 Embakasi South'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 Embakasi South'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 Embakasi South's exposure to market risks or the way it manages and measures the risk.

a) Foreign currency risk

The *Embakasi South NG CDF* 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 *Embakasi South NG CDF* 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 *Embakasi South's* foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

b) Interest rate risk

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

Management of interest rate risk

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

Sensitivity analysis

The *Embakasi South NG CDF* analyses its interest rate exposure on a dynamic basis by conducting a sensitivity analysis. This involves determining the impact on profit or loss of defined rate shifts. The sensitivity analysis for interest rate risk assumes that all other variables, in particular foreign exchange rates, remain constant. The analysis has been performed on the same basis as the prior year. Using the end of the year figures, the sensitivity analysis indicates the impact on the statement of comprehensive income if current floating interest rates increase/decrease by one percentage point as a decrease/increase of Kshs 0 (Current FY: Kshs

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0). A rate increase/decrease of 5% would result in a decrease/increase in profit before tax of Kshs 0 (Current FY – 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 *Embakasi South NG CDFNG CDF'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 *Embakasi South NG CDFNG CDF* 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

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

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Total	-	-	-	-
As at 30th June 2024 (Previous FY)				
Financial Assets				
Quoted Equity Investments	-	-	-	-
Non- Financial Assets				
Investment Property	-	-	-	-
Land And Buildings	-	-	-	-
Total	-	-	-	-

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 Embakasi South NG CDFNG CDF's capital risk management is to safeguard the Embakasi South NG CDFNG CDF's ability to continue as a going concern. The Embakasi South NG CDFNG CDF capital structure comprises of the following funds:

Description	2024/2025 FY	Opening Statement 1 st July 2024
	Kshs	Kshs
Revaluation Reserve	142,711,733	200,145,800
Retained Earnings	-	-
Capital Reserve	-	-
Total Funds		
Total Borrowings	-	-
Less: Cash and Bank Balances	(96,981,998)	(92,396,837)
Net Debt/(Excess Cash And Cash Equivalent)		
Gearing	33.49	46.80%

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32. Related Party Disclosures

	2024/2025	Opening Statement 1 st July 2024
	Kshs	Kshs
Committee Members Remuneration		
Sitting allowance of committee Members during the year	2,028,000	940,000
	-	-
Transaction with the NGCDF Board		
Transfers from the NGCDF Board during the year	238,166,770.00	192,968,228
Total	240,194,770	193,903,228

33. Segment Information

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

34. Contingent Assets and Contingent Liabilities

Contingent Assets

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

(Give details)

Contingent Liabilities

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

35. Capital Commitments

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

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

36. Events after the Reporting Period

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

37. Ultimate And Holding Embakasi South

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

38. Currency

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

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18. Annexes
 Annex 1: Summary of Asset Register

Asset class	Historical Cost/Valuation cost balance brought forward (Kshs)	Additions during the year (Kshs)	Disposals during the year (Kshs)	Historical Cost (Kshs) At Year End
Land				
Buildings and structures				
Transport equipment				
Office equipment, furniture, and fittings	6,745,298			
ICT Equipment and Other ICT Assets				
Other Machinery and Equipment				
Intangible assets				
Total				

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

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

PMC	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
AA VILLA POLICE POST	COOPERATIVE	1141800174800	-	-
KWA NJENGA PRIMARY	COOPERATIVE	1141800174700	-	-
IMARA DAIMA DO OFFICE	COOPERATIVE	1141800397900	-	-
IMARA DAIMA DO OFFICE	EQUITY BANK	1320279905940	-	-
KWA NJENGA PRIMARY SCHOOL PMC	EQUITY BANK	1320279902384	158,410	150,986
AEF REUBEN PRIMAR SCHOOL	EQUITY BANK	1320279904121	46,990	46,990
EMBAKASI SOUTH NG CDFENVIRONMENT PMC	EQUITY BANK	1320280900077	16.23	144,091
ACC IMARA DAIMA	EQUITY BANK	1320279905940	83,199	77,207
REUBEN SECONDARY SCHOOL	EQUITY BANK	1320280271180	18,721	18,221
IMARA SECONDARY SCHOOL	EQUITY BANK	1320285915365	743,198	-
MUKURU COMMUNITY CENTRE PMC	EQUITY BANK	13202809844325	532,468	553,043.
KWARE SECONDARY SCHOOL	EQUITY BANK	1320280271240	40,940	49,419
KWARE PRIMARY SCHOOL	EQUITY BANK	1320280275475	207,347	120,042
KWA NJENGA PRIMARY SCHOOL LIBRARY	EQUITY BANK	1320286196855	2,651	
GATOTO PRIMARY SCHOOL	EQUITY BANK	1320286518473	7,425	
EMBAKASI GIRLS	EQUITY BANK		65,140	65,140

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PMG	Bank	Account number	Bank Balance 2024/2025	Bank Balance 2023/2024
Total	EQUITY BANK		1,911,581	1,225,139

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)
AOG-ES-2023/2024-1	The financial statements reflects compensation of employees amount of Kshs.8,779,095, however, the ledger shows an amount of Kshs.8,781,679 resulting to an unreconciled variance of Kshs.2,584.	The management noted the difference and reconciled the variance	Resolved	
AOG-ES-2023/2024-2	The statement of assets and liabilities and statement of cash flows for the year ended 30 June 2024 as disclosed in Note 16 of the financial statements, reflects unsupported prior year	The management explained that this was due to stale cheques.however the management noted that there should be no un reconciled issues at the end of the year	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)
	adjustment of Kshs.9,082,240 on bank account balance whose nature and purpose has not been explained. Consequently, the validity of the adjustment could not be confirmed.			
AOG-ES-2023/2024-3	statement of appropriation reflects a final revenue budget of Kshs.375,021,106 against actual receipt of Kshs.266,047,005 resulting to budget under funding of Kshs.108,974,101 or approximately 29% of the budgeted funds. Under funding of the budget by the National Constituency Fund Board may	The management explained that this was due to late disbursement	Resolved	

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Reference No. on the external audit Report	Issue / Observations from Auditor	Management comments	Status: (Resolved / Not Resolved)	Timeframe: (Put a date when you expect the issue to be resolved)
	impact on Management's ability to implement planned projects hence affecting negatively the residents of Embakasi South NG CDF Constituency			
AOG-ES-2023/2024-4	During the year under review, the Embakasi South NG CDFNGCDF did not open and maintain a deposit account for holding third party monies as required by law.	This was noted and a deposit account opened.	Resolved	



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 Name

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Fund Account Manager.

